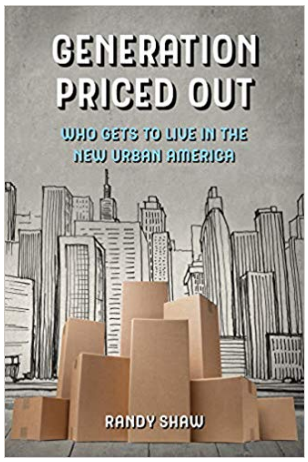
The Housing Affordability Crisis and What Millennials Can do About It

written by Steve Early | January 12, 2019



Randy Shaw, *Generation Priced Out: Who Gets to Live in the New Urban America*. University of California Press, 2018. 304 pp.

When millennials head home for the holidays this month, many who are city dwellers will be hosted by parents or grand-parents whose housing is far more spacious and financially secure than their own. Even guests with well-paid jobs in relatively stable rental markets will cast an envious eye at the benefits of baby boomer house buying decades ago.

That's because these holiday visitors belong to a "generation priced out" of America's hottest urban markets for single-family homes, condos, and rental apartments. According to Berkeley author Randy Shaw, skyrocketing prices for all three forms of housing have created a generational divide, with major political implications for progressive city governments and advocates of affordable housing.

On one side, we find older Americans, of varying income levels, who were able to take advantage of past market conditions, local zoning practices, or home ownership incentives to secure affordable housing that's now in short supply for their own off-spring. On the other side are growing numbers of younger people—poor, working class, and even professional middle-class–who struggle to put a roof over their head that's not on top of someone else's garage. (As we saw in *Sorry to Bother You,* Boots Riley's ode to millennial life in rapidly gentrifying Oakland, its better, in a rent-paying pinch, if the garage owner is your uncle!).

Left-wing activists who are part of the housing precariat, in the East Bay or elsewhere, should put Shaw's new book at the top of their holiday shopping list—for themselves. It's full of informative history on urban housing policy, plus useful political advice from a longtime foe of landlords and developers in the much-contested and increasingly unaffordable terrain of San Francisco. *Generation Priced Out: Who Gets to Live in The New Urban America* (University of California Press) also provides detailed community organizing case studies that show how we can keep urban neighborhoods from becoming further devoid of racial, class, and ethnic diversity due to market-driven gentrification.

Shaw's marching orders are simple and sensible: "cities must preserve and expand housing for low-

income residents, the working and middle class….strengthen tenant and rental housing protections…change zoning laws to allow multi-unit buildings in single-family-home-zoned neighborhoods and join groups like the National Low-Income Housing Coalition to demand more federal housing assistance for those unable to afford market rates."

Longtime Tenant Advocate

All that is easier said than done, as the author knows well because he's been an affordable housing advocate for 40 years. Shaw is an attorney involved in San Francisco housing issues since his graduation from a local law school. He helped found and now directs that city's Tenderloin Housing Clinic (THC), a key defender of low-income, foreign-born renters faced with gentrification-driven eviction.

In the San Francisco neighborhood most directly impacted by the author and his staff of several hundred, the THC has also become the city's largest provider of permanent housing for homeless single adults. These once endangered tenants live in Single Room Occupancy (SRO) hotels managed or leased by the THC, which provides supportive services; Shaw's non-profit has also led the fight for SRO tenant protection and against conversion of their buildings to non-residential purposes. (For more on past struggles to keep the Tenderloin economically diverse and affordable, see "Lessons of the Tenderloin.")

In the early 1990s, Shaw helped win city-wide ballot initiatives that strengthened housing code enforcement, as a tenants' rights tool, and curbed rent hikes. The latter measure, he reports, "slashed how much landlords could annually raise rents by more than half," thus saving "tenants tens if not millions of dollars" and accomplishing "the biggest transfer of wealth from landlords to tenants in urban history." Shaw has been forceful advocate for broadening rent regulation throughout California, most recently via Proposition 10, a ballot measure that industry groups spent $80 million to defeat last month. (Much of the "Vote No" advertising targeted single family home-owners with the message that rent control would reduce their property values).

The author of *Generation Priced Out* is thus uniquely equipped to survey the current national housing landscape and demonstrate how it could be—and, in some places, is being—reshaped more equitably. While Shaw's book draws heavily on his own Bay Area experience, it also takes us on a tour of affordable housing fights around the country, starting in southern California. In Los Angeles, Shaw reports, tenants have paid a heavy price for the "enormous political power" wielded by the city's prominent homeowner associations and landlord organizations. Until recently, local politicians did not make "tenant and rental housing protections a top priority" even as surviving working-class enclaves like Boyle Heights and Highland Park were "targeted by speculators for upscale transformation."

In Austin, Texas, Shaw finds that a "beacon of progressivism in a deeply conservative state" has a dark underside of "tenant displacement, neighborhood gentrification, and rising social and economic inequality." Fifty-five percent of Austin residents are renters. But the African-Americans, Latinos, and whites who can't afford to buy a home have few rights and protections. Fortunately, a younger generation of political activists, including 29-year old city councilor Gregario "Greg" Casar are helping low-income tenants get organized so they can challenge and change land-use practices that restrict housing supply and increase home prices.

In Seattle, Shaw reports on greater progress building new units. This has made housing cheaper than it would have been otherwise in both places, at least compared to San Francisco. Shaw attributes Seattle's more "pro-housing path" to a comprehensive city hall-driven Housing Affordability and Livability plan, voter approval of regular measures to fund new construction, a

faster new building approval process, and factors like local environmentalists' being in favor of infill housing to reduce Bay Area-style suburban sprawl. In addition, Shaw credits former Seattle mayor, Ed Murray, for his willingness to clip the wings of neighborhood councils dominated by older white home-owners hostile to greater density in single-family neighborhoods.

A Ten Step Program

Shaw concludes his book with a ten-step program for "high cost, politically progressive cities" that want "to preserve economic and racial diversity." These include the well-known greater Bay Area cities which added 546,000 new jobs between 2010 and 2017 but only 76,000 new housing units, thereby contributing greatly to what Shaw calls "the nation's worst statewide housing crisis." To rectify this imbalance between supply and demand, the author wants larger projects built along transit lines, housing of increased height and density, and curbs on exclusionary zoning that limits the growth of rental housing in homeowner communities.

> "Cities that support racial and economic diversity must walk the talk by ending exclusionary zoning laws that promote inequality. These include single-family home zoning, restrictive height and density limits, large minimum lot sizes, and overly stringent occupancy restrictions. Such measures are the pillars of a 'neighborhood preservation' agenda that has transformed affordable communities into luxury neighborhoods."

The author believes private developers of market-rate housing should be required to include a percentage of affordable units in their projects (an approach called "inclusionary housing")."Where state law bars this strategy, cities should impose a development linkage fee to raise funds for affordable housing" constructed elsewhere. He favors "upzoning deals" in which cities would "offer height and density bonuses to developers in return for affordable units," arguing that this approach has helped "expand working and middle-class housing opportunities in Seattle without triggering gentrification." He notes, however, that in New York City, a Bloomberg-de Blasio variation of the same strategy merely "accelerated the upscale transformation of once-affordable neighborhoods."

Within the constraints of "the federal government's nearly give-decade failure to fully fund affordable housing for those who need it," Shaw urges cities to make greater use of ballot initiatives to raise funds for such housing, make more unused public land available for its construction, and help create non-profit community land trusts to acquire privately owned buildings in neighborhoods facing displacement and gentrification.

Existing renters can be better protected in several ways, he argues. Stronger code enforcement would prevent more landlords from letting their properties deteriorate to the point where tenants are forced "to vacate affordable but unhealthy units, thus paving the way for renovations that bring in far more affluent tenants." For similar reasons, city officials should restrict demolitions, unit mergers, condominium and SRO building conversions into tourist hotels—because all have the effect of depleting available rental housing for poor and working people.

The Struggle for Rent Control

Last but not least, Shaw stresses the importance of more rent control victories, both in states where legislatures have prohibited local rent regulation ordinances and in others, like California, where their scope has been restricted. As Shaw notes, "statewide rent control bans were passed in a much more affordable housing environment" but now "deny cities like Austin, Boston, Portland, and Seattle a tool that localities need to address their affordability crises."

Today, among those priced out in these “progressive cities,” are their own unionized teachers, nurses, firefighters, hotel workers, janitors and other downtown workers, whose negotiated wage increases are eaten up by local rent hikes and higher mortgage costs, or the expense of commuting from outlying areas where housing is more affordable. Despite the lopsided Nov. 6 defeat of a ballot measure that would have enabled cities like Oakland, Berkeley, or San Francisco to extend rent control to single-family homes and apartments built since 1995, Shaw remains optimistic that the stage has been set for future victories.

In part, that’s because California unions were more unified behind tenants in the Prop 10 campaign than ever before. In the author’s post-election view, Prop 10 organizing “has done more to build local and statewide tenant activism that any other measure since an earlier Prop 10 in 1980 unsuccessfully sought to repeal all local rent control laws. Mounting local political pressure led LA’s mayor, city council, and county supervisors to back Prop 10 and their city, is “now a hotbed of tenant activism,” Shaw reports.

An “influx of young activists associated with the Los Angeles Tenants Union and LA chapter of the Democratic Socialists of America have brought new energy into renter campaigns. Both groups have been heavily involved in using confrontational tactics to prevent tenant evictions and Prop 10 gave activists a bigger canvas upon which to make the case for increased tenants’ rights.”

As tenant struggles become a bigger focus of activist recruitment and training throughout the country, Shaw’s book will be in much demand as an essential organizing guide for people, of all generations, “priced out” of affordable housing.

Steve Early has been active in the labor movement since 1972. He was an organizer and international representative for the Communications Workers of America between 1980 and 2007. He is the author of four books, most recently Refinery Town: Big Oil, Big Money and The Remaking of An American City *from Beacon Press. He can be reached at Lsupport@aol.com.*

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