



Preventing Displacement in 2018

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UC BERKELEY CENTER FOR
COMMUNITY**INNOVATION**

CCI advances equitable and resilient futures through community-engaged research on pressing housing, transportation and economic development issues

PLANNING FOR **JOBS**

SUSTAINABLE **REGIONS**

URBAN **DISPLACEMENT**

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URBAN **DISPLACEMENT**

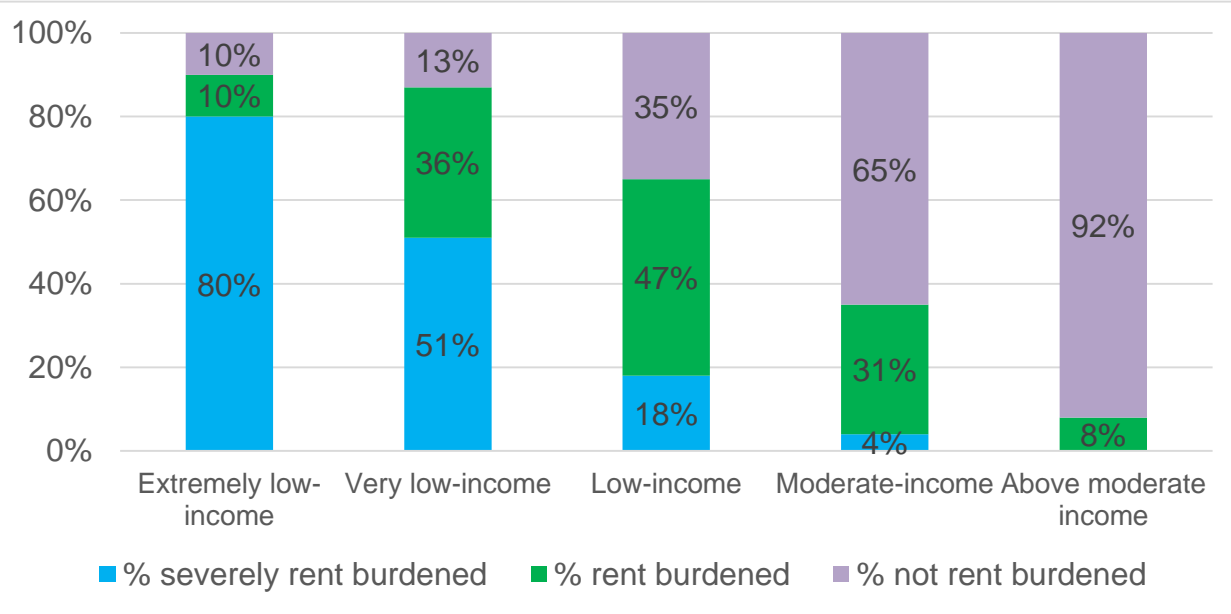
Rents are out of reach for low-wage workers

Income needed to afford an average 2-BR

Metropolitan Area	Annual income needed to afford rent	# hours/day needed to work at minimum wage to afford rent
San Jose	\$88,800	23
Oakland	\$86,920	22
Santa Ana	\$72,520	25
Los Angeles	\$61,800	21
CA	\$64,311	23

Low-income households are most rent-burdened

California Rent Burden by Income Category



- California's poverty rate rises from 16% to 21% when adjusting for housing costs
- Nearly a quarter of California children 5 years old and younger live in poverty

Displacement trends

Bay Area leads the nation in outward migration...

- In 2015, **1 in 4 people** searching for homes from the Bay Area were **looking for homes in other parts of the country**
- Between 2000-2014, the **Bay Area lost 22,000 Black residents**
- Nearly **three-quarters of those who left California since 2007** made **less than \$50,000 annually**

Widespread displacement risk

62 percent of low-income households across the Bay Area live in neighborhoods at risk of, or undergoing, displacement



Displacement contributes to the homeless crisis

- One in three displaced households reported some period of homelessness or marginal housing
- 33% of households left the county
- Displaced to worse-off neighborhoods

Displacement in San Mateo County, California: Consequences for Housing, Neighborhoods, Quality of Life, and Health

Justine Marcus
Miriam Zuk



EXECUTIVE SUMMARY:

Displacement in San Mateo County, California: Consequences for Housing, Neighborhoods, Quality of Life, and Health


In metropolitan regions across the country, residents face constrained, expensive housing markets and rising income inequality. Middle- and high-income households are beginning to seek more affordable housing in accessible neighborhoods with traditionally lower rents and proximity to jobs and transportation.¹ Many low-income households are simply unable to secure affordable rents.² As neighborhoods change and housing demand shifts, landlords are presented with a new set of financial prospects. Displacement and evictions are central components of this changing landscape, altering the geography of race and class across regions. Recent studies have found a spike in evictions in San Mateo County, disproportionately affecting people of color.³

There is relatively little research on the impacts of displacement on households, individuals, and communities. Existing research has shown that evictions negatively affect the health, quality of life, and economic outlook for households, often with long-term consequences.⁴ This study contributes to this small but growing body of research, with results specific to local Bay Area conditions. We assess the relationship between displacement and housing costs and quality, commutes, neighborhood location and quality, mental and physical health, and healthcare access. We completed

in-depth phone surveys with 100 primarily low-income tenants who received services from Community Legal Services in East Palo Alto (CLSEPA), which serves low-income communities in San Mateo County. Survey respondents live in and/or were displaced from San Mateo County communities. These surveys provide a window into the consequences of displacement for households in the San Francisco Bay Area, with implications for researchers and policymakers both locally and across the nation.

About IGS

The Institute of Governmental Studies is California's oldest public policy research center. As an Organized Research Unit of the University of California, Berkeley, IGS expands the understanding of governmental institutions and the political process through a vigorous program of research, education, public service, and publishing.

The background of the slide features a faded, light blue image of a construction site. On the left, a large tower crane is visible. To the right, several modern, multi-story buildings with glass facades are shown. The overall scene is set against a bright, slightly hazy sky.

**There is no question -
California is in a severe housing shortage
and new supply is critical.**

**Amazing progress in 2017 accelerating development
and providing opportunities for new and existing
affordable housing.**

**What are we doing to protect tenants and address
affordability today?**

Building more market-rate housing does not automatically improve affordability for low-income tenants

- Market rate housing production in 90s resulted in lower median rent in 2014, but also **higher cost burden for low income renters**
- Subsidized affordable housing produced in '90s had **twice the impact** as market rate housing in mitigating displacement

Housing Production, Filtering and Displacement: Untangling the Relationships

Miriam Zuk
Karen Chapple



EXECUTIVE SUMMARY:

Research Implies the Importance of Increasing Production of Subsidized and Market-Rate Housing

Debate over the relative importance of subsidized and market-rate housing production in alleviating the current housing crisis continues to preoccupy policymakers, developers, and advocates. This research brief adds to the discussion by providing a nuanced analysis of the relationship between housing production, affordability, and displacement in the San Francisco Bay Area, finding that:

- At the regional level, both market-rate and subsidized housing reduce displacement pressures, but subsidized housing has over double the impact of market-rate units.
- Market-rate production is associated with higher housing cost burden for low-income households, but lower median rents in subsequent decades.
- At the local, block group level in San Francisco, neither market-rate nor subsidized housing production has the protective power they do at the regional scale, likely due to the extreme mismatch between demand and supply.

Although more detailed analysis is needed to clarify the complex relationship between development, affordability,

and displacement at the local scale, this research implies the importance of not only increasing production of subsidized and market-rate housing in California's coastal communities, but also investing in the preservation of housing affordability and stabilizing vulnerable communities.

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Yes, produce more market-rate housing, but also...

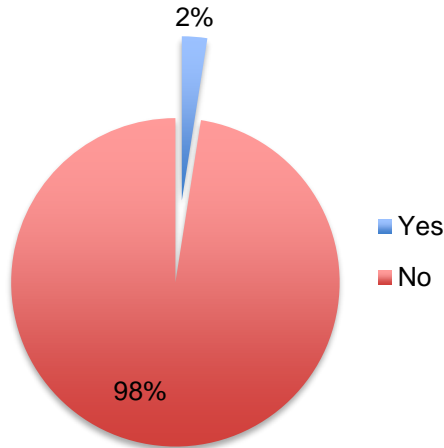
- 1. Link production + protections**, production happens in profitable places, let's make sure tenants are protected from rising rents
- 2. Require affordability** without hindering development
- 3. No net loss** of affordable units in the vicinity of new development
- 4. Facilitate inclusive and diverse communities** via fair housing and attention to local context/history

Tenant Protections in CA: Exception, not the Rule

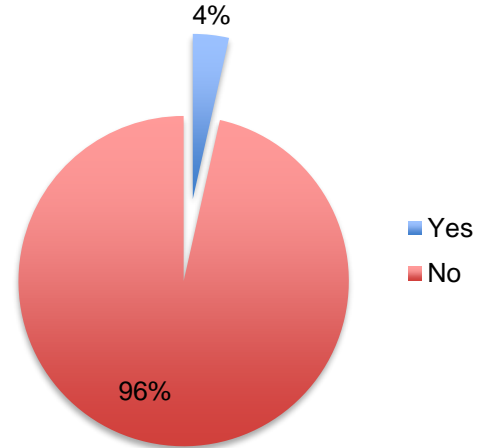
12 California cities have some form of **rent stabilization**

17 California cities have **Just Cause Evictions** protections

Share of CA Cities with
Rent Stabilization



Share of CA Cities with
Just Cause Evictions



Intervene to Protect Tenants Today

Shield tenants from rent hikes

- *Rent stabilization*
- *Anti-gouging*

Protect tenants from unfair evictions

- *Just cause for evictions*
- *Strengthen anti-retaliation*
- *Reasonable procedures*

Improve substandard housing

- *Proactive code enforcement without displacement*
- *Strengthen anti-retaliation*

Ensure access to representation

- *Right to counsel*
- *Resources for undocumented immigrants*

Preserve housing affordability

- *Raise funds to take units off the speculative market*
- *Expand voucher programs and require landlords to accept*

Thank you!

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www.urbandisplacement.org