PART 3

Case Studies of Local Efforts to Mitigate Displacement in Gentrifying Neighborhoods
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To help inform Austin’s efforts to mitigate displacement in gentrifying areas, we developed three case studies of historically vulnerable neighborhoods where local efforts have focused on mitigating displacement in the face of rising housing costs and redevelopment pressures. The three areas we studied are the Guadalupe neighborhood in Austin, the Columbia Heights neighborhood in Washington, D.C., and Inner North/Northeast Portland, a group of neighborhoods in Portland, Oregon. Case study research involves understanding both the process of change and efforts to prevent displacement in context. This is particularly important since there is little systemic research on many of the policies that have been adopted. We also hope to raise awareness of innovative approaches being taken by cities around the country in this policy arena.

Two of the neighborhoods studied have multiple decades of experience addressing displacement in the face of gentrification. Through these particular case studies, we specifically sought to examine how efforts to address displacement evolve over time as neighborhoods enter different stages of gentrification. We also looked for approaches that have had the most positive outcomes, which approaches did not turn out as expected, and which approaches could have had more positive outcomes if implemented differently—now that leaders have the benefit of experience and hindsight.

The case studies also highlight what types of outcomes can be expected when concentrated efforts are made to address displacement in a particular neighborhood facing displacement pressures. As we found in our examination of case studies from around the country, no city with a robust job and housing market has eliminated the displacement of vulnerable persons. It is important for cities, advocates, and impacted communities seeking to tackle displacement amidst these larger economic pressures to understand the challenges in this arena and develop their own definition of what success looks like.

To select the neighborhoods to study, we spent several months researching possible candidates, focusing on the following criteria, understanding that not every potential case study candidate would meet all of them. They are neighborhoods:

1. That are in cities with hot job and housing markets and high population growth.
2. That have a historical concentration of persons of color and are undergoing gentrification, regardless of stage.
3. Where there have been on-going efforts concentrated at a neighborhood scale to address displacement.
4. That have utilized a diverse range of strategies and policies for mitigating displacement.
5. Where the majority of key tools utilized to address displacement are legal in Texas, given the Lone Star state’s heavy restrictions on city policymaking in this arena.
6. Where we have experience working, have conducted prior research, or have on-the-ground contacts involved in anti-displacement work.
7. Where cities have played a major role in leading or supporting displacement mitigation strategies.

After this review and many discussions among our research team, we eventually settled on the three neighborhoods we present here.

Each case study includes the historical and current context for the displacement mitigation work, an overview of key strategies and tools used to mitigate displacement; key challenges and issues confronted; and key takeaways. Drawing from all three case studies, we also developed a list of ten cross-cutting lessons for the City of Austin as it seeks to increase its efforts to address displacement in Austin neighborhoods.

We present here the ten cross-cutting lessons as well as two-page summary of each case study. The full case studies are available in Appendix 4.
10 Cross-Cutting Lessons for Cities from Three Gentrifying Neighborhoods:

Columbia Heights (Washington, D.C.),
Guadalupe Neighborhood (Austin, Texas),
Inner North/Northeast Portland (Portland, Oregon)

1. Make meaningful and robust community participation of those most affected by displacement a priority in the planning, implementation, and ongoing oversight of efforts to mitigate displacement.

2. Develop the capacity of tenants and other vulnerable groups so they can be active participants in implementing displacement mitigation strategies.

3. Intervene early.

4. Anticipate and include strategies for addressing displacement as part of public revitalization strategies and major infrastructure projects.

5. Develop comprehensive, community-driven, neighborhood-level strategies for mitigating displacement of vulnerable populations, with measurable goals and timelines for implementation.

6. Provide substantial levels of city funding dedicated to supporting neighborhood-level strategies for mitigating displacement of vulnerable populations.

7. Remove as much land from market pressures as possible, through mechanisms such as community land trusts, long-term affordability restrictions, and nonprofit and public ownership of land.

8. Develop a network of high capacity organizations to identify, coordinate, and act on opportunities to preserve affordable housing and prevent the displacement of vulnerable populations.

9. Develop realistic expectations of what constitutes success and the time to achieve your goals.

10. Long-term progress on mitigating displacement of vulnerable populations requires on-going support and engagement from elected officials, civic leaders, and residents, including those from impacted communities.
10 Cross-Cutting Lessons for Cities from Three Gentrifying Neighborhoods:

Columbia Heights (Washington, D.C.), Guadalupe Neighborhood (Austin, Texas), Inner North/Northeast Portland (Portland, Oregon)

1. Make meaningful and robust community participation by those most affected by displacement a priority in the planning, implementation, and on-going oversight of efforts to mitigate displacement.

Community voices should be incorporated throughout the development and implementation of displacement mitigation plans and strategies to ensure they are aligned with community needs. Effective engagement requires strong city efforts to reduce barriers to participation and to reach out to directly impacted residents, including those who have already been displaced. Active, on-going community oversight of a city’s displacement mitigation programs—such as the annual evaluations and routine development reviews conducted by the N/NE Portland Oversight Committee—brings critical transparency and accountability to the process.

2. Develop the capacity of tenants and other vulnerable groups so they can be active participants in implementing displacement mitigation strategies.

Building the capacity of tenants and other vulnerable groups is critical to the implementation of many important displacement mitigation strategies, including resident purchases of mobile home parks and apartment complexes and the creation of community development corporations. City support for capacity building includes funding organizing and technical assistance. Enhanced legal protections for vulnerable tenants—whether at a city or state level—such as strong protections from retaliation, a right to purchase, and a right to organize, are also important.

D.C.’s strong tenant protections, with enforcement support by the Office of Tenant Advocacy ($820,000 budget), along with city funding for tenant organizing groups and technical assistance providers, have all been critical to the district’s preservation of apartments under D.C.’s Tenant Opportunity to Purchase Act. Much of the Guadalupe neighborhood’s success in mitigating displacement has arisen from the grassroots mobilization of residents who fought back against redevelopment in the neighborhood and the early support residents received to create a displacement mitigation plan and community development corporation. Both laid the foundation for decades of successful work to mitigate displacement of vulnerable residents in the neighborhood.

3. Intervene early.

As gentrification picks up steam in a neighborhood, it becomes much more difficult to feasibly acquire properties for the preservation and construction of affordable housing. For neighborhoods that are susceptible to gentrification or in the very early stages of gentrifying, it can be hard to envision the rapid rise in property values that will come in later stages of gentrification. But buying land and housing in this early period gives cities, community development organizations, and residents more capacity to mitigate displacement when change does come. For example, Guadalupe neighborhood’s affordable housing inventory is almost all located on land that was acquired before gentrification picked up steam in the neighborhood, and a large portion of the affordable housing in Columbia Heights is subsidized housing that was built prior to the neighborhood’s gentrification.
4. **Anticipate and include strategies for addressing displacement as part of public revitalization strategies and major infrastructure projects.**

In some neighborhoods, the shift from the need for revitalization to the need for anti-displacement measures can occur quickly. When a city institutes revitalization programs or otherwise makes significant investments in a community, such as new transit infrastructure, it should anticipate displacement and incorporate affordable preservation and other displacement mitigation strategies into those plans up front, rather than reacting to this need later on.

In both Columbia Heights (D.C.) and Inner North/Northeast (Portland), for example, if displacement mitigation strategies had been integrated from the beginning of the cities’ revitalization strategies, many more affordable units could have been preserved and fewer vulnerable residents impacted. If a city has not addressed displacement up front, it should engage in active monitoring of how its investments are impacting vulnerable residents and be prepared to act quickly to adapt or revamp its strategies. When displacement accelerated in N/NE Portland, for example, the city redirected its tax increment finance funds from economic development towards a comprehensive anti-displacement strategy.

5. **Develop comprehensive, community-driven, neighborhood-level strategies for mitigating displacement of vulnerable populations, with measurable goals and timelines for implementation.**

Displacement mitigation strategies and outcomes should be in clear alignment with community needs and priorities. Having a plan that includes specific goals and timelines also allows for greater accountability and oversight over a city's progress towards addressing displacement.

Efforts to mitigate displacement in the Guadalupe neighborhood of Austin have been anchored in the community, beginning with a community-generated plan and actionable strategies for addressing displacement and preserving the neighborhood. The N/NE Portland Neighborhood Housing Strategy was likewise developed with robust community input and provides specific targets, strategies, and goals to address displacement in a defined geographical area.

6. **Provide substantial levels of city funding dedicated to supporting neighborhood-level strategies for mitigating displacement of vulnerable populations.**

The implementation of a neighborhood-level displacement mitigation strategy at a scale large enough to have a systemic impact requires levels of financial commitment equivalent to or greater than city investments in transportation and other important civic endeavors. This typically means having access to on-going funds that do not come out of a city's general fund, which is subject to annual budget battles.

Producing and preserving affordable housing at scale, like widening freeways or building regional parks, is an undertaking whose costs are often startling to laypeople. For instance, in the absence of oversubscribed federal subsidies, city contributions in the range of $150,000 to $300,000 or more are required for each new affordable housing unit preserved or built in a gentrifying neighborhood for low-income families, with the exact amount depending on the local housing market, a neighborhood’s stage of gentrification, the income levels of families served, and type of housing product. Programs that serve the most vulnerable residents of a community require the greatest levels of investment.

In Columbia Heights, $48 million in investments from the D.C. Housing Production Trust Fund since 2001 has supported the creation and preservation of 321 units, a subsidy of close to $150,000 per unit. The District’s current mayor has committed $100 million per year to D.C.’s Housing Production Trust Fund (HPTF)—the largest such commitment by a city in the United
States. The City of Portland is funding implementation of the N/NE Portland Neighborhood Housing Strategy with $100 million in tax increment financing over a six-year period, an average of $17 million a year.

7. **Remove as much land from market pressures as possible, through mechanisms such as community land trusts, long-term affordability restrictions, and nonprofit and public ownership of land.**

Acting early to take land out of the speculative real estate market protects precious public investments in affordable housing and ensures opportunities for future generations of low-income residents to live in a gentrifying neighborhood. Stewardship of affordable housing investments is best achieved through community and public ownership of affordable housing developments and the land underneath the homes, but long-term deed restrictions also help insure that land remains available for affordable housing for generations.

Guadalupe Neighborhood Development Corporation’s (GNDC) early affordable homes were sold with rights of first refusal but without caps on the resale price. After gentrification intensified, GNDC could not afford to exercise its right of refusal on these homes and several were re-sold at market prices far exceeding what a low-income family could afford. Today, GNDC’s leaders regret that they did not utilize stronger affordability protections in those earlier home sales, and the organization now uses the community land trust model exclusively for its homeownership units. Another benefit of community ownership of land—such as GNDC’s “four corners strategy” of acquiring as many lots as possible on each corner of each neighborhood block—is that the ownership provides residents with stronger control over future redevelopment.

8. **Develop a network of high capacity organizations to identify, coordinate, and act on opportunities to preserve affordable housing and prevent the displacement of vulnerable populations.**

Essential to a robust affordable housing preservation initiative is having a coordinated network of preservation groups and other stakeholders who meet regularly to closely monitor at-risk affordable rental properties and collaborate on proactive preservation interventions. Effective monitoring includes creating and actively updating a database of at-risk properties that incorporates detailed information about properties’ expiring subsidies, habitability, and code violations, and other indicators of vulnerability. The D.C. Preservation Network (DCPN), one of the best national models for affordable housing preservation, has become a critical forum for D.C. preservation groups to share information and resources, track at-risk buildings, and coordinate preservation efforts. A comprehensive database should focus not only on properties with expiring subsidies but also those in disrepair.

As an example of what is at stake, Austin is in the process of losing at least three apartment developments in the Low Income Housing Tax Credit program (two of them in or near the gentrifying Montopolis neighborhood), but early tracking and intervention in these properties could have resulted in their preservation. Instead, the properties are on track to convert to market rents or be demolished. Replacing these 740 affordable units will require a bare minimum of $70 million in public funding (for rents at 60 percent of the median income; more subsidy would be required to serve lower-income families).
9. Develop realistic expectations of what constitutes success and the time to achieve your goals.

Even with large-scale, concentrated investments in a neighborhood to mitigate residential displacement, it is next to impossible to entirely eliminate displacement in the face of market pressures. Once limited to a select few cities on the coasts, “inversion”—or the increase in demand among the well-off for housing in or near the centers of cities, as distinct from their previous preference for outlying areas—has taken firm hold in most U.S. metropolitan areas. Even long-depressed cities such as Detroit, St. Louis, and Cleveland are now experiencing startling increases in property values and reductions in vacancy rates in their downtowns and certain nearby neighborhoods. In a city such as Austin, which has experienced more economic and job growth over the past 40 years than almost any other city in the U.S., the forces fueling gentrification and displacement are intense and at present show no signs of abating.

The difficult fact is that, unlike in other areas of city planning and management, such as transportation or open space, “model cities” that stand out as clear inspirations to follow in reducing residential displacement in the face of market pressures are difficult to find. This is because the broader forces fueling both inversion at the regional scale and gentrification in particular neighborhoods are largely out of the control of local elected officials. Success, if it is achieved, will take years of public and private sector focus on comprehensive displacement mitigation strategies—and will likely take the form of reducing and mitigating, rather than altogether halting, residential displacement. Local officials have to set realistic expectations for what can be achieved, the resources that need to be invested to substantially reduce displacement, and how long it will take for real results to manifest themselves.

10. Long-term progress on mitigating displacement of vulnerable populations requires on-going support and engagement from elected officials, civic leaders, and residents, including those from impacted communities.

Even though residential displacement that arises as a consequence of inversion and gentrification cannot be entirely eliminated, displacement can be meaningfully mitigated with a multipronged, sustained effort pursued over decades by local stakeholders, as shown by the outcomes in the Guadalupe Neighborhood and Columbia Heights. As with these two neighborhoods, reducing displacement requires a willingness to mix and match a variety of strategies, and to proceed simultaneously on a variety of fronts. And citizens and elected officials have to be willing to support new and unfamiliar approaches, as well as to drastically scale up those that are already achieving results.

To build the political and financial will that are essential to a large-scale displacement mitigation program, elected officials and community leaders also need to invest time and effort in educating the general public on the level of effort and financial commitment required to realize affordable housing production and to enact other anti-displacement measures. Community leaders and residents also have a critical role to play in these efforts by calling attention to the injustices of displacement, holding city leaders accountable at the ballot box, and providing on-going oversight of city investments to ensure they are responsive to community needs.
Columbia Heights

A Case Study of Affordable Rental Housing Preservation and Tenant Ownership in the Face of Large-Scale Displacement Pressures

Overview

Columbia Heights is a historically African-American neighborhood in Washington, D.C., located near Howard University. The neighborhood suffered heavy damage during the 1968 riots following the death of Martin Luther King, Jr., and experienced disinvestment and population loss that lasted into the 1990s. In 1996, the District of Columbia began to implement a series of economic development projects to transform Columbia Heights, including a new subway stop. While the public investment strategies were a successful catalyst for bringing in new development and residents, the changes led to intense displacement pressures for longtime residents. In 2012, Columbia Heights was named one of the fastest-gentrifying neighborhoods in the country, and today, the bulk of housing in the neighborhood is well beyond the means of low-income residents of color.

Despite the transformation of Columbia Heights, today approximately 22 percent of the housing units in the neighborhood are restricted for low-income renters, as a result of a heavy concentration of subsidized housing that was built before the neighborhood’s gentrification, along with several key strategies and tools. Since 2001, hundreds of affordable homes in Columbia Heights have been created and preserved and many buildings are owned by former tenants, thanks to D.C.’s tenant protection laws; robust funding; and a high-capacity network of tenant organizing groups, nonprofit developers, technical assistance providers, and other stakeholders. While displacement pressures are still a threat in the neighborhood, the level of affordable housing preserved—in the face of such rapidly-rising housing costs—is significant.

Key Strategies & Tools

1. **The Tenant Opportunity to Purchase Act.** D.C.’s Tenant Opportunity to Purchase Act (TOPA) gives tenants a right to purchase when their landlord attempts to sell their property. TOPA has been a critical legal backstop for the city’s preservation efforts, coupled with the strategies below. Many buildings purchased under TOPA have become limited equity cooperatives owned by the former tenants.

2. **Major dedicated funding.** D.C. dedicates large levels of funding for affordable housing preservation and production. The district’s current mayor has committed $100 million per year to the D.C. Housing Production Trust Fund (HPTF)—the largest such commitment by a city in the United States.

3. **Coordinated tenant organizing & support network.** A proactive, fast-acting housing preservation network has evolved in D.C. since the 1970s, providing robust technical and legal assistance, tenant organizing, and coordination to preserve affordable apartments. The D.C. Preservation Network (DCPN) has become a critical forum for preservation groups to share information and resources, track at-risk buildings, and coordinate preservation efforts.
### Challenges

- Preserving affordable housing for Columbia Heights’ lowest-income residents has been an ongoing challenge, requiring deep acquisition and operational subsidies.
- Opponents of TOPA have argued that the law contains loopholes enabling tenants to drag out the TOPA process and extract payments from landlords in exchange for waiving their purchase rights.
- African-American residents with historical ties to the neighborhood have voiced concerns about feeling like strangers in their own neighborhood as a result of the type of redevelopment occurring and the changing neighborhood demographics.

### Outcomes

- Close to 3,000 affordable units restricted in Columbia Heights for low-income households (22% of all housing units).
- 318 affordable rental units in 12 multifamily buildings created or preserved in the neighborhood from 2001 to 2016 through D.C.’s Housing Preservation Trust Fund.
- At least 398 housing units in the neighborhood are limited equity cooperatives, allowing low-income tenants to own their units.
- Average trust fund investment per unit in Columbia Heights (2001-2016): $145,000.

### Takeaways

1. **Incorporate residential displacement mitigation strategies into initial redevelopment plans.** In Columbia Heights, the shift from “needing to revitalize” the neighborhood to “needing to preserve affordable housing” happened very quickly. Once gentrification picks up steam, preservation efforts become much more difficult.
2. **Develop a network of high capacity preservation actors.** A coordinated infrastructure of high-capacity preservation groups that can move with agility and speed is essential to preserving existing affordable rental housing.
3. **Invest in tenant organizing.** Organizing and linking tenants with a committed network of support is also crucial. Tenant voice and power is critical to well-targeted policies.
4. **Provide a legal mechanism that supports tenants’ ability to purchase their apartment complexes, including adequate notice and time to complete the purchase.** D.C.’s Tenant Opportunity to Purchase Act (TOPA), by providing tenants with a right to purchase their units when sold and adequate time to complete the purchase, shifts power to tenants and provides a critical legal backstop for preventing displacement of current renters and disincentivizing inequitable redevelopment.
5. **City council and municipal leadership is critical.** Elected officials committed to affordability and mitigating displacement are critical for successful preservation of affordable housing. D.C.’s progressive early councils were deeply committed to affordable housing preservation, which led to TOPA, creation of funding streams, and a large roster of tenant support organizations.
6. **Substantial, dedicated funding is necessary.** Preservation at a scale large enough to be meaningful requires large levels of dedicated funding.
Overview

The Guadalupe neighborhood is located just east of Austin’s Central Business District, bounded by Interstate Highway 35. The neighborhood, which comprises less than one-fifth a square mile and approximately 14 blocks, was historically a community of color, with a predominantly Mexican-American population. Through the 1970s and 1980s, the area suffered from rapid deterioration, population loss, and large-scale redevelopment pressures. At that time, of the area’s 170 single-family homes, over half were in substandard condition.

In 1979, Austin leaders made plans to expand the French Legation in the neighborhood, which would have displaced at least 11 families. Residents rallied to block the expansion and successfully lobbied the city council to redirect federal block grant funds to support a new community-generated development plan for Guadalupe. To implement the plan, neighborhood leaders formed the Guadalupe Neighborhood Development Corporation (GNDC), which has become a pioneer in its diverse deployment of community-driven strategies over the past 35-plus years to mitigate the displacement of vulnerable residents.

Today, even though Guadalupe is now in the dynamic stage of gentrification, with a growing share of million-dollar homes, neighborhood leaders have successfully preserved the residential character of the neighborhood while creating a legacy of affordable housing that is under long-term community control for low-income residents with ties to the area.

Key Strategies & Tools

1. **Community development corporation.** The Guadalupe Neighborhood Development Corporation, created and governed by leaders from the neighborhood, has been integral to the success of the neighborhood’s displacement mitigation programs.

2. **Early and strategic land acquisition.** In GNDC’s early years, the organization purchased vacant properties in strategic locations on as many blocks as possible—for long-term control and to bar assembly for commercial redevelopment. GNDC became a large property owner in the area providing additional clout in zoning battles. Buying lots early was also smart from an affordability perspective: In the 1980s, the average lot price was $5,000; today full lots sell for $500,000 to $650,000.

3. **Preference policy.** Low-income residents and former residents with historical ties to the two zip codes served by GNDC receive priority placement on GNDC’s long waiting list for affordable rental and homeownership opportunities.

4. **Community land trust.** GNDC created the first community land trust in Texas to provide for homeownership that is permanently affordable. GNDC maintains ownership of the land, while the family obtains a mortgage to purchase the home. A fixed rate of appreciation ensures that CLT homes can be resold at affordable prices, while allowing owners to recoup their investment and build additional equity.
5. **Property tax breaks for permanently affordable properties.** GNDC has led efforts at the Texas Legislature and the local appraisal district to reduce property taxes on community land trust and other income-restricted homes—ensuring that these homes remain affordable for the low-income families renting or purchasing them.

6. **Creative utilization of infill properties.** Since purchasing lots is no longer feasible in Guadalupe, GNDC has become an innovator in Austin in developing affordable accessory dwelling units on lots that can support a second unit.

### Challenges

Guadalupe neighborhood’s initial challenges in mitigating displacement of vulnerable residents included large-scale zoning changes that precipitated the loss of homes in the neighborhood. GNDC and neighborhood association leaders had deep-seated disagreements with African-American leaders in the area over the commercialization of the neighborhood, and the groups worked largely in silos. More recently, high land values have made new lot acquisition for affordable housing infeasible within the neighborhood.

### Outcomes

- 91 long-term affordable units under community control in Guadalupe, including 26 units underway (out of 170 total homes in the neighborhood in 1980, when GNDC’s displacement-mitigation work began)
  - Average rent of GNDC units: $583; average income of GNDC renters: $28,700
- 8 affordable homeownership units, including the first CLT home in Texas

### Takeaways

1. **Develop and implement a community-driven, neighborhood-level strategy for mitigating displacement of vulnerable residents.** Efforts to mitigate displacement in Guadalupe have continually been anchored in the community, beginning with a community-generated plan and a community development corporation governed by widely-respected neighborhood leaders with social and political capital.

2. **Intervene early to acquire permanent control of land.** Acquire as much land as possible early on; as gentrification picks up steam in a neighborhood it becomes much more difficult to feasibly acquire properties for affordable housing.

3. **For homeownership units, restrict resale price using a shared equity model to ensure permanent affordability of the units for future generations of residents.** GNDC’s earlier homes were sold without caps on the resale price, and several have since been resold at market prices beyond the means of other low-income families.

4. **Invest in capacity building and technical assistance.** Funding for program administration and early technical assistance have been key to GNDC’s displacement mitigation work. GNDC’s early investment in rental housing with little or no debt has generated a critical stream of income to help fund the organization’s administrative operations, allowing the organization to expand its capacity and impact over time.

5. **Adapt strategies to changing conditions in the neighborhood.** The strategies utilized in Guadalupe to address gentrification have evolved over time, in response to neighborhood changes, newly available tools, and lessons learned from prior work.
Overview

The inner neighborhoods of North and Northeast Portland (N/NE Portland) were once home to 80 percent of Portland’s black community. Following decades of disinvestment, subsequent urban renewal, and large-scale public and private investment projects, the area has been rapidly gentrifying, with rising housing costs and large-scale loss of African Americans. Since 2000, the area has lost close to 8,000 black residents—more than half the area’s black population.

In 2013, mounting tensions in the community over gentrification and publicly-financed economic development in the area came to a head over the proposed use of prime public land and tax increment financing (TIF) for a development anchored by a Trader Joe’s grocery store. Local African-American leaders organized protests of the new development and succeeded in getting the City to revamp its investment strategy in the community, shifting $100 million towards mitigating displacement of low-income residents in Inner N/NE Portland. Responding to the community’s concerns, the City of Portland, anchored by ongoing active community involvement and a community-driven plan, has been deploying a number of innovative strategies and tools for addressing displacement in the area.

Key Strategies & Tools

1. **N/NE Neighborhood Housing Strategy.** A five-year, community-driven plan for expanding affordable housing opportunities and preventing displacement in Inner N/NE Portland. The plan utilizes several different affordable housing strategies including rental repairs, land acquisition, and new homeownership and rental housing, and identifies specific timeframes and measurable goals to track progress.

2. **Dedicated TIF funding.** Implementation of the N/NE Neighborhood Housing Strategy was originally funded with $20 million in dedicated tax increment financing (TIF). Since then, the City’s financial commitment to mitigating displacement in the area has grown to more than $100 million in TIF funds to be invested over a six-year period.

3. **Community Oversight Committee.** The N/NE Portland Oversight Committee oversees the City’s implementation of the N/NE Neighborhood Housing Strategy. The committee’s work includes providing input on development projects in the area, monitoring the City’s progress towards benchmarks in the Housing Strategy, and issuing an annual report to the City Council. The Oversight Committee is meant to represent and be responsive to the community. It is made up of trusted community leaders, topic area experts, and directly impacted community members.

4. **Preference Policy.** The Housing Strategy provides priority placement in subsidized housing units in N/NE Portland to residents with generational ties to N/NE Portland who were displaced or are at risk of displacement from areas where prior city plans had a destabilizing impact on long-term residents. Priority preference is given to households and their descendants who own property lost through urban renewal.
Challenges

Portland’s Down Payment Assistance Loan Program for helping low-income, first-time homebuyers in N/NE Portland served only four families from 2015 through 2017, despite a goal of serving 40 households. With market home prices at $400,000, homeownership is out of reach for most low-income households, even with individual assistance of $100,000.

The Preference Policy does not create affordable housing, and so its success is dependent on the availability of affordable housing stock. In 2016, 1,000 households applied through the preference policy program for 65 homeownership slots.

The focus on mitigating displacement in N/NE Portland is fairly new, and it is still too early to tell how successful different strategies will be. However, the Oversight Committee already has a successful track record of providing transparency and accountability to the City’s anti-displacement programs in N/NE Portland, closely monitoring the City’s programs, and identifying barriers and challenges as well as opportunities for improvement.

Outcomes Since 2015

• New affordable rental housing (on line or in development): 350+ units in 7 multifamily developments
• Average city investment (TIF funds) per new affordable rental unit (2016): $64,755
• Homeownership units repaired: 326+

Takeaways

1. **Develop a community-driven, comprehensive, neighborhood-level strategy to address residential displacement for vulnerable residents.** Align the strategy with community needs, be clear about goals, and be transparent in assessing outcomes.

2. **Back community strategies with substantial, dedicated funding.** Preservation at a scale large enough to be meaningful requires large levels of dedicated funding.

3. **Prioritize meaningful community participation.** Take it seriously. This requires an assertive effort to reduce barriers to participation and reach out to directly impacted current and former residents. Community voices should be incorporated into every step of the planning process. Strategies and outcomes should be in clear and demonstrable alignment with community needs and priorities.

4. **Incorporate community-responsive oversight into mitigation displacement and affordable housing preservation plans.** An oversight committee provides critical transparency and accountability in strategy implementation and outcomes. Oversight leadership should be trusted and well-respected by the community and responsive to the community’s needs.

5. **Affordable homeownership for low-income families is difficult to achieve in hot market neighborhoods.** To make homeownership affordable in markets where median housing prices vastly exceed what households earning the median family income can afford, cities have to be willing to support the units with very large subsidies.