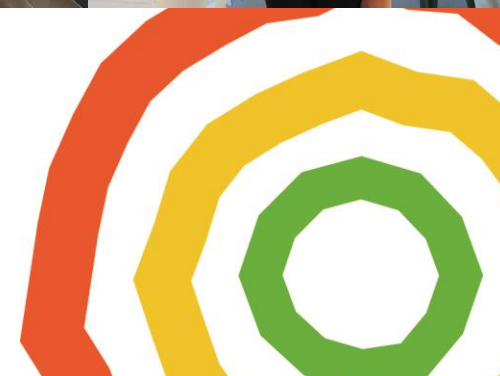


CNHED Monthly Meeting
The “G” Word-
Legislation & Policies Addressing the Effects of Gentrification
November 28, 2017
Marla Bilonick, *Executive Director*, LEDC



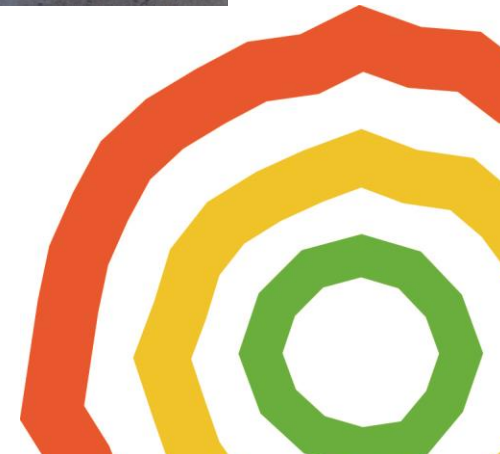
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LEDC Background

- Latino Economic Development Center- *LEDC*
- Nonprofit CDFI serving Latino and other underserved communities through asset building and preservation interventions in Housing and Small Business Development in DC, Maryland, and Virginia
- Founded in 1991 amidst police brutality and civil unrest during the Mount Pleasant riots
- Client demographic breakdown = roughly 60% Latino, 30% Black, 10% 'other'





Small Biz Preservation: The Issues

There are three issues we are solving for:

- 1. Preservation of individual and family livelihoods*
- 2. Preservation & continued creation of community jobs*
- 3. Preservation of the integrity and uniqueness of business corridors, communities, and cities*





Some Key Threats

External

- Rising rents
- “Big Box” chains
- Competition driven by chains (with upper hand on price and variety of merchandise)
- New residents with different preferences
- *(My editorial)* Environment that is focused on “building up” and newness vs. preserving what is here

Internal

- Low commercial ownership rates by business tenants
- Lack of savings
- Poor infrastructure-both in terms of operations and physical space
- Merchandising (layout of inventory)
- Low/no marketing budget
- “Busy”ness





National Models

- *SF-Legacy Business Preservation Fund*
- *MoCo, MD-Small Business Assistance Program (Bill 6-12)*
- *NYC Community Cornerstone (now re-branded as “Love Your Local”)*
- *Community Benefits Agreements (e.g. Minneapolis & Longfellow Community Council)*
- *Land Trusts (under exploration in Oakland & elsewhere)**

**Thanks to Citi Community Foundation for funding to research and conduct site visits to many of the above.*





What About DC?

Some current local tools---

- *Great Streets grants for capital improvements*
- *Small Business TA & financing (SBTA providers and CDFIs)*
- *DRAFT-Small Business Rental Assistance Act of 2017-Brianne Nadeau*
 - *“A program to assist business enterprises which are imperiled by rising commercial rents”*
 - *Business must have operated in same location for at least 10 years & can demonstrate TBD % rent escalation*
 - *Business must be financially healthy to apply*
 - *Business likely to cease w/o assistance*





LEDC's ProBiz: Georgia Avenue



- Competitive process-businesses had to apply to participate
- Providing tailored, on-site, solutions-focused consulting for 20 small businesses) in narrowly focused areas including merchandising, establishing internet presence (website to Yelp!)
- Assistance in applying for Great Streets
- Access to LEDC small business loans
- LEDC support on legislative agenda



Addressing Vulnerable Housing

- Coming off of a successful Advocacy Day with CNHED, LEDC seeks your support in passing bill B22-100 which would combat abuse of “voluntary agreements” where tenants sign away the future affordability of a building.
- In cases like 2833 Georgia Ave tenants often do this while leaving and receiving a buyout, meaning the immediate loss of a whole building of affordable housing (in the case of 2833 GA Ave = 15 units).
- Removing rent control from a building causes rents to go up to market rate, & an implicit loss of affordable units.
- A great deal of old housing in neighborhoods like Shaw, Adams Morgan, and Columbia Heights became market rate rather than being preserved because of these agreements.
- It’s not too late for other communities in DC, including those along the Georgia Ave business corridor discussed here.



Final Plea

- Gentrification can be viewed as an opportunity for longstanding residents and business owners to improve their livelihoods and increase the value of their assets. That will only happen if the political will exists to protect the interests of longstanding residents/businesses vs. the interests of the wealthier incoming residents and businesses.





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Come visit!

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