**Camp session:** Displacement

**Date:** Wednesday

**Leader:** John Cruz

**Note taker:** Cole Campbell

* John – I pitched this session because Boston is dealing with many displacement issues due to the redevelopment of existing subsidized and public housing. The best-case scenario is that people get displaced throughout Massachusetts due to the lottery system. Even for those who are promised the option to return once the development is finished, it’s still hard to move, and people’s lives are upended. I’m curious to see strategies and conversations around displacement in other cities.
* Emma Kern – Displacement in Hawaii is a major issue. Prices are comparable to NYC, but many jobs are in construction, retail, and tourism. A very acute issue is the recent wildfires that have flattened entire cities, so rebuilding is essential. There’s a focus on keeping “Lahaina lands in Lahaina hands,” but often, locals are the first to get pushed out. There’s a push for community land trusts (CLTs). There’s also discussion around not returning Lahaina to its previous state, as it was very tourism-driven and had been pricing people out.
  + Michelle Zhang – I’m interested in CLTs because in Toronto, there’s limited supply, with three major land trusts and a few more starting up. One is in Parkdale, a rapidly gentrifying area where the community wanted to buy up as much land as possible before developers could. Another is in Kensington, where they’re running a community bond program to raise funds to purchase lots and develop housing projects. The third is in Chinatown, protecting an area with many immigrants, including many elderly residents running small businesses, often involving informal labor.
    - The city of Toronto has also experimented with developing mixed-income communities, but it’s somewhat controversial. Canadian cities can’t raise money independently, so they sold land to developers, allowing them to build market-rate condos on part of it, with affordable housing on the remainder. Social impacts are debatable, and it’s uncertain whether the right of return was effectively maintained or whether communities integrated socially. Not everyone returned.
* Hayley Raetz – It’s challenging to track dislocation at the individual level. People sometimes have adverse incentives against honestly reporting household size, such as individuals with felonies. Even determining the number of residents in public housing is difficult, with a high margin of error.
* John – Many places lack land to sell, so they focus on keeping developers at bay.
* Michelle – We recently mandated a certain number of affordable units in new developments, but affordability limits are suboptimal, such as 80% AMI.
* John – Most of our municipalities lack a legislative body and operate as direct democracies, where everyone votes on each issue once a year. They need approval from the general populace to sell land for affordable development, and there’s limited appetite for it.
* Hayley – New York has mandatory inclusionary zoning (IZ) and tax exemptions for LIHTC developments. The structure of these programs aims to create deeper levels of affordability across various city markets.
  + John – I don’t think Massachusetts has many LIHTC projects outside of Boston proper.
  + Michelle – In Toronto, developers struggle to build affordable developments because the finances don’t add up. One initiative, Housing Now by CreateTO, involves developing housing on vacant lots, which may be one of the only current initiatives.
  + Hayley – We commissioned a series of papers and found that in Seattle, IZ actually suppressed housing development due to program structure. Would this apply to a city-wide IZ policy? It depends on the market. In a place like Seattle, some affordable development could still happen. IZ can work in certain contexts, but the pro forma analysis is essential.
* Shannon – Vacancy rates in New Haven are extremely low. The west side, historically cut off by transportation infrastructure, is seeing new developments that have displaced many residents. The city is working to make the area more walkable, but there’s tension as some residents feel this improvement comes only after POC residents have been displaced.
  + The tenants’ union has been very active. New Haven has had a fair rent commission since the 1980s (the first in Connecticut), and now all towns over 50,000 residents must have one. The goal is to prevent arbitrary rent increases by landlords. The commission reviews rent hikes to determine if they’re reasonable based on various factors, but the laws sound vague and encourage landlords to aim high since they have to meet the middle regardless.
  + The fair rent commission serves as a backstop to our good-cause law, which only protects disabled individuals and people over 62.
* John – Developers are very risk-averse and tend to avoid projects that aren’t guaranteed to succeed.
  + Hayley – This is due to investors’ money being involved. Unlike VC capital, they’re competing against bonds.
* Hayley – In New York, only a few insurers will cover Section 8 housing. To address this, some affordable developers have co-insured each other, pooling their resources.
* John – A recurring problem is that residents are often only willing to vote for affordable housing within their own municipality.
* Hayley – Source of income (SOI) protections are helpful, though enforcement remains an issue. Some nonprofits send people to pose as tenants to catch brokers and landlords who discriminate against Section 8 recipients, sometimes leading to class-action lawsuits. In our SOI research, we found less discrimination in areas with SOI protections.
* Hayley – Anti-displacement measures for owners are a focus in NYC, which is pushing through its first comprehensive rezoning in 60 years. This includes areas with lower-income owners, POC owners, and low-cash owners, but there’s concern that rezoning will attract speculators to start pressuring residents to sell.