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First-of-its-kind study reveals impacts of new construction, rent stabilization, and just-cause eviction on displacement
Research has major implications for California's housing crisis

Berkeley, CA—In a new study released today, researchers from the Changing Cities Research Lab at Stanford University, the Urban Displacement Project at the University of California Berkeley and the University of Toronto, and the Federal Reserve Bank of San Francisco were able for the first time to pinpoint the impact of new housing production, rent stabilization, and just-cause eviction policies on displacement. The study focused on the nine-county Bay Area.

Key findings for the study, called *Housing Market Interventions and Residential Mobility in the San Francisco Bay Area*, include:
- Contrary to common belief, when new market-rate housing is built in a neighborhood, there is only a slight increase in people of all income levels both moving in and moving out—churn. The increase in rates of displacement for very low- to moderate-socio-economic groups is not as high as commonly feared, at 0.5% to 2% above normal rates.
- More market-rate housing construction primarily serves the most affluent—they are the least likely to move out and the most likely to move into neighborhoods with new construction.
- For all socio-economic groups, market-rate construction is associated with a slightly higher chance of making a downward move—a move to a lower-opportunity neighborhood.
- Rent stabilization helps residents of the lowest socioeconomic status stay in their neighborhoods, but it also prevents other low-income people from moving in.
- Just cause eviction protections help the lowest socioeconomic status residents remain in gentrifying neighborhoods, where displacement pressures may be especially strong for vulnerable residents. In these hot-market areas, just cause can reduce the likelihood of displacement by up to 1% for the lowest income residents. However, these protections do not encourage new low-income residents to move in.
- Renters make fewer downward moves from neighborhoods where more units are covered by just cause protections—suggesting people are able to make planned moves.

"Displacement disrupts lives and livelihoods, often forcing people to move far from their jobs, schools, and communities," said Karen Chapple, Ph.D., Urban Displacement Project Director, Professor Emerita of City & Regional Planning at UC Berkeley, and Director at the

School of Cities at the University of Toronto. "The effects are devastating and can be long-lasting, so even one displaced family is one too many. To address the housing affordability crisis and mitigate displacement and exclusion, California's leaders must pursue not only the preservation of unsubsidized affordable housing, but also bolder initiatives that substantially expand social housing—rental or homeownership units made affordable at a moderate income or below, run by a public or nonprofit entity. Matching the urgency of the housing crisis will require wide implementation and investment. "

"We're thrilled to add this data to the field because it shows for the first time exactly how certain housing crisis solutions affect displacement at the neighborhood level," said Jackelyn Hwang, assistant professor of sociology in the Stanford University School of Humanities and Sciences and Changing Cities Research Lab director. "Our findings indicate that equitable solutions to the housing crisis will require more than just new housing production and tenant protections—these are complementary solutions, but not enough. "

California has a housing affordability crisis and a shortfall in housing production that will reach 1.5 million units by 2025. Lawmakers need to target spending to the most effective programs, but it's hard to know what's effective without robust, current data. The most-cited rent stabilization studies are from the 1980s and 1990s, and the most recent studies of market-rate production focus on housing prices, not displacement.

Until now, researchers have struggled to pinpoint the impacts of solutions like new housing production and tenant protections on residents, due to the lack of fine-grained data. This study overcomes previous data challenges for the first time by building unique (and cross-validated) datasets on mobility and linking them to a bespoke block-level housing construction database. It is the most granular data on displacement in the Bay Area (or anywhere) ever produced.

The new study's findings improve on those of other studies because the researchers were able to examine the socio-economic status of households that move, rather than assuming that households have the same characteristics as their overall neighborhood. By accounting separately for both moves in and moves out by socio-economic status, this study is better able to pinpoint how market-rate development, subsidized development, and tenant protections (both just cause eviction and rent stabilization) impact both direct and exclusionary displacement, by looking at movement both out of and into local neighborhoods over a four-year period.

About
The [Changing Cities Research Lab](#) at Stanford University, led by Jackelyn Hwang, assistant professor of sociology, aims to use innovative data and methods to study the relationship between contemporary changes in U.S. cities and the durability of neighborhood inequality and segregation. With a focus on gentrification and racial stratification, we study the causes

and consequences of these urban changes and we develop methods to measure these changes. By improving our understanding of urban change, we aim to advance policy solutions that promote equity as cities change.

The Urban Displacement Project (UDP) is a research and action initiative of the University of California Berkeley and the University of Toronto. UDP conducts community-centered, data-driven, applied research toward more equitable and inclusive futures for cities. Our research aims to understand and describe the nature of gentrification, displacement, and exclusion, and also to generate knowledge on how policy interventions and investment can support more equitable development.