The common narrative around housing

- "Simple supply and demand"

- "How can we increase the supply of housing?"

- Competing interests groups: developers, tenant groups, realtors

- Housing as a commodity/financial asset

- "Government can't build housing"

How does the housing crisis affect people who are currently sheltered?

Let's add some specificity to this conversation

Rachel -

"I am a single parent to a child with special needs and we received a 60-day notice to vacate by December 31st...We also receive a second letter that our rent was going to be increased starting December 1st...I don't know what to do. I don't have any friends or family in California. So we really wouldn't have anywhere to go we would end up dead. Either living out of our car or living on the sidewalk"

Let's add some specificity to this conversation

Rona -

"My name is Rona Carrickett...I've worked at Huntington Hospital as a surgical scrub tech for 29 and a half years. I have heart problems and had to retire on disability. I was sitting at home thinking what did I do wrong? Why can't I afford to live here? Did I not do my retirement right? I live across the street from Central Park [where there are a lot of people without homes]. Not everyone who is homeless has a drug problem, or an alcoholic. They might have served in this city and did everything they were supposed to do, and they can't afford to live here, and it's not right. I thought I was all alone. I thought I was doing something really wrong. I wish you all would consider that decent human beings cannot afford $3000 for rent. It's impossible."
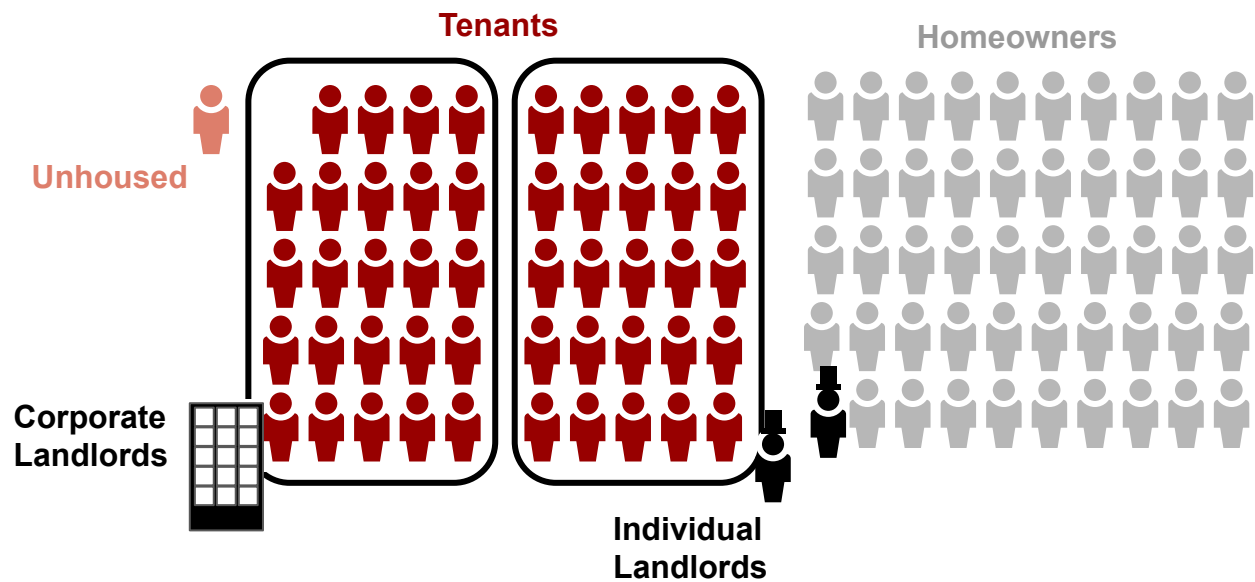
Jane Brainstorming Slide

- What is the problem?
  - People are being forced out of their homes AND people are not able to find new housing
    - Homelessness
    - Lack of stability
    - Unable to form community
  - HOW is this happening?
    - There are two groups of people who live in housing: owners (who CONTROL their housing by virtue of owning property) and renters (somebody ELSE controls the housing, they are not able to make decisions about it)
    - Maybe make some comments about who renters tend to be and the sheer number
    - So who owns this housing and why? Landlords being landlords. Extracting profit from working people just by virtue of having at some point had enough money to buy more than one home.
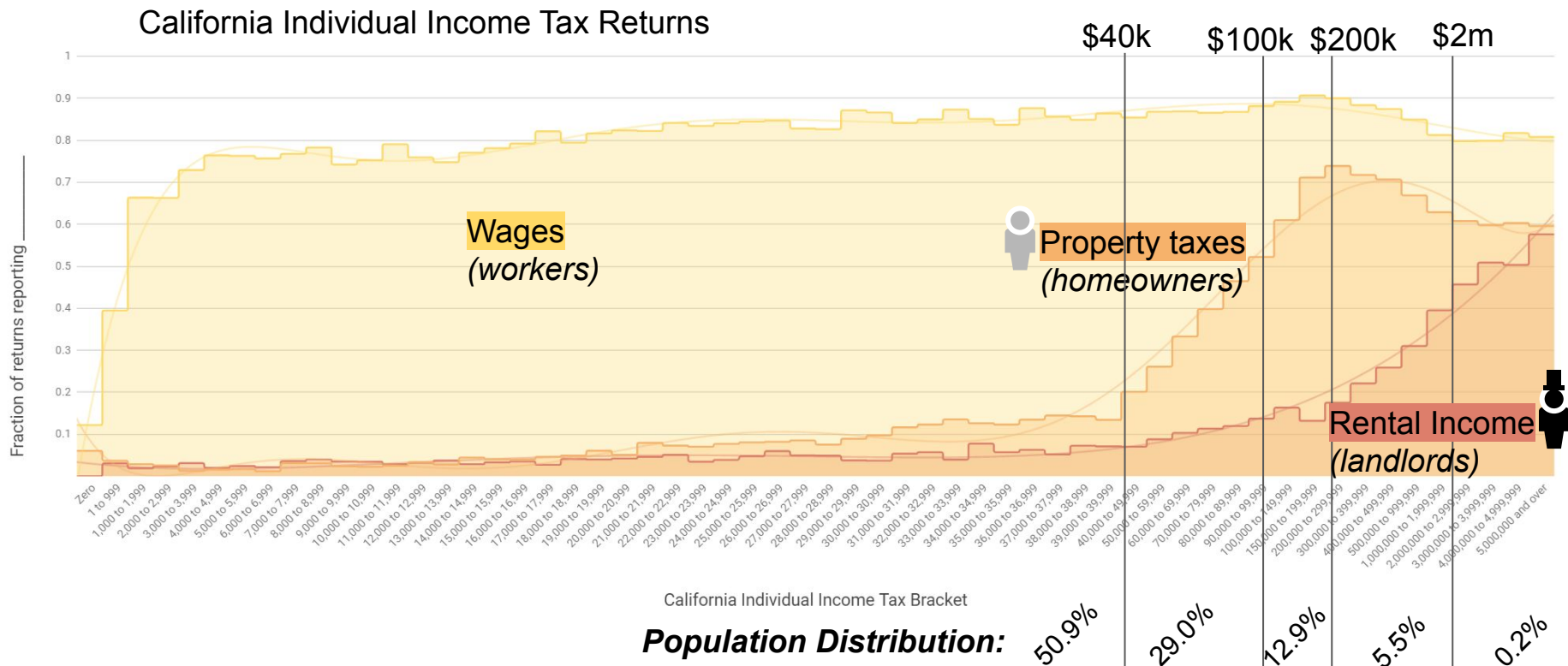   - WHAT CAN WE DO?

Why do people lose their homes?

- Why do people lose their homes?
  - The rent is too damn high.
- Tenants do not own property.
- Hence we do not control our own housing
- So who does own this housing?
- Landlords.
- They buy more than one home. Their tenants go to work, earn wages, and pay money to the landlord.
  - Make a diagram
- Landlords don't perform any labor. They generate income (by skimming their tenants' wages) simply by virtue of owning lots of property.
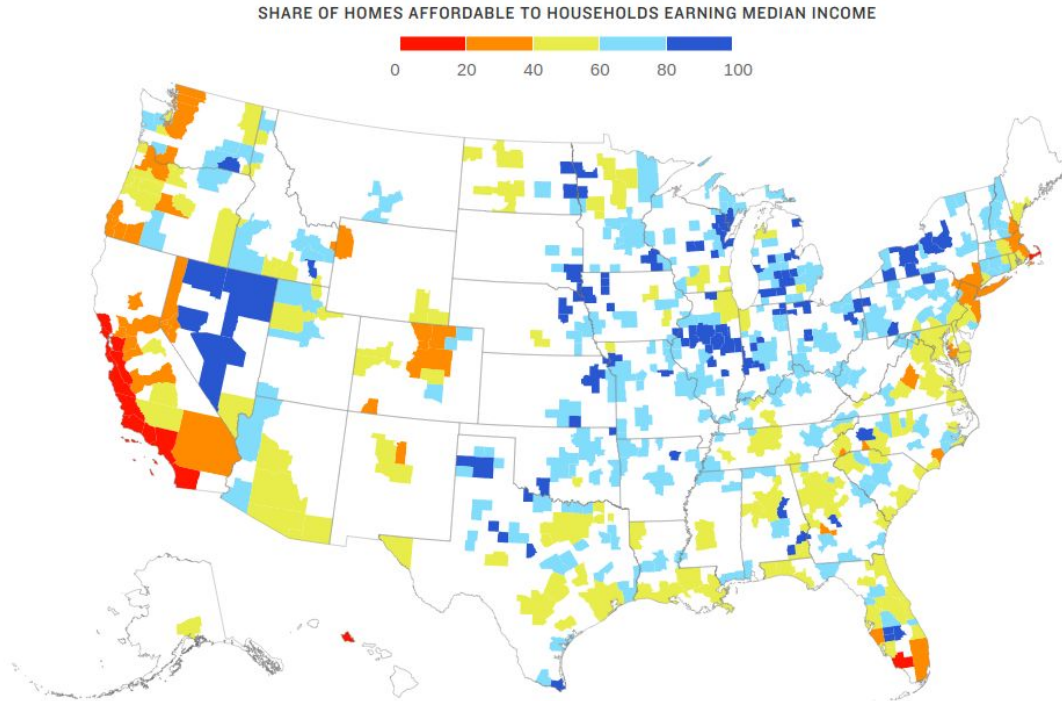
Who is Pasadena?

Tenants

Homeowners

Unhoused

Corporate
Landlords

Individual
Landlords

Who are homeowners and landlords?

California Individual Income Tax Returns

Fraction of returns reporting

$40k $100k $200k $2m

Wages
(workers)

Property taxes
(homeowners)

Rental Income
(landlords)

California Individual Income Tax Bracket

Population Distribution: 50.9%   29.0%   12.9%   5.5%   0.2%

2015 California Individual Income Tax Returns

"Just buy a home"

SHARE OF HOMES AFFORDABLE TO HOUSEHOLDS EARNING MEDIAN INCOME

0   20   40   60   80   100

In Los Angeles-Long Beach-Anaheim, CA, households earning the median income in 2016 could afford monthly payments on 11% of homes sold in the previous year.

https://www.npr.org/2018/08/06/629410064/the-new-housing-crisis-shut-out-of-the-market

Who are Pasadena tena...

The Mythology: they are students (who will b...
moved here/ don't want to settle down here

**Pasadena Unified votes to close Wilson Middle, spares Marsh...
Fundamental**

LOCAL NEWS

Pasadena Unified votes to close Franklin, Jefferson and Roosevelt elementaries
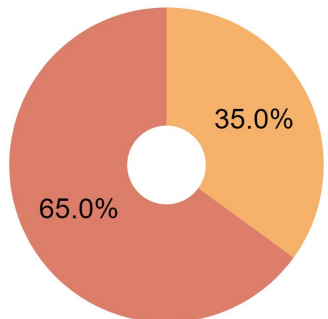

MOST POPULAR

1. Crews halt growth... fire that spread thro... heavy brush in Holly... Hills
2. Arcadia adapts to s... increase in homeles...
3. Before Rose floats c... down Colorado Bou... they get a shakedow... on Irwindale Avenue...

years or younger

35.0%

65.0%

(ok boomers)

American Community Survey 1-year estimates 2018
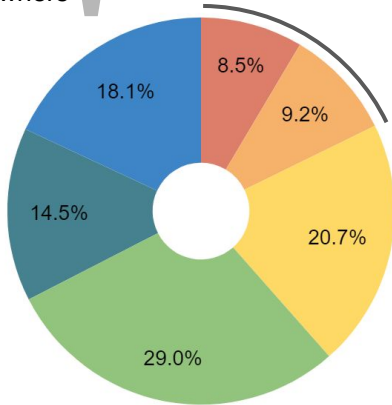
Renters experience housing instability

Year Moved into Current Unit (as of 2018)
Owners vs. Renters

All Owners

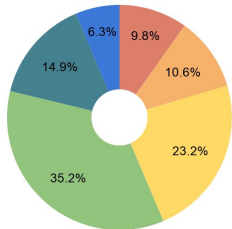17.7% of owners vs. 45.8% of renters moved **in the last three years**

8.5% of owners vs. 24.8% of renters moved **in the last year**

All Renters

Householder 35-64 Owners

Householder 35-64 Renters

Legend:
- Moved in 2017 or later
- Moved in 2015 to 2016
- Moved in 2010 to 2014
- Moved in 2000 to 2009
- Moved in 1990 to 1999
- Moved in 1989 or earlier

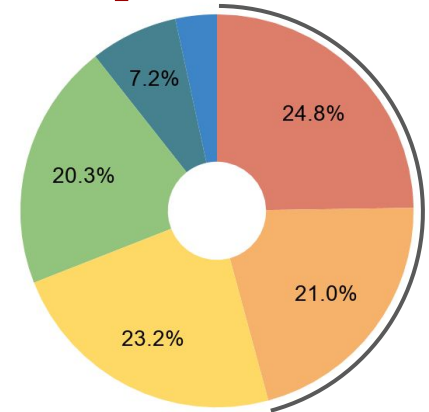All Owners pie values: 8.5%, 9.2%, 20.7%, 29.0%, 14.5%, 18.1%

All Renters pie values: 24.8%, 21.0%, 23.2%, 20.3%, 7.2%

Householder 35-64 Owners pie values: 9.8%, 10.6%, 23.2%, 35.2%, 14.9%, 6.3%

Householder 35-64 Renters pie values: 24.4%, 20.7%, 26.1%, 19.4%, 6.9%
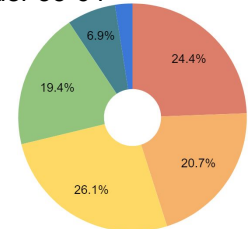
Racial Disparities

Proportion of renters by race Pasadena 2018

American Community Survey 1-year estimates 2018
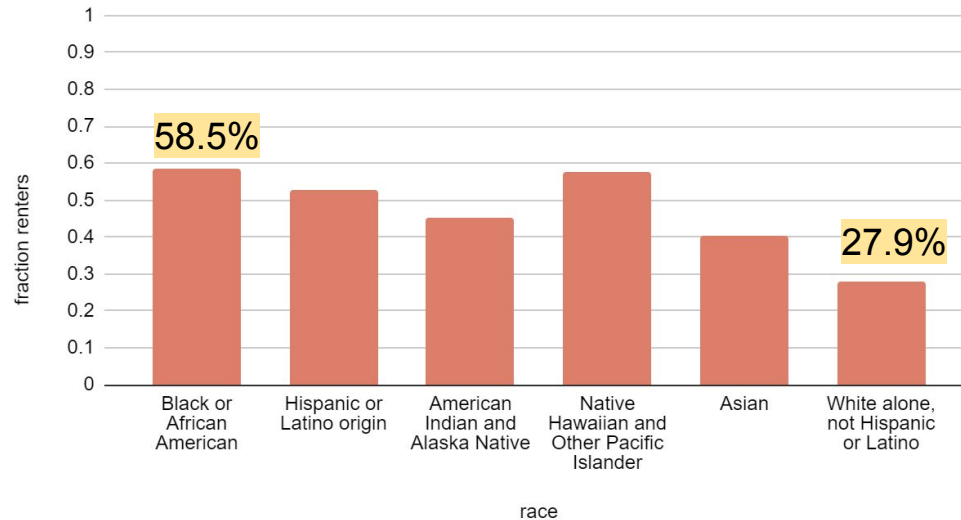
The Rent is Too Damn High

Rent Burden (% of household income to rent)
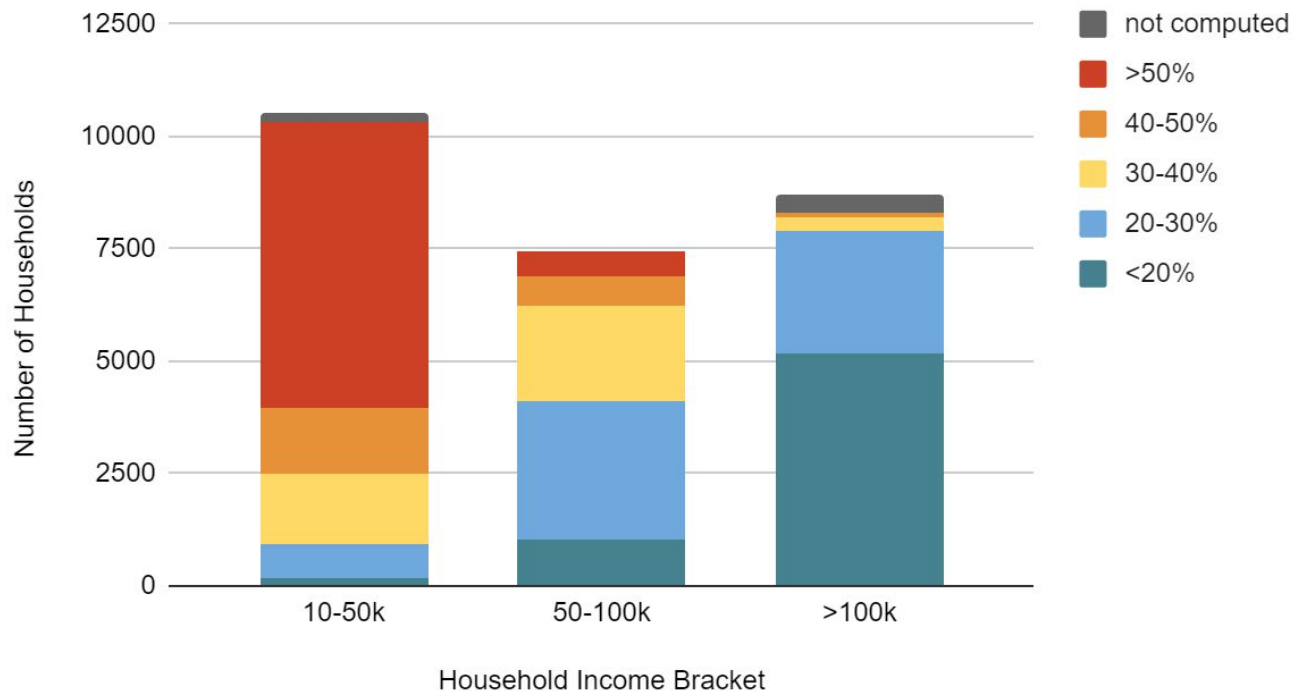
Tenants can't afford the rent

Rent Burden of Pasadena Tenants 2018
(Percentage of household income spent on rent)

28.4% of tenants are **severely rent burdened** (paying more than half their income to rent)

not computed

>50% income to rent

0-30% income to rent

30-50% income to rent

About half of tenants are **rent-burdened** (paying more than 30% of their income to rent)

American Community Survey 1-year estimates 2018
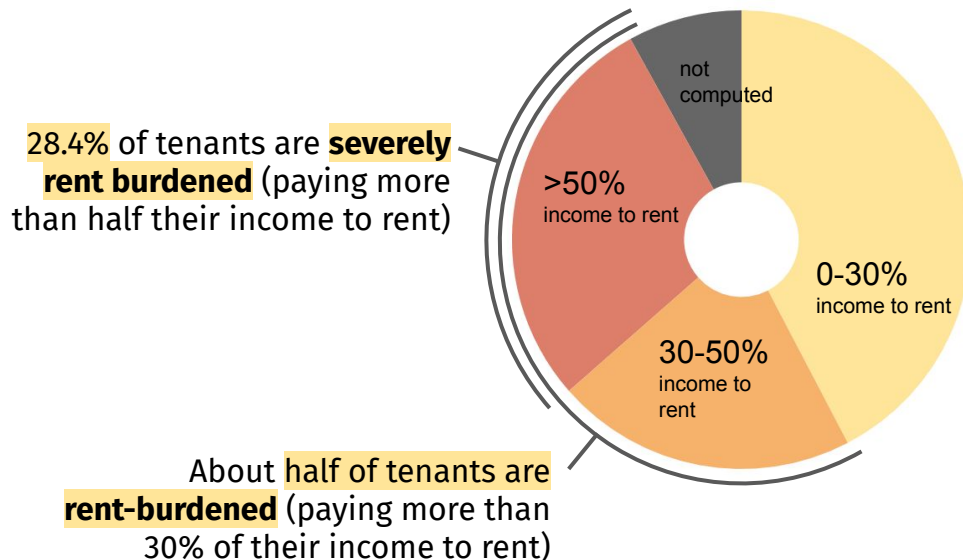
(especially low-income tenants)

Rent Burden of Pasadena Tenants with Household Incomes $10-50k
(Percentage of household income spent on rent)

0-30% income to rent

30-50% income to rent

>50% income to rent

60.3% of low-income tenants are **severely rent burdened** (paying more than half their income to rent)
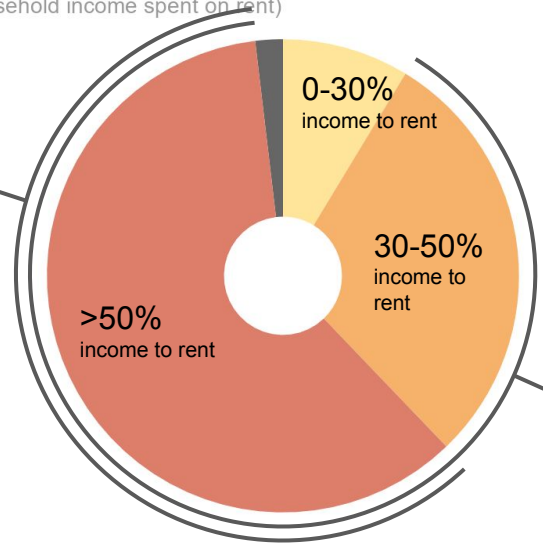
89.3% of low-income tenants are **rent burdened** (paying more than 30% of their income to rent)

Overall tenant population (for comparison)

(and tenants in certain areas)

Rent Burden Rate by ZIP Code
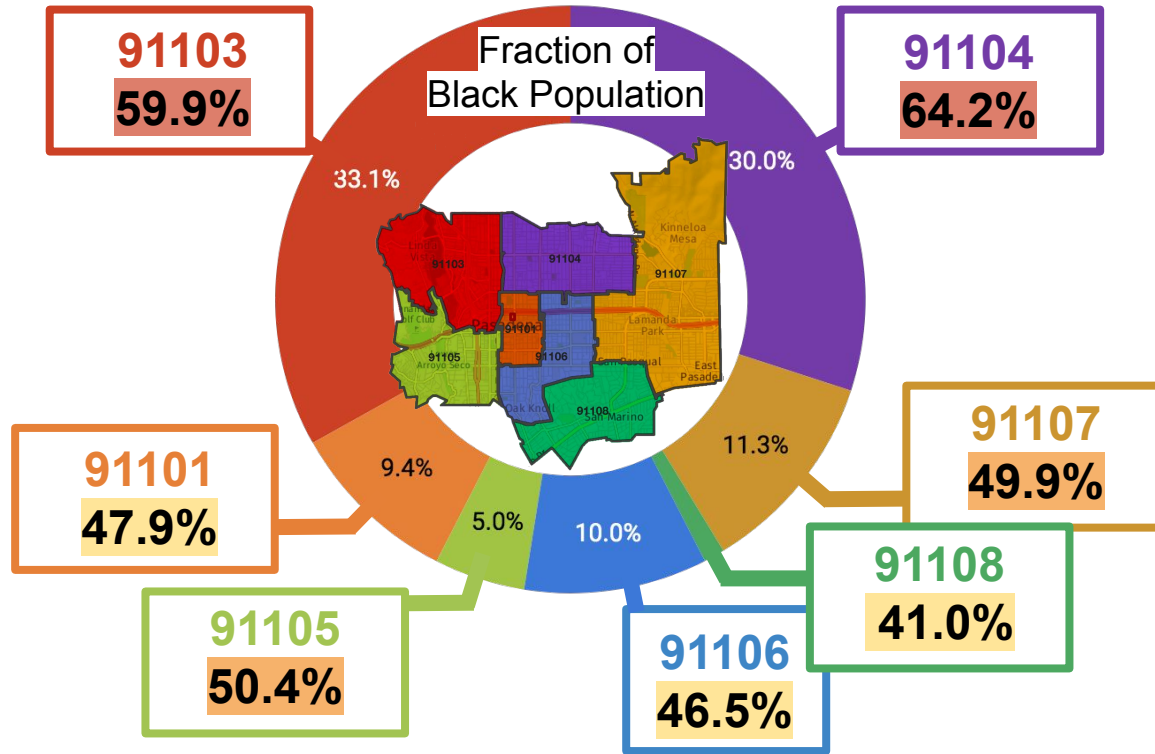
Rent prices increase faster than inflation

Median Rent Pasadena

American Community Survey 1-year estimates

In 2018, median rent was $253 more than it would have been if it had increased with inflation since 2012

1287
1356
1410
1484
1496
1611
1699

Inflation Projection

Median Gross Rent

Year

American Community Survey 1-year estimates 2012-2018
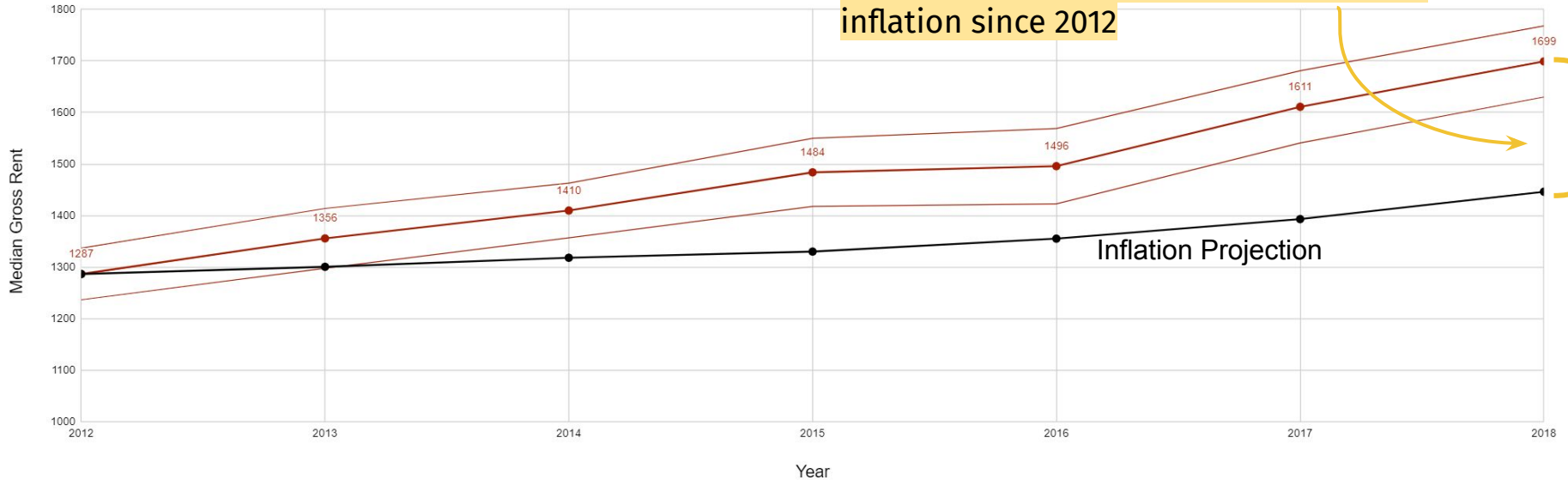
Q3 2018 rent affordability in:

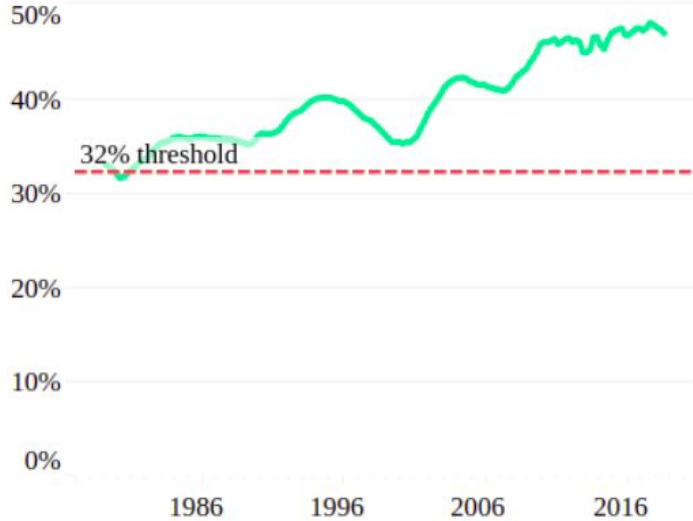Los Angeles-Long Beach-Anaheim, CA ▼

46.7%

Light yellow 2, light orange 1, light red berry 2, dark gray 3

Affordable housing stock is disappearing

Occupied units in Pasadena by monthly rent
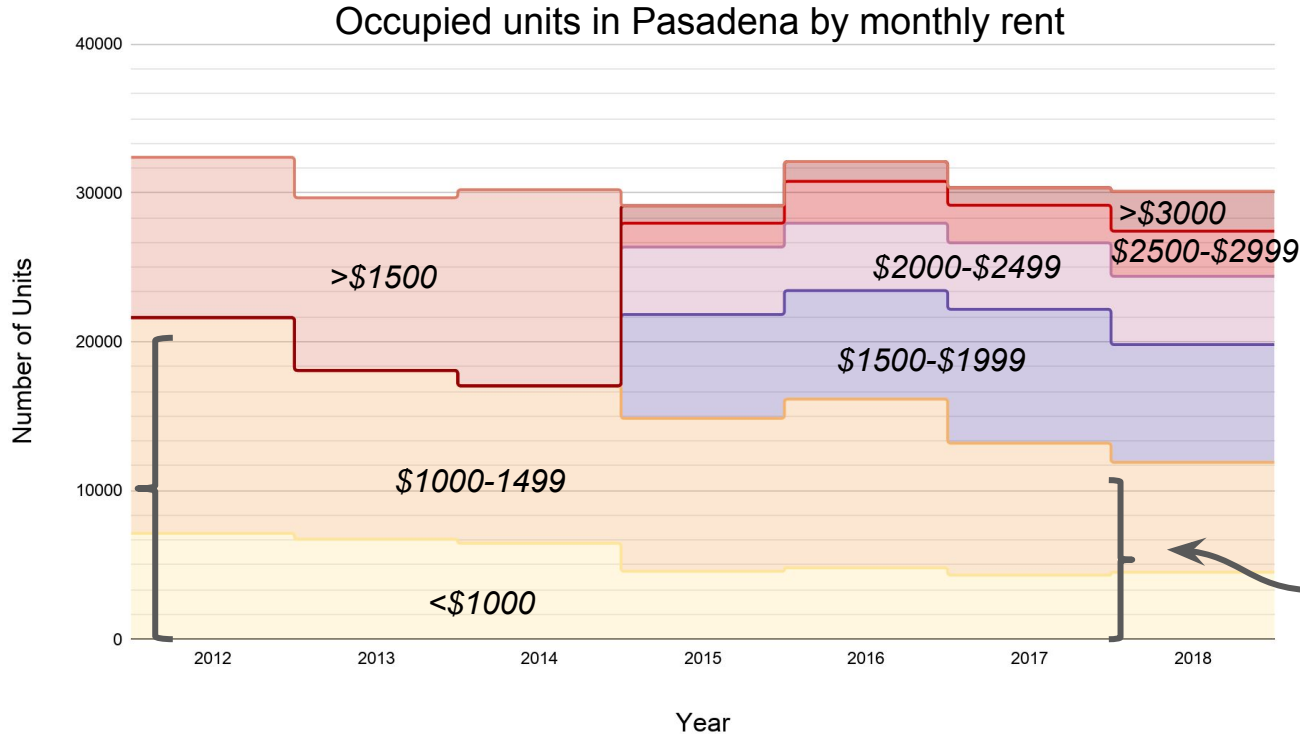
For a household making less than $60 000, the monthly rent must be below $1500 to avoid rent burden

Who is profiting? (Landlords)

Landlord

Business Owners

Employer

goods services

$$

$$

$$

labor

Tenant/Worker
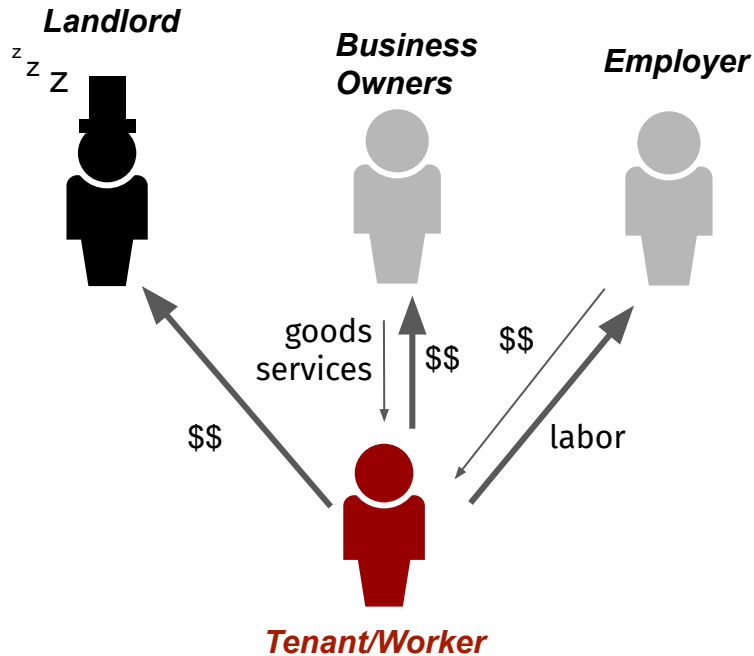
The median number of hours per month a landlord spends performing labor to maintain a rental property is just three. *(2015 Rental Housing Finance Survey)*

Landlords control other people's homes. Until last week, landlords could legally evict tenants without giving any reason.

Landlords are skimming ⅓ – ½ of their tenants' wages.

Why? Mostly luxury homes being built

Nationwide
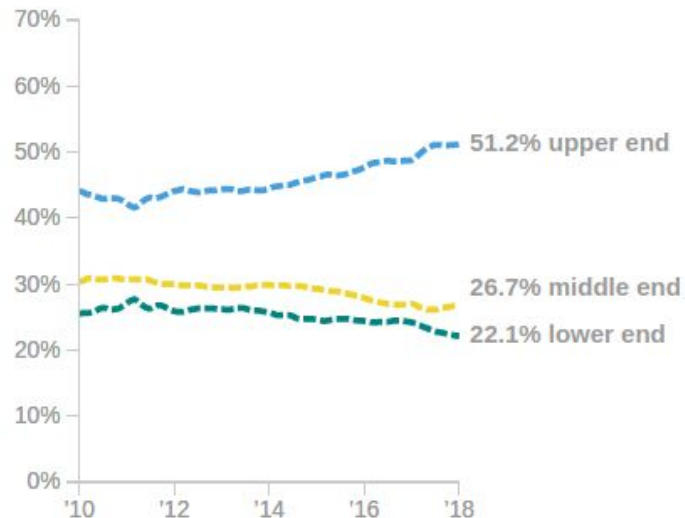
- 51.2% upper end
- 26.7% middle end
- 22.1% lower end

In Boise

- 65.9% upper end
- 26.1% middle end
- 8.0% lower end

Who is unhoused? And how did they lose housing?

People have a home before they become homeless

- How do they lose it?

- Who is more likely to lose their home?

Our unhoused neighbors

PASADENA HOMELESS COUNT
2019

"People often prefer to stay in the community where they became homeless, likely because of the familiarity of surroundings, sense of belonging and personal connections, knowledge of local resources, and feeling like the area is still their home."

City of Pasadena

Top Reason for Becoming Homeless

30% lost their job

People Experiencing Homelessness are Our Neighbors

58% from Pasadena

95% from LA County

68% of homeless in LA County lived in LAC for more than 10 years

14% said eviction was primary cause

Homelessness tied to housing affordability

Homelessness climbs faster when rent affordability exceeds 32% threshold
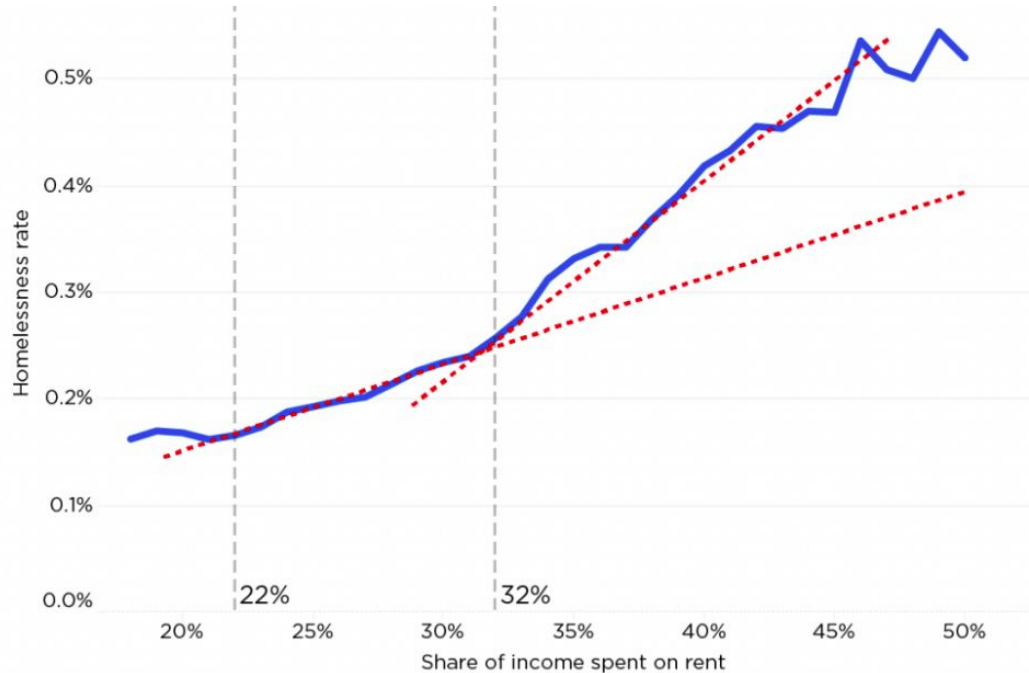
What about current "housing policy?"

Look at historical policy to understand current policy

- **Disinvestment → reinvestment**

  - Redlining: Federal Housing Authority designation of loan risk by (1) Age, (2), Density, (3) Racial composition

  - Suburbanization

  - Leads to neighborhoods with low property values...
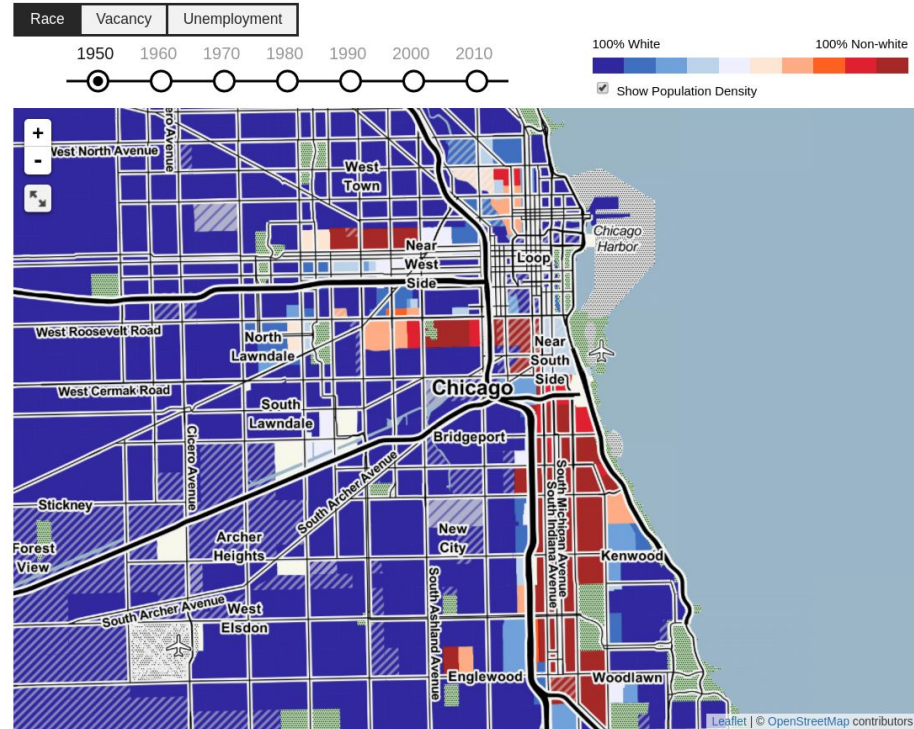
"Reinvestment" today

City budgets driven by property values —
Can only encourage development

- LIHTC — Tax breaks to incentivize construction

- Upzoning — Increase density of housing, but not in "nice" neighborhoods

Gentrification

This means that the amount of rent you pay will change. The current monthly rent for your __3__ bedroom apartment is $ _845.00_. As of June 1, 2019, the new rent will be $ _2,500.00_, *parking and utilities not included.*

Gentrification: Zoning as an example

1. Richer neighborhoods fight upzoning. Poor neighborhoods get it.

2. Upzoned neighborhoods get more development, but it's luxury housing

3. **Development leads to high rents which lead to displacement and homelessness**

2013 to 2021: State mandate to permit 207 low income units. In Sept 2019 council has permitted 38. By contrast, 2,100 permits out of 561 state mandated for above-moderate income units.

Pasadena zoning plans

OUR PASADENA

"The Lincoln Avenue Specific Plan provides a long-term strategy for revitalizing and increasing the development potential of an underutilized commercial and residential corridor in the City of Pasadena."

Redevelopment in historically underserved community of color
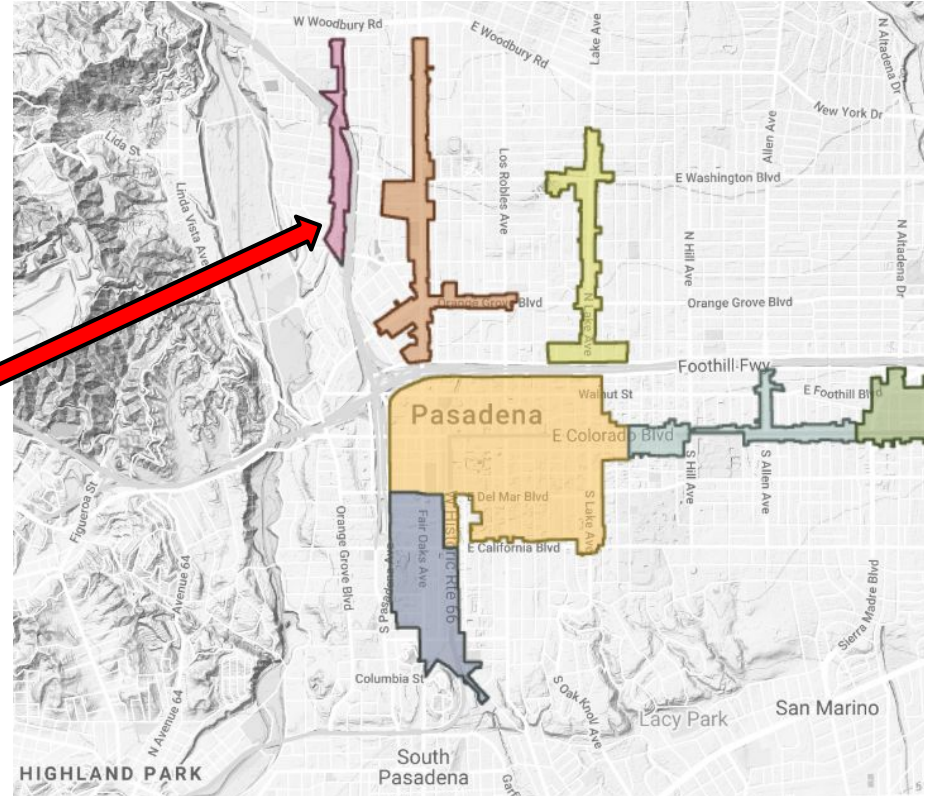
How can we keep people in their homes?

- Rent Control
  - Strongest form: rents capped at a rate determined by state or municipal gov't. Existed in California before '95 (ex. Santa Monica).
  - Costa Hawkins ('95) - Vacancy control forbidden, properties limited, new construction exempted (Certificate of Occupancy [CO] after '95).
- Just Cause Eviction Protections
  - Generally, landlords may evict tenants for any reason, and only need to issue 30 or 60 day notice.
  - Just Cause protections only allow evictions for enumerated "Just Causes", including nonpayment of rent, illegal activity, nuisance, etc.

The Tenant Protection Act (AB-1482)

- Provides Just Cause protections and limited Rent Control
- Expires in 2030
- Rent Increases capped at 5%+CPI/YR (approx. 8%/YR)
- Doubling time ~9 YR. By Contrast, from 2008 to 2018, CA minimum wage increased ~40%.
- Neither Just Cause protections nor Rent Control provisions apply to housing issued CO within last 15 YR.
- Really an anti-gouging bill, but clearly fails to provide long-term stability in housing.

Our proposed charter amendment

- Pasadena Tenant Justice Coalition (PTJC) has been writing a charter amendment to bring strong, long-term Rent Control and Just Cause protections to Pasadena.
- Just Causes strongly constrained, do not sunset, and apply to all but a few units (ex. dormitories).
- Rent Control limits annual increases to 75%CPI. Recently, that's ~2-2.5%/YR
- Creates a city Rental Housing Board to specify regulations, adjudicate violations, and, generally, to ensure that Tenants are protected.
- Creates a rental registry to collect and propagate data about Pasadena housing stock, pricing, and behavior of landlords.

What about City Council?

Will City Council enact laws to protect tenants?

Developer

Literal landlord

Literal landlord

When rational argument fails, protecting tenants means exercising **power**

We can write the law ourselves!

The ballot measure process in Pasadena

Any group can bring a measure for the voters to decide on

1. Signatures from 15% of registered voters in Pasadena to go onto the ballot ~= **12,000 valid signatures**

   ○ Must account for signatures being disqualified

2. Get out the vote: canvassing

3. Get the city to actually implement it

People organized together can exert power

Tenants

Homeowners
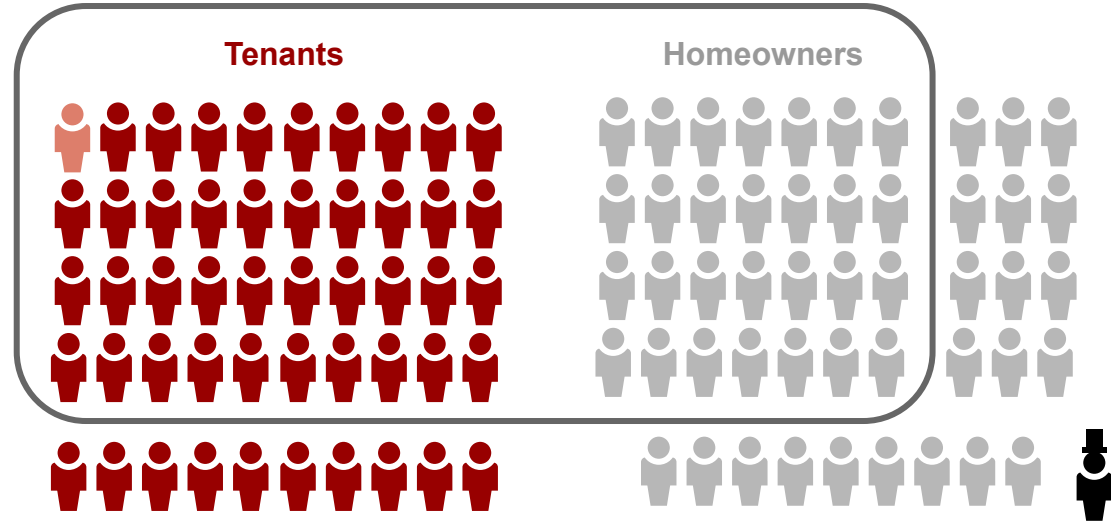
Organizing together to fight for stable housing, for community control, for housing as a human right

For example: Eviction moratorium

State law AB 1482 left a 3 month gap for landlords to evict low paying tenants.

PTU went to city hall to demand an emergency ordinance

The Pasadena Tenants Union

Solidarity work

Space where Pasadena residents can share their stories and find support in getting stable housing

- Learning our rights as renters, specific tactics to fight back against abuse

- Talking to neighbors and building support networks

- Reaching out to press about this as a community issue

Washington 16: Organizing is community building

- New owner issues evictions to 16 units, many decades long residents

- Had to fight to even get legally required "tenant protection" money

After keeping people in their homes, what next?

Problem: The CONTROL of housing through private ownership/development

Solutions must aim to fundamentally transform that dynamic

- Short term approaches:
  - Community land trusts/Right of First Refusal
  - Public banking for home loans
- Long term approaches:
  - Public Housing

Historical examples of good housing and a horizon

Today, 62% of people live in public housing in Vienna

In 1979, 42% of Brits lived in public housing

"You practically knew every kid that was here, and you always had someone to play with…The parents got on brilliantly as well. If one of you was having a party, the whole lot of you would go."

https://jacobinmag.com/2018/11/beautiful-public-housing-red-vienna-social-housing

A Movement: The Right to the City

The moral right of people and communities to control how their spaces evolve and change

Development controlled by people who live there, for public benefit, without displacement

Urban movement beyond housing → agriculture, recreation, education

Join us!

Our power is in the community, and you are part of it!

We are gathering signatures for rent control

Join our mailing list to know when we go out to gather signatures

The importance of history

- Looking only at what the current situation is and trying to extrapolate a direction to go in is like having one data point and drawing the line you like best. Bad science
- Understanding history helps us understand the systemic/social/historical forces that have substantial momentum, and gives us hints about where we can find the power required to change that momentum.

A radical analysis

"of, relating to, or proceeding from a root"

"of or relating to the origin : fundamental"

Where does homelessness start at the root?

Interrogating the term "housing crisis"

- "Housing"
  - Puts the focus on an inert physical commodity
  - Crisis for what/whom? It's *experienced* not by buildings but by human beings
  - If we frame the debate around "housing," we erase tenants as active subjects (vs passive consumers) and normalize the naive supply/demand narrative
  - Horizon: housing as a *human* [emph] right
- "Crisis"
  - Implies that what we're seeing is an aberration in an otherwise sound/just system
  - Also implies that cosmetic adjustments to the system are enough to fix it

General notes

- Structure of the talk:
  - One idea - shorter talk (30 mins) and lots of time for Q&A
- Goal of the talk:
  - Recruit people to signature gathering/organizing
  - Come off as humble, but involved at the ground level
- Key points to hit:
  - We can't be trying to make new socialists, because that's idealism to expect to convince people in just a single talk. As long as they believe that concretely what we are doing is good and are willing to do labor then that is good.
  - Bring specificity to the issue. A personal story
  - Homeownership is inaccessible
  - Who is renting?
  - How to build the power required to obtain what we want → collective action so we need people in the audience to gather signatures with us.
  - What is in the policy itself? Caltech people wanna know. We have been writing the policy
  - The real estate state: housing policy
  - Interrogate the term "housing crisis" -- the focus on housing as a commodity, and a crisis in the functioning of an otherwise just/sound system of provision

Outline (maybe we can pick and choose from some of these)

1. This is not a crisis in the abstract: Personal stories
2. All issues are connected: Intersectionality beyond venn diagrams
   a. Racism: Adverse health outcomes correlated with housing instability (mental health, nutrition), and communities of color often living in gentrifying neighborhoods
   b. Lowest income housing right next to freeways which have high PM2.5
3. Why is this happening? -> Zoom out to macro level picture
   a. Tenants don't have control of their housing
   b. Buying a home is out of reach
   c. What is the structural force that drives high home prices and housing instability? Profit on housing as a commodity, as an "asset class"
   d. Government policy refuses to challenge capital: tax credits, zoning -> gentrification
4. What are the concrete ways that we can challenge this force?
   a. Organizing with people to fight displacement
   b. Rent control (some details about Pas policy), but this requires an organized force to demand and win
5. Where do we want to go?
   a. Community Land Trusts (CLT), public banking
   b. Beautiful public housing
   c. Right to the city! The right of people and communities living/thriving in a space having power/control over the evolution of that space.

After the WA16

Now landlords are issuing evictions telling tenants that they are not in "good standing" so that they cannot claim TPO

Asking tenants to sign things that would give them back their last month rent and deposit - presumably to waive any claim to TPO