THE AFFORDABLE CITY:
Strategies for Putting Housing Within Reach (and Keeping It There)

Island Press

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THE YUCCA-ARGYLE REDEVELOPMENT

40 rent-stabilized units replaced by 200 new apartments, including 40 income-restricted units

That’s a win!

But what happens to the rent-stabilized tenants? They get a small check and a kick in the pants – they don’t benefit

We must find ways to benefit from projects like this without accepting the individual harms that often accompany them…especially when those harms fall disproportionately on Black and Brown communities.
PRO-HOUSING VS PRO-TENANT

The stereotypical pro-housing advocate sees the Yucca-Argyle development and asks: **Who benefits?**

The stereotypical pro-tenant advocate sees the Yucca-Argyle development and asks: **Who is harmed?**

**We all need to start asking both questions. Better policy will follow.**
THE THREE S’s

• **Supply, Stability, and Subsidy**
  • Building enough homes to meet all needs
  • Protecting renters and affordable housing
  • Supporting those who need additional assistance

• Each serves a different purpose and each must be a priority

• This is a policy statement as well as a political one:
  *We won’t build the coalitions needed to overcome NIMBYs so long as renters fear what new development will bring*
WHAT’S IN THE BOOK

Two main sections

• **Part 1:** Introducing the Three S’s and establishing some global principles and recommendations

• **Part 2:** Deeper discussion into why Supply, Stability, and Subsidy are so important and about a dozen specific policies to consider for each
WHY SUPPLY MATTERS

• Supply is about acknowledging physical and economic constraints
• We can’t have affordable, accessible housing if we don’t have enough homes for everyone (physical)
• Scarcity empowers landlords at the expense of tenants and sellers at the expense of buyers (economic)

What it can do: Stabilize prices and create new resources (taxes, affordable housing, etc.)
What it can’t do: Bring median home prices from $700,000 to $300,000 (e.g.)
WHY STABILITY MATTERS

- If Supply is about responding to physical and economic realities, **Stability is about meeting our moral obligations**
- A person shouldn’t lose their home simply because they have the bad luck to live in a newly-popular (gentrifying) neighborhood

**What it can do:** Shield people from rising rents and eviction — keep things from getting worse

**What it can’t do:** Make things better, or do much to help people who don’t already have a home
WHY SUBSIDY MATTERS

• Subsidies are a tool to apply where Supply and Stability fall short (which they will)

• Almost as important as how we spend subsidy funding is how we raise it
  • Well-designed taxes can reduce housing speculation and encourage production, e.g.

What it can do: Help the people for whom Supply and Stability aren’t enough (millions and millions of people)

What it can’t do: Help everyone, or solve the problems caused by inadequate Supply or Stability policy
WHICH IS MOST LACKING IN YOUR COMMUNITY?

• Supply?
• Stability?
• Subsidy?
SO HOW DO ALL OF THESE GOALS WORK TOGETHER?

“Won’t Stability policies undermine housing production?”

“Won’t Supply policies cause displacement?”

Yes!!! They can! Actions have consequences!

But if we take each of the Three S’s seriously, including how they can undermine one another if designed poorly, we can design them to avoid these consequences as much as possible: to maximize their benefits and minimize their harms.
WHAT POLICIES SHOULD WE BE LOOKING AT?

Stability: Why Tenant Protections and Rental Housing Preservation Matter
28. Place Moderate Restrictions on Rent Increases for Nearly All Housing (Anti-Gouging)
29. Place Stronger Restrictions on Rent Increases for Older Housing (Rent Stabilization)
30. Be Careful with Vacancy Subsidies
31. Implement Inclusionary Zoning

Supply: Why Housing Matters
15. Upzone a Lot
16. Upzone Many Few
17. Focus Upzones
18. Find the Upzones
19. Allow Housing
20. Make It Expensive
21. Eliminate Density
22. Eliminate Parking
23. Let Renters Decide
24. Make Developers
25. Speed up the process
26. Explore Other Ideas
27. Promote Counting

Subsidy: Why Government Spending and Public Programs Matter
32. Discourage Redevelopment
33. Implement Replacement Subsidies
34. Make Affordability Real
35. Buy Naturally Occurring
36. Require Transparency
37. Prioritize Displaced Tenants
38. Limit the Ability of Landlords to Discriminate
39. Use Just-Cause Protections
40. Require Government
41. Offer Free or Reduced
42. Enforce Housing and Building Codes
43. Eliminate Discrimination against People with Housing Choice Vouchers
44. Prioritize Stability over Wealth Creation (Homeownership Assistance)
45. Institute a Progressive Tax on Home Sales (Real Estate Transfer Tax)
46. Tax “Flipped” Houses at Higher Rates
47. Utilize Property Taxes
48. Tax Underutilized and Vacant Property
49. Don’t Sell Public Land; Lease It (Public Land and P3s)
50. Minimize Impact Fees and Charge Them Equitably
51. Don’t Let Small Buildings off the Hook (Missing Middle)
52. Reform or Eliminate Most Homeowner Subsidies
53. Reform and Increase Funding for Affordable Housing Construction
54. Increase Funding for Direct Rental Assistance
55. Fund Low- and Zero-Interest Loans for Housing Acquisition and Development
UPZONING AND OTHER SUPPLY POLICIES

• How do we create more housing with sensitivity to impacts on vulnerable or historically oppressed and exploited populations?
  • Upzone many places at once to avoid concentration of development
  • Upzone in higher-income communities, and where homes are mostly owner-occupied to avoid involuntary displacement
  • Upzone/rezone commercial corridors where no one already lives

• More general policies to support supply and reduce housing cost:
  • Allowing more unit types (e.g. micro-units), eliminating or reducing parking minimums, eliminating or increasing density maximums, permit streamlining…
RENT CONTROL AND OTHER STABILITY POLICIES

• How do we stabilize rents without making housing development financially infeasible?
  • Don’t apply rent control to housing less than 15-20 years old
  • Don’t set the annual cap on rent increases too low
  • Be very careful with any policies that include vacancy control

• More general policies to support stable housing:
  • Just cause eviction protections, “right to return” at previous rent or one-time relocation payout (tenant’s choice), right to counsel for tenants facing threat of eviction…
• Some notes on subsidies and taxes/fees:
  • We built much more public/subsidized housing 50 years ago, despite having 100 million more residents today
  • Giving housing vouchers to only some poor households (~1/4 of those eligible) raises housing prices for non-recipients
  • Property taxes are good – they’re a wealth tax and they discourage speculation (Vancouver BC has the lowest prop tax in North America, ~0.26%)
  • Homeowner subsidies actually increase the price of housing, making it harder for first-time buyers to purchase a home
  • Impact fees assessed by the unit (as opposed to square footage or even room) discourage smaller and more affordable housing types
OVERSIGHT / ACCOUNTABILITY POLICIES

• Protections are only as good as their implementation and enforcement

• Rental registries
  • Creates valuable dataset on rents and vacancies, and be used as tool to keep tenants informed of their rights – esp. important during COVID-19
  • Require landlords to notify (but not receive approval from) local govt when evicting tenants or raising rents – accountability measure
  • Can include a “voluntary buyout program” (see San Francisco)
  • Support proactive building / code inspections
A CLOSING OBSERVATION

- If building more homes stabilizes rents, you shouldn’t be concerned about rent control in a context of abundant housing.

- But on the flip side, if you strengthen displacement protections you need to find other places to make development viable.

- We get into trouble when we try to put one goal before the other.

- But if we’re diligent and honest about accounting for benefits and harms, we can design thoughtful policy that addresses both as much as possible.
THANKS!

The Affordable City is available from Island Press (islandpress.org) and other online booksellers.

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