Preventing Displacement in 2018

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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
## Income needed to afford an average 2-BR

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

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

Source: 2016 National Low-Income Housing Coalition tabulations of 2014 ACS. Graphic by HCD.
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.

Source: Redfin, 2016; Urban Habitat, 2016.
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

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. Many low-income households are simply unable to secure affordable rents. 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.

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. 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 (CLASSPA), which serves low-income communities in San Mateo County. Survey respondents live in 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.
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

Source: Zuk and Chapple, 2016.
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
12 California cities have some form of rent stabilization
17 California cities have Just Cause Evictions protections

Share of CA Cities with Rent Stabilization

- Yes: 2%
- No: 98%

Share of CA Cities with Just Cause Evictions

- Yes: 4%
- No: 96%
### Intervene to Protect Tenants Today

<table>
<thead>
<tr>
<th>Shield tenants from rent hikes</th>
<th>Protect tenants from unfair evictions</th>
<th>Improve substandard housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Rent stabilization</td>
<td>- Just cause for evictions</td>
<td>- Proactive code enforcement</td>
</tr>
<tr>
<td>- Anti-gouging</td>
<td>- Strengthen anti-retaliation</td>
<td>without displacement</td>
</tr>
<tr>
<td></td>
<td>- Reasonable procedures</td>
<td>- Strengthen anti-retaliation</td>
</tr>
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<th>Ensure access to representation</th>
<th>Preserve housing affordability</th>
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<td>- Right to counsel</td>
<td>- Raise funds to take units off</td>
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<tr>
<td>- Resources for undocumented</td>
<td>the speculative market</td>
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<tr>
<td>immigrants</td>
<td>- Expand voucher programs</td>
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<tr>
<td></td>
<td>and require landlords to accept</td>
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Thank you!

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