November 12, 2014

To: Members of the Mayor's Task Force on Preserving Dynamic and Diverse Neighborhoods

From: María Antonietta Berriozábal, member of Task Force

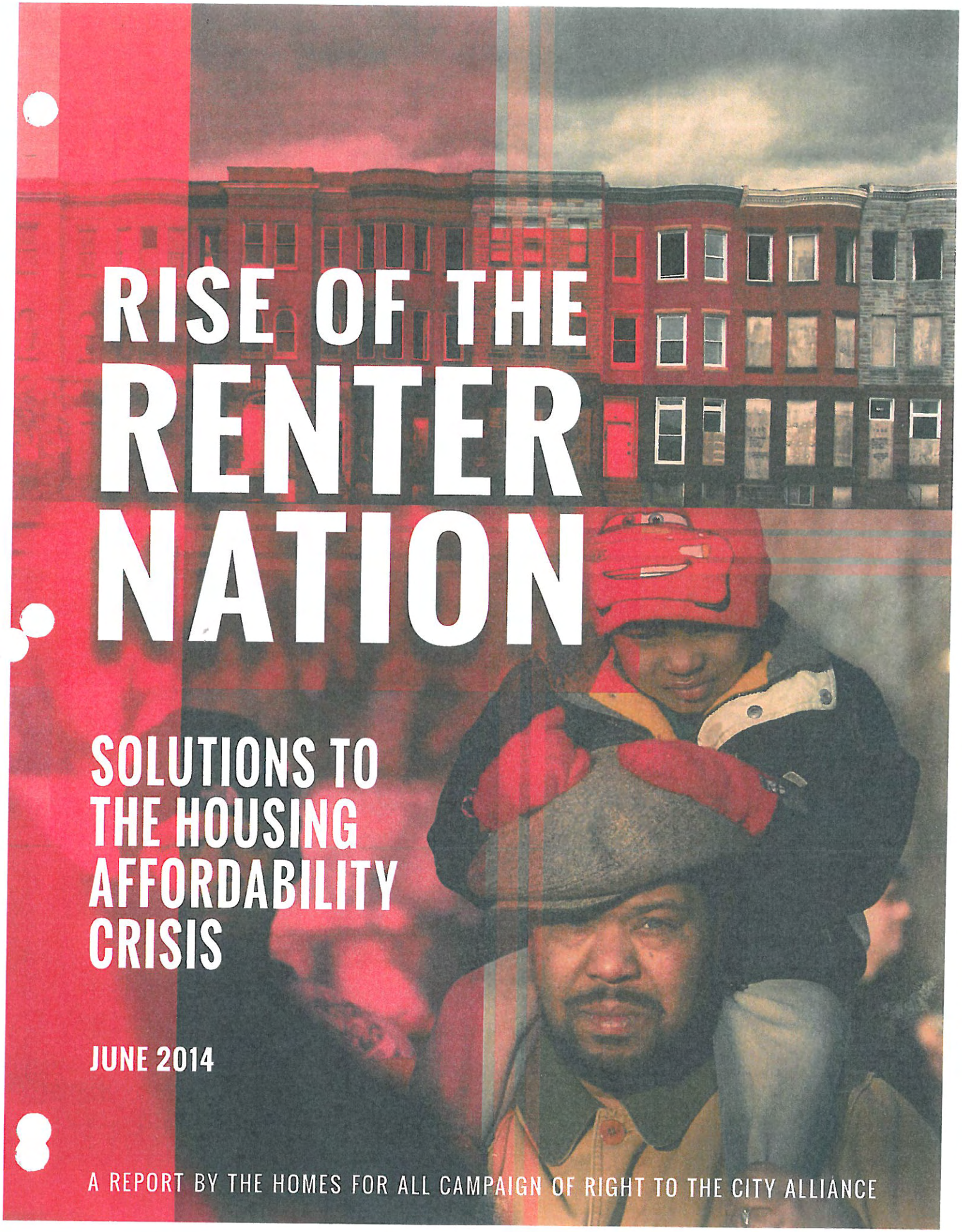
For the past several months I have been working with a group of volunteers in educating ourselves over what other cities are doing with regards to housing policy with a particular interest in gentrification. I have availed myself of reports, studies and actual policies that have been enacted by other cities. I would like to share some of this information with you in the hope that they will provide insight into the magnitude of the problems our task force was created to address and the steps others took to come to their conclusions. In this information there are examples of steps San Antonio can take in addressing problems that will only grow. .

Several reports are rather lengthy so I only copied several sheets from each. After this meeting I will send you the links to those reports so that you can avail yourselves of the entire reports. All are recent reports.

1. **Rise of the Renter Nation: Solutions To The Housing Affordability Crisis** – June 2013 - Prepared with support from the Right to the City Alliance. (One table that I share from that report was surprising to me. San Antonio has 56.8% of "total percentage of renters.)
2. **Development without Displacement: Resisting Gentrification in the Bay Area** Written by Causa Justa: Just Cause and assistance from Alameda County Public Health Department: Place Matters Team.
3. **The City-CLT Partnership - Lincoln Institute of Land Policy** – Report on the successful use of Community Land Trusts in addressing housing problems.

4. **Ordinance enacted by the City of Los Angeles** to address displacement of mobile home residents in July of 2008.
5. **Homelessess**: Article dated October 12, 2014 City of Los Angeles builds a new 102-unit housing complex for the homeless.

Finally, I am sharing with you a statement by former Mayor Henry Cisneros written in March of 1988 where he outlined the problems the city was facing in housing at the time. Regrettably, while a few steps were taken there was no follow through. One effort that did bear fruit was the creation of the San Antonio Housing Task Force that stands to this day. The statement is a good historical point to consider.



RISE OF THE RENTER NATION

SOLUTIONS TO THE HOUSING AFFORDABILITY CRISIS

JUNE 2014

A REPORT BY THE HOMES FOR ALL CAMPAIGN OF RIGHT TO THE CITY ALLIANCE

THE RIGHT TO THE CITY ALLIANCE

The Right To The City Alliance seeks to create regional and national impacts in housing, human rights, urban land, community development, civic engagement, criminal justice, immigrant rights and environmental justice. Right To The City was born out of a desire by members, organizers and allies around the country to have a stronger movement for urban justice. The Right to the City Alliance asserts that everyone — particularly the disenfranchised — not only has a right to the city, but as inhabitants, have a right to shape it, design it, and operationalize an urban human rights agenda.

www.righttothecity.org

HOMES FOR ALL CAMPAIGN

This report was written as part of Homes For All, a national campaign that is broadening the conversation of the housing crisis beyond foreclosure and putting forth a comprehensive housing agenda that also speaks to issues affecting public housing residents, homeless families, and the growing number of renters in American cities. The growing influence of Wall Street firms and Big Banks, as well as the rise of the corporate landlord in the single-family market, is central to understanding the housing crisis renters face today.

Homes For All works to protect, defend, and expand housing that is truly affordable and dignified for low-income and very low-income communities. The campaign engages those most directly impacted by this crisis through local and national organizing, winning strong policies that protect renters and homeowners, and shifting the national debate on housing. Right To The City is working collaboratively across sectors to develop national housing policy that ensures that our communities and future generations have homes that are truly affordable, stable, and dignified. Homes For All has grown to include 25 grassroots community organizations in 19 cities and 14 states across the country. The National Low Income Housing Coalition is a campaign partner.

www.homesforall.org

TONY ROSHAN SAMARA, the principal writer of this report, is Senior Program Director for Land Use and Housing at Urban Habitat (urbanhabitat.org) in Oakland, CA. He works on regional development campaigns addressing affordable housing, gentrification, and displacement from a social justice perspective. Tony also has extensive experience as a researcher, with a focus on the politics of development and the marginalization of low-income communities. He has conducted research in South Africa, China, and India, in addition to the United States, and writes regularly for academic, policy, and general audiences. Since 2007 he has worked with the Right To The City Alliance as a resource ally, and currently serves on the Alliance's national steering committee. Tony has a PHD in Sociology from the University of California, Santa Barbara and an M.A. from the City University of New York. He runs the Cities and Globalization Twitter account at https://twitter.com/CGWG2 and most of his publications are available at http://independent.academia.edu/TonyRoshanSamara

ACKNOWLEDGEMENTS

This report was principally authored by Tony Roshan Samara with the collective efforts of members and staff of the Homes For All (HFA) campaign and Right To The City Alliance (RTC). We would like to thank everyone who provided feedback on the drafts and to those who shared their stories and experiences.

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INTRODUCTION

HOMES FOR ALL RALLY, SPRINGFIELD, MA

REFRAMING THE HOUSING CRISIS: THE RISE OF THE RENTER CLASS

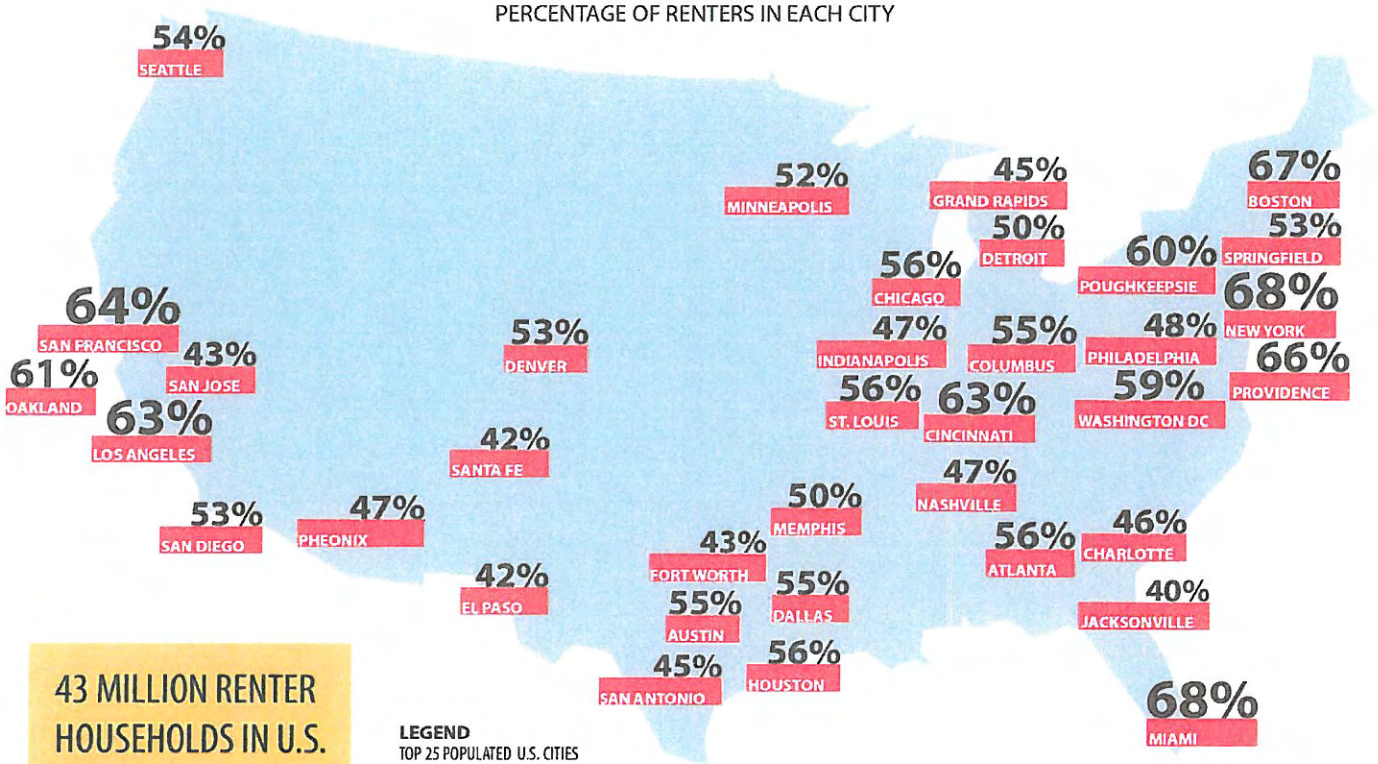
The housing landscape underwent a seismic shift as a result of the foreclosure crisis and the wider recession that began in 2006.The rate of homeownership fell dramatically after more than a decade of unsustainable growth, returning to levels last seen at the beginning of the housing market boom in the mid-1990s. As homeownership rates fall, the proportion of renters experienced an equally dramatic climb. The foreclosure crisis has driven millions of former homeowners into the rental market. In addition, the number of young adults and senior citizens facing economic hardship is on the rise, sending even more people in search of rental units. All of this contributes to a tightening of supply and a steady increase in rents, with no relief in sight. Renters currently represent approximately 35 percent of all households, with far higher percentages in many major cities. There is no reason to believe the rate of homeownership will increase in the near future, and mounting evidence indicates it may fall further.[1]

Recent reports of a housing market rebound are misleading. The economic and social costs for most renter households are increasing and are expected to worsen in coming years. For low-income renters in particular, chronic housing insecurity has reached crisis proportions. In a recent and well-publicized study, the Urban Institute found that across the country there are only 29 affordable units for every 100 extremely low-income renter households, defined as earning less than 30 percent of area median income.[2] Currently, 7.1 million additional units of housing are required just to meet the needs of very low-income households, where the supply of affordable housing relative to need is greatest.[3]

Housing is an anchor for a stable, prosperous, and just society. Congress realized as much when, in the Housing Act of 1949, it linked the general welfare of the nation to decent housing and a suitable living environment. As such, the provision of housing represents the best investment a society can make for achieving long-term stability and broad-based prosperity.[4] For low-income populations, secure housing is the most important factor in providing access to employment, healthcare, and social services.[5] Housing insecurity, on the other hand, is linked to a wide range of negative outcomes, including deteriorated physical and emotional health, family instability, poor school performance, and long-term poverty.[6]

FIGURE 1: **RENTER NATION**

PERCENTAGE OF RENTERS IN EACH CITY



43 MILLION RENTER HOUSEHOLDS IN U.S. (2013)

LEGEND
TOP 25 POPULATED U.S. CITIES AS WELL AS CITIES WITH HOMES FOR ALL PARTNER ORGANIZATIONS

Excessive housing costs force low income families to spend less, when at all, on other needs. A recent Consumer Expenditure Survey found that,

[S]everely burdened families... spend a third less on food, half as much on pensions and retirement, half as much on clothes, and three-quarters less on healthcare as families paying affordable shares of their incomes for housing."[7]

More than 60 years after the Housing Act became law, housing insecurity is endemic and deeply entrenched. This report presents a vision for genuine housing security, crafted by grassroots organizations from many of the most impacted communities across the country. It offers an analysis of the major challenges we face in advancing a housing justice agenda and policy solutions that move us beyond reactive and ineffective approaches. The growing renters' crisis demands that we envision and implement a more proactive national housing policy, one that clearly and unequivocally places the need for decent and stable housing ahead of exorbitant profits for large, unaccountable private investors.

"RENTER" DEFINED

We employ an expansive definition of "renter" and use it interchangeably with "tenant." We include anyone who is paying rent or seeking to rent but does not have the resources to do so. We include tenants, public housing residents, squatters, single room occupancy (SRO) tenants, and homeless families and individuals, whether they are living on the street, in a shelter, or with someone else temporarily. Likely renters and vulnerable residents, including low-income homeowners and mobile home park residents are key constituencies who will also benefit from renters' rights ordinances, including a Renters' Bill of Rights. (See page 33-39)

NOTE: The cities cited in the graphs and charts within this report include the top 25 populated U.S. cities and participating cities in the Homes For All campaign. (See Appendix 1 and 5)

The majority of those faced with housing insecurity in the United States are renters. Renters are disproportionately low income, people of color, immigrants, and the young, and they are concentrated in cities and surrounding suburbs. Many new renters in recent years are former homeowners, the victims of the private housing market and the financial institutions that dominate it.

We employ an expansive definition of renters. We include anyone who is paying rent or seeking to rent without the resources to do so. We include public housing residents, squatters, single-room occupancy tenants, and homeless families and individuals, whether they are living on the street, in a shelter or with someone else temporarily. Some lower-income homeowners will continue to become renters. Some current renters will become homeowners — but the reality is that most will remain renters.

A NEW MODEL: 5 POLICY PILLARS

The recent housing market collapse underscored yet again the importance of viewing decent housing as a right rather than as a commodity. Policy at the local, state and federal levels must recognize and protect this right and, concretely, prioritize the provision of decent housing for those most in need. What we must avoid is a repeat of the mistakes of the past.

To avoid these mistakes and to create more robust, sustainable and just housing policy, we employ the concept of housing security. Housing security is not simply a reflection of affordability, which is generally the sole or primary characteristic that drives current policy and shapes policy debates. Instead, it recognizes that decent housing involves simultaneous attention to a number of interrelated concerns that will provide a foundation for comprehensive policy reform. Specifically, we believe housing policy focused on housing security for the growing population of renters must stand on five pillars.

Taken together, these five pillars represent a model for housing security that we believe reflects the interests of those for whom insecurity has been, or may become, a fact of life. As the basis for new housing policy, they would break the unacceptable pattern of failure that has defined the decades between the call for decent housing in the 1949 Housing Act and the recent market implosion.

AFFORDABLE HOUSING POLICY MUST ADDRESS ALL 5 PILLARS

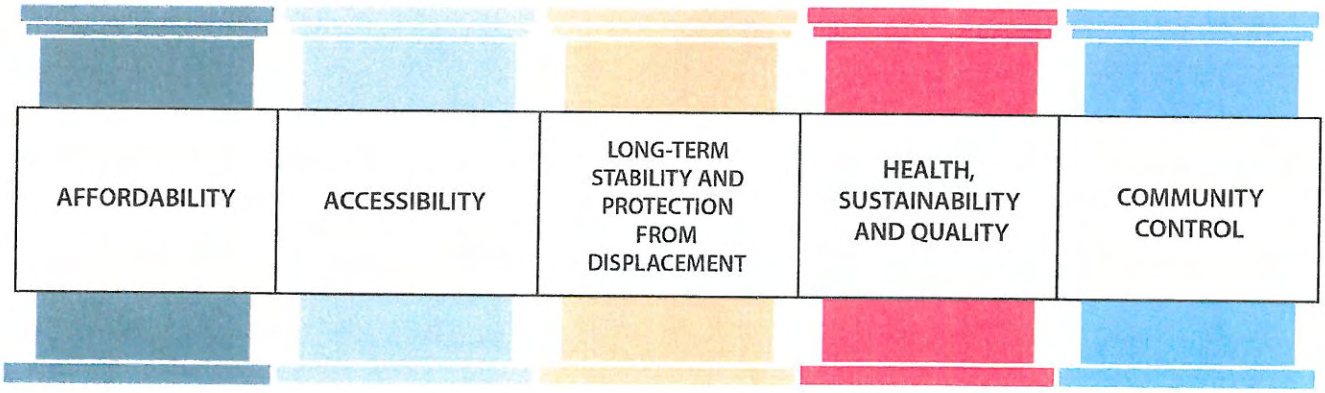
AFFORDABILITY:
Housing needs to be affordable relative to household income and other reasonable expenses.

ACCESSIBILITY:
Housing should be made accessible to historically marginalized populations, and it should be well-integrated socially and geographically.

LONG-TERM STABILITY AND PROTECTION FROM DISPLACEMENT: People's homes need to be protected from market forces causing displacement and changes in government policy over the long term.

HEALTH, SUSTAINABILITY, AND QUALITY:
Housing should contribute to individual, family, community, and planetary health.

COMMUNITY CONTROL:
Housing and land should be controlled through democratic structures and processes.



LOCAL AND STATE REFORM

At the local and state levels, renters need greater protections and policies that strengthen their rights to affordable housing. One strategy that would be highly effective is implementing local and state Renters' Bill of Rights legislation.

A Renters' Bill of Rights is a package of policies that protect the renter class and seek to achieve an adequate supply of affordable rental housing. The desired outcomes would be increased affordability, accessibility, protection from displacement, housing quality, and community control.

We have developed a Homes For All Renters' Bill of Rights as a model that new and existing tenant organizations and advocacy groups can use to start or build upon their policy work. These policies draw from a rich history of tenants' and workers' advocacy movements. Some of the policies are well-established and based upon successful models, while others are new and rooted in evolving economic and social conditions.

While our Renters' Bill of Rights is presented as a comprehensive policy, individual policies within the package can be passed separately and may vary by locale or state based on current laws, context, and needs. We seek to build upon and modify these policy recommendations as new ideas and experiences are shared.

Starting on the next page, we provide a shortened version of our Homes For All Renters' Bill of Rights along with examples of model policies. The full document can be viewed at www.homesforall.org.

MEMBERS OF CITY LIFE/ VIDA URBANA AND DIRECT ACTION FOR RIGHTS AND EQUALITY RALLY AGAINST FORECLOSURES AND EVICTIONS

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

HOMES FOR ALL RENTERS' BILL OF RIGHTS

SECTION 1: THE 5 POLICY PILLARS

New realities in the rental market require a more proactive role by the federal government in addressing the national housing crisis. At the same time, we recognize that there is still an important role for state and local governments to play in reforming rental housing policy. While the specifics of these reforms will in some cases vary by jurisdiction and region, if they are to have any meaningful and lasting impact, they must be grounded in the 5 Policy Pillars we discussed earlier.

Cities, counties and states should implement the following policies:

PILLAR #1: AFFORDABILITY

RENT CONTROL

a. Set maximum annual rent increases and maximum rents relative to new measures of affordability.

b. Provide clear legal avenues for tenants to dispute rent increases.

c. Implement vacancy control measures to prohibit the raising of rent upon vacancy of rent-regulated units.[116]

Model: San Francisco, Rent Ordinance[117]

SAFETY NET

Require that developers and investors receiving any type of city, county or state subsidy provide a reserve fund that creates a safety net for excessively rent-burdened tenants.

FAIR UTILITY COSTS

Require all units that receive any government funding or subsidy be energy- and resource-efficient, supporting a healthier environment and cost savings for renters.

NEIGHBORHOOD MEDIAN INCOME

Replace Area Median Income with Neighborhood Median Income.

PILLAR #2: ACCESSIBILITY

FAIR HOUSING

Affirmatively further fair housing, and ensure that landlords cannot discriminate against any tenant or prospective tenant based on immigration status, race, past incarceration, LGBTQ identity, HIV status, age or disability.[118]

BAN THE BOX

Eliminate background checks as a barrier to applying for housing; allow formerly incarcerated individuals access to housing.

DISABILITY RIGHTS

Ensure that design and construction of housing provides full accessibility, even where ADA may fall short.

LANGUAGE ACCESS

Require that all essential documents be provided in a tenant's native language. These documents would include leases, court papers, and notices. Interpretation should be provided for tenants in housing court and for instances where tenants are interacting with government agencies (i.e., reporting repair complaints or rent overcharges).

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

JOBS, SOCIAL SERVICES, COMMUNITY INSTITUTIONS, AND SCHOOLS

Ensure that the location of housing that receives any government subsidy is in proximity to jobs and employment opportunities, social services and community institutions, fresh food, and educational institutions and opportunities — or that these can be accessed by affordable and efficient transportation.

PILLAR #3: STABILITY AND PROTECTION FROM DISPLACEMENT

RIGHT TO FIRST REFUSAL

Institute "right to first refusal" policy to require any housing unit to be offered to existing tenants first, before being sold or re-rented on the private market.[119]

FAIR LEASES

Require lease to be in common vernacular or explained in common vernacular, including all technical terms. Require landlords to provide renters with a copy of the lease and all addenda and to translate leases. Ensure that a written lease is not required to establish tenancy

JUST CAUSE EVICTION

Protect tenants within all residential properties in the city, county, and/or state. These ordinances should contain lists of "just causes" for eviction and legal rights of tenants who are faced with eviction, including a clear legal process for filing eviction petitions. Penalties for landlords who unjustly evict tenants must include fees and limited access to tax and other financial assistance.

Model: San Francisco, Just Cause for Eviction Ordinance[120]

FAIR RELOCATION

Establish relocation policies to ensure that any resident displaced as a result of a no-fault eviction, including building closure due to uninhabitable conditions or publicly funded development activity, receives just compensation and comprehensive relocation assistance.[121]

Model: San Francisco, Tenants' Rights to Relocation for No-Fault Evictions[122]

MORATORIUM ON EVICTIONS AND FORECLOSURES DURING TIMES OF CRISIS

Institute a moratorium on foreclosures and evictions during times of extreme crisis, as in the recession of 2008; establish clear criteria as to what constitutes a "crisis."

RIGHT TO RETURN/REPARATIONS:

Implement a right to return and reparations to prioritize a certain percentage of new affordable housing units for residents and families who were displaced due to publicly funded redevelopment projects. The new units should be in the same community or general area the residents were displaced from. Displaced residents should receive adequate compensation and relocation funds.[123]

Model: Hamtramck, Mich., Housing reparations for residents and families displaced by urban renewal[124]

FAIR AND PROACTIVE CODE ENFORCEMENT

Implement a proactive rental housing inspection policy to identify, document, and address any code violations in rental housing, in order to ensure that landlords maintain habitable conditions for tenants. Prioritize investor-owned properties, and assist owner-occupants and tenants to stay in their homes.[125]

Models: Washington, D.C., Columbia Heights tenant organizing and negotiations around negligent landlord and code enforcement activity;[126] *Los Angeles, Systematic Code Enforcement Program*[127]

PROGRAMS TO KEEP PEOPLE IN THEIR HOMES

Create and/or support existing homeowner and renter protection programs to assist low-income, longtime, and/or

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

elderly renters and homeowners to stay in their homes and maintain habitable living conditions.

Models: Alameda County, California,. Alameda County Priority Home Partnership;[128] Philadelphia, Longtime Owner Occupants Program[129]

SUPPORT FOR VULNERABLE FAMILIES AND RESIDENTS

a. Coordinate prevention services among prevention agencies so that at-risk families and individuals know where to go to get help.

b. Enhance funding for anti-eviction support and/or legal services to help many more low-income tenants avert eviction, including through housing court, if available.

NO HARASSMENT

Prevent landlords from coercing tenants into leaving their homes due to negligence, intimidation, or buyout offers.[130]

ENFORCEMENT

a. Fully fund, staff, and proactively undertake enforcement efforts in order to ensure that policies achieve their intended impact.[131]

b. All policies that are part of the Renters' Bill of Rights must include penalties, fines, fees and/or incentives to address violations and noncompliance.

VACANT PROPERTY ACCOUNTABILITY

Require banks and vacant property owners to pay a significant cash bond to hold financial institutions accountable to maintain and secure vacant properties. Require banks to mediate with homeowners and tenants to seek all possible alternatives to foreclosure.

Model: Springfield, MA, Vacant Property Ordinance [132]

RIGHT TO INFORMATION

a. Require landlords to post and inform tenants about their rights. Track public investment at the neighborhood level, and use this information to improve equity in budgeting decisions.

Model: Portland, Or., Budget mapping initiative[133]

b. Create a publicly accessible regional database and map of neighborhood change, with information including property, demographic, and investment changes. This database could be critical in order to respond to gentrification in a timely and effective way.

Models: San Francisco Bay Area, Metropolitan Transportation Commission Early Warning Toolkit project;[134] Los Angeles,[135] Neighborhood Knowledge Los Angeles; and Portland, Ore., Interactive gentrification map[136]

PILLAR #4: HEALTH, SUSTAINABILITY, AND QUALITY

HABITABLE BUILDING CONDITIONS

Require landlords to keep housing units and all common areas of the building safe and in good condition (and in compliance with all housing and building codes). This should include but not be limited to keeping the premises safe and secure, free of rodents and pests, and free of lead and asbestos hazards; keeping the structure and facilities of the building in good repair; and ensuring adequate heat, hot and cold water, lighting, and ventilation.

NO POLLUTION

Ensure that housing is not built on or near any site that could be hazardous to people's health at any age. Environmental assessments must be done on all developments that receive public monies, and, whenever necessary, on other sites. If any contamination is found that is harmful to persons of any age, it must be removed and another environmental assessment done to verify that the site is safe.

GREEN SPACE

Ensure that housing that receives any government funding has green space or access to green space for use by tenants. Encourage and provide incentives for privately owned housing that receives no government funding to do the same.

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

SUSTAINABLE DESIGN, CONSTRUCTION, AND OPERATIONS

Require all buildings and developments that use government funding to be designed to use natural resources effectively and to ensure the health of the residents and environment. Use green construction materials during operation and maintenance. Ensure that materials and cleaning supplies meet current best practices.

PILLAR #5: COMMUNITY CONTROL

COMMUNITY LAND TRUSTS, LIMITED-EQUITY HOUSING CO-OPS, AND OTHER COOPERATIVE LAND AND HOUSING ARRANGEMENTS

Support, resource, and prioritize the development of these community-based solutions.

Models: Boston, Dudley Street Neighborhood Initiative;[137] Burlington, Vt., Burlington Community Land Trust;[138] Oakland, Calif., Oakland Community Land Trust[139]

FIRST LOOK PROGRAMS

Ensure that, after owner-occupants, community land trusts and non-profits have the first opportunity to purchase land or property that has received some form of government funding or subsidy.

LIMITS TO SPECULATIVE INVESTMENT

Create penalties, including taxes and fees, for development or investment activities that focuses on profit generation without benefits to existing residents. Funds generated should go to community land trusts and non-profits to create or preserve affordable housing.[140]

LAND BANKS

Establish a land bank as a public authority created to efficiently handle acquisition, maintenance, and sale of vacant properties. Land banks will have clear, streamlined procedures to clear titles and acquire tax-delinquent properties without risking their sale to speculators and will transfer properties primarily to non-profits and community land trusts to create affordable housing. Land banks are a best practice that more than 75 governments have adopted, including those of Philadelphia, Cleveland, Louisville, Atlanta, and Genesee County, Michigan.

Model: Philadelphia, Philadelphia Land Bank Ordinance[141]

PARTICIPATORY PROCESS

Set strong standards for public engagement in land-use planning and development decision-making. Support community-based training for residents to participate in planning and development processes.

Model: Oakland, Calif., "Gearing Up for Action" curriculum (Pacific Institute)[142]

RIGHT TO ORGANIZE

Institute the right of renters to organize renters' associations and to hold meetings within their buildings. Prevent interference by landlords, and penalize landlords who interfere with these rights.

a. Ensure that renters have the right to withhold rent

b. Ensure that renters have the right to a fair judicial process and an attorney.

c. Ensure that landlords do not retaliate against renters for exercising any right of tenancy.

SECTION 2: ACHIEVING AN ADEQUATE SUPPLY

Although much of the institutional and financial framework for maintaining and expanding affordable housing must be established at the federal level, state and local governments also have a significant role to play. State and especially local governments are uniquely situated to ensure that federal policy implementation at the regional level is in line with the principles outlined in the 5 Policy Pillars and can enact important complementary and supportive policy as well. It is equally essential that local governments take the lead in ensuring that policy, whether federal, state, or local, contains mandatory requirements when appropriate — and clear, effective enforcement mechanisms. The preservation and

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

expansion of affordable housing cannot be left to the voluntary actions of private market actors.

ASSESSMENTS

Regularly assess and make public the gap between existing and required affordable housing, and progress toward closing this gap.[143]

PRESERVATION

Preserve and upgrade existing affordable units.

Models: Chicago, Organization of the Northeast (ONE) preservation efforts;[1434] San Francisco, Assisted Housing Preservation Ordinance[145]

NO NET LOSS

Prevent net loss of overall affordable units.

Models: Portland, Or., Central City No Net Loss Policy;[146] Los Angeles, "Strategies and Lessons from the Los Angeles Community Benefit Experience."[147]

LIMITS TO CONDO CONVERSION

Limit the number and types of housing units that can convert from rental to for-sale condominium units within a given year.

Model: San Francisco[148]

HOUSING TRUST FUNDS

Create or augment existing housing trust funds that prioritize funding low-income, affordable rental housing as part of community land trusts and other cooperative land and housing arrangements.

Model: Columbus, Ohio, The Housing Trust[149]

INCLUSIONARY ZONING

Create and enforce inclusionary zoning to achieve the following:

a. Require affordability of units to include 50 percent AMI and below, as well as 30 percent AMI and below

b. Make policies mandatory and not voluntary whenever possible

c. Prioritize a percentage of affordable units and the land they are on to be owned and controlled by a non-profit and placed in a community land trust.

RENTAL SPECULATION REQUIREMENTS

Investors or any subsidiaries that purchase and/or own more than a specified number of single-family home rental units in a city, county or state have to set aside a set percentage as affordable housing and:

a. Prioritize a percentage of the required affordable units to be owned by a non-profit and placed in a community land trust

b. Require affordability to reach 50 percent AMI and below, as well as 30 percent AMI and below

c. Make policies mandatory and not voluntary whenever possible

FAIR SHARE

Ensure that large corporations and investors pay their fair share by exacting fees and taxes including:

a. Transfer tax/flip tax: Establish transfer taxes, increase existing ones, and/or add incremental increases to those of high-end residential properties. Revenue from this source would be earmarked specifically for affordable housing to reach 50 percent AMI and below, as well as 30 percent AMI and below.

b. Non-occupancy tax: Wealthy buyers from out of town and/or foreign countries are increasingly purchasing properties — often high-end luxury condos — as investment properties, with no plans to ever live in them and contribute to the tax base of the city, county, and/or state. Government should aggressively tax all buyers who are non-occupants of these apartments. The city should establish strict occupancy requirements and tax these buyers at progressively higher rates the longer they do not live in the properties they own.

c. Property tax reform: Reform the property tax system and create a more equitable system. Relevant agencies should review taxes on multiple-rental dwellings, particularly buildings for low- and moderate-income households and seniors, and tax vacant land to incentivize affordable

LOCAL AND STATE REFORM CONTINUED / RENTERS' BILL OF RIGHTS

housing development and disincentivize "holding or buying low and selling high for speculative or luxury development."

Model: New York, Real Affordability For All Policy Platform[150]

VACANT PROPERTY CONVERSION

Use eminent domain, land banks, bank donations and/or other methods to acquire vacant properties to then be transferred to community land trusts and non-profit organizations and converted to affordable housing.

SPECIAL ZONING DISTRICTS

Create special zoning districts with policies aimed at preserving and creating affordable units and preventing displacement of residents and locally owned small businesses.

Model: New York, Chinatown Special Zoning District[151]

PUBLIC BANKS

Create public banks that finance and support the preservation and expansion of low-income, affordable housing.

CALL FOR ACTION

For too long, millions of people in this country have struggled to find and hold onto housing. The foreclosure crisis brought this issue to the attention of the wider public, but much of this attention is focused on middle-class homeowners. The devastation suffered by homeowners

The rise of the renter nation has many challenges, but also provides us with another opportunity to fulfill the promise of the Housing Act of 1949. Current approaches show little if any promise of moving us closer to its goal of decent housing for all, despite widespread

APPENDIX 3

TABLE 4:
TOTAL PERCENTAGE OF RENTERS IN SELECTED CITIES BY RACE AND HISPANIC ORIGIN

CITY	Black or African American	Asian	Non-white Hispanic or Latino
Atlanta, GA †	56.5	3.7	5.1
Austin, TX*	9.1	6.1	29.8
Boston, MA*†	25.4	10.3	19.4
Charlotte, NC*	43.6	4.9	12.8
Chicago, IL*	37.4	6.6	20.8
Cincinnati OH†	52.3	2.3	2.6
Columbus, OH*†	31.6	4.7	5.7
Dallas, TX*	31.9	4	30.6
Denver CO*†	10.7	3.1	25.6
Detroit, MI*	84.6	0.6	5.6
El Paso, Tx*	6	1.8	71.5
Fort Worth, TX*	26.6	3.5	23.7
Grand Rapids,MI†	25.3	2.9	15.7
Houston, TX*	30.9	6.2	36.6
Indianapolis, IN*	38.3	2.4	10.3
Jacksonville, FL*	39.1	3.5	9.3
Los Angeles, CA*†	13.2	12.9	40.7
Memphis, TN*	67.6	1.3	6.4
Miami, FL†	20.1	1	67.7
Minneapolis, MN†	24.6	5.9	9.1
Nashville-Davidson, TN*	35.1	2.5	10.3
New York, NY*†	25.8	10.2	30.6
Oakland, CA†	34.1	15.4	20.9
Philadelphia, PA*	46	5.4	12.2
Phoenix city, AZ*	10.5	3.9	35.9
Poughkeepsie NY†	36.8	1.6	19.6
Providence RI†	17.6	5.2	40.4
San Antonio TX*†	11.4	2.5	56.8
San Diego, CA*	8.9	12.8	34.7
San Francisco, CA*†	6.7	23.6	13.3
San Jose, CA*	5.2	28.8	34.7
Sante Fe NM†	1.4	1.8	38.5
Seattle, WA*†	9.2	11.7	7.5
Springfield MA†	23.6	2	53.2
St Louis, MO†	54.4	3.6	3.5
Washington, DC*	49.9	3.1	9.1
NATIONAL AVERAGE	19.3	4.9	18.2

Sea Antonio

SOURCE: U.S. CENSUS BUREAU; 2012 AMERICAN COMMUNITY SURVEY.

* top 25 largest cities

† Homes For All partner

Development without Displacement

RESISTING GENTRIFICATION IN THE BAY AREA

CAUSA JUSTA
UNITY IS POWER ★ LA UNION HACE LA FUERZA
JUST CAUSE

Written by Causa Justa :: Just Cause
with health impact research and data and policy analysis contributed
by the Alameda County Public Health Department, Place Matters Team

November 1, 2014

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Please go to the CJJC website to purchase additional copies www.cjjc.org

Foreword

Candelario Melendez

Causa Justa :: Just Cause, Member, and Mission District Resident

My name is Candelario Melendez, I am a member of Causa Justa :: Just Cause. I came to this organization back when it was located on Valencia Street in San Francisco. Back then it was called "Comité de Vivienda San Pedro." I learned there that people would receive help around their housing issues regardless of one's color, gender, or race, and that the organization asked for nothing in return. It was since then that I joined this organization at the start of 2012, the same year I suffered an accident, and became disabled, and unable to work.

For 21 years I lived in a building in the Mission. In 1991, I was evicted for no fault of my own and without just cause. Based on my own experience and from my work at Causa Justa, I have heard many similar stories like the ones told in this report. The problems for tenants are very severe and we need a strategy that closely studies the situation, with the step-by-step goal of reversing this wave of evictions and harassment that too many are experiencing.

In my neighborhood, for example, rents for all apartments are going up every day and forcing more and more people to have to move out of the Mission and even out of San Francisco. Many of the residents we work with cannot afford a whole apartment for their family and they end up living in one room. Even in these cases people pay as much as $800 per month for a small space, which is just too much given the low wages that most of us are making. I know of landlords who increase the rent on tenants over three times, often resorting to harassment to evict tenants illegally. Also, many families do not live in good conditions because landlords do not invest in fixing the apartment. I've heard of times when, because of neglect and lack of repairs, families go hungry because they have no kitchen to cook in. Children have no space to study or play, and their health and development are affected.

In my opinion, both neighborhood residents and community organizations need to organize broadly so that our community loses our fear and becomes committed to fighting for our right to a just rent and freedom from harassment. It is because I have seen too many people evicted that I am organizing. We cannot allow private capital to change our community. We all need to unite: Latino and Black / African American folks. Together we will lose fear and the politicians will be more likely to listen to us. Together we have to demand that they craft better laws and ensure the implementation of these laws.

This report describes some of the important policies that can help deal with the negative effects of gentrification. It is urgent that we push for as many of these as possible. We need to realize our shared strength and vision. We need to take action together. It's not easy to go up against rich and powerful people, and I hope our report will inspire communities in the Bay Area and around the country to do that.

Dr. Richard Walker

Professor Emeritus of Geography, University of California, Berkeley

To housing and social justice organizers across the United States, gentrification is a scourge. They have seen the damage done to hundreds of thousands, if not millions, of families, and the disruption of schooling, friendships, and habits accompanied by the costs of finding new housing, jobs, support networks, and more. They witness the cruel unfairness of the way the suffering falls so disproportionately on the heads of innocent children, poor parents, and people of color. Against the current tide of displacement, a forceful movement has emerged in defense of housing rights and urban justice, operating under the rubric of "The Right to the City" and bringing together a broad coalition of tenants' rights, affordable housing, and anti-foreclosure advocates. I had the honor of participating in the founding of the national Right to the City Alliance a decade ago, and I have watched as the groups in the alliance have grown stronger, wiser, and more tenacious in their struggle to protect those being swept from our cities by the blind forces of economic growth and urban redevelopment.

Nowhere is the fight for housing justice more acute than in the Bay Area, where San Francisco is widely considered the most gentrified city in the country, and Oakland is not far behind. The region has many valiant organizations working for better housing for the disadvantaged and displaced. Among these groups, Causa Justa :: Just Cause stands out for its work in defense of tenants' rights and against evictions of all kinds on both sides of the bay. Groups like this have a lot to teach us all about the harsh realities of Bay Area housing that rarely make the pages or broadcasts of the major media outlets and are, therefore, little known to most policymakers in the region. This report gives these groups a chance to speak and for us to learn.

So what is this thing called "gentrification?" It has divergent meanings to different people and has long been disputed, even among urban scholars. It is usually heard as a term of approbation against landlords carrying out forcible evictions and new buyers displacing former residents of low-income neighborhoods. Conversely, it is a rallying cry for affordable housing and limits on high-rises and building conversions. But is it more than a political slogan? As this report makes clear, there are cold, hard facts behind the popular terminology.

Without some clarity about what is at stake in gentrification, public debate easily bogs down in mutual incomprehension. There are plenty of cheerleaders for the current makeover of the Bay Area who cite the evidence for a high tech boom, rising average incomes, an expanding housing stock, and more. They are quick to dismiss the critics of gentrification. But gentrification is a many-sided phenomenon, so it is essential to unpack its dimensions to see why housing organizers have so much to teach us about the dark side of the shining new urban landscapes going up all around the bay.

For one, cities are living things that change over time. They look solid and fixed, but they are shaken up repeatedly by the dynamic forces of capitalism and modernity, their landscapes and ways of life torn apart and reconstructed. The Bay Area is undergoing just such a radical makeover today as new technology companies sprout, new people migrate in, and older activities and jobs disappear. Thanks to Silicon Valley, the region is a global leader in innovation, making change a way of life here. This, then, is the first facet of gentrification: the shock of the new and the loss of the old. The restructuring of the city has knocked the feet out from under old industries, vaporized formerly reliable jobs, and

left thousands of workers who depended on them out of luck.

A second dimension of gentrification is that urban growth drives up land values and the price of housing along with them, mounting up the highest in city centers. In turn, the pressure to maximize rents on precious urban space pushes up the height and density of buildings. The Bay Area has grown rapidly and, along with an outward explosion (all the way into the Central Valley), it has climbed upward. It is now the second densest urbanized area in the country after – surprise – metropolitan Los Angeles and ahead of metro New York. With increased pressure on the inner cities, old buildings are demolished to make way for the new and older neighborhoods are invaded by new investors, developers and residents, putting the squeeze on formerly affordable districts.

In addition, the Bay Area has become richer as it has grown. It has reaped the profits of leadership in electronics, medicine, management, and more. The bounteous profits pouring out of tech businesses, the health-medical complex, and financial operations have made this the highest income big city in the United States, per capita, which has only intensified the pressure on housing. This is a third sense of gentrification: the huge amounts of new money chasing housing, especially the limited housing stock of the favored parts of San Francisco, Oakland, and all around the bay. The result of a booming urban region is, in short, that thousands of people have been forced out of formerly affordable housing and communities, from the South of Market to West Oakland, the Mission to Fruitvale, ending up as far away as Brentwood and Stockton.

But growth, change, and affluence are not, by themselves, the worst sources of urban displacement – not by a long shot. What rankles housing advocates the most about contemporary urban upheaval is the "gentry" in gentrification. The remaking of our cities is fundamentally perverted by inequality and social injustice, which have only gotten worse over the last generation. Inequality comes in many forms, but the ones that matter most in today's cities are the chasms of class, race, and political power. Critics of gentrification are not simply railing against new technology, new buildings, or new people, nor are they calling for an older and simpler life; they are after something deeper, something that is rending the basic fabric of our cities and democracy.

Americans like to imagine that they are all "middle class," but that is less true than ever, given the gulf that has opened up between the rich and the rest. There really is a 1 percent of the populace who have grabbed almost all the gains in social income over the last 20 years, making the United States the most unequal of all the developed countries. The Bay Area has been a leader in this trend by funneling the vast majority of the newfound wealth from electronics, finance, medicine, and the rest into the pockets of a relatively small elite. The Bay Area today has more millionaires and billionaires per capita than any other big city, even New York, and upper layers of the labor force are also very well paid here. The enrichment of the upper classes is what gives gentrification such force in San Francisco and Oakland. The new companies and new people who come to buy houses and occupy old neighborhoods do so with fistfuls of dollars, outbidding those outside their charmed circle. Ordinary working people, as well as the poor, the aged and the infirm, are all too easily swept aside by the new masters of the urban universe. This is a fourth dimension of gentrification, and it is far crueler than the mere shock of the new and the pressures of the land market.

If the cresting waves of class-driven gentrification are not bad enough, the undertow of race is always there to drag down thousands more folks. This is another face of gentrification. The sad fact of class in America is that it is raced. Whites are no longer a majority in the cities

Executive Summary

Purpose of the Report

This report contributes to the conversation and understanding of gentrification and displacement from the perspective of a frontline organization working in neighborhoods most impacted by the crisis. We aim to challenge existing definitions and assumptions about gentrification and displacement that portrays it as positive, needed progress; as well as highlight the devastating health impacts that gentrification and displacement have on working-class people of color. We will offer an alternative vision of community development that centralizes the interest and needs of working-class communities of color. We feel this vision will ultimately create healthier and more sustainable neighborhoods for all residents in our cities.

Important to this vision is a set of development, housing, and tenant related policy recommendations and organizing strategies that will help bring this vision to light. This policy focus stems from our belief that the state has a central role to play in ensuring development benefits working class communities. Our policy recommendations are designed to support organizers and advocates in identifying appropriate solutions for their communities that they can turn into strong campaigns. Ultimately it will be as a result of sustained, effective organizing that policy change occurs. It is our goal that this document contributes to inspiring and sustaining neighbors and organizations coming together to fight and win their vision of change.

While the report is best positioned to support organizing for policy changes, we recognize the numerous other critical tactics that can and must be used in any effective strategy against gentrification. A few of these include occupying vacant homes, doing eviction blockades, turning unused or under-used land into community space or gardens, etc. While we strongly believe in these tactics, our emphasis on policy was largely an attempt to focus our efforts on one critical aspect of a broader strategy and do it well.

In this report, we develop and share a comprehensive definition of gentrification and recommend effective ways to combat the displacement of low-income communities of color in the name of development. Our definition is made comprehensive by our attention to historical, local and global, economic, and policy trends, as well as to the public health dimensions of corporate-led urban development that result in gentrification.

Our report places gentrification on a historical timeline of racial, economic, and social discrimination, exacerbated by the progressive public disinvestment by government at all levels. However, the present configuration of these historical trends revolves around the dramatic increase in private financial investment in Bay Area real estate markets, the inflow of non-distributive technology wealth held by a small labor force, and the continued disinvestment by government in public services and programs, whose model of development is often to invite more private investment.

Data Analysis

Anchoring our analysis and recommendations is a "neighborhood typology" that uses demographic, socioeconomic, and property data from 1990 and 2011 to illustrate the changing char-

Gentrification by the Numbers

All analyses were conducted by Alameda County Public Health Department, using data from Census 1990, Census 2000, and American Community Survey 2007-2011.

- **Gentrification is happening in historically disinvested areas** where property values have accelerated, homeownership and incomes have risen, and neighborhoods have become wealthier and whiter over the last two decades. Neighborhoods in late stages of gentrification include the Mission in San Francisco and North Oakland in Oakland. Neighborhoods in middle stages of gentrification include the Bayview-Hunters Point in San Francisco, and West Oakland, Downtown, and San Antonio in Oakland.
- **Rental housing costs have skyrocketed in gentrifying neighborhoods, and in some cases, they have surpassed rental housing costs in historically affluent neighborhoods.** In San Francisco, the median monthly rent in neighborhoods in the latest stages of gentrification increased by $460 dollars, or 40 percent, between 1990 and 2011. In Oakland, neighborhoods in the latest stages of gentrification had higher median rents in 2011 than historically affluent neighborhoods such as Rockridge and the Oakland Hills. Between 1990 and 2011, the median monthly rent in these neighborhoods increased by $280, or 30 percent. This means that urban areas that were formerly affordable to working families are now out of reach except to the wealthiest segments of our society.
- **There has been substantial and disproportionate displacement of African Americans in gentrifying neighborhoods, as well as a loss in African American homeownership.** Between 1990 and 2011, the proportion of African Americans in all Oakland neighborhoods decreased by nearly 40 percent. In North Oakland, the number of African American households decreased by more than 2,000. Furthermore, African Americans dropped from being 50 percent to 25 percent of all homeowners in North Oakland, and within the Black community, homeownership decreased while renters grew. We see a similar loss of black homeownership in West Oakland and Bayview-Hunters Point in San Francisco.
- **Latinos are being displaced at a significant rate from the Mission district while white residents and homeowners have increased.** Between 1990 and 2011, the number of Latino households in the Mission decreased by 1,400, while the number of White households increased by 2,900. White homeownership more than doubled during this time.
- **Gentrification is changing the population of Oakland and San Francisco as a whole.** Between 1990 and 2011, Oakland's African American population decreased from 43 percent to 26 percent of the population, the largest drop by far of any population group. During the same period of time, San Francisco's Black population was cut in half from about 10 percent to only 5 percent of the population. While gentrification may bring much-needed investment to urban neighborhoods, displacement prevents these changes from benefitting residents who may need them the most.
- **Gentrification affects housing quality and health and exacerbates inequalities.** In Oakland, neighborhoods in the latest stages of gentrification have the greatest disparity between Black and White mortality rates. We also found that rates of overcrowding increased in San Francisco neighborhoods between early and late stages of gentrification.

acteristics of neighborhoods in the San Francisco Bay Area. This typology, adapted from a 2013 Portland study, is based on a theory of change that recognizes how neighborhoods progress through different stages of gentrification and have distinct needs and characteristics along the way. The resulting typology categorizes neighborhoods into different types based on the amount and kind of change that has occurred. It also allows solutions to be developed based on the distinct needs of neighborhoods. Together, this neighborhood typology, our historical analysis of political economy, and our qualitative interviews with affected populations present a holistic analysis of gentrification in the Bay Area. For a more detailed discussion of this typology analysis, including definitions of neighborhood types, see page 100.

Gentrification as a Historic Process

Displacement in gentrifying communities is, more often than not, an involuntary occurrence in which residents are forced out and development is pushed forward by the profit motive of investors, developers, landlords, and government. These gentrifying communities are overwhelmingly working-class communities of color that have faced historical racial discrimination such as redlining, in which banks refused to lend to neighborhood residents based on race. These were the same communities that bore the brunt of urban renewal policies beginning in the 1950s that destroyed homes to make way for new highways serving White residents from the growing suburban areas. Most recently, low-income communities of color were preyed upon as targets for predatory lending practices during the recent foreclosure crisis. As a result, many lost their homes. These communities need to be shielded from future instability caused by gentrification and displacement. Although investment in these communities is crucial, without a comprehensive approach to development, existing residents will continue to be at risk for displacement.

Health Impacts

Our health impact analysis highlights the individual, family, and community-level health impacts of gentrification and displacement, based on literature review, resident stories, and original data analysis. We found that longtime residents in gentrifying neighborhoods face financial distress, loss of community services and institutions, and overcrowded and substandard housing conditions; while displaced residents experience relocation costs, longer commutes, disruptions to health care, fragmentation of community support networks, and direct impacts on mental and psychological wellbeing. Finally, gentrification and displacement may harm our cities and society as a whole – by exacerbating segregation, increasing social and health inequities, and contributing to increased rates of chronic and infectious disease. Our focus on the health impacts of gentrification and displacement is important because historically, public health has been involved in decisions that have led to displacement of low-income

What Is Gentrification?

We define gentrification as a profit-driven racial and class reconfiguration of urban, working-class and communities of color that have suffered from a history of disinvestment and abandonment. The process is characterized by declines in the number of low-income, people of color in neighborhoods that begin to cater to higher-income workers willing to pay higher rents. Gentrification is driven by private developers, landlords, businesses, and corporations, and supported by the government through policies that facilitate the process of displacement, often in the form of public subsidies. Gentrification happens in areas where commercial and residential land is cheap, relative to other areas in the city and region, and where the potential to turn a profit either through repurposing existing structures or building new ones is great.

communities and communities of color. More recently, development advanced in the name of health and sustainability is contributing to gentrification and displacement yet again. Therefore, a pro-active strategy to prevent displacement must be central to our collective efforts to build healthy communities for all. For a full discussion of health impacts, including sources, see page 38.

Policy Recommendations

Gentrification can be stopped! Gentrification is not the inevitable result of economic development. Quite the opposite, it is the result of fundamentally unjust economic development policies, widespread public disinvestment in historically marginalized communities, and lack of protections for existing residents. By advancing a vision of human development that is based on true community development, this report makes clear that community organizing, collective power-building, and community self-determination must be the foundation for any strategy to prevent or reverse gentrification and displacement. The recommendations in this report stand in contrast to popular "equitable development strategies," such as transit-oriented development (TOD), mixed-income development, and deconcentration of poverty approaches. Rather than focus primarily on physical improvements or require the movement of existing residents, we suggest policies that empower local residents and communities with rights, protections, and a voice in determining the development of their own neighborhoods. We also recommend policies that regulate government, landlord, and developer activity to promote equitable investment, affordability and stability, and maximum benefits for existing residents.

The below policy recommendations are based on review of key literature, existing policies, and interviews with experts, allies, and affected residents.

1. **Multiple policies must be advanced in order to effectively prevent gentrification and displacement.** In this report, we discuss ***six key principles for preventing displacement*** from a housing rights perspective. These principles address distinct but complementary policy goals, including:

   - **Baseline protections for vulnerable residents,** including policies that protect tenants and homeowners in the face of gentrification pressure and ensure access to services, just compensation, and the right to return in cases of displacement;
   - **Preservation and production of affordable housing**, including efforts to preserve the overall supply and affordability levels of existing housing;
   - **Stabilization of existing communities,** through ongoing and equitable investment in all homes and neighborhoods;
   - **Non-market based approaches to housing and community development,** including development of cooperative housing models;
   - **Displacement prevention as a regional priority,** including the creation of regional incentives, data, and funding to support local anti-displacement efforts; and
   - **Planning as a participatory process,** including practices to build greater participation, accountability, and transparency into local land use and development decision-making.

2. **Policies should be advanced at the appropriate stage of gentrification,** based on an analysis of neighborhood and city-level change, in order to effectively meet local needs.

3. **Resident outreach, community organizing, and leadership development are essential to any anti-displacement strategy,** in order to secure and strengthen rights and opportunities for vulnerable residents, ensure communities are informed and involved in key development decisions, and contribute to successful policy design and enforcement.

4. **Affordable housing policies and programs should serve the needs of people in the same neighborhood.** This can be achieved by prioritizing longtime, low-income residents for eligibility within new affordable housing, earmarking taxes and fees triggered by development for use in the same neighborhood, and establishing affordability requirements in new developments that are based on local neighborhood income needs.

5. **Equity impacts should be central to the policy debate about development and neighborhood change.** This can be achieved by requiring community health impact analyses for all new development projects above a certain threshold. These analyses should address impacts for longtime residents and trigger mitigations for potential displacement.

6. All policies would benefit from the below components:

- **Pro-active enforcement efforts**, including penalties for non-compliance, so that the burden of enforcement does not fall onto vulnerable residents;
- **Protections for vulnerable populations,** including policy design features to minimize displacement, rights for residents faced with eviction, just compensation in cases of displacement, right to return if temporary relocation is required, and access to information about rights and opportunities;
- **Mechanisms to trigger relocation funding,** particularly for policies that aim to minimize loss of affordable housing and mitigate displacement impacts; and
- **Dedicated staff and funding for enforcement,** which can be supported by local, regional, state, and federal funding sources.

For a more detailed discussion of our policy findings and recommendations, see page 55.

Introduction

"The Mission right now is in chaos with evictions. There is also nowhere to go. The units available are for people who earn $6,000-7,000 more than I do per month — not for middle-class or working-class families, which had always been the status of the Mission — families with kids."

— Cecilia Alvarado, Causa Justa :: Just Cause (CJJC) Member

Mission Residents Standing Up For Their Neighborhood

Over the summer of 2013, a series of protests took place in the Bay Area highlighting the stark increases in concentrated tech wealth. The most visible of these actions targeted tech companies' private shuttle systems and attracted national attention. While mainstream commentators framed protestors as disruptive and aimless, these social protests reflect residents' growing desperation about housing vulnerability, uncontrollably steep rent increases, and the rampant eviction of long-term tenants who are overwhelmingly working-class people of color. Gentrification has become a national buzzword to describe the emergence of high-end restaurants and shops and the changing socioeconomic and racial configuration of historically working-class Black / African American, Latino, and multi-racial neighborhoods.

While observed changes in the composition of inner cities have been the subject of academic debate since the 1970s, in recent years the exponential growth of the information and communications industry in the Bay Area has intensified and made visible both the processes of gentrification and a social pushback. In the context of this renewed focus on neighborhood change and given several competing notions of urban "development," we hope to put forward a comprehensive definition of gentrification in the Bay Area, suggest a method of diagnosing and tracking gentrification, and propose a set of policies to stop and reverse the eviction of working-class communities of color from the Bay Area.

What Is Gentrification?

We define gentrification as a profit-driven racial and class reconfiguration of urban, working-class and communities of color that have suffered from a history of disinvestment and abandonment. The process is characterized by declines in the number of low-income, people of color in neighborhoods that begin to cater to higher-income workers willing to pay higher rents. Gentrification is driven by private developers, landlords, businesses, and corporations, and supported by the government through policies that facilitate the process of displacement, often in the form of public subsidies. Gentrification happens in areas where commercial and residential land is cheap,

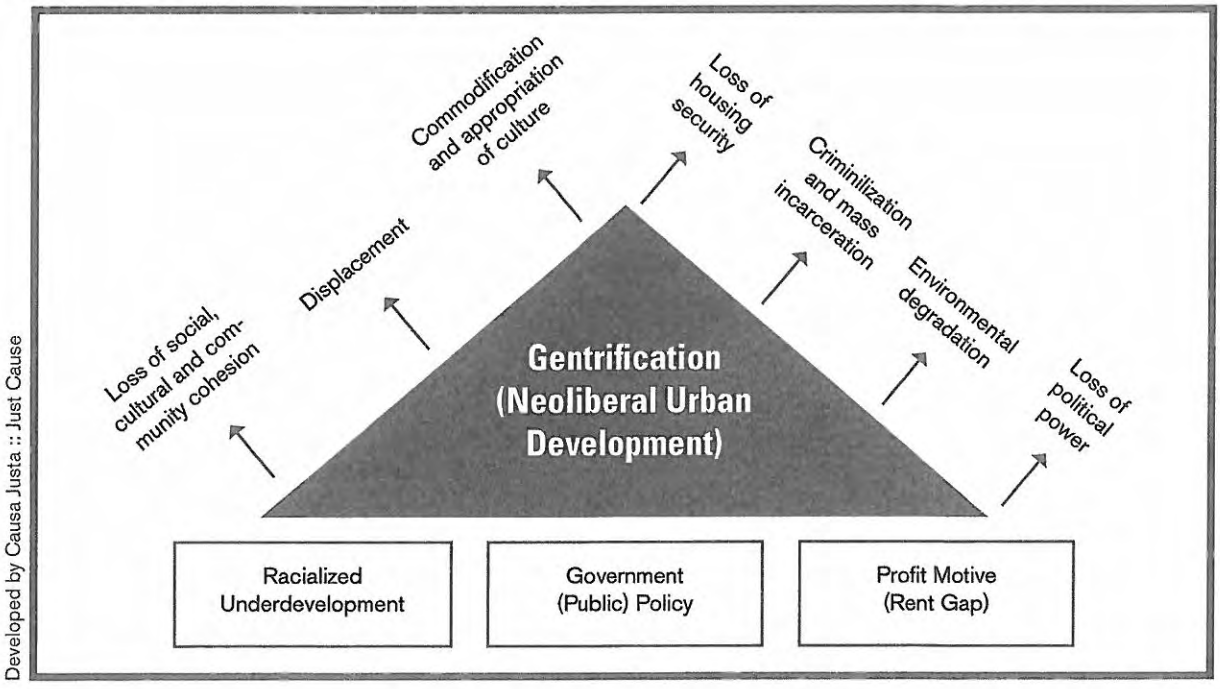
relative to other areas in the city and region, and where the potential to turn a profit either through repurposing existing structures or building new ones is great. As we will elaborate after our Methodology, the recent wave of gentrification is deeply tied to the emergence of a significant rent gap. For the typology analysis, the data used to define gentrification are changes in renters, people of color, low-income households, residents with less than a bachelor's degree, and property values.

Some key elements of gentrification include:

- A history of disinvestment of money, jobs, and other resources from the neighborhoods and the city
- Speculators or developers buying property inexpensively and "flipping"[1] it to make huge profits
- Rezoning, subsidies, and other policies to make development of expensive housing easier and to court new, wealthier – and often – White people moving into the neighborhoods
- Increasing housing costs that price out poor and working-class people and people of color to make way for wealthier residents

What is the "Rent Gap"?

An insight first introduced by geographer Neil Smith, the rent gap refers to the growing potential for rental profits in buildings with low rents and increasing property values, alongside a pool of wage earners willing to pay higher rents. In short, the rent gap represents the incentive for the eviction of low-wage renters in order to tap into the rental profits of high-wage residents and inflate the rental market rate. Paying close attention to the rent gap also exposes the role of wage inequality in contributing to gentrification. This frame is particularly timely when considering the effects of financial investment on Bay Area properties and the inflow of high-wage tech workers.



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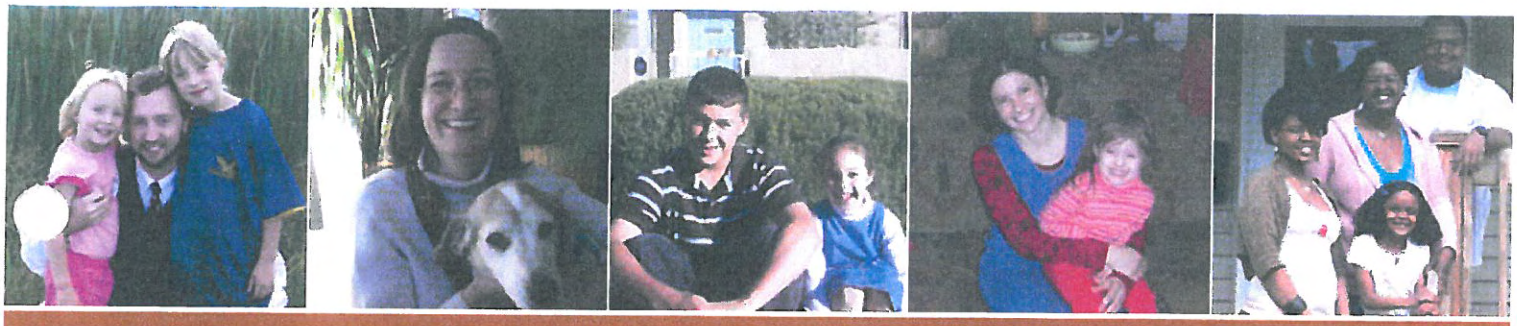

The City-CLT Partnership

Municipal Support for Community Land Trusts

JOHN EMMEUS DAVIS AND RICK JACOBUS

Policy Focus Report • Lincoln Institute of Land Policy

Executive Summary

The community land trust (CLT) movement is young but expanding rapidly. Nearly 20 CLTs are started every year as either new nonprofits or as programs or subsidiaries of existing organizations. Fueling this proliferation is a dramatic increase in local government investment and involvement. Over the past decade, growing numbers of cities and counties have chosen not only to support existing CLTs, but also to start new ones, actively guiding their development and sponsoring their affordable housing initiatives.

Two key policy needs are driving this new interest in CLTs, particularly in jurisdictions that put a social priority on promoting homeownership for lower-income families and a fiscal priority on protecting the public's investment in affordable housing.

- ***Long-term preservation of subsidies.*** With local governments now assuming greater responsibility for creating affordable housing, policy makers must find ways to ensure that their investments have a sustained impact. CLT ownership of the land, along with durable affordability controls over the resale of any housing built on that land, ensures that municipally subsidized homes remain available for lower-income homebuyers for generations to come.

- ***Long-term stewardship of housing.*** Preserving affordability requires long-term monitoring and enforcement, an administrative burden that local governments are neither equipped for nor generally interested in taking on. CLTs are well positioned to play this stewardship role by administering the municipality's eligibility, affordability, and occupancy controls, while also "backstopping" lower-income owners to protect subsidized homes against loss through deferred maintenance or mortgage foreclosure.

Municipal support comes in a variety of forms, depending on how well established the CLT is. For example, local governments may offer administrative or financial support during the planning and startup phase, followed by donations of city-owned land and grants or low-interest loans for developing and financing projects. They may help a CLT acquire and preserve housing provided by private developers to comply with inclusionary zoning, density bonuses, and other mandates or concessions. As the CLT builds its portfolio, municipalities may provide capacity grants to help support its operations. Finally, local jurisdictions may assist CLTs by revising their tax assessment practices to ensure fair treatment of resale-restricted homes built on their lands.

As welcome as their support has been, local governments may inadvertently structure CLT funding and oversight in ways that undermine the effectiveness of the very model they are attempting to support. The challenge lies in finding the most constructive ways of putting municipal resources to work in pursuit of common objectives.

Troy Gardens, a project of the Madison (Wisconsin) Area Community Land Trust, integrates green-space preservation and community farming with the construction of affordable housing.

Based on a review of three dozen municipal programs and in-depth interviews with local officials and CLT practitioners, this report describes the mechanisms and methods that cities across the country are using to structure their investment in CLT startups, projects, and operations. In addition to describing the full range of options for providing municipal support, the report highlights specific model practices for rendering that assistance. These practices have the most potential to balance the interests of all parties by:

- protecting the public's investment in affordable housing;
- expanding and preserving access to homeownership for households excluded from the market;
- stabilizing neighborhoods buffeted by cycles of disinvestment or reinvestment; and
- ensuring accountability to funders, taxpayers, and the communities served by the CLT.

The city–CLT relationship continues to evolve. This report ends with a discussion of three emerging trends: shifts in the city's role from supporter to instigator, and from participant to governor; and a deepening of the CLT's primary role as a steward of affordable housing created with municipal assistance. While posing new challenges, these changes also present new opportunities for tomorrow's city–CLT partnerships.

This report is drawn from the authors' recent Lincoln Institute working paper, *Building Better City–CLT Partnerships: A Program Manual for Municipalities and Community Land Trusts*, which provides an extensive discussion of the best—and worst—ways for cities to support CLTs.

ORDINANCE NO. 180071

An ordinance amending Sections 47.08 and 151.02 of the Los Angeles Municipal Code and adding Section 151.29 relating to the rights of prospective tenants in mobilehome parks to leases subject to the Rent Stabilization Ordinance (Chapter XV of the Los Angeles Municipal Code) and relocation assistance in conformity with the Rent Stabilization Ordinance

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. Subsection B of Section 47.08 of the Los Angeles Municipal Code is amended by adding new definitions of the terms "Rental Unit" and "Relocation Assistance Service Provider" to read:

Relocation Assistance Service Provider: A company that specializes in relocation assistance and has a contract with the City for the delivery of those services.

Rental Unit: All dwelling units, efficiency dwelling units, guest rooms, and suites, as defined in Section 12.03 of this Code; all housing accommodations as defined in Government Code Section 12927; duplexes and condominiums in the City of Los Angeles, rented or offered for rent for living or dwelling purposes; the land and buildings appurtenant to these; and all housing services, privileges, furnishings and facilities supplied in connection with their use or occupancy, including garage and parking facilities. This term shall also include mobilehomes, whether rent is paid for the mobilehome and the land upon which the mobilehome is located, or rent is paid for the land alone. Further it shall include recreational vehicles, as defined in California Civil Code Section 799.24 if located in a mobilehome park or recreational vehicle park, whether rent is paid for the recreational vehicle and the land upon which it is located, or rent is paid for the land alone.

Sec. 2. Subsection C of Section 47.08 of the Los Angeles Municipal Code is amended to read:

C. Relocation Assistance Required.

1. The management of a mobilehome park shall provide relocation assistance in connection with the change of use, as defined in Civil Code Section 798.10, of the mobilehome park, or any portion of the park.

2. **Exception**. This section shall not apply where: (1) the change of use results from the City's refusal to extend a conditional use permit, or similar permit, upon good faith request of the management for the extension; (2) the California Department of Housing suspends or revokes a permit pursuant to Health and Safety Code Section 18510; or (3) the tenant or resident, as the case may be, received actual written notice from management, prior to entering into an

oral or written agreement to become a resident or tenant, that an application to convert the mobilehome park to another use was on file with the City or had already been approved, whichever the case may be.

3. Management shall pay the City a fee for the purpose of providing relocation assistance by the City's Relocation Assistance Service Provider to each tenant in accordance with Subsection D of this section. The fee shall be $640 for each unit occupied by a qualified tenant and $400 for each unit occupied by other tenants, and an additional $55 per unit administrative fee to pay for the administrative costs associated with this service. The fees, set forth above, may be increased in an amount based on the Consumer Price Index – All Urban Consumers averaged for the first 12-month period ending September 30, of each year, as determined and published by the Housing Department on or before May 30, of each year, pursuant to Section 151.07 A 6 of this Code.

Sec. 3. Subdivisions 1 and 2 of Subsection D of Section 47.08 of the Los Angeles Municipal Code are amended to read:

1. **Management's Responsibility.**

a. Management shall pay a fee to the City so that a Relocation Assistance Service Provider will:

(1) Make available to each tenant, at no cost, a reasonably complete and current list of vacant and available rental units, which are comparable as to size and amenities to the unit occupied by the tenant, and

(2) Make a reasonable and good faith effort to assure that tenants without cars are driven, at no cost, and tenants with cars are assisted, in order to inspect replacement rental units, and

(3) Hire an ambulance or similar vehicle, at no cost to the tenant, and otherwise take reasonable steps to assist any disabled or handicapped tenant with relocation-related activities.

b. In order to assist the tenants in meeting costs of relocation, higher rents for replacement housing, and any related expenses, pay a relocation fee in the following amounts. If more than one fee applies to a rental unit, pay the highest of the applicable fees:

(1) $15,300 to qualified tenants and a $7,000 fee to all other tenants who have lived in their rental unit for fewer than three years; or

(2) $17,600 to qualified tenants and a $9,300 fee to all other tenants who have lived in their rental unit for three years or longer; or

(3) $17,600 to qualified tenants and $9,300 to all other tenants whose household income is 80 percent or below Area Median Income (AMI), as adjusted for household size, as defined by the U.S. Department of Housing and Urban Development regardless of length of tenancy. Tenants who claim eligibility pursuant to this subparagraph shall file a statement with the Housing Department verifying their income on a form prescribed by the Housing Department. The Housing Department shall charge a fee of $186 per rental unit to resolve any disputes regarding tenant income eligibility.

For the year beginning July 1, 2009, and all subsequent years, the fee amounts shall be adjusted on an annual basis pursuant to the formula set forth in Section 151.06 D of this Code. The adjusted amount shall be rounded to the nearest $50 increment.

c. The relocation fee provided for in Paragraph b above, shall be made as follows:

(1) The entire fee shall be paid to a tenant who is the only tenant in a rental unit; and

(2) If a rental unit is occupied by two or more tenants, then each tenant of the unit shall be paid an equal, pro-rata share of the fee.

In no event shall the landlord be liable to pay more than the maximum relocation amounts set forth above to all tenants residing in a rental unit. If a tenant is entitled to monetary relocation benefits pursuant to City administrative agency action or any provision of local, state or federal law, then those benefits shall operate as a credit against any fee required to be paid to the tenant under this section.

2. **When Assistance Shall Be Provided.**

a. **Payment for Relocation Assistance Service Provider.** Management shall perform the acts described in Paragraph a of Subdivision 1 above on or before the service of the Notice to Quit.

b. **Monetary Assistance.** Management shall perform the acts described in Paragraph b of Subdivision 1 above within 15 days of service of the Notice to Quit.

Sec. 4. Subsection F of Section 47.08 of the Los Angeles Municipal Code is repealed.

Sec. 5. Section 151.02 of the Los Angeles Municipal Code is amended by adding the following definition in alphabetical order:

Mobilehome Owner. A person who has a tenancy in a mobilehome park under a rental agreement.

Sec. 6. A new Section 151.29 is added to Article I of Chapter XV of the Los Angeles Municipal Code to read:

Sec. 151.29. **REGULATION OF LEASES IN MOBILEHOME PARKS.**

State law, including the Mobilehome Residency Law at California Civil Code Section 798, *et seq.*, governs many aspects of agreements to rent mobilehomes. This section supplements the provisions of the State Mobilehome Residency Law.

A. Every mobilehome owner and every prospective mobilehome owner in a mobilehome park subject to the provisions of this article shall have the option to reject a rental agreement offered for the lease of a mobilehome, and to reject a rental agreement offered for the lease of the site of the mobilehome, and shall be entitled to accept a rental agreement for a term of 12 months or less, including a month-to-month agreement, pursuant to the provisions of state law and Subsection C of this section.

B. Neither a mobilehome owner nor a prospective mobilehome owner shall be required to sign a lease or rental agreement that is exempt from the provisions of this article. Neither a mobilehome owner nor a prospective mobilehome owner shall be required to sign a lease in excess of 12 months.

C. A prospective mobilehome owner who rejects an offered rental agreement in excess of 12 months duration shall be entitled to instead accept a rental agreement for a term of 12 months or less from the date the offered rental agreement was to have begun. In the event the prospective mobilehome owner elects to have a rental agreement for a term of 12 months or less, including a month-to-month rental agreement, the rental agreement shall contain the same rental charges, terms and conditions as the rejected rental agreement during the first 12 months, except for options, if any, contained in the offered rental agreement to extend or renew the rental agreement.

D. Before any rental agreement in excess of 12 months is executed by a prospective mobilehome owner, the prospective mobilehome owner shall: (i) be offered the option of a rental agreement for a term of 12 months or less; and (ii) be informed both orally and in writing that a lease or rental agreement in excess of 12 months shall not be subject to the terms and provisions of this article.

E. A notice, which conforms to the following language and printed in at least 12-point boldface type if the rental agreement is printed, or in capital letters if the rental agreement is typed, shall be presented to the prospective mobile home owner at the time of presentation of a rental agreement creating a tenancy with a term greater than twelve months:

> IMPORTANT NOTICE TO PROSPECTIVE MOBILEHOME OWNER REGARDING THE PROPOSED RENTAL AGREEMENT FOR _____. PLEASE TAKE NOTICE THAT THIS RENTAL AGREEMENT CREATES A TENANCY WITH A TERM IN EXCESS OF 12 MONTHS. BY SIGNING THIS RENTAL AGREEMENT, YOU ARE EXEMPTING THIS TENANCY FROM THE PROVISIONS OF THE RENT STABILIZATION ORDINANCE OF THE CITY OF LOS ANGELES FOR THE TERM OF THIS RENTAL AGREEMENT. THE RENT STABILIZATION ORDINANCE (LOS ANGELES MUNICIPAL CODE CHAPTER XV, ARTICLE 1) AND THE STATE MOBILEHOME RESIDENCY LAW (CALIFORNIA CIVIL CODE SECTION 798, *et seq.*) GIVE YOU CERTAIN RIGHTS, INCLUDING THE RIGHT TO A TENANCY OF 12 MONTHS OR LESS THAT IS NOT EXEMPT FROM THE PROVISIONS OF THE RENT STABILIZATION ORDINANCE. BEFORE SIGNING THIS RENTAL AGREEMENT, YOU MAY WANT TO SEE A LAWYER. IF YOU SIGN THE RENTAL AGREEMENT, YOU MAY CANCEL THE RENTAL AGREEMENT BY NOTIFYING THE PARK MANAGEMENT IN WRITING OF THE CANCELLATION WITHIN 72 HOURS OF YOUR EXECUTION OF THE AGREEMENT. IT IS UNLAWFUL FOR A MOBILEHOME PARKOWNER OR ANY AGENT OR REPRESENTATIVE OF THE OWNER TO DISCRIMINATE OR RETALIATE AGAINST YOU BECAUSE OF THE EXERCISE OF ANY RIGHTS YOU MAY HAVE UNDER THE RENT STABILIZATION ORDINANCE OF THE CITY OF LOS ANGELES, OR BECAUSE OF YOUR CHOICE TO ENTER INTO A RENTAL AGREEMENT THAT IS SUBJECT TO THE PROVISIONS OF THAT ORDINANCE.

F. The Notice described in Subsection E of this section shall contain a place for the prospective mobilehome owner to acknowledge receipt of the notice and shall also contain an acknowledgment signed under penalty of perjury by the person offering the rental agreement that the notice has been given to the prospective mobilehome owner in accordance with the previous subsection. A copy of the notice executed by the person offering the rental agreement shall be provided to the prospective mobilehome owner.

G. A prospective mobilehome owner may cancel a mobilehome rental agreement by notifying park management in writing of the cancellation within 72 hours of the execution of the agreement.

Sec. 7. **Severability.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance, which can be implemented without the invalid provisions, and to this end, the provisions of this ordinance are declared to be severable.

Sec. 8. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of JUL 11, 2008.

KAREN E. KALFAYAN, City Clerk

By _____
Deputy

Approved JUL 21 2008

_____
Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

By _____
JUDITH E. REEL
Deputy City Attorney

Date July 3, 2008

File No. CF 07-3525

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PROPOSAL FOR A COMPREHENSIVE HOUSING STRATEGY

CITY OF SAN ANTONIO

MAYOR HENRY CISNEROS

PRESENTED TO SAN ANTONIO CITY COUNCIL

March 31, 1988

Much of San Antonio's central city housing stock has been lost in the last twenty years. Some has been eliminated by the clearance programs that made possible Hemisfair and the Convention Center, our system of freeways and widened arterials, and various public renewal projects. Other units of central city housing have been cleared for business uses that required the assembly of sizable acreage or have been retained as structures, but converted to restaurants, law offices, beauty shops, and retail establishments of many kinds. The net effect has been the loss of many thousands of housing units.

A related issue is the quality of much of the central city housing stock. Much of it was built on inadequately sized lots and intended to be marginal shelter at best by absentee landlords or property owners. The greatest proportion of the housing stock is aging and shows its age in sagging foundations, inadequate wiring, poor insulation, and expensive maintenance requirements.

While it is true that there exists an oversupply of single-family and apartment units in San Antonio at-large, it is also true that there is a demand for central city housing and a need for rehabilitation of many existing units. Also, much of the suburban housing that is in over-supply is beyond the financial reach of central city residents. As a result, San Antonio faces a classic mismatch between where the units are being developed by the private sector and where a serious public need is going unattended.

This mismatch is a problem for San Antonio; not just for the blighted neighborhoods themselves or for the people who live there, but for San Antonio generally. Among the implications of allowing the continued loss or decline of our central city housing stock or of failing to act to create new units of housing are the following:

- Without strong central city neighborhoods, San Antonio puts at risk the more than one billion dollars of investment currently being poured into the downtown.
- Without creating opportunities for people to live in the Southern Sector, the out-migration to outlying areas will continue, badly skewing the make-up of Council districts and eventually re-opening divisive issues of representation.
- Objective analysis of tax payments by city residents will show that the great bulk of taxes will be paid by persons in areas that receive population flows, thereby diminishing the claims to equal shares of public spending by areas that need public funding worst.
- Rapid decline of neighborhoods will lead to other pathologies - crime, isolation, and the ripple effects of abandonment - so that in time no amount of public investment can offset the debilitating psychology of decline.

- The decline in tax base will hit hardest those governmental entities whose tax bases are fixed to central city limits - such as the school districts - who do not have the counter-balance of tax payments from growing areas of annexations. The decline of school capacity is a self-enforcing cycle in that as the schools slip the desire of residents to move to other school districts increases.
- As central city housing decreases there is an increase in homelessness, particularly in those populations of persons who are destitute or who have mental or physical handicaps.

For all of these reasons, there is a case to be made that San Antonio as a whole has a stake in its central city housing. The proposals contained herein represent an approach which would be built on public-private cooperation. It would involve home builders, central city advocates, financial leaders, and downtown property owners. It would create two task forces - a Downtown Housing Initiative and a Neighborhood Housing Partnership. Each would be supported by a housing trust fund uniquely suited to the sources of funding available to downtown and to affordable neighborhood housing. It will also be necessary to create a city office to coordinate the effort with a budget adequate to reflect the seriousness of the endeavor.

This proposal is presented for review. I would ask that the Housing Task Force review it and make improvements to it. I would hope that the Council as a whole would in time hold a public hearing, giving various interest groups an opportunity to speak on it. I believe it is time to act and that in classic San Antonio fashion, when we bring people together and ask them to give their best, together we will produce a result that will be recognized as an essential building-block of a healthy, prosperous, and cohesive city.