

# In California, Momentum Builds for Radical Action on Housing

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## **The origins of and potential solutions to California's housing crisis, explained.**

Cities around the world are dealing with severe housing shortages and inflated housing costs. But nowhere is housing such a potent political issue as in California, whose unique geography, state policies, and activist culture have combined with a poorly distributed economic boom to create a “perfect storm”—the chosen words of multiple sources for this story.

California is home to more than one-fifth of the nation's homeless people, and the numbers are continuing to grow. Los Angeles County saw its homeless population increase by 13,000 people last year, while Sacramento and Alameda counties both saw increases of 1,000 individuals. But the crisis extends well beyond the least fortunate. An astounding 54 percent of renter households and 39 percent of homeowners are considered “cost burdened,” paying more than 30 percent of their monthly income toward housing. A recent report found that nine of the nation's ten least affordable metros are located in California.

Over the past several years, California has not only produced too little housing, but too little of the right kind of housing. Between 2009 and 2014, the state added 77,000 more households than housing units. The housing it has produced is often located far from jobs and transit, or is too expensive for low and sometimes even middle income people to afford.

“It's a desperate situation right now,” said Dowell Myers, an urban planning professor at University of Southern California. “We really have to rethink everything.”

Activists and civic leaders from a diverse cross-section of backgrounds are doing just that. Their solutions must redress a long list of historical factors underlying the current crisis, many of which are intertwined in ways that have exacerbated it. The housing policies they pursue in the coming year—including the liberalization of local zoning controls, and new protections for renters—could prove to be trendsetters for the rest of the country, where the term “housing crisis” is becoming increasingly common.

Whether these solutions are put in place, however, may depend on the ability of a new breed of tech-savvy activists to work together with long-established affordable housing advocates against the forces that produced the crisis in the first place.

## **The rise of Yes in My Backyard**

NIMBYism originated in California with the best of intentions. Some of the first people to say “not in my backyard” (NIMBY) were pioneers of the environmental movement, who fought against the development of lands that are now part of the Golden Gate National Recreation Area. Many opponents of new development continued to advocate worthy causes, but some others began to use the state's environmental protection laws for purposes that had little to do with protecting the environment. Politically powerful homeowners used the broad scope of the state's environmental review process to invoke aesthetic and quality-of-life concerns about new housing, which often served as a pretext for race and class-based exclusion. These kinds of conflicts are ongoing: In one recent example, residents of San Francisco's wealthy Forest Hill

neighborhood are organizing against the construction of an apartment building for low-income seniors out of fear of “severely drug addicted people” and the mentally ill.

Anti-development preferences were gradually codified into local zoning rules that made it difficult to build denser new housing, especially in wealthy, activist enclaves along the coast. A state constitutional amendment passed in the 1970s protected homeowners from property tax increases on their increasingly valuable (and scarce) homes, incentivizing cities to generate revenues from retail and office development instead of housing. Those areas that remained zoned for denser housing development were often low-income, minority neighborhoods, like San Francisco’s Mission District and Downtown L.A., that have subsequently experienced extreme gentrification.

It was only a matter of time before this self-serving mentality would spawn its antithesis. Affordable housing and racial justice groups had long been fighting many of the adverse effects of NIMBYism, but it took a group of equally well-connected activists to provide a significant political challenge to anti-development homeowners. As super-educated young people poured into the Bay Area during the Web 2.0 era, they became infuriated that their generous paychecks were insufficient to afford decent housing. They saw how special interest groups had formed to systematically block, or at least substantially shrink, as many new developments as possible. If the NIMBYs could institutionalize their efforts, so, too, would the YIMBYs.

YIMBY (Yes In My Backyard) groups are focused on increasing the production of all types of housing, fast. San Francisco Bay Area Renters’ Federation (SFBARF) was one of the first such groups. It quickly drew attention to itself with zany tactics including ironic signs saying “Stop Affordable Housing,” and controversial statements, like when the group’s founder, Sonja Trauss, compared resistance against tech workers living in the Mission to racist housing policies historically leveraged against Latinos.

Still, the pro-housing message resonated. Trauss was featured in last year’s Politico 50 as the face of the budding movement, and is now a serious candidate for San Francisco city supervisor. The YIMBYs’ clownish spirit helped provide visibility for the supply and demand problem that had long been the purview of policy wonks. “The problem is really a simple one,” said Myers. “If you don’t provide housing for rich people, they will take their housing from somebody else.”

One of the most effective ways YIMBYs advocate for more housing is by invoking jobs-to-housing ratios. A healthy ratio is approximately two new jobs for every new unit of housing. Nearly all California metros are way above that sweet spot, according to an analysis of census data by Apartment List; between 2010 and 2015 San Diego had a ratio of 3.9 jobs per housing unit, Los Angeles’ was 4.7, San Francisco’s was 6.8, and the Central Valley metro of Modesto’s was a whopping 11.4.

The tech industry, which has been one of the main drivers of the state’s massive job growth in recent years, especially in Northern California, was quick to embrace the YIMBY movement. Jeremy Stoppelman, co-founder of Yelp, and Dustin Moskowitz, co-founder of Facebook, have become major financial backers of the cause. YIMBYism is in many respects a perfect complement to the tech ethos; it provides a quantitative solution to a societal ill that still manages to feel playful and subversive.

Like the environmental movement and digital revolution before it, the YIMBY movement started in the Golden State and quickly went global—there are now chapters across the United States, as well as in Canada and the U.K. Still, the movement’s vanguard remains concentrated in California, where it is poised to become a major political force in 2018.

## **A ‘radical’ new housing agenda**

The YIMBYs have found their champion in Scott Wiener, who has made housing a top priority since he was elected to the state senate in 2016. Wiener was instrumental in the historic package of 15 housing-related bills passed by the state legislature last year. His contribution to the package, SB 35, expedites the process for building housing deemed critically needed by the state.

But for Wiener, last year’s housing package was simply not enough. “We made a strong start last year, but we have to build on that success to get back on track, because we have a huge crisis on our hands,” he said. This January, he responded with a new package of housing bills, including one aimed at making it easier to build housing for farmworkers, and another to improve city accountability for building new housing. Taken together, these bills would make it easier and faster to produce new housing in California, particularly in high-demand areas that have seen little new housing construction in recent years.

The most ambitious bill in the package, SB 827, co-sponsored by California YIMBY, would essentially rewrite local zoning controls across the state. The bill bans local jurisdictions from imposing certain zoning requirements that mandate parking and restrict density near mass transit and high-frequency bus stops. The idea is both to increase the housing stock, and bolster the state’s public transit services, some of which are bleeding riders. “You have these invaluable assets, major transit investments, where very few people get to live near them, and we want more people to live near them,” Wiener said.

New height limits in these areas would be no lower than 45 feet on narrow streets, and 85 feet on the widest streets. “What you’re going to see is more and more of these smaller apartment buildings, these four, six, eight units—what the Washington Post recently referred to as the ‘missing middle,’” Wiener said.

Supporters of the bill point out that many of the neighborhoods that would be affected already have buildings at these densities from before stricter zoning rules were implemented. Los Angeles, for instance, went from being zoned for a population capacity of 10 million people in 1960, to a population capacity of 4.3 million in 2010. By once again allowing multifamily homes in huge swaths of California’s urbanized areas, SB 827 could ease development pressures on the neighborhoods currently bearing the brunt of new housing construction, which are often less politically powerful areas.

“We need to tear down these exclusionary zoning walls around these wealthier, bougie neighborhoods that fought very successfully to keep development out,” said Victoria Fierce, an organizer for the YIMBY group East Bay for Everyone. “SB 827 takes direct aim at that, and I think that is a radical thing.”

## **How to protect tenants now**

By Wiener’s own admission, even if SB 827 were passed (hearings could begin in March), it would take years to make a significant impact on housing prices. Meanwhile, activists focused on tenant protections and affordable housing are more concerned with addressing the day-to-day impacts of the housing crisis. Most recently, that work has involved fights to expand rent control policies and other tenant protections.

Political will for rent control appears to be increasing, said Aimee Inglis, associate director of Tenants Together. Five California cities—Santa Cruz, Inglewood, Glendale, Long Beach, and Pasadena—have new rent control ordinances on upcoming ballots, potentially adding to the 15 cities with existing ordinances. And Housing is a Human Right, a low income housing

advocacy group, is gathering signatures to repeal a state law that prevents rent control from being applied to newer units.

Rent control is viewed by most economists as a highly inefficient policy, and there is a very real concern that expanding its reach could depress housing construction. But there is also increasing acknowledgement that it—or something like it—is a necessary protection in such an extreme housing market. “It’s sometimes the only thing you can do, and so you have to do it, but it’s not ideal,” said Myers, the USC professor.

The need for rent control is compounded by the prevalence of evictions, which disproportionately affect low-income and minority tenants. A state law that allows landlords to evict tenants so they can convert their rental properties to for-sale units affected tens of thousands of tenants in Los Angeles alone between 2001 and 2017. A trio of bills was recently introduced in the state legislature that would make eviction more difficult.

As YIMBYs become a bigger part of the conversation around housing in California, there is increasing tension between the agendas of new, oftentimes more privileged housing activists and those who have long been focused on housing for the most vulnerable.

“I think what’s changed now is that we’ve got Wiener and a lot of the YIMBY groups that identify as liberal, some of them might even identify as leftist, but instead of pushing against the real estate industry, they’re out there pushing for a very neoliberal development agenda,” said Erin McElroy founder of the Anti-Eviction Mapping Project. Damien Goodmon, Executive Director of Housing is a Human Right, called YIMBYs an “astroturf group” for the real estate industry, and has made more extreme critiques, like describing the potential impacts of SB 827 as “a 21st century Trail of Tears.”

### **Finding the political will**

While their overall goals are largely the same—more housing near jobs and transit, at more reasonable prices—the two factions have some substantive disagreements. Affordable housing and tenants’ advocates, for example, tend to reject the notion that simple rules of supply and demand will fix the housing crisis, because an increase in the supply of housing doesn’t necessarily mean an increase in the right kind of supply. Statewide, there is a surplus of high-income homes for rent, while every other income category is under-supplied. And the problem is even worse in expensive cities like San Francisco.

Opponents of SB 827 say that despite the inevitable increase in housing supply, the bill would actually increase rents and home values in low-income, transit-adjacent neighborhoods by signaling that they are open for luxury development. In response to these concerns, Wiener released a series of amendments to the bill, which include policies that protect residents of rent-controlled housing, and provide tenants of demolished buildings the opportunity to rent in the newly constructed buildings at the rate they previously paid.

The bill’s biggest threat will likely be powerful homeowners’ groups—the historical practitioners of NIMBYism—and their old-school environmentalist allies. The Sierra Club of California was one of the first major political groups to come out against SB 827, citing concerns that it could fuel opposition to transit. (The organization has also signaled openness to supporting an amended version of the bill, saying in a statement, “this bill has the right aim, but the wrong method.”) Wiener, a self-described environmentalist, says the bill would lower the state’s carbon footprint by encouraging transit-oriented development.

In order to achieve radical action on housing, YIMBYs and other housing activists will likely need to find a way to work together against the state’s more established interest groups,

and mobilize the homeowners and environmentalists who do support ambitious new housing policies.

For YIMBYs this could mean more inclusive messaging, and a greater acknowledgment of historical injustices. “I’m a nice white lady with a nonprofit,” Fierce said. “I don’t have any right to tell these people of color, ‘You just trust me on this.’” YIMBYs have been criticized for failing to advocate for issues like rent control and eviction. More solidarity could go a long way.

Conversely, YIMBYs might be more receptive to tenants’ rights and affordable housing activists if they were more transparent about their alliances with traditional anti-development groups, and more open to market-rate development as a way to generate funds for affordable housing.

Meanwhile, these groups still don’t have their equivalent of a Scott Wiener or an SB 827—and it’s not for a lack of big ideas. Among their proposed policy goals, articulated by Goodmon and Inglis, are a massive mobilization of public funds for affordable housing construction; the implementation of community land trusts, which acquire and hold land for the benefit of the community; and much stronger rent controls and tenants’ rights, similar to those seen in many other countries.

Progress might be on the horizon. In addition to the potentially transformative long-term effects of SB 827, the three leading candidates in the November gubernatorial election have each said they would create approximately 3.5 million new housing units by 2025, a many-fold increase on the current rate of production. Political observers have called these plans unrealistic; indeed, the only way to make them a reality would likely involve the kind of public spending affordable housing advocates have long been dreaming of. Pent-up frustration on homelessness, and ever more widespread concern that young Californians will never be able to afford their parents’ homes could foster the political will for big changes.

California, described by many of its leaders as a “state of resistance,” is positioning itself as a model for progressive policies on issues like the environment, wages, and immigration. But the state’s current housing crisis may undermine its leadership in other areas. If California wants to be a progressive bastion, it needs to be consistent about it, Goodmon said: “We need all these so-called progressive politicians who are busy talking about how they are against the deportations and Trump to take the same approach when it comes to people being pushed out of their homes.”

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