

# Transit Oriented Development that's Healthy, Green & Just:

*Ensuring Transit Investment  
in Seattle's Rainier Valley  
Builds Communities Where  
All Families Thrive*

**May 2012**





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Ensuring Transit Investment in Seattle's Rainier Valley  
Builds Communities Where All Families Thrive



Photos by Carina A. del Rosario



**May 2012**

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## **About Us**

Puget Sound Sage works to promote good jobs, quality employment opportunities, a cleaner environment and affordable housing for low/moderate income families in the Seattle metropolitan area. Our mission is to ensure that all families benefit from economic growth, and that local and regional policy decisions meet the social and environmental needs of our communities.



# FOREWORD

**By Ron Sims**

*Former Deputy Secretary of the Department of Housing and Urban Development*

Transportation systems profoundly impact nations, cities, and neighborhoods. In more recent years, transit oriented development (TOD), the creation of compact, livable and walkable communities near public transit centers, has become a promising trend. While its design encourages less auto use and promotes healthy communities, TOD has also produced unintended consequences – the displacement of low-income residents and communities of color. In Seattle's Rainier Valley, TOD may threaten community stability. This report highlights the necessity of placing a high value on racial justice outcomes when planning for transit oriented development.

At the conclusion of World War II, the United States celebrated the most stunning economic expansion in human history. The country's unprecedented investments in its transportation systems redefined cities and connected economic spheres. People, goods, and services moved easily along an elaborate national network of roadways, highways and metropolitan arterials. The nation's economy grew. Homeownership expanded. But so did sprawl and environmental degradation; and a widening of the economic and social divide.

In Seattle, like many other cities, racial and ethnic covenants on property dictated who could own homes. Seattle became a segregated community by race and class. It fundamentally remains so today.

Under Presidents Clinton and Obama, the federal government has insured that investments in transit systems take place where poor people and people of color live. But without specific and direct action by Seattle, the poor will not be the beneficiaries of TOD. Specific investments directed to keep Seattle's neighborhoods integrated by race and classes are required.

This report calls for policy actions that protect the poor. It calls for the promotion of stable, mixed-income communities with access to good jobs. It advocates for stability in communities of color, not for displacement. It calls for a commitment to moving racial justice to the center of TOD planning. Let us heed its call.



# EXECUTIVE SUMMARY

As the Puget Sound region invests billions in a new light rail system, many stakeholders, including community leaders, workers, equity advocates and planners, are asking – who will benefit? Will the advantages of living along light rail be shared by households of all incomes and people of all races and ethnicities?

Transit oriented development (TOD), holds tremendous promise and opportunity for communities of color and low-income households. But, strong evidence of gentrification and the threat of displacement in Seattle's Rainier Valley, accelerated by the light rail, threaten to undermine this promise. Rainier Valley represents one of the most racially diverse areas in the Puget Sound and is also one of the first communities to receive light rail.

Ensuring that TOD results in real equity outcomes requires a sharp focus on what equity means and a steady determination to achieve those outcomes. By including a racial justice framework in TOD planning and policy in Rainier Valley, and beyond, we can help break the cycle of historical disenfranchisement and institutional barriers to prosperity. TOD planning must tackle the threat of displacement head-on by addressing the structural challenges that place low-income people and communities of color at higher risk of being forced out. Furthermore, efforts to ensure racial equity in Rainier Valley must be proactive – we cannot wait until after displacement has taken place to act on the negative impacts of gentrification.

A strong commitment to racial equity will do more than address inequality. With mixed-income households able to remain in Rainier Valley neighborhoods, broader goals for regional sustainability and healthy communities will be met. Through racial equity outcomes, people of all incomes and races are able to choose to live in central, dense neighborhoods and can avoid perpetuating suburban sprawl and auto-centric living.

## SUMMARY OF FINDINGS

### **Large scale, irreversible gentrification will occur along the Southeast Seattle light rail corridor without immediate policy action.**

Demographic data reveal a clear trend of gentrification in Southeast Seattle over the last ten years.

- In King County, people of color grew 47%, while the white population shrank 2%.
- In Rainier Valley however, people of color only grew 5%, while the white population increased 17%.
- The percentage of households with children in Rainier Valley dropped 5%, but remained largely unchanged in the rest of Seattle.

### **The presence of light rail stations in Rainier Valley is likely to cause more gentrification.**

- Since construction of the light rail land values around the stations have increased dramatically.
- Evidence from other major urban areas shows that new light rail lines can accelerate gentrification.

### **Gentrification will likely lead to the displacement of existing people of color out of Rainier Valley.**

- Multiple factors make Rainier Valley households susceptible for displacement, including concentrated poverty, high numbers of renters, high rates of foreclosure, high unemployment, and over-representation in low-wage jobs.
- Gentrification driven displacement causes harm to communities and families, including high household cost burdens, threatened neighborhood identity, and poor health.

### **Progress towards the environmental goals of TOD could be substantially undermined if TOD serves primarily middle- and upper- income households.**

Rainier Valley residents facing displacement are more likely than in-moving residents to be regular transit riders while in-moving residents are more likely to be auto-oriented.

- National trends demonstrate that in-movers to gentrified TOD areas own cars at high rates.
- Existing Rainier Valley residents have low auto-ownership compared to the rest of the city.
- Furthermore, low-earning Rainier Valley residents use transit more frequently to get to work (23%) than their higher-earning neighbors (14%). They also use transit more frequently than low-earning residents throughout King County (13%) or high-earning workers (10%). This stark difference demonstrates that TOD gets the best transit ridership from ensuring low-earning workers can stay in transit rich neighborhoods like Rainier Valley.

### **Regardless of income, living outside of Seattle forces the majority of suburbanites into cars.**

- For example, suburban areas south of Rainier Valley, where most people of color have located over the last decade, enjoy less frequent and lower density transit service.
- The numbers of jobs accessible by public transportation decreases the farther workers live from the urban core. In Rainier Valley 56% of all jobs in the region are accessible by public transit in less than 90 minutes. However, further out in suburban Renton and Kent, this access drops to 40% and 37%, respectively.
- Low-wage, service sector jobs are dispersed throughout the region and often happen during non-typical 9 to 5 work hours making low-wage workers more likely to be auto-dependent.



**In order to generate the best possible environmental impacts, dense TOD should include people of all incomes.**

- New immigrants and people of color are the region's fastest growing populations.
- Unless TOD includes these groups, the region will miss an opportunity to focus new population growth in dense urban TOD rather than in the suburbs.

**Existing TOD tools fall short of racial equity.**

**Market-based and conventional TOD planning ignores job quality.**

- Most guidelines for TOD focus on building quality places for people to live in and not on ensuring quality jobs for people to work at.
- TOD planning that mentions equity tends to focus only on affordable housing.
- Few local governments make job quality an element of "livability".
- In transit areas, low-wage service sector jobs are growing faster than living wage jobs.

**TOD planning does not prioritize the needs of communities and families of color.**

- Rainier Valley small, locally-owned and culturally relevant businesses serve critical roles in stabilizing low-income communities of color, but currently face growing displacement pressures.
- New TOD projects cater primarily to upper-income tenants with families of one to three people.
- The importance of race in understanding and providing communities roots often goes unaddressed in planning and development.
- Seattle has insufficient tools and resources to actualize Rainier Valley neighborhood plans generated through community planning processes.

## **RACIAL JUSTICE PRINCIPLES FOR TOD PLANNING**

Puget Sound Sage advances the following principles to inform planning and public policy designed to encourage TOD in Rainier Valley. This list should not be viewed as comprehensive, but a starting point to deepen public and private sector commitment to incorporating racial justice into TOD initiatives.

**1. Existing Rainier Valley residents should benefit from TOD investment and be able to thrive in place.**

Gentrification, with racial equity at the forefront, can become a force for economic opportunity and new investment in Rainier Valley, not a force for the displacement of people of color out of Seattle. Consequently, people of color who have long awaited investment and quality infrastructure in their neighborhood can reap the benefits of jobs, housing, business opportunities, and healthy communities generated by TOD.

**2. Creating quality jobs for Rainier Valley residents should be elevated as an equity strategy equivalent to creating low-income housing.**

Transit-oriented development must go beyond just making great places for people to live; it must connect people to jobs that allow them to live and stay in those great places. Low- and moderate-income people in Rainier Valley should have access to family-supporting jobs that pay living wages, provide benefits and create long-term economic security. This includes both construction jobs as TOD occurs and permanent jobs accessible via public transportation all along the light rail corridor.

**3. Affordable housing should be incorporated into TOD that meets the needs of low-income families and communities of color and scales to create adequate opportunity.**

Sufficient units at all levels of affordability will be needed to provide housing for both existing residents before displacement occurs and new people of color already priced out of Seattle. Also, existing Rainier Valley residents need different housing products than those typically created by for-profit development, i.e., studio and one-bedroom units. TOD in the Valley should include larger-sized units to house children and multi-generational families. Finally, policies and programs that create longer-term affordability should be favored.

**4. Community-serving institutions and businesses are needed to stabilize existing low-income communities of color as gentrification occurs.**

Helping local institutions and businesses resist displacement pressures is as critical to maintaining existing communities of color in place as keeping the residents they serve. Affordable commercial space should be prioritized in TOD and surrounding areas for community centers, cultural centers, service providers and culturally relevant businesses.

**5. Racial equity outcomes, not racial diversity goals, should drive TOD planning.**

Southeast Seattle neighborhoods should remain majority people of color. However, only by creating racial equity will diversity, which refers to the variety of race and ethnic groups, be able to continue in the Valley. (For example, the Central District today may look diverse on paper, but the majority of the historic, black-identified community no longer lives there.) Racial equity outcomes, in turn, can only be achieved when people of color are instrumental in determining priorities and making decisions.

## RECOMMENDATIONS

Many key regional agencies are on the right path. In the last few years, the City of Seattle and Puget Sound Regional Council have initiated planning processes that lift up the needed building blocks for racially equitable TOD along light rail corridors. In addition, the City, the Seattle Housing Authority and community-based non-profits, such as SEED, have already provided a foundation of permanently affordable housing in Southeast Seattle to build upon.

But this report reveals that existing efforts are likely to fall short of stemming the tide of displacement or realizing a vision that puts racial justice at the center of TOD planning. We have more to learn from other places and even from local successes. While we suggest mechanisms for creating new funding and lowering land costs, we do not suggest a specific action plan. The next step after this report will be for residents, particularly people of color, and other Rainier Valley stakeholders to determine what they need for their communities. Our recommendations include:

- Prioritize implementing the non-zoning components of the recently completed Neighborhood Plan Updates.
- Preserve affordable land now for community TOD goals as gentrification occurs.
- Maximize creation of local, high-quality jobs in TOD projects in Rainier Valley – including both short-term construction jobs and long-term, on-site jobs.
- Encourage higher job quality for low-wage industries prevalent at regional job centers along the new light rail system, including Downtown Seattle, First Hill and SeaTac Airport.
- Connect low-income workers of color in Rainier Valley to high quality jobs throughout the rail corridor.
- Ensure affordable childcare near transit stations to increase job security for working parents.
- Encourage family-sized units (2+ bedrooms) in market-based housing policy.
- Encourage development of units affordable to households making 30% to 60% of area median income (AMI) to provide needed housing for low-wage workers.
- Bring the City of Seattle's Incentive Zoning policy in-line with other US cities to generate more units and deeper affordability.
- Create a tax increment finance tool that generates revenue for low-income housing in TOD.
- Preserve existing, privately-owned multifamily buildings that serve low-income families.
- Use surplus property owned by Sound Transit to create affordable housing through joint-development projects.
- Expand the City's Neighborhood Equitable Transit Oriented Development (NET) Initiative to achieve scope and scale.
- Support and promote community-controlled development as a primary strategy to stabilize Rainier Valley residents.
- Include communities of color who are stakeholders in TOD planning and policy to be part of decision-making in order to achieve racial equity outcomes.
- Local governments and elected officials should support and promote the use of stakeholder-led agreements with developers, such as Community Benefits Agreements and Community Workforce Agreements.



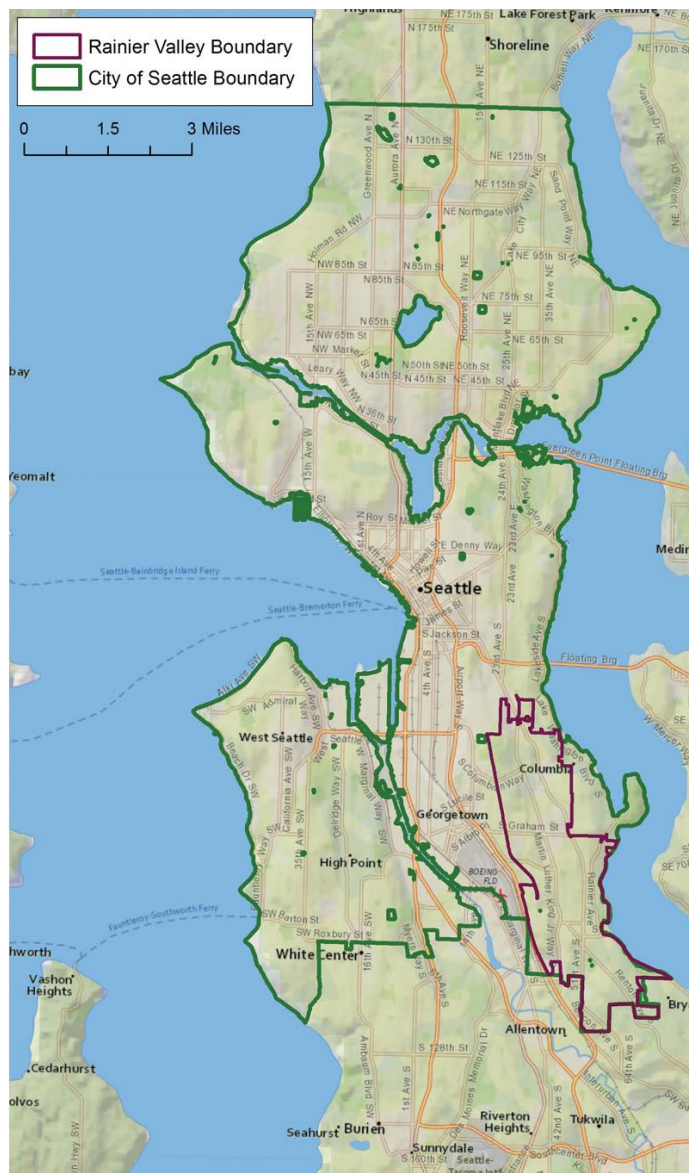
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# INTRODUCTION

Transit oriented development (TOD) has emerged over the last two decades as a core planning model to increase sustainability at the community and regional level. At its simplest, TOD increases the number of people that can walk or bike to public transit and at the same time decreases auto use. In Washington State, many public officials have embraced TOD as a tool for preserving natural resources, decreasing the carbon footprint of urban areas and promoting healthy communities.

**Figure 1:**  
**Authors' Definition of Rainier Valley**



*“The cultural diversity of Rainier Valley is well-known, but income diversity has also contributed to our vibrant neighborhoods. It’s a great place to raise kids, and build community. We need to make sure our neighborhood’s rich, multi-cultural legacy continues to grow and thrive for decades to come, and for that we need bold community and political leadership and vision.”*

— **Gregory Davis**, Executive Director,  
Rainier Beach Community Empowerment Coalition



Photo by Ashley Haugen

Unfortunately, the historic record for Federal and local government urban policy is marked by frequent discrimination toward and exclusion of people of color and low-income households. Although most proponents agree that the benefits of TOD should be shared by people of all incomes, ethnicities, and races, examples of TOD that successfully incorporate low-income communities and communities of color in the region are few.

Seattle's Rainier Valley, located in the southeast region of the city, represents the most racially diverse area in the Puget Sound and is also one of the first communities to receive a light rail line (see Figure 1).<sup>1</sup> Finished in 2009, the Central Link light rail makes 13 stops and stretches 15.7 miles from SeaTac airport through Rainier Valley to Downtown Seattle. Sound Transit, the region's commuter transit agency, spent \$2.71 billion to construct the first phase of Central Link.<sup>2</sup> Since the construction of the light rail, both public and private investments have begun to take hold in this long under-invested community. As a result, Rainier Valley has become the region's testing ground for the promise of TOD. However, many local leaders are deeply worried that Rainier Valley will be next on the list of Seattle's displaced communities.

The purpose of this report is to explore the adequacy of existing TOD planning and policy tools for rooting low-income communities of color in Southeast Seattle. In order to accomplish this goal we employ a racial justice framework (see Sidebar, page 5). Using a racial justice framework helps us form questions about equity that make explicit the race bias in patterns of urban development and target planning and policy solutions to address that bias. Throughout the report the terms equity, racial equity and racial justice are used interchangeably. In this respect these terms can be understood to mean fairness.

Rainier Valley encompasses the few Seattle neighborhoods in which people of color form the majority of residents and is considered by many to be one of the most diverse zip codes in the country.<sup>3</sup> People of color make up 77% of all Rainier Valley residents while in the rest of Seattle, people of color make up only 26% of all residents.<sup>4</sup> There is also significant diversity among people of color (see Figure 2).

Fifty-seven percent (57%) of Rainier Valley households speak a language other than English at home, with over 40 languages represented.<sup>5</sup> Major ethnic

**Table 1:**  
**Rainier Valley Residents Earn Less than Seattle Residents**

ANNUAL EARNINGS	Seattle w/o Rainier Valley		Rainier Valley	
	Count	Percentage	Count	Percentage
Less than \$30,000	36,400	16%	6,184	39%
\$30,000 – \$65,000	87,123	38%	6,963	44%
More than \$65,000	106,107	46%	2,853	18%

Source: Authors' analysis of American Community Survey 2006-2010







Photo by Hyunchul Luke Jung

and racial communities include Black/African American, Oromo, Ethiopian, Somali, Filipino, Latino/a, Vietnamese, Chinese, and Mien. Over the last thirty years, Rainier Valley has been the settling place for the majority of new refugees and immigrants within Seattle city limits.<sup>6</sup>

Additionally, a disproportionate number of people in Rainier Valley have low incomes. Thirty-nine percent (39%) of all Rainier Valley residents earn under \$30,000 a year, compared to 16% of all people in Seattle (Table 1).<sup>7</sup> Eighteen percent (18%) of all residents in the Valley live in poverty. However, economic hardship falls disproportionately on people of color, with 20% living under the poverty threshold, compared to 11% of white people.<sup>8</sup> Given the strong correlation between income and race in both Seattle and Rainier Valley, changes in either category carry implications for the other.

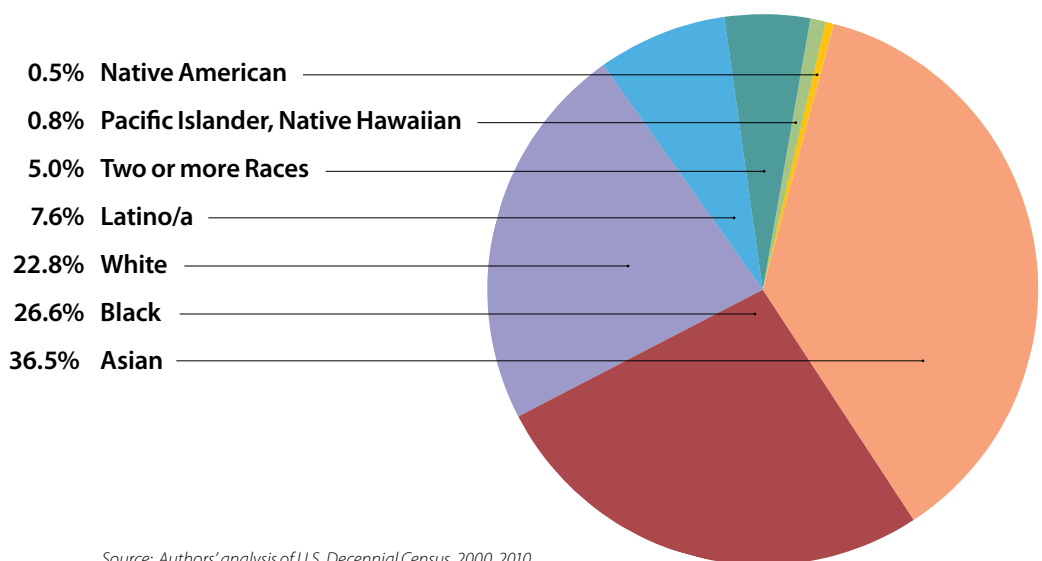
With many low-income residents and good access to transportation, Rainier Valley is one of Seattle's most transit-reliant areas.<sup>9</sup> Not only do Rainier Val-

ley residents use transit more, they also own fewer private vehicles than residents of most other Seattle neighborhoods.<sup>10</sup>

Despite the richness of Rainier Valley's racial and ethnic diversity, high concentrations of poverty and lasting legacies of racially discriminatory real estate practices, such as red-lining, have left Rainier Valley under-invested. Before the light rail investment, no private developer had built a multifamily residential building in the area since 1974.<sup>11</sup> While the light rail and new TOD bring much needed capital to the area, new development also threatens to displace low-income residents as costs of living rise.

Our findings suggest that while the threat of displacement along the light rail corridor is real, a vision for preserving community assets and creating access to good jobs can help stabilize neighborhoods and families. However, without urgent and adequately scaled action, TOD will fail existing Southeast Seattle communities and undermine the sustainability goals intended for the region's massive investment in light rail.

**Figure 2:**  
**Rainier Valley - Majority People of Color**



Source: Authors' analysis of U.S. Decennial Census, 2000, 2010



# Applying a Racial Justice Framework to Public Policy

Any effort to address racial inequality in our society must start by recognizing that the root causes of racial disparity are built into the way our government and economy function. Viewing TOD through a racial justice lens and developing a plan for change requires deliberate action.

Over the past several decades, organizations such as the Applied Research Center, the Kirwan Institute for the Study of Race and Ethnicity and Western States Center have developed strategies to accomplish racial justice goals through public policy. In Seattle, local organizations such as One America and Got Green demonstrate racial justice strategies at the grassroots level. Decades of civil rights struggle in our region have also led to the creation of a unique, nationally recognized effort within the City of Seattle – the Race and Social Justice Initiative (RSJI), a project of the Office of Civil Rights. We draw on insight from all of these entities for applying a racial justice framework to transit oriented development planning.

The Applied Research Center provides a very brief, but essential, set of guidelines for advancing racial equity:<sup>12</sup>

1. Focus on systemic inequality.
2. Focus on impacts rather than intentions.
3. Address racial inequity explicitly, not exclusively.
4. Propose solutions focused on equity and inclusion.
5. Engage and empower stakeholders.
6. Prioritize racial justice in all social justice efforts.

Adopting these strategies in policy development requires particular attention to analysis and decision making. This is essential because a racial justice framework succeeds when decision makers focus on the outcomes of existing or proposed policy rather than the aspirations for that policy. Questions at the heart of this process will be: What are the racial equity outcomes of status quo policies and programs? What effect will a proposed policy actually have on people of color? Furthermore, policies that lead with a racial justice framework address systemic inequality and structural racism rather than implicate individual personal prejudice.<sup>13</sup> In this report, we address the historic disenfranchise-

ment of people of color in society's major institution including housing and employment.

Racial justice strategies require that the voices of people of color and other marginalized groups are brought to the center of power and decision making in both private and public institutions. Operating from a racial justice framework requires real input from people of color who are affected by the consequences of new policy.

This kind of framework is clearly echoed in the RSJI's recent Three Year Plan 2012-2014. The Plan builds on several years of focus on making changes at a city departmental level and expands the scope of the initiative to external outcomes. It includes three equity strategies:

1. Apply racial equity tools to City of Seattle programs and projects,
2. Build racial equity into policies and citywide initiatives, and
3. Partner with institutions and the community.

Perhaps the most important insight is that using a racial justice framework for creating policy not only transforms conditions for people of color, but benefits marginalized and mainstream groups alike. As stated in the RSJI plan: "When we leave race out of the equation, we miss the chance to develop more effective institutions and create equity for all. When we include race in our analysis, however, we can develop smarter strategies that truly benefit everyone, and create systemic change."

Photo by Dan Lamont



# 1. A DECADE OF GENTRIFICATION IN RAINIER VALLEY

Over the last decade, dramatic change has come to Rainier Valley. Strong evidence points to a trend of gentrification and potential displacement of people of color out of the Valley. Many community leaders worry that Rainier Valley will become the next Central District, an area of the city that has experienced a permanent shift towards more white residents and fewer people of color. Gentrification driven displacement in the Central District eroded the social, communal, and economic center of Seattle's only Black identified neighborhood.

## Understanding Gentrification & Displacement

Gentrification and displacement are frequently conflated terms. They should be understood as two distinct but interrelated processes. For the purpose of this report, we use the following definition of gentrification:

*"Gentrification is a pattern of neighborhood change in which a previously low-income neighborhood experiences reinvestment and revitalization accompanied by increasing home values and/or rents."<sup>14</sup>*

Although many gentrification cases are context specific, key contributing factors to gentrification have emerged over the last thirty years in social science and policy research.<sup>15</sup> These include:<sup>16</sup>

- high regional housing demand combined with constrained supply
- population groups with renewed interest in "urban life" and preference for urban amenities
- low land costs in changing areas coupled with the potential for high return on investment
- local jobs/housing imbalance where jobs outstrip housing<sup>17</sup>
- public policies that promote real estate development, including redevelopment of public housing, transportation infrastructure and public amenities.

Community leaders, policy makers and academics alike have raised concerns about the negative impacts of gentrification in major US cities over the last thirty years.<sup>18</sup> Research shows that gentrification can bring needed public resources and private capital into under-invested neighborhoods, but gentrification can also fuel the displacement of long time homeowners, renters, and small business owners.<sup>19</sup> For the purpose of this report, we use the following, basic definition of displacement:

*"Displacement is a pattern of change in which current residents are involuntarily forced to move out."<sup>20</sup>*

Courtesy of El Centro de la Raza





Photo by Carina A. del Rosario

Displacement generally takes two forms. Direct displacement refers to current residents and business owners who are forced to move when their buildings are renovated or entirely removed for new structures, such as privately owned buildings, infrastructure or public facilities. Indirect displacement refers to a slower process in which current residents leave a gentrified neighborhood because costs are rising relative to income. Pressures for leaving include escalating rents, rising property taxes, conversion of rental units to condominiums, and dwindling revenue in businesses that lose their customer base.

Displacement is associated with negative outcomes for families forced out of their neighborhoods. A seminal study on neighborhood change in New York City found that, “Those who are forced to leave gentrifying neighborhoods are torn from rich local social networks and thrown into an ever more competitive housing market shaped by increasingly difficult tradeoffs between affordability, overcrowding, and access to job and services.”<sup>21</sup>

Both direct and indirect displacement threaten people of color and low-income families in Rainier Valley. As we document below, the in-migration of white and wealthier residents and the vulnerability of existing residents during turnover in the housing stock indicates the likelihood of out-migration of Rainier Valley residents of color.

### **Evidence for Gentrification**

The strongest evidence for gentrification and displacement in Rainier Valley arises from the dramatic demographic contrast between growth in the Valley and in the region. Population changes by race in Rainier Valley run counter to both Seattle and King County.

#### ***Disproportionate Growth of White Population and People of Color***

Recent Census figures reveal a sea-change for diversity in King County, a region of 1.9 million persons. Between 2000 and 2010 many suburban King County cities, from Federal Way to Redmond, have seen dramatic increases in people of color moving into their jurisdictions. The total number of people of color in the county grew by 218,042, an increase of 47% (see Figure 3).<sup>22</sup> As a result, the share of people of color in the county as a whole surged from roughly one in four (27%) to over one in three (35%) persons.

Most surprising, the number of white persons in the county not only dropped in share, from 73% to 65%, but in total population. From 2000 to 2010, the white population in King County as a whole decreased by 23,827 persons, representing a 2% loss.

In Seattle on the other hand, the white population grew. Between 2000 and 2010, the number of white residents increased in Seattle by 21,046, a 6% increase. At the same time, the rate of growth for people of color (13%) was less than one-third of the rate in the county (47%).

One would expect substantial growth in people of color in Rainier Valley, the most diverse subarea of Seattle. However, in stark contrast to the region, the Valley witnessed both stronger growth in the white population (17%) and much slower growth in people of color (5%). Put in perspective, growth in people of color in Rainier Valley occurred at one-third the rate in Seattle and one-tenth the rate in the county as a whole.

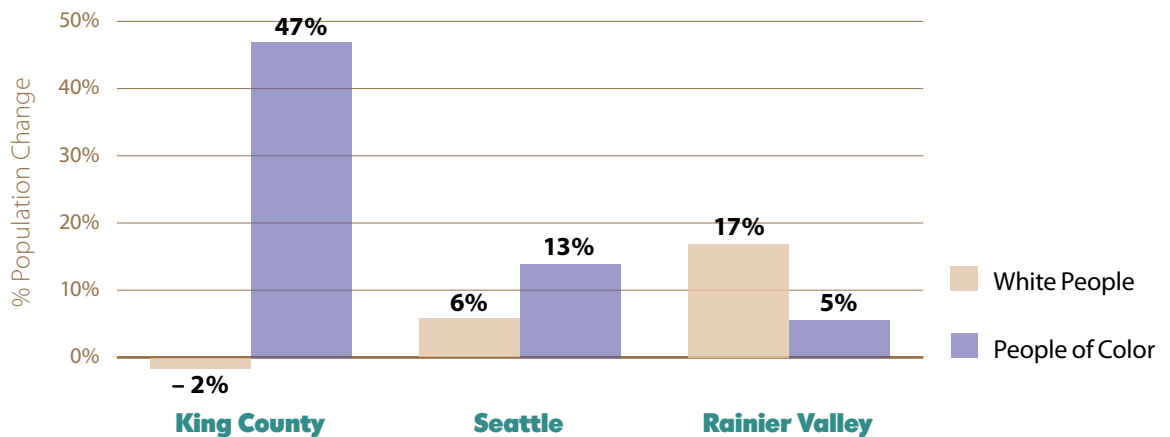
The maps below reflect the population changes that occurred in Rainier Valley (Figures 4 and 5). Green represents negative change, and purple represents

positive change. The maps illustrate that population loss among people of color and population growth among whites largely coincide with each other across Rainier Valley's northern neighborhoods, indicating that there is a push-pull relationship between the immigration of new white resident and out-migration of existing people of color. Increasing numbers of white residents in Rainier Valley's northern neighborhoods corresponds with the Valley's most gentrified neighborhoods, such as Columbia City.

These racial changes over the last decade signal a clear shift in the racial makeup of Rainier Valley. While income data is not available for comparison over the ten year period, available evidence about economic disparity in Seattle points to newer white residents having higher incomes than existing people of color.<sup>23</sup>

*Growth in people of color in Rainier Valley occurred at one-third the rate in Seattle and one-tenth the rate in the county as a whole.*

**Figure 3:  
Race & Ethnicity Change in Rainier Valley  
Dramatically Different than City and County, 2000-2010**



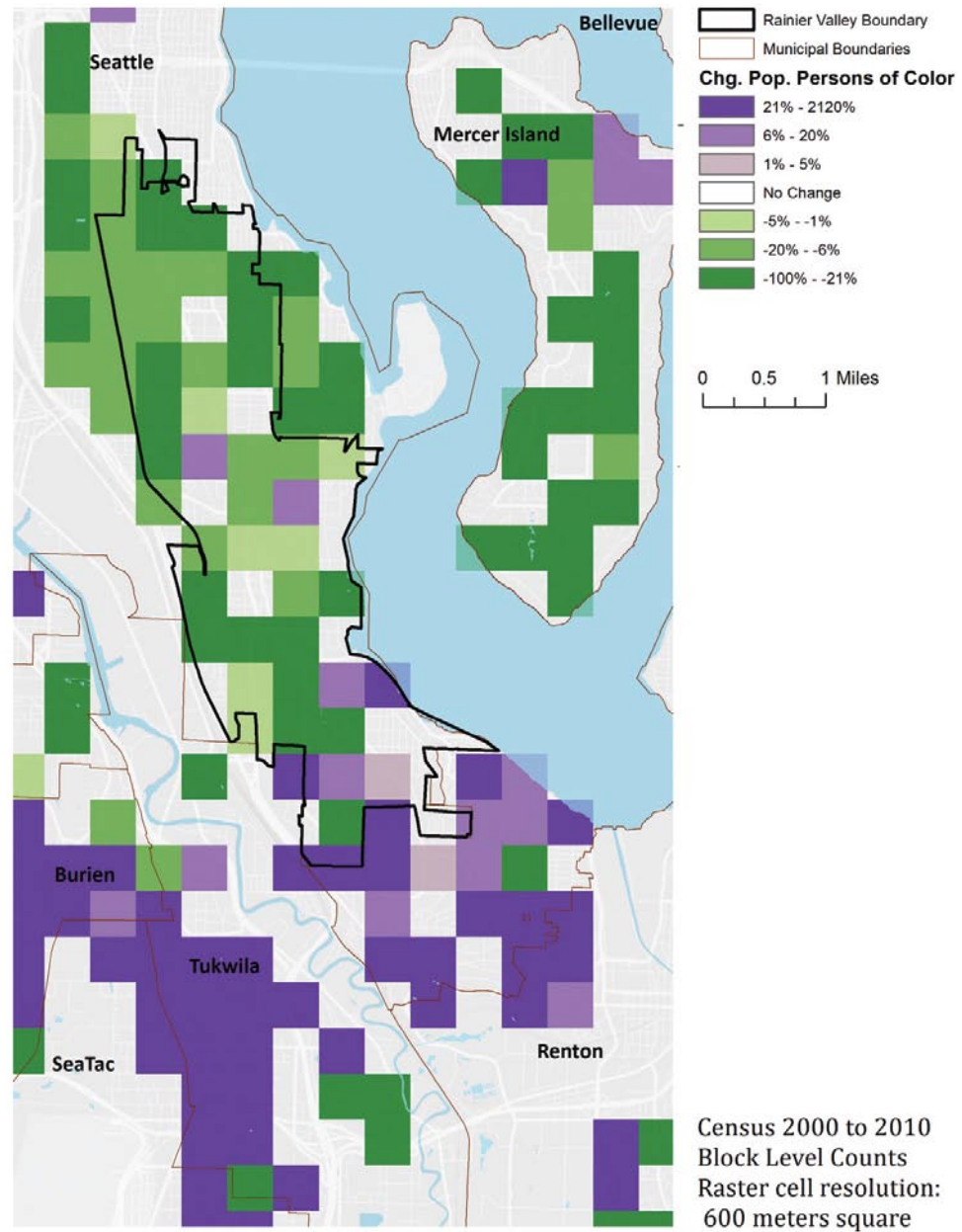
	White			People of Color		
	2000	2010	% chg	2000	2010	% chg
King County	1,275,127	1,251,300	-2%	461,907	679,949	47%
Seattle	382,532	403,578	6%	180,842	205,082	13%
Rainier Valley	10,857	12,660	17%	41,027	42,965	5%

Source: Authors' analysis of U.S. Decennial Census 2000, 2010



*In stark contrast to the region, the Valley witnessed both stronger growth in the white population (17%) and much slower growth in people of color (5%).*

**Figure 4:**  
**Rainier Valley People of Color Population Declines**



Source: C.S. Fowler Consulting LLC

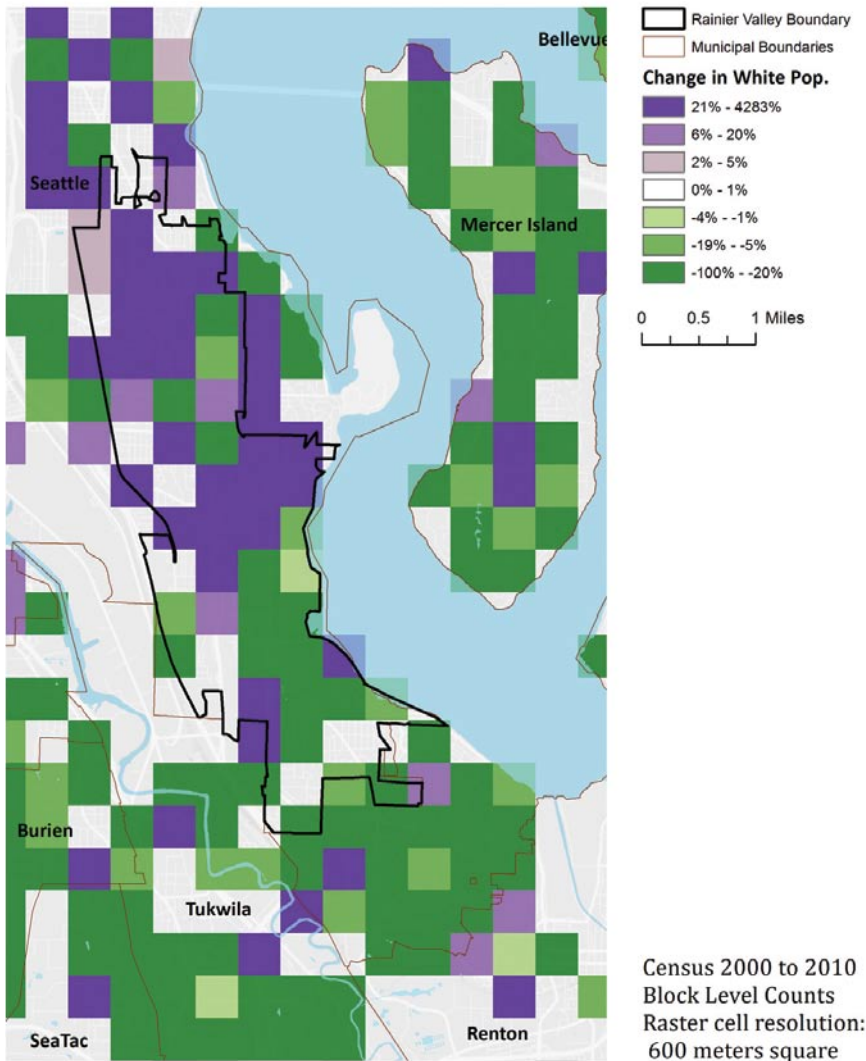
### Decline in Households with Children

As the Seattle area has grown and attracted affluent young professionals over the last ten years, the proportion of households with children in the city and county has declined. This shift to fewer households with children is even more pronounced in Rainier Valley, despite the preponderance of single family homes. From 2000 to 2010 the number of households with children decreased in Seattle by 0.2% but dropped 5% in Rainier Valley (Figure 6). Given that people of color and low-income people are more likely to live with children and have, on average, larger families, this trend is another indication that new families moving to the Valley do not share the characteristics of existing families.<sup>24</sup>

### Rising Property Values Near Stations

Rising property values in the light rail corridor provide even stronger evidence of gentrification. In general, major infrastructure investments, like light rail, cause increases in value for nearby properties. Since 2005, land values surrounding Southeast Seattle's light rail stations have risen by over 50%.<sup>25</sup> Property values at Rainier Valley stations that have seen new development grow even more; for instance, assessed land value at the Othello station appreciated by 513% between 2004 and 2011.<sup>26</sup> Furthermore, the City of Seattle cites significant rent increases for local businesses, stating that, "A 2008 survey of local businesses, 87% of which are independently owned, showed that a majority of businesses had seen their rents rise by over 50% in the prior three years." The City further shows that rents are more than twice as high in new commercial spaces as in older spaces.<sup>27</sup>

**Figure 5:**  
**Rainier Valley White Population Expands**



Source: C.S. Fowler Consulting LLC

Although we were unable to measure changes to household income over the last decade at the neighborhood level, there is a high likelihood that the increase in property values presages new people with greater means moving near station areas.<sup>28</sup> Where local governments throughout the US have put light rail into existing urban areas, rising property values have also coincided with an increase in average household income.<sup>29</sup>

Furthermore, increasing property values in historically under-invested areas strongly signal the potential for new development, which generally creates much more expensive housing. In 2010, private developers built the first for-profit multifamily residential project in almost forty years.<sup>30</sup> Several more market-rate, multi-family developments are in the planning and construction phases. On the one hand, this can be seen as a success for light rail investment. On the other hand, as land values continue to climb, low-income Rainier Valley residents will almost certainly be priced out of new development.

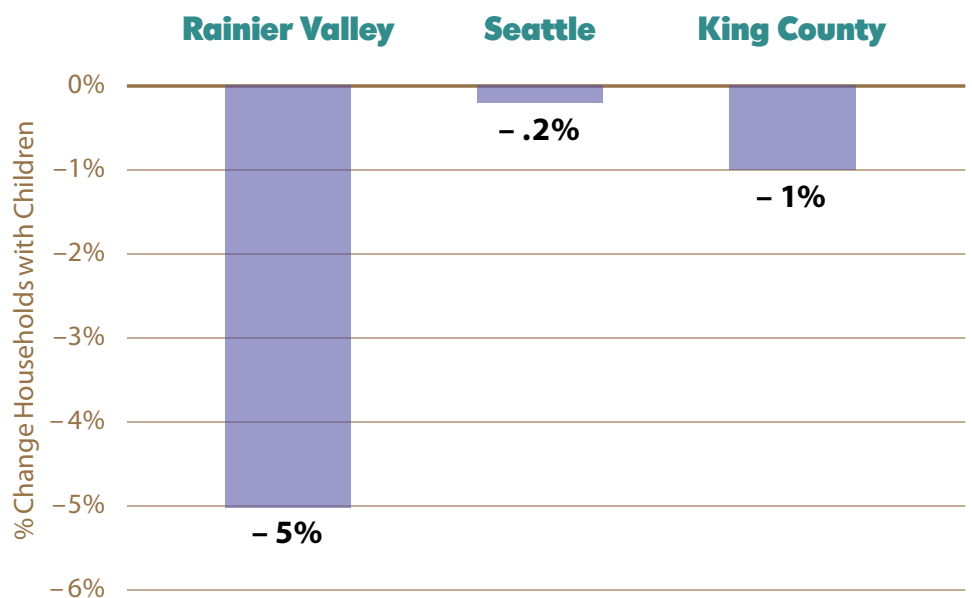
### The Future of Rainier Valley

Many community leaders who are worried that Rainier Valley will be next in line for gentrification point to the example of the Central District.<sup>31</sup> The Central District, once Seattle's only Black identified neighborhood is no longer the hub of King County's Black community and activism, largely due to the out-migration of Black residents (see Sidebar, page 12). African American families that resided and built community in the Central District for decades have now largely relocated to Southeast Seattle and South King County.<sup>32</sup>

*"I lived in South Mt. Baker for over 15 years. I sold my house to accept a job in New York. Five years later, I came back to Seattle to discover I couldn't afford anything in my old neighborhood, and all the people of color, except one, were gone from my street. I ended up settling in unincorporated South King County, and my old house is now on the King County property list at 3 times for what I sold it."*

— Sharon Maeda, displaced resident of Rainier Valley

**Figure 6:**  
**Households with Children Shrinking in Rainier Valley**



Source: Authors' analysis of U.S. Decennial Census 2000, 2010

# Honoring Our Elders: The Next Generation of African American Families in the Central District

BY INYE WOKOMA

My family established their roots in the Central District in 1947 when my grandfather, Frank Green, purchased his first home on 24th Avenue and E. Marion Street. Over the following forty years our family would become one of the many established African American families making up the community that was known as The Central District. Our legacy included multiple homes owned by many generations of family, some of whom moved from Arkansas. By 1969 our family owned eight homes, all of them within one block of my Grandparent's first home and all of them occupied by family members.

These homes were the center of our family life; they were places of holiday dinners and summer graduation parties. They were host to funeral wakes and safe harbor to the traveling friend and family member. They were our hang-outs and our study clubs, the places we learned discipline and the rewards that came after hours of yard work. They were the axes of our familial galaxies. And radiating outward from these communal centers of gravity, our experience of the Central District as a place of thriving families, businesses, schools, places of worship and places of recreation emerged.

What happened to my family and our homes after this time serves as a telling prelude to the drastic changes that would take place over the course of a decade and a half, starting roughly in 1989.

I left to attend college in Atlanta in 1991. I would not return to stay in Seattle until 2001. By the time I returned the neighborhood had changed. Many of my friends were living in outlying communities like Kent, Burien, Renton and Federal Way. Many of the businesses that made up the commercial heart of our community were struggling or shutting down as demographic changes dwindled their loyal customer bases to a trickle. The larger churches seemed to continue to thrive, as many congregants so deeply identified with their place of worship that they were willing to make the weekly trek from disparate communities to attend services and maintain relationships. But ultimately,

the heart of the community was gone. Family homes were the life-blood of African American

families throughout the neighborhood. As more and more of those homes were purchased by new, mainly Caucasian, more affluent families, rising property taxes and the difficulty of getting loans for home repair and upkeep forced many to succumb to the pressure to sell.

Now, in 2012, my wife and I are one of the last of our family members to maintain a residence in the neighborhood. We are raising our daughter in the Central District because it is our historical home in Seattle. However the community that made us who we are has all but vanished. What made life in the Central District rich and rewarding, that feeling of belonging to a very large extended family, is only a memory.

As entrepreneurs and business owners we understand that the greater part of running a successful business has a lot to do with the overall richness and diversity of relationships that we hold in our community. As we watched our community disperse we witnessed its historical economic power become diluted and dwindle. The amount of effort we are putting into re-imagining and adapting our businesses to this new reality is a direct reflection of the dispersal of the community that once promised to sustain us.

To date all of the homes my grandparents purchased are still family owned, but in truth that ownership is tenuous at best. My wife and I have since purchased the first home our grandparents bought when they migrated from Arkansas and we are doing everything in our power to keep it. To be honest it is a struggle. And though we are very committed to the effort, when we look back on what this community meant to us, what it's becoming, and what we would like our child to experience by way of the communal life we once knew, it gives us pause. We have fantastic new neighbors, but to date, they are, in large part, just that, neighbors.

Our experience of the gentrification in the Central District has been, and continues to be, profoundly complex and layered; which is to say not entirely bad, but still profoundly sad. We feel it as cousins in a dispersed family, as friends of people whose lives in new communities make us feel estranged, as parents who want their child to experience the warmth and power of being raised in a communal 'bosom', and we feel it as business owners and adults who are facing very real and practical choices about the shape of our future. Our continued commitment to life in the Central District is part homage to the legacy of our elders and ancestors, part political statement about not being driven out, and part commitment that the future of the Central District continues to be enriched by what it once was.

***This is our life in 'The Central', as we call it. Not an easy one, but one fueled by a love of the place that we still call home.***

Photo by Carina A. del Rosario





## 2. EXISTING CONDITIONS IN RAINIER VALLEY COULD LEAD TO DISPLACEMENT

Research on gentrification from other US cities has shown that low-income people, people of color and new immigrants are at the greatest risk for displacement.<sup>33</sup> These same groups face the most risk for displacement in Rainier Valley as well. Risk factors include high concentrations of low-income renters and high rates of foreclosure, as well as barriers to economic success like high unemployment and lack of living wage jobs.

### Factor for Displacement: High Concentration of Low-Income Renters

With a large number of renters and increasingly expensive housing costs in Rainier Valley, many Southeast Seattle residents can be considered to be at “high risk” for gentrification-driven displacement.

Renters comprise a significant number (44%) of Rainier Valley residents.<sup>34</sup> Moreover, the vast majority of people from Rainier Valley who live in poverty are renters (90%).

Unlike homeowners who can potentially capture the increased value from gentrification, residents that rent cannot benefit from property value increases. Instead, they can be destabilized by housing costs that increase faster than their income. Because landlords raise rents as the housing market changes and rental units turn over more quickly than ownership units, renters feel the effects of property value changes before owners do. In particular, low-income

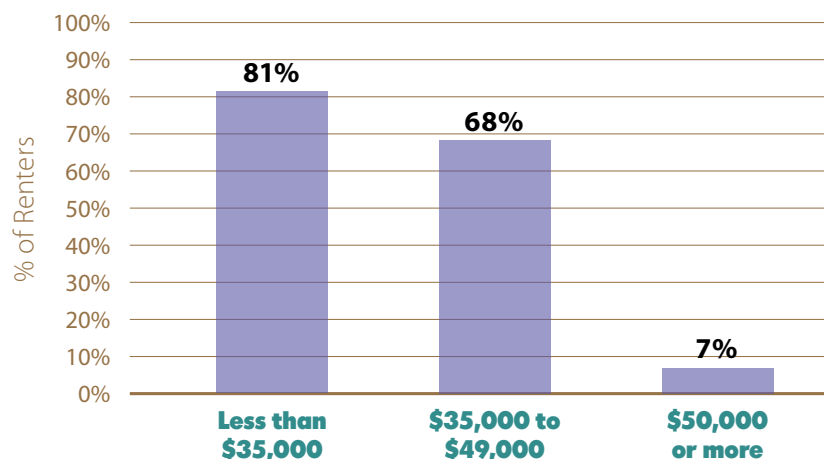
renters who pay a higher proportion of their income for housing are less able to absorb rent shocks.<sup>35</sup>

The vast majority (81%) of Rainier Valley renters with incomes less than \$35,000 a year pay more than 30% of their income towards housing costs, a condition considered “housing cost burdened” (Figure 7). When low-income households pay more than 30% of their income towards housing, not much is left to pay all other basic needs.

Renters in Rainier Valley typically spend more of their income on housing than people in Seattle.<sup>36</sup> The high number of renters combined with a large portion of households that are housing burdened make displacement a likely outcome for low-income renters if housing prices and rents continue to rise in Rainier Valley.



**Figure 7:** Majority of Low-Income Rainier Valley Renters Spend More than 30% of their Income on Housing



Condominium and ownership conversions are another concern for low-income renters in gentrifying neighborhoods. As wealthy people move into Rainier Valley, the demand for ownership over rental units may increase. Almost all multi-family units (95%) and nearly one in four single family homes (23%) are rentals in the Valley.<sup>37</sup> Thus, low-income renters are at risk of being displaced from their housing as buildings are redeveloped or razed to create more profitable for-sale units.

**Factor for Displacement: High Rates of Foreclosure**

As in the rest of the US, the foreclosure crisis has had disproportionate effects on low-income communities of color in Seattle.<sup>38</sup> According to the Center for Responsible Lending, as of 2009, “An estimated 17% of Latino homeowners and 11% of African-American homeowners have already lost their home to foreclo-

sure.”<sup>39</sup> Rainier Valley neighborhoods have experienced significantly higher rates of foreclosure than the rest of Seattle neighborhoods (See Figure 8). In the region, delinquent mortgage rates are highest in South King County, beginning in the Rainier Valley and extending down through Kent.

High rates of foreclosure contribute to displacement and gentrification. Foreclosure leads to displacement when people who lose their homes are evicted and forced to relocate.<sup>40</sup> With no money, and likely no assets, foreclosed homeowners seek the least expensive housing possible at the time of eviction which, in the case of Seattle, likely means moving outside of the city and into South King County.

Foreclosures have the potential to catalyze gentrification. In already gentrifying neighborhoods, foreclosed properties represent below market value homes for in-moving residents. Foreclosures also create opportunities for high return on investment by developers and land speculators. Given the patterns of neighborhood change in Rainier Valley thus far, a newly redeveloped home or land will likely be sold to a higher income resident than an existing neighborhood resident. Changes in the housing market that allow for a greater in-migration of upper-income households and white residents, such as foreclosure, encourage gentrification.<sup>41</sup>

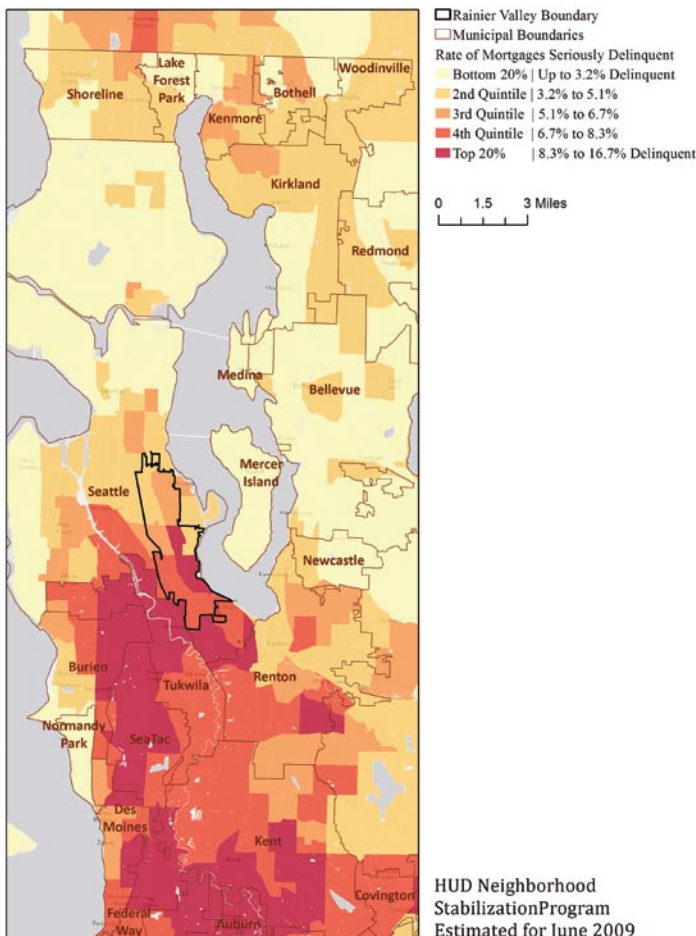
**Factor for Displacement: High Unemployment**

Unemployment contributes to the threat of displacement by undermining family and individual financial security. People without reliable earnings are more vulnerable to the economic effects of gentrification such as rent and cost of living increases.<sup>42</sup>

*“A locally owned business was forced out of our neighborhood shortly after light rail came in. As a life long Rainier Beach resident it really upsets me because it was a place where many African American youth were given their first job.”*

— **Jacqueline Redmond**, Rainier Beach resident and RB Transit Justice Youth Corps Coordinator

**Figure 8: Estimate Rate of Delinquent Mortgages June 2009**



Source: C.S. Fowler Consulting LLC



Photo by Carina A. del Rosario

Residents of Rainier Valley are unemployed at a rate 50% higher than the rest of Seattle. Between 2006 and 2010, Seattle's overall workforce faced an average of 6% unemployment while Rainier Valley's workforce faced an average of 9% unemployment (see Figure 9).<sup>43</sup> As these figures include two years of data before recessionary effects occurred in Washington, current unemployment in the Valley is likely much higher.

Furthermore, high unemployment in Rainier Valley is driven by higher rates of unemployment among people of color. Although people of color comprise three out of four residents (77%), they make up more than four in five unemployed residents (83%).<sup>44</sup> A comparison of race groups reveals an even more dramatic contrast: Rainier Valley's Black residents were unemployed at three times the rate of white Rainier Valley residents (18% vs. 5%, respectively). These figures likely understate the current unemployment crisis, as people of color throughout the US have experienced dramatically worse unemployment due to the recession.<sup>45</sup>

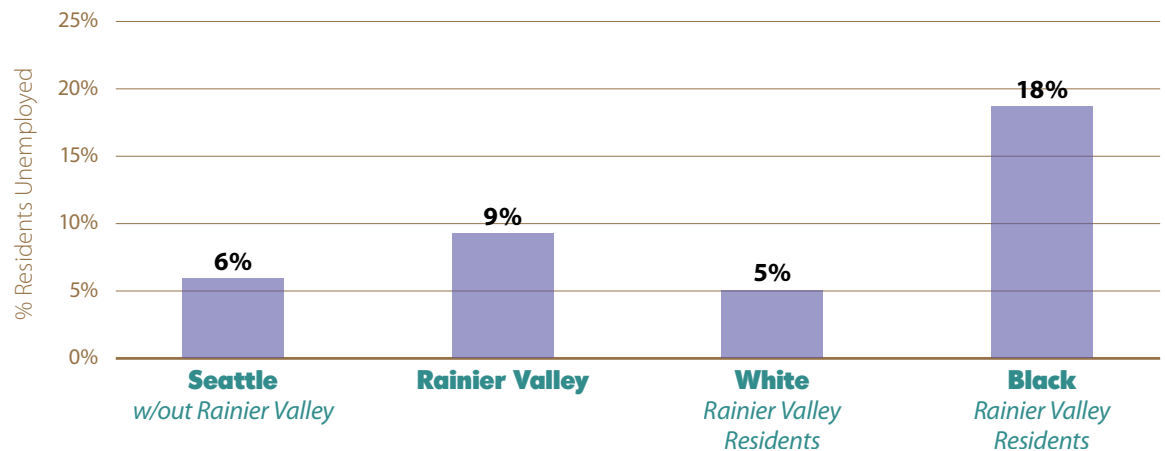
**Factor for Displacement:  
Lack of Living Wage Jobs**

While unemployment represents a stark crisis for affected families, even employed workers face inadequate incomes and financial instability due to low-wage jobs.

Despite the close proximity of high-earning job centers, such as Downtown, First Hill and the Boeing plant in Renton, Rainier Valley residents are under-represented in high-paying industries that drive the local housing market. Economists observe that Seattle's economy has weathered the recession better than other metropolitan areas because of strengths in multiple industries, such as science, aerospace and technology. In turn, the success of these industries attracts highly-skilled workers to the region – workers who can afford higher-priced housing. However, Rainier Valley residents do not have equal access to these jobs and are less able to adapt to a rising real estate market.

As a result of unequal access to high wage jobs, Rainier Valley residents fall short in earnings compared to the rest of the city. The majority (83%) of people living in Rainier Valley earn \$65,000 or less per year and only 18% of residents earn more than \$65,000.<sup>46</sup> This is a significant contrast to Seattle as a whole, where over 46% of the population earns more than \$65,000 annually. These income disparities reflect Rainier

**Figure 9:  
Comparison of Unemployment Rates in Seattle and Rainier Valley**



Source: Authors' analysis of American Community Survey 2006-2010



Valley residents' over representation in low-wage sectors (Table 2).

Within Rainier Valley, people of color earn significantly less than white people. More than two out of five (43%) Rainier Valley residents of color earn less than \$30,000 a year, compared to one out of six (16%) white Rainier Valley residents. The same racial disparity exists for high earners as well: 36% of white people from Rainier Valley earn more than \$65,000, compared to only 12% of people of color. The earnings gap between these groups contributes to the increased vulnerability of people of color to gentrification driven displacement.

*Likelihood for Displacement Connected to Institutionalized Racism*

All of the above factors are rooted in institutionalized racism. Legacies of racist housing policies, opportunity gaps in educational attainment, discrimination in employment and historic under-investment in majority people of color neighborhoods established unequal footing for communities of color to resist displacement in the first place. Without deliberate effort to address these legacies and focus on racial equity outcomes from TOD it seems likely that continued gentrification will result in harm to communities of color.

**Table 2:**  
**Rainier Valley – People of Color Earn Less than White People**

ANNUAL EARNINGS	White		People of Color	
Less than \$30,000	654	16%	5,530	46%
\$30,000 – \$65,000	1,884	48%	5,079	42%
More than \$65,000	1,427	36%	1,426	12%

Source: Authors' analysis of American Community Survey 2006-2010

Photo by Carina A. del Rosario



### 3. DISPLACEMENT HARMS COMMUNITIES OF COLOR

While many still debate whether the costs of gentrification are outweighed by the benefits to existing residents, displacement caused by gentrification unequivocally harms communities of color and low-income families. Displacement causes financial crisis, reduces access to good jobs and uproots communities. Families forced to relocate will likely face unhealthy social, physical and economic outcomes.

#### *Displacement Shocks Create Short-Term and Long-Term Financial Crises*

Low-income families pay, on average, a higher proportion of their income for housing and other basic needs. As a result, both short-term and long-term costs created by displacement will have a disproportionate effect on their finances.

For families living on the edge of poverty, paying short-term moving costs such as first and last month's rent, security deposits for a new lease, and taking time off from work to move can be devastating. In addition, families facing gentrification pressures will often move only after attempting to stay, despite rising housing and living costs eating away at their annual income.<sup>47</sup> The results can be defaults on home loans, foreclosure, late rent, and missed credit card payments to name a few.<sup>48</sup> Furthermore, the consequences of financial missteps mark individual and family credit and finances for years, at times disrupting generational wealth accrual.<sup>49</sup>

#### *Displacement to the Suburbs May Increase Housing and Transportation Cost Burdens*

Many low-income families that are displaced from transit-rich communities, like Rainier Valley, to transit-poor suburbs must take on the costs of car ownership, which is typically more expensive than using public transit. This both undermines income and creates a high degree of uncertainty surrounding transportation costs.

Working families with earnings between \$20,000 and \$50,000 a year in the Seattle region pay a relatively high burden for their combined housing and transportation costs. These working families pay nearly two out of three dollars (61%) of income for combined housing and transportation costs, a rate second only to the San Francisco Bay Area as the most expensive in the nation.<sup>50</sup> Although housing gets more costly closer to Seattle's downtown area, transportation becomes cheaper as families can reduce the cost of car ownership or operation.<sup>51</sup> The reverse is true as well – families displaced from Rainier Valley into South King County suburbs may have to buy one or more vehicles and commute further to their job.

The cost of owning a car is significant for low-income families, as it consumes a larger percentage of their income. The Center for Transit Oriented Development reports, "Family vehicle ownership alone averages more than \$5,000 per year, while fuel and maintenance costs can add another \$2,000 per vehicle annually."<sup>52</sup> In addition, auto-related costs can fluctuate dramatically from year to year, as a result of unpredictable gas prices and major repairs.

*"Our family was pushed to Kent to find decent affordable housing to meet our growing family's needs, but all my friends, work and volunteer commitments are still in Seattle. Now, I have to commute quite a distance from the suburbs to Seattle, spending a lot of time in my car and money on gas - money that could be spent toward my family's groceries, paying down my student loans or saving toward my retirement."*



Photo by Carina A. del Rosario

### *Displacement Reduces Access to Jobs*

Access to jobs by public transit declines the farther workers live from the region's major cities.<sup>53</sup> In Rainier Valley, residents can access 56% of all jobs in the Seattle-Tacoma-Bellevue region via transit in fewer than 90 minutes (see Figure 10).<sup>54</sup> In Renton, the suburb just south of Rainier Valley, the number of jobs accessible by transit within 90 minutes drops to 40%. In Kent, even further out, only 37% of jobs are accessible via transit in less than 90 minutes. This pattern holds true for most other suburbs, regardless of the direction out from the urban core.

*“For the past 25 years, we have come to know that what overcomes hopelessness and helps anchor our communities are access to good family wage jobs and a connection to strong faith communities so that they can provide for their families and weather difficult times.”*

— **Pastor Harvey Drake Jr.,**  
Board President, Urban Impact

Not only does poor transit access in the suburbs increase low-wage workers' likelihood for car use, it also means already busy families will lose precious time to longer commutes. Many low-wage workers are already stretched too thin, parents work multiple jobs in order to provide for their families, save what they can, and in some cases send money to relatives. More time in the car or on transit to get to work results in less time to spend at work earning or at home caring for family.

### *Displacement Disrupts Neighborhood Identity and Community Cohesion*

Neighborhoods are defined by who lives there. As people of color, immigrants and low-income people are priced out, the Valley's character will fundamentally change. Dramatic changes in neighborhood identity can result in dismantled culture and social networks for long time residents.<sup>55</sup>

Academic studies on gentrifying neighborhoods show that the displacement of small and culturally relevant businesses results in changed neighborhood identity.<sup>56</sup> In the case of Rainier Valley, the presence of the light rail and the beginnings of TOD have already begun to increase rent pressures on small businesses (see Section 1). Additionally, TOD that only provides housing for these new residents – people with higher income – will primarily attract new businesses and retail that meets their needs. In this scenario, small, culturally relevant and ethnic business will not only face increasing rents, but also risk losing their core customer base if low-income people and people of color cannot afford to live in Rainier Valley.

The same is true for cultural centers, community institutions and places of worship that serve existing residents. Institutions such as Asian Counseling and Referral Service, The Filipino Community Center, El Centro de la Raza and Refugee Women's Alliance help root local cultural and ethnic groups in the Valley. Unfortunately, as their constituencies are displaced from Rainier Valley, it is likely that these institutions will be forced to relocate to where their clients and members live. Lost community institutions will leave gaping holes in Rainier Valley's cultural character.

Displacement driven neighborhood change has deep implications for the communities that live in Rainier Valley now. Displacement risks scattering families, friends and neighbors throughout the region's suburbs. Relocation may unravel tight community networks that people rely on for everything from day-to-day support with childcare to emotional and financial support during crisis.

**Displacement Leads to Poor Health Outcomes**

Displacement leads to increased stress that can result in emotional trauma and negative mental health consequences.<sup>57</sup> Children who move three or more times by the age of seven face a 36% increase in the risk of developing depression.<sup>58</sup> Another study found that the “odds of health risks for adolescents with high mobility during childhood ranged from 1.3 times higher risk for smoking to a 2.5 times higher risk for suicide.”<sup>59</sup>

With the pressures of rising rents, displacement often causes people to double or triple the number of families in a household or accept poor quality housing.<sup>60</sup> Living in overcrowded or substandard housing conditions places people and children at greater risk for infection, poor sanitation, exposure to environmental noise, and residential fires.<sup>61</sup>

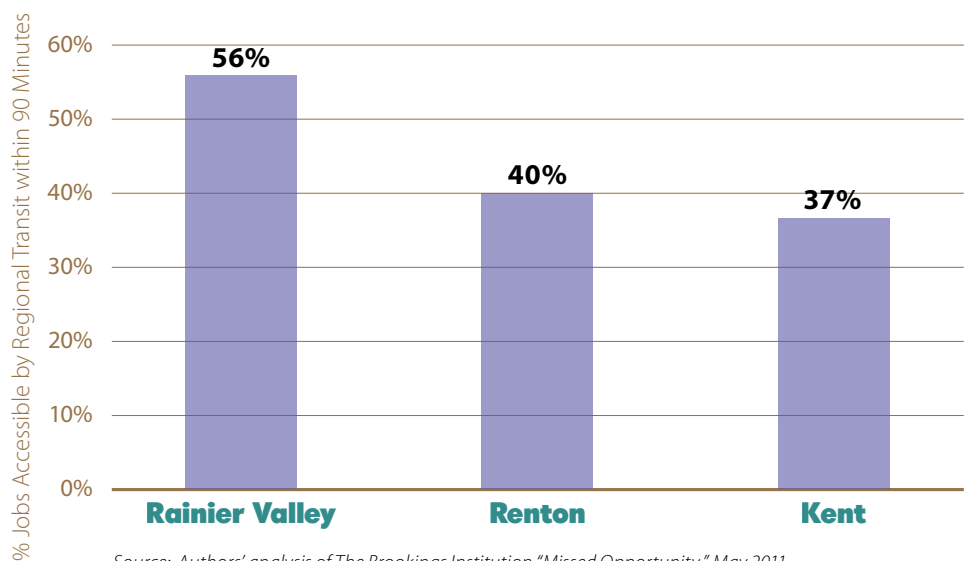
The increased costs associated with displacement stretch many families so thin that they are forced to make impossible choices between essential needs, such as food and quality housing. The Great Com-

munities Collaborative noted that, “Low paying jobs and high housing costs are the most frequently cited reasons for hunger.”<sup>62</sup> This occurs in part because displacement may lead to families taking on higher housing costs than they can afford. Spending a disproportionate amount of income on housing leaves families with little money left over for other health needs like food, clothing and healthcare.

**Displacement Puts Benefits of TOD Out of Reach**

The same consequences of increased costs, disrupted community and social networks and bad health outcomes are likely to fall on low-income people and communities of color in Rainier Valley. Moreover, displacement will lead to significant disparity in who benefits from the regions' massive investment in light rail. Most, if not all, of the public health benefits, increased regional connectivity and local economic improvement will accrue to new people rather than existing communities. This possible future presents the flip side of gentrification – a missed opportunity to address historic racial disparities and institutional barriers to prosperity for people of color in Rainier Valley with sustainable planning and policy.

**Figure 10:**  
**Jobs Less Accessible by Transit in South King County**



Source: Authors' analysis of The Brookings Institution "Missed Opportunity," May 2011.



## 4. DISPLACEMENT UNDERMINES TOD'S SUSTAINABILITY GOALS

Transit oriented development is intended to achieve regional sustainability goals, including protection of the region's natural resources and reduction of carbon emissions caused by over-reliance on autos for transportation needs. However, progress towards these goals could be substantially undermined if TOD serves primarily middle- and upper-income households. The negative effects of excluding low-income households from TOD include a reduction in transit use in Rainier Valley, increased auto-use by displaced residents, and missed opportunities to house the regions' growing populations of people of color and immigrants in higher density areas.

### **Transit Use by Displaced Households Likely to Diminish**

Living outside of the urban core forces the majority of suburbanites into cars. Even people who want to use public transportation, either by choice or out of financial need, may not have that option if they have to relocate outside of Seattle.

### *Displaced Households Likely to Increase Auto Use*

As housing costs rise, low-income Rainier Valley residents may be forced to find cheaper housing in lower-density suburbs where public transportation is more limited. Given that residents of Rainier Valley own fewer cars relative to the rest of Seattle, many displaced families will likely have to purchase and use a vehicle. Those that already own cars will likely have to increase use.

Suburban areas south of Seattle enjoy far less public transit service than the Valley.<sup>63</sup> Not only are points of access farther between, buses come less frequently and often only during peak hours. Dense bus service in Rainier Valley facilitates neighborhood to neighborhood trips, which are critical for non-commute needs. Historically, Valley residents have been able to go shopping, send kids to school, access public and community services and attend worship services by bus. The infrequency and dispersion of bus service in South King County will make these trips much harder, if not impossible, to complete by transit. Even if the proportion of low-income residents living in South King County continues to increase, low-density development patterns will prevent these areas from ever attaining the transit rich character of the Valley.

*"It didn't happen all at once for us... first we moved out of Columbia City to south Rainier Valley...then to Skyway and now to Kent. As our family grew we had to move further south to find housing that met our needs and our budgets. I would like to use light rail or the bus, but then I would never make my evening community meetings."*

— **Chio Saeteurn**, displaced resident of Rainier Valley

Photo by Hyunchul Luke Jung





**It's About the Jobs**

Getting to work will be the main reason that displaced Rainier Valley residents drive a vehicle more often. The numbers of jobs accessible by public transportation decreases the farther workers live from the region's major cities. And with low-wage jobs spread throughout the metropolitan area, especially in the service sector, lower accessibility, by transit will lead workers to find auto-based solutions to commuting. In addition to low-accessibility, low-wage service sector work occurs at all hours of the day. The majority of commuter buses from the suburbs to major job centers serve more limited hours and are less likely to accommodate the varied early morning to grave yard shifts typical of service sector work.

The effect of displacement will not simply mean a swap of households with the potential for the same transit use. The residents being forced out by gentrification are more likely than the in-moving residents to be regular transit riders, while in-moving residents are more likely to be auto-oriented. Table 3 shows this effect by comparing four groups of workers:

1. Lower-earning workers living Rainier Valley
2. Higher-earning workers living in Rainier Valley
3. Lower-earning workers living in King County and
4. Higher-earning workers living in King County.

Lower-earning Rainier Valley workers are the most likely (23%) group in this comparison to use public transit, a result of both higher costs for auto ownership and living in a transit rich neighborhood. However, the chart shows that workers earnings the same income in other parts of King County are less likely (13%) to use public transit to commute to work. In other words, displacement of existing Rainier Valley working families will move people from the highest transit use to the second lowest. While somewhat over-simplified, this illustration shows that allowing TOD-induced displacement will undermine the very sustainability goals TOD is intended to meet.

**People of Color & Immigrants Not Included in TOD will Move to Low-Density Areas**

Most new residents in suburban King County have not moved from the urban core, but have moved from other places. As a solution for curbing sprawl, TOD should channel new residents and new households as they form from a low-density growth pattern to a higher one. But, as the housing prices in Seattle grew over the last decade, low-income people, people of color and new immigrant communities from outside the region have been primarily moving to lower-density, auto-centric suburbs. Recent drops in suburban housing prices due to the recession make low-density areas more affordable. If TOD does not provide the building blocks for low-income people and communities of color to locate near transit, the region will miss an opportunity to channel new growth to higher-density, transit rich neighborhoods.

**Table 3:**  
**Low-Earning Workers Living in Rainier Valley Most Likely to Use Public Transit to Get to Work**

ANNUAL EARNINGS	Rainier Valley Residents	King County Residents
Less than \$35,000	23% ride transit	13% ride transit
More than \$35,000	14% ride transit	10% ride transit

Source: Authors' analysis of American Community Survey 2006-2010

### Transit Service in Rainier Valley May Decline

TOD that contributes to urban displacement not only encourages former transit users to get in cars, it replaces them with families and individuals who are likely to keep their cars even when they move into transit oriented neighborhoods.

A study on diversity and transit stations that examined socioeconomic change in 42 neighborhoods in 12 metropolitan areas between 1990 and 2000 found that people who move into newly served transit areas increase overall car ownership rates.<sup>64</sup> In the study, increases in motor vehicle ownership rates in transit areas outpaced change in motor vehicle ownership in the broader region by more than three to one.

Another possible effect of higher income households moving to Rainier Valley is a decrease in the area's bus service, or transit richness. Public transportation ridership is high in the Valley because people of color and low-income people use transit more frequently than other people in Seattle.<sup>65</sup> Most of that ridership occurs on King County Metro buses, not light rail. If TOD pushes core Metro bus riders out of the Valley in exchange for new light rail oriented residents, overall bus ridership may diminish.<sup>66</sup> Given that people who can afford to move into market rate TOD are likely to own and use cars, these in-movers are unlikely to use transit at rates greater than the people they displaced. Lower Metro ridership may result in cuts to service, and overall transit density could decline. It is not clear if ridership by new TOD residents on light rail could replace lost bus ridership from displaced residents.

Photo by Carina A. del Rosario



## 5. EXISTING TOD TOOLS INADEQUATE TO STEM DISPLACEMENT

Planners and transit advocates have been advancing a vision for mixed-income TOD for over three decades. In the bulk of TOD literature, proponents call for affordable housing around stations to ensure that new development includes residents of all incomes. A steady stream of reports commissioned by government agencies and foundations describe both strategies and development tools to ensure equitable TOD.<sup>67</sup> However, the cost and complications involved with creating mixed-income communities have resulted in equity usually being sidelined. Most TOD policy and private investment, focus instead on the convenience and livability needs of higher income households.<sup>68</sup>

### **Market-Based and Conventional TOD Planning Ignore Job Quality and Community Needs**

As practiced and built, TOD in the US largely caters to households with higher incomes.<sup>69</sup> Private developers and investors engaged in TOD are attracted to higher-end development as a way to mitigate the time, uncertainty and costs already inherent in TOD.<sup>70</sup> Incorporating equity goals into project planning may ultimately benefit regional TOD, but adds complexity to specific projects that developers avoid. Additionally, general demand for housing near transit stations and in walkable neighborhoods has increased over the past two decades, resulting in higher housing prices. A national study on the impacts of new

light rail lines and gentrification found that, “Those groups who want to live near transit and benefit from proximity to transit stations may not be able to compete successfully for the limited supply of housing, especially affordable housing, in transit-rich neighborhoods.”<sup>71</sup>

Despite increasing attention to equity, two critical elements in mainstream TOD planning appear under-addressed. First, TOD planning generally ignores access to quality jobs for low-income residents. Second, TOD planning emphasizes participation of underserved communities in the planning process but fails to create the tools necessary to ensure equity outcomes for low-income, communities of color.

*Photo by Llona Berzups*







Photo by Carina A. del Rosario

### **TOD Planning Ignores Job Quality**

At the core of transportation planning lies an assumption that most people moving to new TOD areas will use transit to get to work. Many would agree that without a connection to jobs, the transit part of TOD will fail. Yet, most discussion about the development side of the TOD equation has focused on the kind of places TOD creates for people to live and not on developing regional job centers and destinations on the other end of the rail line.<sup>72</sup> Furthermore, within the more limited dialogue on TOD and equity, few studies or TOD guides discuss how to stabilize low-income communities by increasing opportunity for existing residents to obtain higher paying jobs.<sup>73</sup>

Transportation and land use planners often make an assumption that as long as a wide-variety of jobs are located along a rail line, workers of all incomes will be attracted to station areas. As a result, proposals to increase equity outcomes for TOD are almost entirely limited to creating mixed-income housing. At the same time, recent evidence indicates that in transit areas low-wage, service-sector jobs are growing faster than other sectors.<sup>74</sup> As we described in Section 2, low-wage jobs are a major contributor to low-incomes, high unemployment and lack of career ladders that could accommodate rising housing costs.

Increasing connections to better-paying jobs however, does not solve the challenge for low-income residents near transit stations. Nor will educational and job training strategies designed to increase earning potential. People of color face long-standing, institutionalized racial bias in the labor market that cannot be solved by transit access or training alone. For example, racial discrimination in hiring remains a serious problem. Academic employment research has “consistently found strong evidence of racial discrimination, with estimates of white preference ranging from 50% to 240%.”<sup>75</sup> Providing true access to better-paying jobs requires strategies to remove institutional barriers to employment.

Furthermore, the US economy has been creating a disproportionate number of jobs that require little education or training – many jobs pay wages so low families live in working poverty. Jobs at the bottom are also rife with labor violations and insecurity. Local governments across the US have recognized the need to address widespread problems in the low-wage labor market that destabilize families, including lack of health benefits, wage theft, job insecurity and poverty-level earnings. Many have responded with public policies that require minimum job standards, such as living wage ordinances and anti-wage theft legislation, in order to improve the quality of jobs in low-wage sectors.<sup>76</sup> Despite the relevance of these solutions, none have been advanced in the context of equitable TOD.

Yet, recent TOD planning efforts that have successfully included voices of color have found that securing higher quality jobs must be a top priority. For example, a recent community-based assessment of new development along light rail in Saint Paul, MN identified their first of six goals as good jobs for

*“We care about what happens to our community and who lives here because our church is part of the community. We respond to the felt-need of our neighborhood. We witness poor health outcomes. We see rents increasing and high unemployment in our neighborhood. That is why we opened a gym where all faiths can comfortably exercise. That is why we are breaking ground on permanently affordable housing. That is why we are giving local neighbors first opportunities to the jobs and the housing it will create.”*

communities of color already living around station areas.<sup>77</sup> Unfortunately, when the City adopted new zoning rules for the corridor, the community's job recommendations were deferred.

Finally, residentially-oriented station areas will create a modest number of jobs, but they fall short of increasing overall earnings. Developers that build in typical mixed-use TOD<sup>78</sup> seek tenants and stores that provide amenities to new residents – like chain coffee shops, restaurants and natural food retailers – that typically pay low wages.<sup>79</sup> Even if existing low-income residents obtain employment at newly located chain stores in the neighborhood, earnings from these low-wage jobs will not offset gentrification driven increases in living costs. Despite this reality, few local governments make job quality an element of “livability” when implementing TOD projects in low-income areas.

### *TOD Planning Underemphasizes Community of Color Needs*

Mainstream TOD literature and planning guides emphasize creation of mixed-income communities as a key element of successful transformation of urban growth patterns. However the tools proposed to create mixed-income communities are often limited to affordable housing creation. Community-based needs for stabilization and culturally relevant amenities rarely make the top list of priorities. Furthermore, most planners appear to be focused on creating new communities rather than preserving existing ones from displacement.

Small, locally-owned and culturally relevant businesses serve critical roles in stabilizing low-income communities of color. These community-oriented businesses create unique amenities for residents, likely available no-where else in the region. They also contribute to social networks, offer asset building opportunities and provide entry-level jobs for residents with barriers to employment. However, like residents, small businesses are vulnerable to gentrification pressures, including rising rents and lost customer base as residents are displaced. While local businesses struggle amidst these pressures, new TOD projects primarily cater to mainstream ten-

ants with strong credit and the ability to pay higher rents.<sup>80</sup> Because rents and commercial tenant mix in new projects directly affect developer and investor finances, few solutions exist that tackle the community-wide challenge to help businesses grow in place while ensuring that individual projects create space for locally-owned, community-serving businesses.

Community institutions that serve people of color, such as places of worship, cultural centers and social service agencies, also provide important anchors that can be displaced by gentrification pressures. And, like businesses, these institutions need both affordable rents or property and a local community base. Few guides to TOD explicitly examine the connections between race and community institutions in a way that leads to specific, replicable and feasible tools. Most solutions are limited to encouraging partnerships between institutions, government and the private sector or merely a planning process that includes racial diversity.

Market-based TOD fails to serve low-income communities of color on another dimension – affordable family housing. Seattle already stands out as one of the nation's case studies for a dwindling share of homes that accommodate children, particularly for low-income households. A recent Seattle Planning Commission report states that “just two percent of market rate apartments have three or more bedrooms, and just half of this tiny fraction is affordable at 80% area-median-income.”<sup>81</sup> Market-based developers in the city currently cater to smaller households by build-

Photo by Carina A. del Rosario



ing primarily studio, one bedroom and small two bedroom units.<sup>82</sup> The few examples of private development in Rainier Valley follow this trend as well. Without new housing that can accommodate families of four or more people, including families with children and multigenerational households, many people of color will have to relocate outside of inner-urban transit areas.<sup>83</sup>

A primary obstacle for TOD proponents and planners in proposing TOD that meets the needs of communities of color lies in the difficulty of tackling the issue of race head on. Public sector proponents advance strategies to foster mixed-income communities, rather than racially diverse communities per se, because

race in a land use context is politically controversial. In addition, local governments have more tools available to ensure new, mixed-income development than to prevent displacement. Private developers (and their investors) are also ill-equipped to ensure racial equity in their projects due to perceived risk to their bottom lines, not to mention a constrained focus on new construction. Even proponents willing to discuss racial equity as an important component of TOD are hard-pressed to advance racial justice focused policies, often defaulting to solutions for financing, zoning and community opposition.<sup>84</sup> In the end, conventional planning, strategies and policy tools seem best suited to addressing housing equity, but fall short of ensuring true racial equity outcomes from TOD.

*“In Othello and Rainier Beach the problem isn’t just affordable housing. It’s jobs and small business development. What we are talking about is self-determination for our communities by creating opportunities for immigrants and people of color to start their own businesses, and for others to access living wage jobs. Current policies don’t go far enough to foster shared growth.”*

— **Tony To**, Executive Director, Homesight

Photo by Carina A. del Rosario





## Recent Neighborhood Update Plans in Rainier Valley Call for Unconventional TOD

In Seattle, public agencies, affordable housing organizations and other community-based organizations have been raising equity concerns for over a decade about light rail construction and subsequent TOD in Rainier Valley. Several public initiatives have been launched to address equity and displacement. Examples include:

- The non-profit Rainier Valley Community Development Fund was established by the City of Seattle, King County and Sound Transit in 2002 to primarily mitigate business disruption and displacement during construction. The Fund helped many businesses survive the difficult construction period and now offers general assistance to small businesses and community institutions in the Valley.<sup>85</sup>
- The Puget Sound Regional Council recently won a \$5 million grant to launch Growing Transit Communities, a regional transit corridor planning initiative that incorporates equity as a core component.<sup>86</sup>
- Several years ago, the City of Seattle initiated a highly-inclusive planning process for neighborhood plan updates near Central Link stations, including Mt Baker, North Beacon Hill, Othello and Rainier Beach. All three have been completed.
- The City recently launched the Neighborhood Equitable Transit Oriented Development (NET) Initiative, with a \$3 million Federal grant, which will begin implementing priorities from the neighborhood plan updates (see Recommendations for more details).

These initiatives demonstrate commitment by local public officials and staff to equity goals for TOD through both planning and program. However, much of the effort has been focused on planning or seed funding.

With the light rail already several years into operation, land prices increasing near station areas, and public attention moving to other parts of the light rail system, will Seattle and other public agencies be able to prevent displacement and create racial equity at TOD projects in Rainier Valley?

Perhaps no better case study helps explore this question than the recent neighborhood plan updates undertaken by the City in four Rainier Valley neighborhoods – Mt. Baker, North Beacon Hill, Othello and Rainier Beach. In approaching these updates, the City initiated a groundbreaking planning process that clearly advanced the community engagement goals of the Race and Social Justice Initiative (see Sidebar). The results are neighborhood plans that incorporate a broad range of community health, economic prosperity and social justice goals.

Of the four neighborhoods, the Othello neighborhood will likely see the most dramatic transformation and requires the most urgent action to address displacement issues. The Othello Plan centers on a new light rail station at Martin Luther King Jr. Way S. and Othello Ave at the heart of a very diverse and historically under-invested community. The Othello station lies to the south of the more gentrified Columbia City area and just to the east of a recently redeveloped public housing project, New Holly.

*The City of Seattle, in creating the most inclusive and deep neighborhood planning process to date, elicited a community driven recipe for stemming displacement.*



Photo by Carina A. del Rosario

As the list of Othello Plan goals demonstrates, community participants put forward a truly comprehensive vision for the neighborhood that was not constrained by city planners to typical zoning and design issues. In fact, one could imagine critics of the plan claiming it reflects community needs not related to TOD at all, such as increasing the cultural competency of Seattle police and making more ESL training available. Yet, the list takes on more profound meaning if understood as the elements needed to allow existing communities of color to benefit from new TOD and prosper in place. The City of Seattle, in creating the most inclusive and deep neighborhood planning process to date, elicited a community driven recipe for stemming displacement.

With such a powerful community-based vision in place, can the public agencies involved at Othello, including the City of Seattle, Seattle Housing Authority and Sound Transit, help provide the tools the community needs to make the Othello Neighborhood Plan a reality? The City of Seattle has already adopted a larger zoning envelope that will allow developers to build higher and bigger near the station. But how will the community and public agencies create living wage jobs near the station? What incentives or requirements can encourage construction or preservation of family-sized housing units? How will culturally relevant, locally-serving businesses locate in newly built commercial space?

In the next two sections, we propose that local agencies help transform community visions, such as the Othello Plan, into action focused on racial equity outcomes. We begin with a proposal for racial justice principles to use in TOD planning and policy in Rainier Valley and then follow with specific policy recommendations that will achieve those outcomes.



Photo by Carina A. del Rosario



# Othello Neighborhood Plan Puts Forth Comprehensive Community-Based Vision for TOD

In 2009, the City of Seattle initiated a neighborhood plan update process in key station areas along the newly built Central Link light rail. The neighborhood update plan processes aimed to capture residents' vision for their neighborhood while reorienting community plans towards transit stations. The City's Department of Planning and Development incorporated new, groundbreaking outreach techniques to include a wide variety of ethnic and racial groups around the stations that have historically not participated in community planning.<sup>87</sup>

The Othello Plan process in particular reached a broad and diverse group of residents. The community vision that emerged from this process went well beyond the typical design and density elements of a plan, and instead illustrated what this Southeast Seattle community needs to stay and prosper in place.<sup>88</sup>

Participants in the Othello planning process identified the following essential elements to TOD that "respects and enhances the existing fabric {of the neighborhood} and leverages the public investment of light rail to benefit the community" (goal numbers below refer to the actual goals listed in the Othello Neighborhood Plan Update).<sup>89</sup>

- Develop a multicultural community center (Goals 1, 2, 8).
- Ensure small and culturally relevant businesses thrive in the new town center (Goal 1).
- Maintain and grow key community assets, like the Filipino Community Center (Goal 1).
- Expand affordable commercial space and allow home-based businesses (Goals 1, 4, 8).
- Improve public safety and cultural competency of the Seattle Police Department (Goals 2, 8).
- Build and preserve affordable housing, both rental and owner, available to range of incomes (Goals 2, 8).
- Build and preserve family sized affordable units (Goal 2).
- Prevent displacement of people on fixed incomes such as individuals with disabilities and seniors (Goal 2).
- Create living wage jobs in the Othello neighborhood (Goals 4, 6).
- Expand access to living wage jobs for Othello residents (Goal 4).
- Grow job training and apprenticeship programs that allow Othello residents to access career pathways (Goals 4, 6).
- Build up positive opportunities for neighborhood youth to occupy their free time (Goal 5).
- Increase the number of English as a Second Language classes (Goal 6).
- Improve transportation to education centers (Goal 6).
- Develop more activities programming at local parks, including multi-lingual programming (Goals 7, 8).
- Build out the Othello town center with mixed use retail and housing that is supported by high quality pedestrian infrastructure and open space (Goals 1, 8).
- Improve and restore bus service, specifically east-west connectivity (Goal 10).
- Improve pedestrian infrastructure (Goals 2, 8, 10).

## 6. SUSTAINING RAINIER VALLEY THROUGH TOD

Transit oriented development holds tremendous promise and opportunity for communities of color and low-income households. Including a racial justice framework in TOD planning and policy in Rainier Valley can help break the cycle of historical disenfranchisement and institutional barriers to prosperity. Furthermore, with mixed-income households able to remain in Rainier Valley neighborhoods, broader goals for regional sustainability and healthy communities will be met. People of all incomes and races are able to choose to live in central, dense neighborhoods and can avoid perpetuating suburban sprawl and auto-centric living.

As such, this report does not challenge the fundamental premises of TOD, but seeks to expand the concept of equity so that the benefits of the light rail investment accrue to existing Rainier Valley residents and new residents.

But ensuring that TOD results in real equity outcomes requires a sharper focus on what equity means and a steady determination to achieve those outcomes. In the context of Rainier Valley, TOD planning and policy must go beyond mere inclusion in

the planning process. Instead, TOD planning must tackle the threat of displacement head-on by addressing the structural challenges that place low-income people and communities of color at higher risk for being forced out. Furthermore, efforts to ensure racial equity in Rainier Valley must be proactive – we cannot wait until after displacement has taken place to act on the negative impacts of gentrification.

Puget Sound Sage advances the following principles to inform planning and public policy designed to encourage TOD in Rainier Valley. This list should not be viewed as comprehensive, but a starting point to deepen public and private sector commitment to incorporating racial justice into TOD initiatives.

### *1. Existing Rainier Valley residents should benefit from TOD investment and be able to thrive in place.*

Gentrification, with racial equity at the forefront, can become a force for economic opportunity and new investment in Rainier Valley, not a force for the displacement of people of color out of Seattle. Consequently, people of color who have long awaited investment and quality infrastructure in their neighborhood can reap the benefits of jobs, housing, business opportunities, and healthy communities generated by TOD.



**2. *Creating quality jobs for Rainier Valley residents should be elevated as an equity strategy equivalent to creating low-income housing.***

Transit-oriented development must go beyond just making great places for people to live; it must connect people to jobs that allow them to live and stay in those great places. Low- and moderate-income people in Rainier Valley should have access to family-supporting jobs that pay living wages, provide benefits and create long-term economic security. This includes both construction jobs as TOD occurs and permanent jobs accessible via public transportation all along the light rail corridor.

**3. *Affordable housing should be incorporated into TOD that meets the needs of low-income families and communities of color and scales to create adequate opportunity.***

Sufficient units at all levels of affordability will be needed to provide housing for both existing residents before displacement occurs and new people of color already priced out of Seattle. Also, existing Rainier Valley residents need different housing products than those typically created by for-profit development, i.e., studio and one-bedroom units. TOD in the Valley should include larger-sized units to house children and multi-generational families. Finally, policies and programs that create longer-term affordability should be favored.

**4. *Community-serving institutions and businesses are needed to stabilize existing low-income communities of color as gentrification occurs.***

Helping local institutions and businesses resist displacement pressures is as critical to maintaining existing communities of color in place as keeping the residents they serve. Affordable commercial space should be prioritized in TOD and surrounding areas for community centers, cultural centers, service providers and culturally relevant businesses.

**5. *Racial equity outcomes, not racial diversity goals, should drive TOD planning.***

Southeast Seattle neighborhoods should remain majority people of color. However, only by creating racial equity will diversity, which refers to the variety of race and ethnic groups, be able to continue in the Valley. (For example, the Central District today may look diverse on paper, but the majority of the historic, black-identified community no longer lives there.) Racial equity outcomes, in turn, can only be achieved when people of color are instrumental in determining priorities and making decisions.

Seattle's rich history of civil rights struggle has produced several examples of how racial justice can dramatically change planning practices. The fight to preserve the International District against forces of gentrification, for example, resulted in the establishment of strong community institutions that wield an unusual amount of decision making power (see sidebar). That power has ensured gentrification of the South Downtown area did not push out locally-serving businesses and intuitions and, arguably, has helped the ID avoid the fate of international districts in other cities.

Applying these principles to TOD planning requires a shift in public priorities and changes to business as usual. In the following section, we propose specific actions that apply the above principles to policy and programs.

Photo by Carina A. del Rosario



## International District Institutions – Deep Racial Justice History

In 1968, a group of Asian American business owners and activists from the International District (“the ID”) formed a new organization – Inter\*Im – to fight dramatic underinvestment and deterioration of the community. At its founding, Inter\*Im worked “to revitalize and promote the commercial potential of the international district.”<sup>123</sup> The group initially won neighborhood improvements from the City of Seattle, such as better lighting. Inter\*Im also became an established voice and convening point for the International District’s diverse Asian communities.

In the early seventies, Inter\*Im’s organizing and community credibility played an essential role in maintaining the character of the International District. At the time, local government demonstrated no regard for the articulated needs of the ID’s Asian American communities. Despite outcry from International District residents, King County built the region’s first multi-sport stadium in the ID. Inter\*Im, alongside other activists, protested that the stadium would bring “a loss of low-income housing, more crime and traffic problems, more noise and light pollution -- and fast-food restaurants.”<sup>124</sup>

The blatant disregard of Asian Americans’ demands by local government during the stadium planning and build out processes ignited Asian American civil rights leaders and community members’ activism.

A broad based multi-racial group worked to secure benefits from the new development and ensure that the existing Asian American residents did not get pushed out of the ID. Turning to national examples of culturally identified Asian neighborhoods under

threat of residential displacement, the group identified housing for elderly low-income residents as their first priority. They employed a multitude of strategies, including direct community-led action. Inter\*Im succeeded in not only securing affordable housing for their elderly, but they also initiated or played a role in creating a number of other community services including a community health clinic, head start programs and community gardens.

As a result of their persistence and fervor, Inter\*Im established a track record of success with both the City and with International District residents. In an effort to build out their affordable housing program, Inter\*Im and other Asian American activists successfully advocated the creation by the City of Seattle of the Seattle Chinatown International District Preservation and Development Authority (SCIDpda), a non-profit municipal corporation. The SCIDpda gave ID activists more leverage to control, buy and preserve ID land for affordable housing. Even today, SCIDpda’s ability to preserve land and buildings remains a powerful tool for anchoring Asian Americans in the International District.

These institutions rose up from the collaborative leadership of forward thinking civil rights leaders. Their work directly addressed the immediate and long term needs of their own communities of color. Both Inter\*Im and the SCIDpda radically transformed and preserved the International District and still function today as steadfast institutions led by people of color and serving people of color.

Photo by Dean Wong



*Even today, SCIDpda’s ability to preserve land and buildings remains a powerful tool for anchoring Asian Americans in the International District.*



# RECOMMENDATIONS

The challenges to achieving equity outcomes for TOD are many and often cited: too few financial tools available to local governments in Washington, limitations to land use regulatory powers, tradeoffs between sustainability and equity costs, and being too late after light rail build out. These challenges are substantial – but not insurmountable if policy makers take swift, bold and coordinated action.

Many key regional agencies are on the right path. In the last few years, the City of Seattle and Puget Sound Regional Council have initiated planning processes that lift up the needed building blocks for racially equitable TOD along light rail corridors. In addition, the City, the Seattle Housing Authority and community-based non-profits, such as SEED, have already provided a foundation of permanently affordable housing in Southeast Seattle to build upon. In fact, equitable TOD reports at the national level have cited Seattle for specific success stories.<sup>90</sup>

But this report reveals that existing efforts are likely to fall short of stemming the tide of displacement or realizing a vision that puts racial justice at the center of TOD planning. We have more to learn from other places and even from local successes.

The recommendations below draw from national best practices, insights from community leaders and local campaigns and initiatives. It is not intended to be exhaustive, but to collect the best thinking in Seattle and beyond. That said, our recommendations are broad and raise questions about how to prioritize the limited resources available to local agencies and

developers. While we suggest mechanisms for creating new funding and lowering land costs, we do not suggest a specific action plan. The next step after this report will be for residents, particularly people of color, and other Rainer Valley stakeholders to determine what they need for their communities. Moving racial justice to the center of TOD planning will require deep engagement and commitment by a broad group of stakeholders, including public officials, community-based organizations, grassroots leaders, labor unions and private developers.

*Photo courtesy of El Centro de la Raza*



## Existing Rainier Valley residents should benefit from TOD investment and be able to thrive in place.

### *Prioritize implementing the non-zoning components of the recently completed Neighborhood Plan Updates.*

The neighborhood plan updates at North Beacon Hill, Mount Baker, Othello and Rainier Beach include components for equitable TOD that are not typically addressed by land use regulation, but are critical for achieving racial equity. To this end, the City of Seattle recently launched the Neighborhood Equitable Transit Oriented Development (NET) Initiative to promote land acquisition, assist small, locally serving businesses and facilitate cultural center development.<sup>91</sup> The programs' goals are amongst the clearest examples of how the City of Seattle can implement the next phase of the Race and Social Justice Initiative. However, the program is underfunded and limited in scope. Seattle elected officials should increase funding to the program and formally adopt its goals as policy. In addition, as described below, specific components of the NET program should receive additional funding.

### *Preserve affordable land now for community TOD goals as gentrification occurs.*

Local agencies and community organizations should work together to preserve adequate land for equitable TOD in the face of escalating property values. Direct control of land by public or non-profit entities, or means to acquire land inexpensively, is key to preserving or creating community institutions, locally serving businesses and other community amenities. A major challenge for local agencies interested in TOD with equity goals has been the already high cost of underused land near transit stations. Despite the downturn in the real estate market and suspension of several private developments in the Valley, land prices still remain high as owners hold out for development activity to return. Tools for ensuring affordable land prices as gentrification continues include:

- Maximize opportunities for public agencies and non-profit institutions to “land bank” for future projects. Not all TOD projects will be accomplished in the next few years – keeping land available for future affordable housing or mixed-use projects when funding becomes available will ensure that anti-displacement efforts can occur over time, even as property values escalate.

The City's NET initiative is laying the groundwork to create a site acquisition fund to do just this. The program will be modeled on successful funds in other metro areas that are also gaining light rail systems.<sup>92</sup> The NET land banking fund program should be a priority for elected officials and receive funds from all possible agencies, including the City, County Council, Sound Transit, Puget Sound Regional Council (PSRC) and local foundations. Seattle City Council should also explore using property tax credits to relieve non-profit developers from property taxes as they hold land for future development. Finally, a land-banking strategy should not be limited only to affordable housing, but also be used for local service institutions and businesses.

- The Puget Sound Regional Council should create a fund for TOD dedicated to equity goals, similar to one in the San Francisco Bay Area. In 2011, The Bay Area's Metropolitan Planning Commission (MPC) established a \$50 million loan fund for affordable housing near transit stations that is expected to develop 20 to 30 acres of land and will generate 1,100 to 3,800 units of affordable housing.<sup>93</sup> PSRC has already been exploring this tool, but will need local agencies, the State and other partners to commit resources and political support.

## Creating Quality Jobs for Rainier Valley Residents

### *Maximize creation of local, high-quality jobs in TOD projects in Rainier Valley – including both short-term construction jobs and long-term, on-site jobs.*

Community leaders advocated for a decade to give Rainier Valley residents access to the high-paying jobs generated by light rail construction, highlighting employment needs for residents facing historic barriers to the construction trades. The result was a workforce agreement between local construction trades and Sound Transit that put over two hundred people to work. With the rail line now built, new jobs developed close to transit stations in Rainier Valley could provide sustainability benefits to the community. But, low-wage jobs without benefits may be inadequate to lift families into stable, livable incomes. Below are ways local agencies can encourage creation of higher quality jobs.

- Construction jobs that offer state-certified apprenticeship training create the most career opportunities for workers with barriers to employment. Apprenticeship programs provide high-quality, on-the-job training while workers are employed and receiving a pay check. Local agencies can maximize career opportunities through apprenticeship utilization requirements when providing public resources or funding to TOD projects. For example, Sound Transit's Sound Move PLA, which included strong apprenticeship requirements for construction of the light rail, was able to achieve 225 construction jobs for low-income residents and 286,740 hours of work for workers of color enrolled in apprenticeship programs.<sup>94</sup>

- The City of Seattle and other local agencies involved in TOD should encourage TOD project developers to recruit tenants that pay living wages and offer family-supporting benefits. While most jobs at Rainier Valley TOD projects will be primarily in low-wage, service sectors, businesses vary greatly in how they compensate workers. For example, a planned mixed-use development in Columbia City recently announced an intent to lease space to a local, grocery cooperative called PCC Natural Markets.<sup>95</sup> PCC is well-known for paying living wages and providing benefits. Bringing responsible, local businesses that provide quality job opportunities should be a high priority for TOD in the Valley.

### *Encourage higher job quality for the low-wage industries prevalent at regional job centers along the new light rail system, including Downtown Seattle, First Hill and SeaTac Airport.*

As explained in Chapter 3 of this report, a large proportion of low-income households and people of color depend on earnings from low-wage jobs. If wages and benefits for the jobs along the light rail corridor improve, communities like Rainier Valley will disproportionately benefit and experience a stabilizing effect in the face of gentrification.

*Photo by Carina A. del Rosario*



## Maria Gutierrez: Hotel Housekeeper Anchors Her Family with a Union Job

Maria moved to Seattle 27 years ago from El Salvador and made Southeast Seattle her home. When she got her start working as a housekeeper, Maria was employed at hotels without union representation. Working conditions were difficult and she could not afford the employer-sponsored health benefits. Then, fifteen years ago, she landed a job at the Seattle Westin and joined UNITE HERE Local 8, the region's hotel worker union.

Conditions were night and day. "Working at a union hotel is definitely different. Before, I got pressure to work faster than was safe and I did not have good health insurance."

For the first time, Maria had affordable family medical insurance that covered her husband and two daughters, both of whom attend Seattle Public Schools. Her steady and reliable income, coupled with affordable family insurance, gave her husband the ability to start his own small business. Also, after years of renting, they were able to purchase a home in Rainier Beach. Unlike many families living paycheck to paycheck in low-wage service sector jobs, Maria and her husband are close to paying off their home loan.

She likes her neighborhood. Before, she would always take the bus, but now enjoys commuting every day on the light rail. Not only does she save on parking costs, but her monthly transit pass is subsidized by her employer. She hopes to stay in Rainier Beach and continue to be a transit user.

Being part of a union provided Maria with more than a good wage and benefits – it provided job security and confidence to put down roots. In the hospitality sector, work can be seasonal and favor younger employees. However, the union contract gives her seniority in scheduling, which allows her to work full-time consistently. This negotiated benefit allows her to plan family activities and be present for her children on the weekend.

But even as part of a union, Maria still worried about unpredictability in her industry. What would happen if the hotel were sold to a new owner? That is why Maria and her co-workers organized with the union to demand and guarantee job security from both the current owner and any prospective buyer, a task that would be impossible for any one worker to accomplish alone.

For Maria, being part of a union has made all the difference in creating stability for her family and helping to stabilize their neighborhood. Working for a union employer has allowed Maria and her family to live the American dream.

*"When I visit hotel workers at their homes, who aren't part of the union, I will all too often come across a foreclosed house."*

— **Joe Stormer**, UNITE HERE Local 8 organizer.

- Municipalities along the light rail should explore minimum labor standards that have been adopted in other cities, such as living wage, paid sick days, apprenticeship utilization (see above), and worker retention.<sup>96</sup> For example, the City of San Francisco requires all employers within city limits to pay a living wage.<sup>97</sup> San Francisco sits at the hub of one of the most extensive public transit systems in the US, serving most low-income communities throughout the Bay Area. The policy thus provides disproportionate benefit to workers living along the public transit system.
- Research shows that workers of color with the ability to collectively bargain, e.g., unionized workers, make up to 22% more than non-union workers of color, and receive significantly better benefits.<sup>98</sup> At the same time, non-union employers that enter sectors with high-union membership, such as grocery retail, can reduce total income in an area and cause job loss.<sup>99</sup> As another means to increase job quality, local agencies should help preserve and promote worker rights throughout the light rail corridor, including the right to organize and collectively bargain.
- Publicly owned or facilitated development along the light rail corridor should advance the highest possible job quality standards. Local agencies should require quality construction jobs and permanent jobs from projects such as the proposed City/County Arena for the stadium district and the proposed Port of Seattle developed airport hotel. For example, the Washington State Convention Center recently established a fair process for workers to organize that will apply to any private hotel built on Convention Center property.<sup>100</sup> In the event workers organize, a collective bargaining agreement will likely create better-paying jobs in a sector Rainier Valley residents already have access to.



*Connect low-income workers of color in Rainier Valley to high quality jobs throughout the rail corridor.*

Local agencies with influence over job creation should create access to better paying jobs for Rainier Valley residents. For example, the Washington State Convention Center should require that a hotel developer give the first opportunity for new jobs to low-income residents along the light rail. A similar program could be implemented for construction jobs at local agencies or on major public works projects, such as the proposed City/County Arena. These types of programs are referred to as “targeted hiring” or “first source” programs and are designed to address institutional racism by ensuring that people who have experienced historic barriers to employment have access to desirable jobs.<sup>101</sup>

One successful program has been implemented by the City of Seattle for a City-sponsored energy efficiency program for downtown buildings. The program, established through a Community Workforce Agreement (CWA), guarantees family supporting wages, high-quality apprenticeship training and community employment (see Sidebar). CWAs have many advantages over government-run, targeted hiring programs.<sup>102</sup> First, CWAs are agreements negotiated between labor unions, community stakeholders and a project owner or contractor, thus giving community hiring advocates influence in how the program is established. Second, CWAs contain unique mechanisms to create racial equity outcomes not available to local governments through program or policy.

*Ensure affordable childcare near transit stations to increase job security for working parents.*

Lack of affordable childcare contributes to employment insecurity and unemployment, particularly for families with low-incomes.<sup>103</sup> TOD planning and policy should encourage projects to incorporate child care facilities that offer subsidized services to low-income residents. For example, Bethel New life in Chicago, one of the best known community-based TOD projects in the country, incorporated an affordable child facility early in the planning stages.<sup>104</sup> Locally, The Village at Overlake, a partnership between the King County Department of Transportation, King County Housing Authority, the City of Redmond, Fannie Mae and private developers built a TOD project with 308 units affordable to households with 60% or less of area median income, a large park-and-ride garage and a childcare facility.<sup>105</sup>



## Affordable housing should be incorporated into TOD that meets the needs of low-income families and communities of color, ensures long-term affordability and scales to create adequate opportunity.

### *Encourage family-sized units (2+ bedrooms) in market-based housing policy.*

The City's Housing Levy provides substantial funding for non-profit housing developers, who create more family-sized units than for-profit developers. But, affordable housing incentive programs for market-based projects, like the Multi-family Tax Exemption (MFTE) program and the Incentive Zoning program, generate mostly studios and one bedroom units.<sup>106</sup> These programs should be retooled to encourage larger bedroom sizes for projects in Rainier Valley, and possibly the whole city, to better target housing for low-earning families and communities of color.

### *Encourage development of units affordable to households making 30% to 60% of area median income (AMI) to provide needed housing for low-wage workers.*

City programs intended to create “workforce housing,” such as MFTE and Incentive Zoning, target 80% AMI households.<sup>107</sup> Yet low-wage workers, who have fewer choices in the housing market by virtue of income, typically earn below 60% of AMI<sup>108</sup> Furthermore, in Rainier Valley, units priced for 80% AMI households represent well above market rate rents for anything except brand new construction. The City should expand the definition of workforce housing to 60% AMI and explore mechanisms beyond the Housing Levy to generate these units in the Valley.

Photo by Carina A. del Rosario



***Bring the City of Seattle's Incentive Zoning policy in-line with other US cities to generate more units and deeper affordability.***

The City of Seattle adopted an Incentive Zoning (IZ) ordinance in 2008 that creates a requirement for developers to include affordable residential units in their projects if they build above a certain height. Cities throughout the country, including Boston, Denver and Washington DC, use this type of zoning strategy, sometimes called “inclusionary housing” to enlist the private sector to produce housing for lower-income households.

However, Seattle's approach requires relatively little from the policy compared to other cities, both in terms of number of units and affordability levels. Although the rate of affordability varies by building size, we estimate that only 4-7% of all units in a building near a transit station in Rainier Valley would be affordable to renters with incomes at 80% AMI.<sup>109</sup> For comparison, Denver requires 10%, Boston requires 15% and New York requires 20%. Also for comparison, Boulder requires units affordable at 70% AMI, San Francisco requires units at 60% AMI and Santa Fe requires some units at 50% AMI. At the very least, Seattle elected officials should revisit the IZ policy for its effectiveness in creating real affordability for low-income families in Rainier Valley. Changes to the policy city-wide should also be considered.

***Create a tax increment finance tool that generates revenue for low-income housing in TOD.***

The City of Seattle and the State Housing Finance Commission provide critical local funding sources for non-profit developers to use as a match for other sources, such as tax credits and loans. However, the levy, along with the City's other affordable housing programs are inadequate to keep up with need. The City of Seattle, along with all municipalities and local housing agencies in the Puget Sound, require more funding sources to generate adequate low-income housing for the region's growing low-income population amidst a strong real estate market. One of the most likely new sources of revenue is tax increment financing.

Tax increment financing (TIF) is known as a “value capture” tax tool used by local governments to finance development. Although a thorough explanation of the policy is beyond the scope of this paper, TIF essentially borrows from future tax revenues to finance development costs today.<sup>110</sup> While TIF is widely used throughout the US, legal barriers in Washington have limited its use and function to creating modest funding for infrastructure development. More extensive uses of the policy requires changes to State law and the State Constitution. However, TIF could be a powerful tool to fund racial equity outcomes in TOD projects. Racial equity stakeholders, including the City of Seattle and King County, should propose and advocate for State policy that would enable TIF to pay for low-income housing and build infrastructure that helps stabilize existing low-income communities.

***Preserve existing, privately-owned multifamily buildings that serve low-income families.***

Preserving existing residential buildings that serve low-income renters is an overlooked strategy. These buildings, mostly owned by for-profit landlords and ranging from four units to hundreds, provide the most affordable units of any privately-held housing type in Rainier Valley. They are affordable largely because of age and condition, but also because they meet a demand for lower-income households. Maintaining current rent levels while reinvesting in these buildings has several advantages: displacement is minimized because they are not being torn down, rehabilitation can produce less carbon emission than new construction and overall costs are lower compared to building brand new housing. Strategies for TOD in Rainier Valley include:

- Local agencies should help scale up efforts by non-profit housing developers that buy, renovate and preserve low-income housing. Mount Baker Housing is a successful example of this strategy, with a focus on Southeast Seattle (see Sidebar).
- Project-based Section 8 buildings in Rainier Valley, and throughout Seattle, require intervention before they are lost and residents displaced. The project-based section 8 program provides low-income housing for many Rainier Valley residents. This HUD program provides subsidies for building owners willing to provide rental assistance to low-income families for a fixed period of time, many as long as 40 years.<sup>111</sup> Currently, numerous project-based Section 8 buildings in Southeast Seattle are under contracts that are set to expire in the

coming years. Allowing these contracts to sunset will exacerbate the threat of displacement already pressing down on many Rainier Valley residents. Buildings owned by for-profit entities are at especially high risk for turning from affordable housing to market rate housing, making them out of financial reach for existing low-income tenants.<sup>112</sup> Local government should monitor project based Section 8 buildings with expiring contracts and support resident organizing efforts to maintain affordability and control of their housing.

- The City of Seattle should explore use of property tax credits to help pay for preserving existing buildings.

***Surplus property owned by Sound Transit should be used to create affordable housing through joint-development projects.***

Transit agencies around the country have taken advantage of their surplus property to develop affordable TOD projects in joint-development with other agencies or private developers.<sup>113</sup> Sound Transit still owns nearly 10 acres of surplus land from light rail construction in Rainier Valley.<sup>114</sup> This land could be used to enable non-profit affordable housing developers to access sites near transit station areas that might otherwise be too expensive to acquire. As a result of years of advocacy by affordable housing developers, Sound Transit has recently initiated a partnership with Catholic Housing Services to explore feasibility for joint-development of a site in Columbia City.<sup>115</sup> The Sound Transit Board's next step should be to advance a larger joint-development strategy for other Rainier Valley sites as well as the rest of the light rail system.

Photo by Zac Davis Photography





# Preserving Housing for All People in Rainier Valley

Mt. Baker Housing employs a unique strategy – this Rainier Valley, non-profit organization purchases older, privately-owned buildings with low-rents and rehabilitates them from the inside out, while maintaining their affordability. This model allows existing low-income Rainier Valley residents to benefit from new investment and withstand the rapid transitions already underway in Southeast Seattle.

Mt. Baker Housing intentionally targets buildings that cater to families (2-3 bedroom apartments) but that are neglected and often in hazardous conditions. After the rehab is complete, residents benefit from floor to ceiling retrofitted apartments, safety improvements and, in some projects, new design focused on community and child friendly space.

Through a unit-by-unit approach, Mt. Baker Housing is able to relocate tenants to other on-site units during rehab, preventing even temporary displacement. Additionally, Mt. Baker guarantees that all tenants who wish to remain in the newly renovated building and abide by the property manager's rules are able to do so. Minimizing tenant displacement in any project is a key component to ensuring that new investment and development in Southeast Seattle benefit existing residents.

Another important side effect of their projects is improved public safety. With new resources put into the building, and healthy apartments for families to live in, residents interested in criminal activity have been discouraged from staying in the buildings.

Not only does Mt. Baker Housing's strategy benefit existing low-income people in Rainier Valley, it is an inexpensive model for ensuring that a sufficient amount of housing in Southeast Seattle is affordable. Housing preservation is cost effective. Renovating an existing unit can be up to 40% cheaper than building a new unit.<sup>122</sup> In addition to a good value, housing preservation is consistent with the region's environmental goals, since the process allows developers to use existing infrastructure and development.

While Rainier Valley communities need a diversity of housing types, preserving and rehabilitating existing low-rent buildings is a cost-effective method that provides immediate benefits to the low-income residents who already call Rainier Valley home.



## Community-serving institutions and businesses are needed to stabilize existing low-income communities of color as gentrification occurs.

### *Expand the City's Neighborhood Equitable Transit Oriented Development (NET) Initiative to achieve scope and scale*

As described earlier, the City's NET initiative will launch two strategies to preserve and stabilize low-income communities of color: first, providing support to locally-serving businesses near the Othello station and, second, planning for a non-profit owned, multi-cultural center in Rainier Valley. These forward thinking strategies are limited, however, by one-time grant funding. Commercial stabilization will be needed as gentrification occurs over the long run and only planning for a cultural center is funded. The City should identify ongoing funding for commercial stabilization and create a fund to support cultural centers that play unique roles within communities of color, including other places along the rail system such as Little Saigon.

### *Support and promote community-controlled development as a primary strategy to stabilize Rainier Valley residents.*

Applying a racial justice framework to TOD planning and policy calls for empowering low-income communities of color in both planning and implementation. Locally-controlled development can yield the strongest results, from community engagement to outcomes that are targeted to specific needs. Some of the most successful TOD projects in the country

were proposed and developed by locally-controlled, non-profit organizations accountable to and providing a broad set of services for a community.<sup>116</sup>

In Southeast Seattle, three community-based service organizations have launched efforts to plan and develop locally-serving TOD projects. If successful, these efforts will help anchor their communities against gentrification-driven displacement. Local agencies and elected officials should ensure that these projects receive the policy support and funding that they need for completion. They include:

- Filipino Community of Seattle has partnered with Inter\*Im to expand their social and community services through developing a multi-purpose, mixed-use building near the Othello station. Their project will include affordable senior housing, a multi-purpose gym and a large theater/performing arts space.<sup>117</sup>
- El Centro de la Raza plans to build a mixed use, affordable transit-oriented development project across from the North Beacon Hill station. El Centro's vision for the project explicitly ensures that low-income people of color will benefit from public investment in the light rail (see Sidebar).
- Urban Impact, a faith-based service organization in Rainier Beach, is developing Impact Family Village less than a half mile from the light rail and right along Southeast Seattle's major bus lines. Impact Family Village will include family-sized units affordable at 30-60% AMI and commercial space. Urban Impact will serve, "working families who have often struggled to find affordable, healthy living environments."<sup>118</sup>

Photo by Carina A. del Rosario



## El Centro de la Raza Makes TOD Work for Communities of Color in Seattle

Chicano/Mexicano activists, alongside multi-racial supporters organized 40 years ago to claim what is now El Centro de la Raza on Beacon Hill in order to create their own people of color led and serving organization. El Centro's mission and services responded directly to issues facing low-income people of color that had long been ignored by local government: access to jobs, quality affordable housing and affordable childcare.

After forty years of advocacy and service, El Centro de la Raza has become a cultural and community institution that provide 33 programs and services focusing on: children and youth, education and skill building, basic and emergency services, and community building and development. Despite the organization's size and breadth, El Centro continues to lift up grass roots community organizing and serves as an advocacy hub for the Seattle and Martin Luther King, Jr. County Latinos/as to achieve social justice.

In 2013 El Centro will take the next step to respond to the true needs of their community. El Centro plans to build a mixed use affordable transit-oriented development project. The original El Centro site is located across the street from a light rail stop. Not only does the project touch on housing, culture, jobs and family, El Centro envisions the development as a way to anchor their participants and community members in the City of Seattle and ensure that low-income people of color benefit from public investment, of the light rail.

With El Centro's clients and stakeholders leading the planning and visioning process, the project includes elements atypical of for-profit housing development. El Centro will build a mixed-use center with 115 units of affordable housing. The complex includes retail space that will be available to a variety of business types, including micro-enterprises such as food and jewelry businesses that operate out of small alcoves. The project also provides space for a preschool and a cultural/performing arts facility. El Centro's project centers around a Santa Fe style plaza to be used for both formal and informal community gatherings.

Without a model for how community institutions can be at the forefront of ensuring that development meets their needs, El Centro blazed a trail with local government, planners and developers. Through this process El Centro became a community-based developer and produced a financially and politically feasible project that will serve local communities of color. El Centro's project stands as an example of what is possible when communities of color are collaborators in creating their own neighborhoods and housing.



Photo by Flight Right Productions

## Racial equity outcomes, not racial diversity goals, should drive TOD planning.

### *Racial equity outcomes require communities of color who are stakeholders in TOD planning and policy to be part of decision-making.*

Being involved in planning processes and policy-making requires a long-term commitment of time, creating opportunity costs for local organizations. Additionally, meetings often occur during typical work hours, preventing participation of many residents. It is no accident that volunteer planning bodies consist of professionals involved in the development field or represent advocacy organizations with full-time staff. For example, PSRC's Growing Transit Communities initiative provides small grants to local organizations to increase participation in TOD planning. Where possible, local agencies should identify resources that create new positions at community of color led organizations and institutions in order to engage in government-sponsored planning processes.

### *Local governments and elected officials should support and promote the use of stakeholder-led agreements with developers.*

In the last ten years, a new strategy for achieving racial equity outcomes from developments has emerged – negotiated agreements between developers and local stakeholders, or community benefit agreements (CBAs).<sup>119</sup> CBAs address two racial justice shortcomings in most public decision making: 1) where large-scale projects will have unique, negative impacts to a community that cannot be mitigated by broader land use regulation and 2) where historically marginalized residents and other stakeholders have little or no voice in decision-making. Through a CBA process, local stakeholders, including community residents, faith leaders, environmental justice groups, small business associations and workers can bargain for specific community needs and, ultimately,

enforce the terms without requiring intervention of a local government. In return, developers secure the support of those local stakeholders in the permitting process. It should be noted that CBAs typically work best for large scale projects, which will be few in Rainier Valley. However, the light rail corridor should be considered one continuous area that creates direct links between development outcomes in commercial areas with residents in neighborhood areas.

In Seattle, the Dearborn Street Coalition for Livable Neighborhoods, comprised of cross-sector stakeholder organizations and volunteers, reached a historic agreement with the developer of the Dearborn Project, a 600,000 sf mixed-use project next to Seattle's Little Saigon neighborhood.<sup>120</sup> Although the project did not proceed after the recession, the agreement represents a model for how a community of color, in this case Little Saigon, can help prioritize how developers make investments in neighborhoods. Many of the recommendations in this report were included in the CBA, specifically family-sized affordable housing, assistance to locally-serving businesses, funding for a cultural center, subsidized commercial space for local non-profits, quality job assurances and street improvements for the neighborhood. Given that Little Saigon will host part of the new First Hill streetcar, this project would have been considered transit oriented development.

In Pittsburg, the One Hill Community Coalition, representing a historically disenfranchised Black neighborhood, secured similar benefits, including a new grocery store and funding for a first source referral program that will link residents to jobs at the 28 acre development site.<sup>121</sup> From a racial justice perspective, one of the most remarkable provisions gives decision-making power to a locally-controlled planning body to oversee development of the full site.

# Community Workforce Agreements Open Career Pathways for Seattle Workers

Sintayehu Tekle grew up and attended school in West Seattle. While in school, Sintayehu hoped post-graduation work would be both fulfilling and financially rewarding. Unfortunately, as is true with many underserved young people, he found many barriers to that future. After high school, Sintayehu bounced between many “dead end” jobs and ended up getting into trouble with the law. With a criminal record and no clear career path, Sintayehu was unsure of his future and his own potential.

Despite these difficulties, Sintayehu did not let self-doubt and traditional barriers to employment hold him back. Through the Seattle Vocational Institute’s Pre-apprenticeship in Construction Trades Program (SVI-PACT) and Got Green, a community-based racial justice organization in Rainier Valley, he learned about living wage jobs available in the construction trades and became interested in electrical work.

After graduating from SVI-PACT, Sintayehu became an apprentice with the International Brotherhood of Electrical Workers (IBEW) Local 46. Throughout his time in school Sintayehu became more involved with Got Green and developed a deep commitment to community empowerment through good jobs and healthy families. He continues to serve on the Got Green Board.

In 2012, Sintayehu’s career-focused training and community organizing work paid off with an opportunity to work on an energy efficiency initiative in downtown Seattle. The initiative, the City of Seattle’s Community Power Works (CPW) large commercial program, is governed by a Community Workforce Agreement (CWA). In the CWA, the company performing the retrofits, McDonald-Miller Facility Solutions, has partnered with the Seattle/King County Building Trades to guarantee all jobs will pay living wages and provide high-quality benefits. In addition the CWA calls for the hiring of new graduates from pre-apprenticeship training, like SVI-PACT, and directly places them into union apprenticeship programs. This mechanism helps overcome significant challenges faced by communities of color in accessing construction jobs and provides the highest-quality construction training available. The CWA serves as a model for lifting people of color into career opportunities for construction. Sintayehu, in turn, serves as a success story for CWAs.

***“These policies by the City of Seattle actually opened the door for me and other people who are having a hard time finding a job in the economy”***

*“The community workforce agreement is actually opening doors for people in the community that don’t have access to those resources”*

— **Sintayehu Tekle**, Got Green Board Member

Photo by Zac Davis Photography





## Olympic Express – A Success Story of Keeping Locally-Serving Businesses in the Valley

The Les family has been in the restaurant business since 1987. In 1992, they became the first tenant in the newly developed King Plaza where they renamed their restaurant Olympic Express to highlight their multi-ethnic cuisine. They are Muslim Cham from Vietnam and are the only restaurant in Washington State that serves 100% Halal prepared Pan-Asian curries, teriyaki, and noodles as well as Mediterranean gyros. Naravisaya Les, known as “Al,” credits his success to the lessons from his parents to adapt to your customers. Al’s commitment to customer service and growing up in Rainier Vista and New Holly instilled in him a value of multiculturalism that propelled him to travel and become fluent in 5 languages.

Islam prohibits its followers from taking out western-style loans that accrue interest. This practice led Al and his family to find other ways to finance homeownership and business ventures including an informal mutual revolving fund between his family and the Cham community. “We have been successful because we have a tight network of community and family support that allowed us to take risks and become homeowners.”

Despite its wide appeal, Olympic Express suffered a 20-30% loss in customers during light rail construction. Mitigation funds from the Rainier Valley Community Development Fund proved critical in allowing Al and his family to keep their doors open.

Al is more than a small business owner – he is also a community leader. “Just as our business has adapted to the changes of the neighborhood and our customers’ tastes, we need policies that adapt and respond to the unique needs of the immigrant small business owners to give us a fair chance to be successful.” Al is now working with the Rainier Valley CDF to create a small business product that would meet Shariah loan standards. He hopes to work with more community organizations and the City to ensure that business products address the unique needs of Rainier Valley’s diverse businesses. Al believes that the City and non-profits need to help the immigrant business owners, especially the older generation adapt their businesses, in a way that is empowering and honors their religion.

*Photo by Carina A. del Rosario*

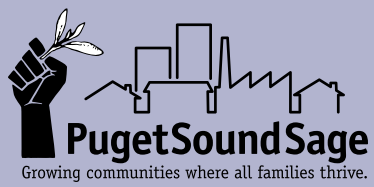




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