



## 2021-2024 Policy Platform -- Healthy, Thriving Neighborhood Policy Proposals

*Last Updated: November 25, 2020*

These policy proposals are presented to provide specific examples of the types of policies that National CAPACD will advocate for under our 2021-2024 Policy Platform. As such, all policy proposals will be consistent with the values, vision, and framework of the 2021-2024 Policy Platform. This document may be updated from time to time.

### **Our Values and Vision**

We believe that, in order to achieve true social and economic justice, all communities and neighborhoods must have the resources and opportunities they need to engage and thrive. The following shared values of healthy and thriving communities are necessary to achieve this vision:

*Access:* We believe that everyone should have equitable access to affordable housing, public spaces, institutions, and resources, regardless of language spoken, ability, gender identity, race, or religion. Neighborhoods should include equitable transit investments, jobs, and adequate financial institutions.

*Community:* We believe in the preservation of culturally significant neighborhoods from displacement or gentrification. We believe that there should be robust equitable investment in physical and social infrastructure to serve all communities.

*Health:* We believe that health includes not only affordable healthcare and community support for all, but also safe homes, parks, open or green spaces, and clean air and water.

*Opportunity:* We believe that everyone should have equal opportunities, which includes access to fair financial products and financial institutions, as well as equitable investments in our neighborhoods.

*Expression:* We believe that arts and culture are critical components of healthy neighborhoods. We stand with community leaders and public policies that protect gender, religious, or cultural expression.

*Safety:* We believe that everybody should live in a safe neighborhood. We believe that public safety also includes reduced immigration restrictions, an end to racial and religious profiling, as well as an end to police violence and hate crimes that target people of color, immigrants, Muslims, and LGBTQ communities.

*Autonomy:* We believe in local autonomy over the planning process and that community members should have control over shaping their neighborhoods. We believe in self-determination for Native Hawaiians, Pacific Islanders, Native Americans, and all indigenous people through independent control of local land and resources.

We seek to enact this vision of social and economic justice through working with community-based member organizations to ensure that low-income AAPIs have the information, resources, and power necessary to shape their neighborhoods and communities in ways that are consistent with our values and vision.

## **Crisis Response**

In the wake of the recent spate of police killings of black people, protesters have called into question the role and function of the police.

As funding for service programs for low-income people have decreased, [police budgets have increased](#).

In most places across this country, the police are the frontline response to issues of homelessness, mental illness, domestic abuse, etc. In many cases, the police are the only response. There is no reason why an armed, militaristic response is needed in any of these instances. Instead of promoting community safety in low-income neighborhoods and in communities of color, police have been responsible for escalating tension and violence.

Resources that are allocated towards policing would be more effectively and equitably applied towards community-based solutions -- increased social services, education, community programs, recreation, arts and culture, etc. -- the types of investments that make for healthy, thriving communities.

In order for communities to become safer (and therefore to be healthier and to better thrive), we support calls to reduce funding of enforcement and policing and redirect resources towards solutions that communities identify and enact. Federal policies can support and incentivize these transitions.

## **Beyond the Pandemic**

Economic recovery will require rebuilding and expanding our nation's infrastructure -- including transit, roads, bridges, water systems, the energy grid. In order to ensure that these rebuilding efforts support the proposition that all low-income neighborhoods and that all communities of color can be healthy, thriving neighborhoods, we advocate to build upon the existing assets of our neighborhoods in the following ways:

### Invest in Community Facilities

Community-based organizations and institutions are the backbone of healthy, thriving communities. These anchor institutions should have permanent homes from which to provide services and to support and

empower their communities. Federal policies should support the development of such community-based infrastructure through the following:

- *Invest in Community Facilities:* Increase annual funding for nonprofit organizations to own and develop community facilities across a variety of capital programs (e.g., OCS CED, CDBG) by an additional \$1 Billion per year.
- *Increase the NMTC Allocation:* Expand the New Markets Tax Credit to provide an additional \$5 Billion in annual tax credits.
- *Provide Technical Assistance for Grassroots Nonprofits to Own and Operate Community Facilities:* Set aside funding within the above allocations such that smaller community-based nonprofit organizations can receive technical assistance on the owning, administration, and operation of community facilities.

### Empower Low-income Communities to Lead Community Planning

Local, low-income residents should be supported in their efforts to determine the future of their communities and to lead in community planning efforts in determining land use and in determining the allocation of community development and community services resources. Federal policy should establish requirements for community engagement and community-led planning per the following:

- *Require Community Process and Planning for all Federal Block Grants:* All federal block grant funding for housing, community development, transportation, and health and human services should be conditioned upon completion of community-based and community-led (i.e., local, community-based nonprofit organizations lead the process) plans that comprehensively address housing, health, community safety, environmental sustainability, arts, culture, and economic development in the community.
- *Strengthen Existing Community Engagement Processes:* For block grants where community engagement and planning is currently required (e.g., the Consolidated Planning process for HUD CPD block grants), the processes should be strengthened and supported by separately allocated resources for community-based organizations to lead the planning processes, including resources to provide outreach and language access for LEP communities. These plans should identify minimum community benefit requirements for any federally subsidized capital projects to be located in the community.
- *Increase Accountability and Enforcement of Community-based Plans:* Jurisdictions should not just go through the motions of creating plans that they have no intent of following. There should be specific mechanisms for community-based residents and stakeholders to enforce adherence to their plans, including clawbacks of federal funding used for subsidies and potential punitive measures for jurisdictions shown to have acted in bad faith or are repeat offenders. Additional accountability measures could include regularized data analysis to test that programs are promoting the intended community benefits and not causing displacement or other problems and creation of a community “ombudsman” at each CPD Field Office (i.e., someone whose role is to be accessible to communities in holding jurisdictions accountable to their Con Plans).
- *All New Federally Funded Capital Projects Must Comply with these Plans:* Federally subsidized transit, infrastructure, housing, and commercial and industrial development all must comply with the community plans as described above.

### Create National Anti-Displacement Policies and Programs

Prior to the pandemic, rising housing prices were driving low-income tenants out of their homes. In the diverse, urban neighborhoods where the majority of low-income AAPIs live, rising rents not only affected residential tenants but also small businesses and community institutions (e.g., nonprofits, churches, community and cultural facilities). On top of this, new, market-driven new development was overwhelming the character and context of our neighborhoods. Once the economy has recovered, it is likely that gentrification will once again threaten our communities. During this pause, federal policies should empower people to define their own communities and establish simple, accessible tools for low-income people, small businesses, and community institutions to stay in our communities. Examples are as follows:

- *Create a Housing Flip Tax:* As a disincentive for rampant real estate speculation, non-owner occupied housing that is sold within five years of purchase should pay an additional fee. These revenues should go towards future affordable housing development.
- *End Tax Subsidies for Predatory Real Estate Speculators:* In addition to the flip tax above, we advocate for the end for all federal tax incentives (such as the deferral of capital gains taxes through investment in Opportunity Zones) and other support for predatory real estate speculators who are buying up homes and properties in our communities.
- *Set Aside Resources to Provide Technical Assistance to Micro-Entrepreneurs in Hot Markets:* In low-income neighborhoods where rents commercial rents are rapidly increasing, Federal business assistance and counseling programs (e.g., SBA PRIME) should set aside funding to help micro entrepreneurs with business planning, negotiating with their landlord, forming business improvement districts, etc.
- *Establish a Baseline Set of Tenants' Rights:* As discussed above in the Housing plank of this platform, there should be federal leadership to establish baseline tenants' rights to just cause eviction, right to counsel, and right to organize. While applicable to all tenants, these baseline rights will especially be useful to tenants in gentrifying neighborhoods. And as specific protections against displacement, these baseline rights should include a right-to-return.
- *Support Creative "Place Keeping:"* Increase funding for the NEA's Creative Placemaking programming and set aside funding within Creative Placemaking to incorporate artists and cultural workers in grassroots efforts to define and protect a community from displacement. Additionally, federal inclusionary zoning policies should include anti-displacement overlays for cultural districts.
- *Set Aside Resources for Nonprofit, Community-based Organizations to Stay in their Communities:* Across a variety of federal programs for community facilities (e.g., CDFI, NMTC, CDBG, OCS) funding should be set aside for nonprofit organizations in hot markets to purchase permanent offices and community space in the communities which they serve.
- *Explore Creative and Alternative Approaches to Preserving Small Businesses:* Federal small business assistance programs should pilot creative alternatives to sustaining small businesses such as commercial land trusts and worker-owned cooperatives.

#### Improve Existing Policies to Mandate Community Benefit

There are regulations and policies that were created with the stated purpose to create community benefit to low- and middle-income (LMI) communities. In order for these regulatory systems to live up to their promises, they need to be tightened or updated. Examples include:

- *Update and Improve the Community Reinvestment Act:* The CRA needs to be updated to cover the broader range of financial entities that exist now and the CRA needs to be tightened to better define the types

of projects and programs that provide actual, direct benefit to LMI communities and to disincentive the types of investments that promote displacement in LMI communities.

- *Reform Opportunity Zones:* As they exist currently, Opportunity Zones are a non-transparent subsidy for gentrification. Information about the projects subsidized through Opportunity Zones should be more readily available and the regulatory criteria for such investments should be explicit and specific about the types of baseline community benefits that will be provided by projects supported by Opportunity Zones. For example, any residential project should have an established minimum percentage of affordable housing; any commercial project should have below-market rent space reserved for nonprofit or micro-enterprise use; any industrial project should require local hiring of low-income residents. The current statute does not require a single affordable home to be saved or built or a single low-income resident to obtain any job.
- *Redefine Area Median Income for High Income Metro Areas:* The definition of Area Median Income (AMI) underlies the legal determination of who benefits from not only affordable housing programs but also for broader community development regulatory systems (such as the CRA). In regions where the economy is booming and AMI is high (for e.g., the 2019 base AMI in the San Francisco Bay Area is \$136,800), much “affordable” housing is severely unaffordable for even households with 2 fulltime wage earners if both such workers are not white collar. Community development programs end up targeting segments of the population that are not the originally intended beneficiaries. Therefore, there needs to be an alternative calculation of LMI in high income regions (e.g., use a percentage of national median income for the base calculation). With input from community stakeholders, HUD should create new guidelines for determining income targeting in high AMI metro regions, with an emphasis on deeper income targeting. These guidelines should be applied across all Federal housing and community development programs and regulatory systems.