Webinar

Stabilizing Residents and Properties

Date: December 15, 2021

00:00:05 --> 00:00:10: Welcome everyone to today's webinar on stabilizing residents and properties,
00:00:10 --> 00:00:11: perspectives on rent, control, eviction,
00:00:11 --> 00:00:14: moratoriums and other contemporary approaches.
00:00:14 --> 00:00:18: We very much appreciate your joining us today.
00:00:18 --> 00:00:21: Please note that today's webinar is being recorded and as
00:00:21 --> 00:00:24: we go through the webinar today will encourage you to
00:00:24 --> 00:00:28: enter any questions that you have in our Q&A function
00:00:28 --> 00:00:30: rather than the than the chat so.
00:00:30 --> 00:00:32: As questions come to mind,
00:00:32 --> 00:00:36: please go ahead and enter them in the Q&A function
00:00:36 --> 00:00:40: and we'll have Mike and our panelists respond to that
00:00:40 --> 00:00:42: as the presentation moves forward.
00:00:42 --> 00:00:44: Can we go ahead and go to the first slide
00:00:44 --> 00:00:44: here,
00:00:44 --> 00:00:49: Mike? I want to say just a few words before
00:00:49 --> 00:00:54: we get started about the Center for housing at ULI
00:00:54 --> 00:00:55: we are the.
00:00:55 --> 00:00:59: Responsible for the housing focus content here at the Institute
00:00:59 --> 00:01:02: and we work to advance housing production,
00:01:02 --> 00:01:05: attainability and equities through several means.
00:01:05 --> 00:01:09: First, we work directly with local communities and ULI members
00:01:09 --> 00:01:13: to catalyze housing production and improve attainability and equity.
00:01:13 --> 00:01:16: We do this through direct engagement with communities and members
00:01:16 --> 00:01:18: and we do also do it through our events like
00:01:18 --> 00:01:22: our Housing Opportunity Conference and our monthly webinar series which

00:01:22 --> 00:01:25: we focus through which we focus on best practices and
00:01:25 --> 00:01:26: related.
00:01:26 --> 00:01:28: Public policies that enable housing production,
00:01:28 --> 00:01:31: attainability and equity. We provide thought leadership,
00:01:31 --> 00:01:34: of course, and a great example of that is today's
00:01:34 --> 00:01:34: report,
00:01:34 --> 00:01:37: and we'll move to that here very quickly,
00:01:37 --> 00:01:40: and also through broad industry engagement.
00:01:40 --> 00:01:43: And we work to inspire broader commitment to housing across
00:01:43 --> 00:01:45: industry sectors and among the public through our camp.
00:01:45 --> 00:01:51: And Larson award programs. And before I turn it over
00:01:51 --> 00:01:52: to Mike,
00:01:52 --> 00:01:54: I just do want to give a plug for our
00:01:54 --> 00:01:55: housing opportunity conference.
00:01:55 --> 00:01:59: We will have that hosted both in person and virtually
00:01:59 --> 00:02:00: this next year.
00:02:00 --> 00:02:02: There will be March 8th and 9th.
00:02:02 --> 00:02:04: It'll be hosted in person in Atlanta,
00:02:04 --> 00:02:07: but again, there'll be an opportunity to participate virtually as
00:02:07 --> 00:02:08: well.
00:02:08 --> 00:02:10: We are opening registration for the conference today,
00:02:10 --> 00:02:14: so I hope after this webinar you'll visit our conference
00:02:14 --> 00:02:17: website and and sign up for that event.
00:02:17 --> 00:02:20: That will happen in Atlanta in March.
00:02:20 --> 00:02:23: So without further ado, thank you again for joining us
00:02:24 --> 00:02:24: today.
00:02:24 --> 00:02:28: I'm very excited about about the latest report that that
00:02:28 --> 00:02:29: will occur.
00:02:29 --> 00:02:32: Center has produced and I'm very pleased to introduce it
00:02:32 --> 00:02:33: to liquor centers.
00:02:33 --> 00:02:36: Soon senior visiting research fellow might spots.
00:02:36 --> 00:02:38: Who is the author of the report,
00:02:38 --> 00:02:38: Mike?
00:02:40 --> 00:02:44: Thank you very much for that introductory introduction Christopher and,
00:02:44 --> 00:02:46: and thanks to all of you for joining us today
00:02:46 --> 00:02:48: to discuss this very important topic.
00:02:48 --> 00:02:50: I'll be speaking with you about that.
00:02:50 --> 00:02:52: Will your center's latest report,
00:02:52 --> 00:02:56: stable residence, stable properties, perspectives on rent control the fiction,

00:02:56 --> 00:02:59: moratoriums, and other contemporary approaches.
00:02:59 --> 00:03:01: I'll kick off the conversation with an overview of the
00:03:01 --> 00:03:02: research and findings,
00:03:02 --> 00:03:05: which will lead into our panel discussion with team with
00:03:05 --> 00:03:06: Christina Stacy,
00:03:06 --> 00:03:09: the Urban Institute, and Stephanie Brown of ULI,
00:03:09 --> 00:03:14: Minnesota Lie who I will formally introduce later.
00:03:14 --> 00:03:16: I'm also happy to be joined by the Senators Rosie
00:03:16 --> 00:03:17: Heffner,
00:03:17 --> 00:03:19: who will be helping moderate the audience question and answer
00:03:19 --> 00:03:20: session,
00:03:20 --> 00:03:22: which will close today's webinar again.
00:03:22 --> 00:03:25: We ask that you enter your questions through the zoom
00:03:25 --> 00:03:26: Q&A function instead of through the chat.
00:03:29 --> 00:03:31: I'd like to start by thanking the supporters of this
00:03:31 --> 00:03:32: research,
00:03:32 --> 00:03:34: including Caroline and Preston Butcher,
00:03:34 --> 00:03:37: the National Housing Conference and Beacon.
00:03:37 --> 00:03:39: The the report, which can be found at the link
00:03:39 --> 00:03:42: that's at the bottom of each of our slides,
00:03:42 --> 00:03:45: can be found on utilized knowledge binder and includes a
00:03:45 --> 00:03:47: full list of contributors to this research.
00:03:47 --> 00:03:51: The views expressed in this publication in today's presentation are
00:03:51 --> 00:03:53: those of the tool your center and do not necessarily
00:03:53 --> 00:03:57: reflect those of any of the research funders or participants.
00:03:59 --> 00:04:02: So let's start by asking the question why did we
00:04:02 --> 00:04:06: decide to undertake this research project?
00:04:06 --> 00:04:08: And as many of you participating in today's session are
00:04:08 --> 00:04:09: likely aware,
00:04:09 --> 00:04:12: rental costs have been rising relative to income for decades,
00:04:12 --> 00:04:16: and the supply of decent attainable rental units has dwindled.
00:04:16 --> 00:04:20: These chronic challenges have contributed to elevated levels of cost
00:04:20 --> 00:04:24: burden and worsening household financial position in terms of both
00:04:24 --> 00:04:25: income and savings,
00:04:25 --> 00:04:28: which has led to instability for many households.
00:04:28 --> 00:04:31: These long term challenges have been exacerbated by the direct
00:04:31 --> 00:04:35: health impacts of the COVID-19 pandemic and associate and the

00:04:35 --> 00:04:36: associated economic disruption.
00:04:39 --> 00:04:43: Within this context, there's been significant government action to address
00:04:43 --> 00:04:45: the housing stability of renters.
00:04:45 --> 00:04:47: Some of these efforts have helped,
00:04:47 --> 00:04:49: at least temporarily stabilize many,
00:04:49 --> 00:04:51: though not all, households. However,
00:04:51 --> 00:04:54: many efforts to address these challenges have been converted,
00:04:54 --> 00:04:59: controversial and consequential for property owners and housing development stakeholders
00:04:59 --> 00:05:03: remain concerned about unintended consequences that could make property development
00:05:03 --> 00:05:07: and operations more difficult and expensive with the long run
00:05:07 --> 00:05:13: result being reductions in housing quality and worsened housing shortages.
00:05:13 --> 00:05:16: In response, that Swagger center set out to study the
00:05:16 --> 00:05:18: issue of resident stability,
00:05:18 --> 00:05:22: we engage with nearly 300 stakeholders and practitioners via interviews
00:05:22 --> 00:05:24: and surveys with the goal of learning from a range
00:05:24 --> 00:05:25: of perspectives,
00:05:25 --> 00:05:30: including tening, tenant advocates, property owners and managers from both
00:05:30 --> 00:05:33: the market rate and income restricted segments of the market.
00:05:33 --> 00:05:38: Academics and researchers, government officials and renter households themselves,
00:05:38 --> 00:05:41: we explored the state of practice related to state and
00:05:42 --> 00:05:45: local policy efforts to advance resident stability.
00:05:45 --> 00:05:48: We also conducted a high level review of literature on
00:05:48 --> 00:05:52: the evidence based for various policy approaches.
00:05:52 --> 00:05:54: Our resulting report summarizes those findings,
00:05:54 --> 00:05:57: including the current challenges for renters and the rental property
00:05:57 --> 00:05:58: sector.
00:05:58 --> 00:06:01: The core values and objectives that should be advanced through
00:06:01 --> 00:06:05: policy and a framework for to guide policy making moving
00:06:05 --> 00:06:05: forward.
00:06:05 --> 00:06:08: As I mentioned earlier, this research can be found online
00:06:09 --> 00:06:09: via eulas.
00:06:09 --> 00:06:11: Knowledge Finder at the link on your screen.
00:06:13 --> 00:06:16: Before I go further, I do want to make a

00:06:16 --> 00:06:17: definitional note.
00:06:17 --> 00:06:20: The ultimate objective of this research is to create a
00:06:20 --> 00:06:25: more informed and productive policy dialogue to promote residents stability.
00:06:25 --> 00:06:28: We define resident stability As for the purpose of this
00:06:28 --> 00:06:28: research,
00:06:28 --> 00:06:30: the ability of renter households,
00:06:30 --> 00:06:33: regardless of means to live in safe,
00:06:33 --> 00:06:37: decent, and attainable homes without undue threat of involuntary displacement.
00:06:37 --> 00:06:41: This proposition requires the ability of property owners to be
00:06:41 --> 00:06:44: able to operate and Stewart properties in a manner that
00:06:44 --> 00:06:47: enables the ongoing safety quality and financial viability of those
00:06:47 --> 00:06:52: properties. This definition is based on the interrelated nature of
00:06:52 --> 00:06:53: the challenge renter.
00:06:53 --> 00:06:57: Households cannot be stable if there are not decent homes
00:06:57 --> 00:07:00: to live in and property stewardship is made more difficult
00:07:00 --> 00:07:03: if residents do not have stability in their lives.
00:07:03 --> 00:07:05: Shifting from scope to findings,
00:07:05 --> 00:07:08: I will now highlight the critical challenges and barriers to
00:07:08 --> 00:07:11: stability identified by participants in this research project.
00:07:13 --> 00:07:17: Though the impact of COVID-19 remains a major concern,
00:07:17 --> 00:07:20: the focus of this research extends beyond the pandemic to
00:07:20 --> 00:07:22: include durable challenges and barriers.
00:07:22 --> 00:07:27: Although interviewees from various perspectives often differed on specific details
00:07:27 --> 00:07:27: and priorities,
00:07:27 --> 00:07:31: a general consensus existed on the broader systemic factors that
00:07:31 --> 00:07:33: contribute to both current,
00:07:33 --> 00:07:36: acute and chronic instability. In short,
00:07:36 --> 00:07:40: the underlying economic vulnerability many households combines with a shortage
00:07:40 --> 00:07:40: of decent,
00:07:40 --> 00:07:45: attainable rental housing to put financial pressure on lower income
00:07:45 --> 00:07:48: renters who are less able to absorb financial shocks.
00:07:48 --> 00:07:50: Such shocks can lead to nonpayment of rent,
00:07:50 --> 00:07:54: which limits property owners and managers ability to maintain the
00:07:54 --> 00:07:54: property.
00:07:54 --> 00:07:59: As housing quality deteriorates, it exacerbates the shortage

of and

00:07:59 --> 00:08:03: heightens competition for the remaining modestly priced decent rental homes.

00:08:03 --> 00:08:07: Extreme scarcity makes it easier for bad actors to enter

00:08:07 --> 00:08:08: or remain in the market,

00:08:08 --> 00:08:12: creating further instability. In areas with extreme shortages,

00:08:12 --> 00:08:16: it contributes to a shadow market of properties that operate

00:08:16 --> 00:08:20: under the radar of regulatory authorities and this market is

00:08:20 --> 00:08:23: where the most vulnerable households may be forced to find

00:08:23 --> 00:08:25: units. Putting them at additional precarity.

00:08:28 --> 00:08:32: The most visible challenges faced by renter households or financial

00:08:32 --> 00:08:35: lack of income or savings in high rents.

00:08:35 --> 00:08:39: Economic shocks, health events, or other adverse circumstances can lead

00:08:39 --> 00:08:42: to displacement and the cost of moving or being evicted

00:08:42 --> 00:08:42: further.

00:08:42 --> 00:08:46: Heightens a household economic precarity however,

00:08:46 --> 00:08:50: practitioners who spoke to the tenant perspective highlighted the less

00:08:50 --> 00:08:55: outwardly visible but potentially impactful challenge of power imbalances between

00:08:55 --> 00:08:56: owners and renter households.

00:08:56 --> 00:08:59: To provide a brief illustration of how this dynamic may

00:08:59 --> 00:09:00: play out.

00:09:00 --> 00:09:03: The supply shortage for decent rental homes means that units

00:09:03 --> 00:09:06: can often be filled quickly and lower at lower income.

00:09:06 --> 00:09:10: Households may often have to compete with households with more

00:09:10 --> 00:09:13: resources for the few decent well located available units.

00:09:13 --> 00:09:16: Renter households will be at a disadvantage in a dispute

00:09:16 --> 00:09:19: with the landlord if they face potential homelessness as an

00:09:19 --> 00:09:20: alternative.

00:09:20 --> 00:09:23: Because of that shortage. Furthermore,

00:09:23 --> 00:09:26: the main method for enforcing tenant rights in most cases

00:09:26 --> 00:09:28: is through the civil court system,

00:09:28 --> 00:09:32: whereas many property owners and managers may keep legal counsel

00:09:32 --> 00:09:35: and retainer filing suit may be challenging for many lower

00:09:35 --> 00:09:38: income tenants with limited resources or less knowledge of the

00:09:38 --> 00:09:42: legal system and the tenant landlord legal framework.

00:09:42 --> 00:09:46: This contributes to the fact where potentially vulnerable

	households don't
00:09:46 --> 00:09:49:	have the ability to to enforce their rights if they
00:09:49 --> 00:09:52:	are that are already enshrined in law.
00:09:55 --> 00:09:59:	Owners and managers that we engage with face considerable challenges
00:09:59 --> 00:10:00:	as well.
00:10:00 --> 00:10:03:	As with renter households, the most immediate challenges are financial
00:10:03 --> 00:10:05:	and more closely tide to the pandemic,
00:10:05 --> 00:10:08:	particularly the impact of non payment of rent as there
00:10:08 --> 00:10:10:	have been a hit on the revenue side of the
00:10:10 --> 00:10:11:	Ledger,
00:10:11 --> 00:10:14:	expenses have also increased due to health and safety protocols,
00:10:14 --> 00:10:18:	labor shortages and rising material costs.
00:10:18 --> 00:10:21:	And while most owners and managers we spoke with supported
00:10:21 --> 00:10:24:	varying degrees of tenant based supports during the pandemic,
00:10:24 --> 00:10:28:	they were particularly concerned that policy efforts did not account
00:10:28 --> 00:10:32:	for the operational and management realities that they face.
00:10:32 --> 00:10:35:	A 2020 survey of owners and operators by the National
00:10:35 --> 00:10:38:	Apartment Association found that respondents spent on average more than
00:10:38 --> 00:10:42:	half of rental revenues on mortgage payments and property taxes,
00:10:42 --> 00:10:44:	which are often inflexible and must be paid to avoid
00:10:44 --> 00:10:46:	default or tax foreclosure.
00:10:46 --> 00:10:50:	Although during the pandemic there have been some relief programs
00:10:50 --> 00:10:51:	put in place.
00:10:51 --> 00:10:54:	An additional 38% of revenues are spent to keep the
00:10:54 --> 00:10:55:	property up and running,
00:10:55 --> 00:10:57:	including both short and long term maintenance,
00:10:57 --> 00:11:01:	with 10% of revenues contributing to owner profit.
00:11:01 --> 00:11:03:	For an owner of a 5 unit property who has
00:11:03 --> 00:11:05:	expenses similar to those outlined above,
00:11:05 --> 00:11:07:	if just one tenant lost work as a result of
00:11:07 --> 00:11:10:	the pandemic and was unable to make payments for the
00:11:10 --> 00:11:12:	initial six months of intensive lockdowns,
00:11:12 --> 00:11:16:	the amount loss could wipe out annual profit potential for
00:11:16 --> 00:11:20:	the entire property and could constrain the owner's ability to
00:11:20 --> 00:11:21:	maintain the property.

00:11:21 --> 00:11:23: This can have long term impacts on the supply of
00:11:23 --> 00:11:24: decent,
00:11:24 --> 00:11:28: attainable rental homes. Many owners make major structural and systems
00:11:28 --> 00:11:30: upgrades at the point of refinancing.
00:11:30 --> 00:11:34: If short term revenue losses translate to longer range burdens,
00:11:34 --> 00:11:37: the credit this critical process for maintaining supply may come
00:11:37 --> 00:11:38: under threat.
00:11:38 --> 00:11:41: They're not able to refinance and improve the property.
00:11:41 --> 00:11:45: The ultimate result of that may be further deterioration in
00:11:45 --> 00:11:49: some cases if there's strong demand in the market that
00:11:49 --> 00:11:50: could lead to a sale,
00:11:50 --> 00:11:54: redevelopment and repositioning of the property at a higher income
00:11:54 --> 00:11:54: level,
00:11:54 --> 00:11:57: which has spillover impacts in level on low and moderate
00:11:57 --> 00:12:00: income households or in some cases if there isn't sufficient
00:12:00 --> 00:12:02: market demand for redevelopment,
00:12:02 --> 00:12:05: we could lead to a scenario in which irresponsible landlords
00:12:05 --> 00:12:08: come in to acquire the property and engage in equity
00:12:08 --> 00:12:12: stripping where they collect rents but make minimal upgrades to
00:12:12 --> 00:12:16: the. Our upkeep to the property trying to keep revenue
00:12:16 --> 00:12:19: or revenues high and expenses at the bare minimum.
00:12:19 --> 00:12:21: In under any of those scenarios,
00:12:21 --> 00:12:26: the supply of decent affordable homes for lower income households
00:12:26 --> 00:12:27: is reduced.
00:12:30 --> 00:12:32: At a higher level, we observed that bad actors in
00:12:32 --> 00:12:33: the system,
00:12:33 --> 00:12:36: similar to the equity stripping scenario I just mentioned,
00:12:36 --> 00:12:40: have disproportionately large impacts. A few non paying tenants who
00:12:40 --> 00:12:43: never lost work that account for the vast majority of
00:12:43 --> 00:12:44: an individual owners,
00:12:44 --> 00:12:47: unpaid rent, or a predatory property manager stripping equity from
00:12:48 --> 00:12:51: property or illegally keeping security deposits when they know that
00:12:51 --> 00:12:54: the tenant doesn't have the resources to pursue them in
00:12:54 --> 00:12:57: court. It makes sense that these real,
00:12:57 --> 00:13:02: but comparatively rare examples significantly influence the

debate about policy,

00:13:02 --> 00:13:04: but it does not may make coming to a consensus

00:13:04 --> 00:13:08: any easier around policies that address those issues but do

00:13:08 --> 00:13:11: not have adverse impacts on good faith.

00:13:11 --> 00:13:14: Actors on both sides of the of the debate on

00:13:14 --> 00:13:17: a more positive side based on our outreach,

00:13:17 --> 00:13:20: there was more overlap than one would think between stakeholders

00:13:20 --> 00:13:23: of various perspectives on the core challenges and what needs

00:13:23 --> 00:13:25: to be done to improve stability.

00:13:25 --> 00:13:27: If policy dialogue can emphasize.

00:13:27 --> 00:13:31: This common ground and discourage entrenched segmentation by sector.

00:13:31 --> 00:13:34: There could be opportunities for creating more equity equitable policy

00:13:34 --> 00:13:36: outcomes for all involved.

00:13:38 --> 00:13:43: So what is currently being done to address residents stability?

00:13:43 --> 00:13:47: In our landscapes, can we uncovered a lot of different

00:13:47 --> 00:13:51: examples and we grouped them the most common proposals,

00:13:51 --> 00:13:56: initiatives into four categories. These include direct financial support such

00:13:56 --> 00:14:00: as rental assistance and emergency rental aid price controls such

00:14:00 --> 00:14:03: as rent control and anti gouging regulations,

00:14:03 --> 00:14:05: which I'll return to in a minute.

00:14:05 --> 00:14:09: Operational controls which address how landlords select and interact with

00:14:09 --> 00:14:09: tenants.

00:14:09 --> 00:14:13: And changes to eviction processes in moratori.

00:14:13 --> 00:14:16: We'll discuss these in more detail as the presentation goes

00:14:16 --> 00:14:18: on and during the discussion portion of the agenda,

00:14:18 --> 00:14:22: but I do want to highlight that price control category

00:14:22 --> 00:14:23: in particular.

00:14:23 --> 00:14:26: Rent regulations and rent control have been advanced in a

00:14:26 --> 00:14:27: number of jurisdictions.

00:14:27 --> 00:14:31: Some of these policies are updates to existing regimes or

00:14:31 --> 00:14:35: pandemic related emergency restrictions we've seen in some cases,

00:14:35 --> 00:14:38: and we'll talk about this in particular during the Q&A

00:14:38 --> 00:14:40: during the discussion portion of our agenda,

00:14:40 --> 00:14:44: municipalities looking to implement policies that are very

similar to
00:14:44 --> 00:14:48: some of the legacy stricter rent control policies that have
00:14:48 --> 00:14:50: been in place in places like New York City,
00:14:50 --> 00:14:53: Washington DC, and San Francisco.
00:14:53 --> 00:14:57: However, we've also seen a broader but somewhat softer version
00:14:57 --> 00:15:01: of the policy that we are characterizing as anti gouging
00:15:01 --> 00:15:02: regulations.
00:15:02 --> 00:15:06: These policies cap annual rent increases at a considerably higher
00:15:06 --> 00:15:06: level,
00:15:06 --> 00:15:09: and they service less of a binding constraint,
00:15:09 --> 00:15:11: for example, inflation plus 5%
00:15:11 --> 00:15:13: in California and inflation plus 7%
00:15:13 --> 00:15:17: in Oregon, but cover a much wider range of properties,
00:15:17 --> 00:15:18: so they're not set to.
00:15:18 --> 00:15:21: They're not. They don't only apply to properties that were
00:15:21 --> 00:15:23: built before a given point.
00:15:23 --> 00:15:25: In time they cover a much larger portion of the
00:15:25 --> 00:15:25: sector.
00:15:27 --> 00:15:29: To examine the impact of these policies,
00:15:29 --> 00:15:32: we partner with Beacon, a real estate data analytics firm,
00:15:32 --> 00:15:36: to provide illustrative examples of the extent to which these
00:15:36 --> 00:15:39: regulations would affect rental properties in different markets.
00:15:39 --> 00:15:44: Beaking created a rent regulation impact scale indicating whether the
00:15:44 --> 00:15:48: median median apartment would be directly affected by a limit
00:15:48 --> 00:15:49: on rent increases.
00:15:49 --> 00:15:53: The scale uses a baseline threshold of inflation plus 2%,
00:15:53 --> 00:15:57: but also modern modeled other increased thresholds.
00:15:57 --> 00:16:00: These next few slides demonstrate the extent to which such
00:16:00 --> 00:16:04: policies would serve as binding constraints on the median property
00:16:04 --> 00:16:05: in six select markets,
00:16:05 --> 00:16:08: and I'll just scroll through them briefly.
00:16:08 --> 00:16:11: You can see by the chart anything in the blue
00:16:11 --> 00:16:15: scale means that the that even at the lowest threshold
00:16:15 --> 00:16:16: of inflation plus 2%
00:16:16 --> 00:16:20: rent, would not serve as a binding and binding constraint,
00:16:20 --> 00:16:23: also indicated by the not applicable.
00:16:23 --> 00:16:28: Indicator in the table. I should note that there is
00:16:28 --> 00:16:30: an error on the slides here.

00:16:30 --> 00:16:36: These should indicate specific years 2015 through 2020.
00:16:36 --> 00:16:40: Those are what the columns in each of these tables
00:16:40 --> 00:16:40: indicate.
00:16:44 --> 00:16:47: And what you'll see and I'll and I'll run through
00:16:47 --> 00:16:49: the findings as these as these graphics.
00:16:49 --> 00:16:53: Scroll through that. The results are highly variable by market
00:16:53 --> 00:16:55: submarket in year,
00:16:55 --> 00:16:57: with the exception of Phoenix and Seattle,
00:16:57 --> 00:17:00: thresholds would have to be considerably lower than those I
00:17:00 --> 00:17:02: referenced in California and Oregon.
00:17:02 --> 00:17:06: Again, 5% and 7% plus inflation respectively,
00:17:06 --> 00:17:10: to serve as a binding constraint in most years to
00:17:10 --> 00:17:12: the median price department.
00:17:12 --> 00:17:14: With the exception of Phoenix in Seattle,
00:17:14 --> 00:17:16: thresholds would have to be or I'm sorry,
00:17:16 --> 00:17:20: given the relatively few years in which increases reached the
00:17:20 --> 00:17:21: impact thresholds,
00:17:21 --> 00:17:26: anti gouging policies could have a relatively minimal but a
00:17:26 --> 00:17:27: smoothing effect.
00:17:27 --> 00:17:30: Spreading increases over multiple years.
00:17:30 --> 00:17:33: This could prevent destabilizing spikes in rents for tenants,
00:17:33 --> 00:17:36: but may not constrain rents in the long term except
00:17:36 --> 00:17:38: in the hottest markets.
00:17:38 --> 00:17:41: And whether this is a good or bad scenario depends
00:17:41 --> 00:17:43: on the perspective of the stakeholder in question.
00:17:43 --> 00:17:46: A policy would provide fewer benefits to tenants,
00:17:46 --> 00:17:49: so therefore maybe not be as much in favor among
00:17:49 --> 00:17:50: tenant advocates,
00:17:50 --> 00:17:53: but also is likely to be less distortive on the
00:17:53 --> 00:17:54: market.
00:17:54 --> 00:17:58: So property owners or managers might be less averse to
00:17:58 --> 00:18:00: policies such as this.
00:18:02 --> 00:18:06: And that leads us into the critical issue of values
00:18:06 --> 00:18:07: and objectives.
00:18:07 --> 00:18:10: This research wanted to make sure we focused on 1st
00:18:10 --> 00:18:12: principles before diving into policy.
00:18:12 --> 00:18:16: We wanted to have a targeted conversation about what is
00:18:16 --> 00:18:19: important to various stakeholders and what we want to achieve
00:18:19 --> 00:18:23: through policy before evaluating the policies on whether they're they're
00:18:23 --> 00:18:27: effective in achieving those goals.

00:18:27 --> 00:18:31: And through this process we heard some encouraging areas of
00:18:31 --> 00:18:34: consensus from across the full spectrum of viewpoints.
00:18:34 --> 00:18:37: There was a strong support from across the aisle,
00:18:37 --> 00:18:40: so to speak, but the need for more subsidies and
00:18:40 --> 00:18:41: supports.
00:18:41 --> 00:18:44: There was strong support for local government and state government
00:18:44 --> 00:18:48: action that focuses more on promoting housing quality and winning
00:18:48 --> 00:18:51: and bad actors out of the property ownership and management
00:18:51 --> 00:18:54: sector. And there was also a consensus that we need
00:18:54 --> 00:18:56: to build more homes.
00:18:58 --> 00:19:01: To accomplish all this, there was a consensus that we
00:19:01 --> 00:19:03: needed to work proactively,
00:19:03 --> 00:19:06: work to build trust and improve communications,
00:19:06 --> 00:19:09: especially with directly between landlords and tenants,
00:19:09 --> 00:19:11: and provide a greater focus on good governance,
00:19:11 --> 00:19:17: administrative reform in the implementation of government programs and supports.
00:19:17 --> 00:19:20: Again, these were all these areas that I just highlighted
00:19:20 --> 00:19:22: are areas where both sides,
00:19:22 --> 00:19:27: both the tenant advocate and organizer perspective and the property
00:19:27 --> 00:19:28: ownership.
00:19:28 --> 00:19:31: And management sectors were largely aligned not just in the
00:19:31 --> 00:19:33: sort of subject matter itself,
00:19:33 --> 00:19:36: and agreeing in principle, but that these were also critically
00:19:36 --> 00:19:37: important challenges.
00:19:40 --> 00:19:44: On other topics, perspectives were shaped by the respective role
00:19:44 --> 00:19:47: of that the person played in the market and prioritization
00:19:47 --> 00:19:51: and focus may vary even if conceptually people didn't have
00:19:51 --> 00:19:54: conflicting opinions, so these are not necessarily area of conflicts,
00:19:54 --> 00:19:57: but there are areas of focus where that where that
00:19:57 --> 00:19:58: focus may differ.
00:19:58 --> 00:20:01: For example, tenant advocates were more likely to focus on
00:20:01 --> 00:20:05: making changes to legal processes and supporting organizing efforts they
00:20:05 --> 00:20:08: hope will create a more even power dynamic between tenant
00:20:08 --> 00:20:11: and landlord. When talking about adding supply,
00:20:11 --> 00:20:13: they tended to be more focused on income,

00:20:13 --> 00:20:16: restricted public or social housing,
00:20:16 --> 00:20:19: property owners and managers were more likely to emphasize issues
00:20:19 --> 00:20:22: related to operational realities like regulatory,
00:20:22 --> 00:20:26: efficiency and mitigating risk and legal liability when talking about
00:20:26 --> 00:20:27: adding supply,
00:20:27 --> 00:20:30: their focus was more on the market side and using
00:20:30 --> 00:20:34: market oriented tools to expand the supply of housing more
00:20:34 --> 00:20:34: generally.
00:20:38 --> 00:20:40: And of course there are some issues where there's more
00:20:40 --> 00:20:44: entrenched differences in perspective and one area of conflict that
00:20:44 --> 00:20:47: I'd like to flag is particularly relevant to debates around
00:20:47 --> 00:20:49: rent control. There are a lot of reasons that why
00:20:49 --> 00:20:51: these debates tend to be so fraught,
00:20:51 --> 00:20:53: and that is in part due to different perspectives on
00:20:53 --> 00:20:55: regulation and free market.
00:20:55 --> 00:20:56: But after conducting this research,
00:20:56 --> 00:20:59: I think a bigger challenge is that people are approaching
00:20:59 --> 00:21:01: this debate with fundamentally different goals.
00:21:01 --> 00:21:04: Many opponents of rent control do so because they believe
00:21:04 --> 00:21:06: it will reduce the supply of rental homes,
00:21:06 --> 00:21:09: and because its benefits. They don't always accrue to the
00:21:09 --> 00:21:10: households with the greatest needs,
00:21:10 --> 00:21:12: and there is some, though not universal,
00:21:12 --> 00:21:16: empirical evidence to support these perspectives.
00:21:16 --> 00:21:18: Those on the other side of the debate,
00:21:18 --> 00:21:19: those that support rent control,
00:21:19 --> 00:21:22: are often valuing completely different things.
00:21:22 --> 00:21:26: They're more likely to support universal programs specifically because they
00:21:26 --> 00:21:27: are not targeted,
00:21:27 --> 00:21:30: although they tend to also support targeted interventions as well.
00:21:30 --> 00:21:33: And there are more, and they tend to more highly
00:21:33 --> 00:21:37: valued enhanced stability that residents and control properties fund into
00:21:37 --> 00:21:38: these points.
00:21:38 --> 00:21:41: They have some empirical evidence to support their claims as
00:21:41 --> 00:21:41: well,
00:21:41 --> 00:21:45: though again, the the evidence base is not universal in

00:21:45 --> 00:21:46: One Direction or another.
00:21:46 --> 00:21:49: So we're often seeing is people to bear debating the
00:21:49 --> 00:21:52: merits of policies on completely different terms without first agreeing
00:21:52 --> 00:21:54: on the problems that they're trying to solve for.
00:21:57 --> 00:22:01: So building consensus on those first principles is critical for
00:22:01 --> 00:22:02: evaluating policy,
00:22:02 --> 00:22:04: so I think we'll have a lot of time to
00:22:04 --> 00:22:08: discuss those principles and those objectives during the question and
00:22:08 --> 00:22:09: answers.
00:22:09 --> 00:22:10: But I do want to spend a little bit time
00:22:10 --> 00:22:13: of the time that I have left for my presentation
00:22:13 --> 00:22:15: talking about what we found when people started talking about
00:22:15 --> 00:22:20: specific policy interventions. As part of our outreach,
00:22:20 --> 00:22:25: we ask practitioners should identify how they would allocate resources,
00:22:25 --> 00:22:29: some within some broad policy categories and what we ended
00:22:29 --> 00:22:33: up seeing is not a lot of consensus around prioritizing
00:22:33 --> 00:22:36: one or two specific interventions.
00:22:36 --> 00:22:39: Although the property market rate property sector was a little
00:22:39 --> 00:22:40: bit more focused,
00:22:40 --> 00:22:44: they had the highest degree of consensus around allocating resources
00:22:44 --> 00:22:46: to expanding housing supply.
00:22:46 --> 00:22:49: What we saw across the board elsewhere with it.
00:22:49 --> 00:22:52: Among different sectors was a focus on a more all
00:22:52 --> 00:22:54: of the above approach,
00:22:54 --> 00:22:59: but the. Caught the highest ranked priorities for the most
00:22:59 --> 00:23:00: part,
00:23:00 --> 00:23:03: focused on the nuts and bolts issues of expanding housing
00:23:03 --> 00:23:04: supply.
00:23:04 --> 00:23:07: Reducing housing cost burdens and improving housing quality.
00:23:07 --> 00:23:10: I think those were the the most critical factors that
00:23:10 --> 00:23:13: were identified and those get to the sort of the
00:23:13 --> 00:23:15: fundamental core investments of Kenul Ford.
00:23:15 --> 00:23:17: A safe, decent roof over your head.
00:23:21 --> 00:23:26: And so from that analysis of policies we worked to
00:23:26 --> 00:23:30: create a a bit of a framework for identifying of
00:23:30 --> 00:23:34: individual policy analysis moving forward,
00:23:34 --> 00:23:37: and I'm not going to read this entire slide,

00:23:37 --> 00:23:40: but I just want to highlight some of those takeaways,
00:23:40 --> 00:23:42: which sort of echo what I just mentioned.
00:23:42 --> 00:23:45: So focusing on 1st principles,
00:23:45 --> 00:23:48: finding ways for vulnerable tenants to afford rent that can
00:23:49 --> 00:23:51: be accomplished through direct subsidies.
00:23:51 --> 00:23:55: Market oriented reforms at lower the cost of housing and
00:23:55 --> 00:23:59: increased supply as well as direct support for the production
00:23:59 --> 00:24:02: and preservation of affordable housing.
00:24:02 --> 00:24:05: Another policy takeaway is that.
00:24:05 --> 00:24:10: We, in order to achieve greater resident stability at scale,
00:24:10 --> 00:24:14: there is going to need to be a considerable investment
00:24:14 --> 00:24:18: in resources and attention from both the private and public
00:24:18 --> 00:24:19: sector,
00:24:19 --> 00:24:22: and that if we don't focus on program design and
00:24:22 --> 00:24:24: bureaucratic reform,
00:24:24 --> 00:24:27: though, that scaling up of the process may not be
00:24:27 --> 00:24:30: as effective as one would hope.
00:24:30 --> 00:24:32: And we've seen that through some of the the fits
00:24:32 --> 00:24:36: and starts that have that we've experienced through the administration
00:24:36 --> 00:24:38: of some of the emergency rental assistance.
00:24:38 --> 00:24:42: Programs during the pandemic. Although it does seem that many
00:24:42 --> 00:24:45: that there are a number of jurisdictions that are doing
00:24:45 --> 00:24:48: much better on that front as of late.
00:24:48 --> 00:24:51: And then another key takeaway that I'd like to highlight
00:24:51 --> 00:24:55: is the issue of carrots and sticks or policy complementarity
00:24:55 --> 00:24:59: in that there are lots of opportunities from our discussions
00:24:59 --> 00:25:03: for pairing policies together that address both a core issue
00:25:03 --> 00:25:07: and also some of the potential negative externalities,
00:25:07 --> 00:25:11: or just concerns that the other side might have.
00:25:11 --> 00:25:16: For example, there are even though pretty much everyone acknowledged
00:25:16 --> 00:25:18: that we need to increase supply,
00:25:18 --> 00:25:21: particularly in constrained markets. There was a lot of concern
00:25:22 --> 00:25:25: that in the process of increasing supply redevelopment could lead
00:25:25 --> 00:25:29: to the displacement of potentially vulnerable households.
00:25:29 --> 00:25:33: So supply oriented reforms could very well be paired with
00:25:33 --> 00:25:40: specific investments in affordable housing in specific tenant prevent protection
00:25:40 --> 00:25:44: efforts that would are intended to prevent displacement.

00:25:44 --> 00:25:48: And other innovative interventions that will address the concerns of

00:25:48 --> 00:25:53: those that that may have some trepidation about specific policy

00:25:53 --> 00:25:53: initiatives,

00:25:53 --> 00:25:55: even if they agree in principle.

00:25:57 --> 00:26:00: So those are some of the high level takeaways.

00:26:00 --> 00:26:04: The framework itself focuses on 3 categories of intervention and

00:26:04 --> 00:26:07: when we say a framework we mean a general approach

00:26:07 --> 00:26:09: for thinking about making a policy,

00:26:09 --> 00:26:12: making on the ground level and and and that approach

00:26:12 --> 00:26:14: falls into three categories,

00:26:14 --> 00:26:17: measure and evaluate engaging, listen and triage,

00:26:17 --> 00:26:21: strengthen and reform. So measure and evaluate is is important

00:26:21 --> 00:26:22: to building a foundation,

00:26:22 --> 00:26:27: a knowledge base for making decisions around policy priorities.

00:26:27 --> 00:26:31: You know it's more helpful to come to consensus around

00:26:31 --> 00:26:34: policy objectives and goals if we're operating from a well

00:26:34 --> 00:26:36: informed and common set of facts.

00:26:36 --> 00:26:40: So an important area that we've seen some improvement in

00:26:40 --> 00:26:44: this in this field is through better tracking of eviction

00:26:44 --> 00:26:47: data that we've seen in recent years.

00:26:47 --> 00:26:49: To help identify where are the eviction hotspots?

00:26:49 --> 00:26:51: Where are there some hot,

00:26:51 --> 00:26:57: more severe challenges related to the more acute acute instability

00:26:57 --> 00:26:58: challenges?

00:27:01 --> 00:27:05: Paired with the sort of building that foundation of measurement

00:27:05 --> 00:27:07: and evaluation is engaging and listening,

00:27:07 --> 00:27:11: we need to work to have those tough conversations about

00:27:11 --> 00:27:15: what we should be prioritizing through policy.

00:27:15 --> 00:27:17: You know that before we dive straight into the weeds

00:27:17 --> 00:27:19: of whether rent control is good or bad,

00:27:19 --> 00:27:23: it's helpful to 1st have that conversation about whether we

00:27:23 --> 00:27:26: want to be promoting a universal or a targeted approach.

00:27:26 --> 00:27:28: What are the pros and cons of each?

00:27:28 --> 00:27:30: I think that is a critical first step.

00:27:30 --> 00:27:33: And there's an acknowledge that we should acknowledge it will

00:27:33 --> 00:27:35: never be able to come to consensus,

00:27:35 --> 00:27:36: and some of these issues.
00:27:36 --> 00:27:38: Maybe we can and others,
00:27:38 --> 00:27:40: but without having that first conversation,
00:27:40 --> 00:27:43: it can have that conversation first.
00:27:43 --> 00:27:45: It can set us back when we get into discussing
00:27:45 --> 00:27:47: the policy details in the long run.
00:27:47 --> 00:27:50: In the third category is where we actually act through
00:27:50 --> 00:27:51: policy,
00:27:51 --> 00:27:54: and that's triage, strengthened and reform.
00:27:54 --> 00:27:58: And we need to address the three different three different
00:27:58 --> 00:28:01: types of programs to just three different types of needs
00:28:01 --> 00:28:04: that are emerging or that have that are crime that
00:28:04 --> 00:28:09: we've been chronically experienced and are becoming more acutely impactful
00:28:09 --> 00:28:13: given current economic circumstances and the first category is triage,
00:28:13 --> 00:28:17: and those are sort of our crisis and emergency response
00:28:17 --> 00:28:17: interventions.
00:28:17 --> 00:28:21: Those are critical to for stabilizing households in here now
00:28:22 --> 00:28:26: and making sure that disadvantage does not compound and make
00:28:26 --> 00:28:26: itself.
00:28:26 --> 00:28:31: Worse. We need strengthening based reforms and interventions that provide
00:28:31 --> 00:28:34: long term support for economic mobility,
00:28:34 --> 00:28:36: housing, production and operations this.
00:28:36 --> 00:28:41: These are the types of supports that help build up
00:28:41 --> 00:28:44: people's capacity to weather economic shocks.
00:28:44 --> 00:28:48: To find a more decent and stable housing to make
00:28:48 --> 00:28:51: those triage based reforms less necessary.
00:28:51 --> 00:28:55: And then we also need structural reforms to address the
00:28:55 --> 00:28:58: root causes and market failures to these issues so.
00:28:58 --> 00:29:00: What that looks like in different markets will will be
00:29:00 --> 00:29:01: different in some cases.
00:29:01 --> 00:29:05: The main issue may be zoning reform to increase supply
00:29:05 --> 00:29:08: in others it may be housing quality that they're there,
00:29:08 --> 00:29:11: may be enough homes, but they're not necessarily in high
00:29:11 --> 00:29:13: opportunity neighborhoods,
00:29:13 --> 00:29:17: or they need significant amounts of investment in repair.
00:29:17 --> 00:29:20: In other cases, it may be structural reforms to the
00:29:20 --> 00:29:21: tenant,
00:29:21 --> 00:29:25: landlord law and eviction processes to make systems better balance

00:29:25 --> 00:29:28: between the various perspectives so.
00:29:28 --> 00:29:31: What the specific policy our policy approaches are will be
00:29:31 --> 00:29:34: different depending on where you're working and what your specific
00:29:34 --> 00:29:35: challenges are,
00:29:35 --> 00:29:39: but they should be addressing these three types of intervention
00:29:39 --> 00:29:41: and so if you download the report,
00:29:41 --> 00:29:43: I'm going to show a table on the slide that's
00:29:43 --> 00:29:44: going to be blurry.
00:29:44 --> 00:29:46: Don't expect anyone to be able to read it,
00:29:46 --> 00:29:49: but what we we did do and know my policy,
00:29:49 --> 00:29:52: my presentation has been late on specific policy details,
00:29:52 --> 00:29:56: but the analysis that we conducted and our report does
00:29:56 --> 00:29:58: include a more robust discussion.
00:29:58 --> 00:30:02: Of 23 separate categories of policy intervention,
00:30:02 --> 00:30:05: and it highlights the website with the intended policy objective
00:30:05 --> 00:30:08: that it's it's supposed to achieve based on on the
00:30:08 --> 00:30:10: sort of the best case scenario.
00:30:10 --> 00:30:14: We discussed the degree of difficulty both in building consensus
00:30:14 --> 00:30:17: about whether this is a good approach or a bad
00:30:17 --> 00:30:19: approach about what the degree of difficulty,
00:30:19 --> 00:30:23: in terms of the complexity of implementation and some policy
00:30:23 --> 00:30:24: examples as well.
00:30:24 --> 00:30:26: So we encourage you to visit knowledge Finder to download
00:30:26 --> 00:30:29: that chart in a readable form so that you can.
00:30:29 --> 00:30:35: Access that so. Before we shift to the panel discussion,
00:30:35 --> 00:30:38: I'm going to pause there to see if Rosie if
00:30:38 --> 00:30:42: there were any clarifying questions about any of my remarks
00:30:43 --> 00:30:45: that were added into the Q&A,
00:30:45 --> 00:30:48: or if we should, we should shift to introducing Christina
00:30:48 --> 00:30:49: and Stephanie.
00:30:51 --> 00:30:53: I think you can go ahead and shift to the
00:30:53 --> 00:30:56: to the to the discussion as we don't seem to
00:30:56 --> 00:30:59: have any questions at the moment because everything you're saying
00:30:59 --> 00:31:03: is crystal clear. Well, I I hope that's the case,
00:31:03 --> 00:31:06: but I'm sure I'm sure people will have questions as
00:31:06 --> 00:31:07: we go.
00:31:07 --> 00:31:10: So I want to take this opportunity to introduce our
00:31:10 --> 00:31:12: esteemed panelists,
00:31:12 --> 00:31:15: who both had a role in shaping this research and

00:31:15 --> 00:31:16: our thinking,
00:31:16 --> 00:31:21: as we both scoped scoped the research project out and
00:31:21 --> 00:31:25: began analyzing our information and findings.
00:31:25 --> 00:31:28: Christina Stacy is a principal research associate in the Urban
00:31:28 --> 00:31:32: Institute's metropolitan housing and Community Communities Policy Center.
00:31:32 --> 00:31:35: She specializes in urban economics,
00:31:35 --> 00:31:38: equity and inclusion. Currently, she is studying whether inclusionary,
00:31:38 --> 00:31:41: zoning and rent control increase the supply of affordable housing
00:31:41 --> 00:31:44: and access to opportunity for families with low incomes and
00:31:44 --> 00:31:45: people of color,
00:31:45 --> 00:31:48: among other initiatives. So when I talk about the empirical
00:31:48 --> 00:31:49: evidence,
00:31:49 --> 00:31:53: Christina is one of the contributors to that empirical evidence
00:31:53 --> 00:31:53: based.
00:31:53 --> 00:31:56: So I thank her for joining us today and we're
00:31:56 --> 00:31:57: also joined by Stephanie Brown,
00:31:57 --> 00:31:59: the executive director of Yoly,
00:31:59 --> 00:32:02: Minnesota. Her past work includes working in the office of
00:32:02 --> 00:32:03: the Mayor of Kansas City.
00:32:03 --> 00:32:06: In serving as a fellow at Harvard University's Joint Center
00:32:06 --> 00:32:07: for Housing Studies,
00:32:07 --> 00:32:10: she has also worked internationally with the McKinsey Global Institute
00:32:10 --> 00:32:13: on Research and Strategy development related to urban resilience,
00:32:13 --> 00:32:16: affordable housing and construction productivity,
00:32:16 --> 00:32:18: and for those of you that may have been following
00:32:18 --> 00:32:20: the issues that we're discussing today.
00:32:20 --> 00:32:23: In the news, Stephanie is in Ground Zero of some
00:32:23 --> 00:32:27: of the rent control debates with Beth recent ballot initiatives
00:32:27 --> 00:32:30: this past November on rent on the issue of rent
00:32:30 --> 00:32:34: control that were passed in both Minneapolis.
00:32:34 --> 00:32:37: And Saint Paul, so we have have a combination of
00:32:37 --> 00:32:41: speakers that can bring evidence from the empirical evidence base
00:32:41 --> 00:32:44: and the real world conversations on the ground.
00:32:44 --> 00:32:48: And I very much appreciate that they can join us
00:32:48 --> 00:32:48: today.
00:32:48 --> 00:32:52: So I'm going to pose the first question to to
00:32:52 --> 00:32:53: Tina.

00:32:53 --> 00:32:56: Can you describe that I just mentioned that you are
00:32:56 --> 00:32:58: conducting some research on rent control?
00:32:58 --> 00:33:01: He described some of this recent research that you've been
00:33:01 --> 00:33:04: conducting in any other research that might be germane to
00:33:04 --> 00:33:06: the topic that you've worked on.
00:33:06 --> 00:33:09: Sure, yeah, thanks so much for having me.
00:33:09 --> 00:33:12: So the research that you mentioned said we're conducting a
00:33:12 --> 00:33:16: study funded by the Robert Wood Johnson Foundation that mixes
00:33:16 --> 00:33:20: both qualitative and quantitative analysis so interviews and focus groups.
00:33:20 --> 00:33:24: Also with data analysis to really holistically look at the
00:33:24 --> 00:33:28: impacts of both rent control and inclusionary zoning,
00:33:28 --> 00:33:32: different types of regulations, not because we know rent control
00:33:32 --> 00:33:33: from city to city.
00:33:33 --> 00:33:37: And I see from city to city can vary greatly.
00:33:37 --> 00:33:40: We're looking at how different types of these policies and
00:33:40 --> 00:33:43: how they're implemented affect both the supply of housing that
00:33:43 --> 00:33:44: is affordable,
00:33:44 --> 00:33:45: so not just subsidized housing,
00:33:45 --> 00:33:49: but housing more broadly. And access to opportunity for people
00:33:49 --> 00:33:52: with low incomes and people of color so to do
00:33:52 --> 00:33:53: so.
00:33:53 --> 00:33:56: We've interviewed tenant advocates, landlords,
00:33:56 --> 00:34:00: developers, policymakers, and practitioners from across the country.
00:34:00 --> 00:34:03: On both of these topics to learn about how the
00:34:03 --> 00:34:06: really we focused in on how the the variations and
00:34:06 --> 00:34:09: how these regulations are designed and implemented,
00:34:09 --> 00:34:12: implemented affect their behaviors and their decisions,
00:34:12 --> 00:34:17: which was really interesting, particularly on the developer and landlord
00:34:17 --> 00:34:17: side.
00:34:17 --> 00:34:22: Then in tandem, we've been creating a huge data set
00:34:22 --> 00:34:22: of rent,
00:34:22 --> 00:34:28: control, and disease reforms for cities across the country.
00:34:28 --> 00:34:31: Using we've been using machine learning to collect data from
00:34:31 --> 00:34:34: newspaper articles back in time and across the country,
00:34:34 --> 00:34:37: and we're going to then use those data to do
00:34:37 --> 00:34:38: causal analysis.
00:34:38 --> 00:34:42: Use econometrics to estimate the impact of different types of

00:34:43 --> 00:34:45: reforms on the outcomes that I mentioned.
00:34:45 --> 00:34:49: We also have a project advisory group that's overseeing this
00:34:49 --> 00:34:52: work and helping us to ensure that we are,
00:34:52 --> 00:34:56: you know, grounding this in reality and interpreting findings correctly,
00:34:56 --> 00:34:59: of which Mike thank you is on that advisory panel.
00:34:59 --> 00:35:02: But it also consists of tenant advocates in groups,
00:35:02 --> 00:35:06: policymakers, planners, landlords and developers as well.
00:35:06 --> 00:35:08: And then, you know, we're based on these comparisons.
00:35:08 --> 00:35:11: We're going to provide evidence for policymakers on.
00:35:11 --> 00:35:12: First of all, you know,
00:35:12 --> 00:35:16: trying to like make mention,
00:35:16 --> 00:35:19: there is a bit of disagreement in the literature over
00:35:19 --> 00:35:23: the average effects of these of rent control on these
00:35:23 --> 00:35:24: different outcomes.
00:35:24 --> 00:35:26: So what do we find overall?
00:35:26 --> 00:35:29: Does rent control? How does rent control affect the overall
00:35:29 --> 00:35:31: supply of rental units?
00:35:31 --> 00:35:34: And then the supply of unit rental units that are
00:35:34 --> 00:35:37: affordable to people of different amyes.
00:35:37 --> 00:35:40: But also looking at different types of rent control and
00:35:40 --> 00:35:43: how they might work and also note that we're creating
00:35:43 --> 00:35:43: a new.
00:35:43 --> 00:35:47: We're also just got approval to use census microdata to
00:35:47 --> 00:35:50: create a new data set on rental units that are
00:35:50 --> 00:35:53: affordable since the public use data is is not specific
00:35:53 --> 00:35:58: enough really to dig into affordability for different types of
00:35:58 --> 00:35:59: households,
00:35:59 --> 00:36:00: I'll stop there.
00:36:01 --> 00:36:04: Well, that's great and you'll notice the audience will notice
00:36:04 --> 00:36:07: that there's some similarities and approaches and who we engaged,
00:36:07 --> 00:36:10: and that's because. We we've been working 18 and was
00:36:10 --> 00:36:13: very helpful in sharing what she's learned from her process,
00:36:13 --> 00:36:16: and I highly recommend that we link to several of
00:36:16 --> 00:36:19: the studies that they've already completed in in the report
00:36:19 --> 00:36:21: on knowledge Finder,
00:36:21 --> 00:36:24: so highly recommend those and and the fact that this
00:36:24 --> 00:36:27: research is on is coming has come out that the
00:36:27 --> 00:36:31: research has been completed and the additional research is going
00:36:31 --> 00:36:34: to be coming out in the coming months and years.
00:36:34 --> 00:36:38: Is is really important because there are real world policy

00:36:38 --> 00:36:39: discussions.
00:36:39 --> 00:36:42: Happening all over the United States right now so Stephanie
00:36:42 --> 00:36:44: can you talk a little bit about your work in
00:36:44 --> 00:36:46: the Twin Cities and what is happening at the local
00:36:46 --> 00:36:49: government level with regard to tenants rights and protections.
00:36:49 --> 00:36:52: I mentioned rent control earlier but we don't have to
00:36:52 --> 00:36:54: limit ourselves to that to that topic.
00:36:55 --> 00:36:58: Of course, and it really is all of the things
00:36:58 --> 00:36:58: here.
00:36:58 --> 00:37:01: It's a story that is the national story.
00:37:01 --> 00:37:04: So in the Minneapolis Saint Paul region over the past
00:37:04 --> 00:37:05: five years,
00:37:05 --> 00:37:07: rents have increased 20% on average,
00:37:07 --> 00:37:10: which is more than twice what wages have and so
00:37:10 --> 00:37:14: housing has gone from this sort of conversation on the
00:37:14 --> 00:37:17: margins to the conversation at all levels of government is
00:37:18 --> 00:37:19: what do we do about housing?
00:37:19 --> 00:37:23: And so I think every single intervention Michael that you
00:37:23 --> 00:37:25: mentioned has been discussed or enacted.
00:37:25 --> 00:37:28: And one or both of the cities or the state
00:37:28 --> 00:37:28: level.
00:37:28 --> 00:37:33: So Minneapolis is debating opportunity to purchase ordinances right now.
00:37:33 --> 00:37:37: Notice of sale requirements have already passed in Minneapolis.
00:37:37 --> 00:37:40: Both Minneapolis and Saint Paul increased tenant protections and tenant
00:37:40 --> 00:37:43: screening and that got caught up in the courts in
00:37:43 --> 00:37:44: both cities.
00:37:44 --> 00:37:47: Saint Paul is repealed there as Minneapolis as contested.
00:37:47 --> 00:37:50: Minneapolis passed, which made it through the courts.
00:37:50 --> 00:37:55: Anti discrimination on the use of Section 8 vouchers legislation.
00:37:55 --> 00:37:59: Just cause eviction passed and was repealed in Saint Paul
00:37:59 --> 00:38:01: and on rent control.
00:38:01 --> 00:38:04: So there was a citizen petition for a 3%
00:38:04 --> 00:38:08: cap on rental increases in Saint Paul that passed.
00:38:08 --> 00:38:11: There are exemptions in that ordinance,
00:38:11 --> 00:38:14: but how those will really be administered is is very
00:38:14 --> 00:38:15: much unknown.
00:38:15 --> 00:38:18: Minneapolis Rent Control has not passed,
00:38:18 --> 00:38:21: but up until we have a state law that preempts

00:38:21 --> 00:38:24: and and disallows any form of rent control and what
00:38:24 --> 00:38:28: Minneapolis did is they basically used a a ballot measure
00:38:28 --> 00:38:31: to remove that restriction. So Minneapolis has the ability to
00:38:31 --> 00:38:34: pass some sort of rent control or rent stabilization now
00:38:34 --> 00:38:36: that they didn't have before.
00:38:36 --> 00:38:38: And there are also a lot of you know,
00:38:38 --> 00:38:44: really interesting programs so. Minneapolis had previously used a tax
00:38:44 --> 00:38:47: classification for existing affordable,
00:38:47 --> 00:38:51: existing rental properties that are what we would call naturally
00:38:51 --> 00:38:52: occurring affordable housing.
00:38:52 --> 00:38:56: So a lot of older units that are already renting
00:38:56 --> 00:38:58: just at a market level at a 60%
00:38:58 --> 00:39:02: of area median income or below level and owners could
00:39:02 --> 00:39:06: choose to opt into a program that gave those property
00:39:07 --> 00:39:07: owners a 40%
00:39:07 --> 00:39:10: deduction on the taxes for the units.
00:39:10 --> 00:39:14: They enrolled in that with the agreement to do primarily
00:39:14 --> 00:39:15: 2 things,
00:39:15 --> 00:39:18: one to cap rental increases to no more than 6%
00:39:18 --> 00:39:21: a year and 2nd that future tenants in that building
00:39:21 --> 00:39:25: would have to meet income restrictions and so that was
00:39:25 --> 00:39:26: a voluntary program.
00:39:26 --> 00:39:29: And you know, now there's the potential that there might
00:39:29 --> 00:39:32: be a broader program and we're waiting to see it's
00:39:32 --> 00:39:34: a very active debate here.
00:39:36 --> 00:39:38: So that yeah, I think those sorts of that that
00:39:38 --> 00:39:40: example you just provided gives us that.
00:39:40 --> 00:39:44: And I mentioned earlier in our takeaways about carrots and
00:39:44 --> 00:39:47: sticks and that one of the things that came across
00:39:47 --> 00:39:51: in our interviews with people that would be characterized as
00:39:51 --> 00:39:53: in the property sector was that,
00:39:53 --> 00:39:56: you know, we, we definitely would.
00:39:56 --> 00:39:59: We face some economic realities and not everyone is is
00:39:59 --> 00:40:02: realizes and in some ways that there are some sort
00:40:02 --> 00:40:05: of incentives to get us that would enable us to
00:40:05 --> 00:40:07: offer lower rents. We'd be more than happy to do
00:40:07 --> 00:40:08: that now.
00:40:08 --> 00:40:10: That's obviously not a universal perspective,
00:40:10 --> 00:40:14: but there could be some opportunities when people,
00:40:14 --> 00:40:17: if we are looking at both regulations,

00:40:17 --> 00:40:20: but also incentives for those.
00:40:20 --> 00:40:23: But sticking with the in the Twin Cities for a
00:40:23 --> 00:40:26: moment for those advocating for rent control in the Twin
00:40:26 --> 00:40:27: Cities region,
00:40:27 --> 00:40:29: what are they getting back to that issue of first
00:40:29 --> 00:40:29: principles?
00:40:29 --> 00:40:31: What are they trying to achieve?
00:40:31 --> 00:40:34: Is stability of the goal is affordability the goal?
00:40:34 --> 00:40:38: Because those are related, but not one in the same.
00:40:38 --> 00:40:39: Is there a general consensus,
00:40:39 --> 00:40:41: or is that still an item for debate?
00:40:43 --> 00:40:45: There is not a general consensus and I think it
00:40:45 --> 00:40:47: will be quite hard to achieve one.
00:40:47 --> 00:40:49: It would be easier to solve the problem if we
00:40:49 --> 00:40:49: agreed.
00:40:49 --> 00:40:52: I agree on the the Prince Prince first principles contract,
00:40:52 --> 00:40:55: but it's a challenge. So in Saint Paul the housing
00:40:56 --> 00:40:59: equity now Saint Paul group that was behind the ballot
00:40:59 --> 00:41:00: measure.
00:41:00 --> 00:41:03: They talked a lot about housing as a right and
00:41:03 --> 00:41:07: the complications of training housing also as an investment and
00:41:07 --> 00:41:11: we have seen national investors own about twice as many
00:41:11 --> 00:41:14: properties in their region as they did.
00:41:14 --> 00:41:16: About 15 years ago, still relatively small,
00:41:16 --> 00:41:19: but it's an increase and there was a lot of
00:41:19 --> 00:41:23: talk about things like wealth extraction and so it wasn't
00:41:23 --> 00:41:24: just stability,
00:41:24 --> 00:41:27: it is sort of what is philosophically the concept of
00:41:28 --> 00:41:28: rent,
00:41:28 --> 00:41:30: and that's that's been a real conversation.
00:41:30 --> 00:41:34: There's also a focus on racial equity and who is
00:41:34 --> 00:41:37: bearing the the biggest burden of some of these cost
00:41:37 --> 00:41:39: increases on the other side,
00:41:39 --> 00:41:44: there is this nothing particularly under the national investor conversation.
00:41:44 --> 00:41:47: The idea that people are flipping properties and displacing.
00:41:47 --> 00:41:50: I mean I can't have this conversation without remembering the
00:41:50 --> 00:41:51: two doors down from me.
00:41:51 --> 00:41:55: An apartment building had relatively cosmetic improvements in 50 to
00:41:56 --> 00:41:56: 70%

00:41:56 --> 00:41:58: rental increases and about a six month window.
00:41:58 --> 00:42:01: So that is happening too and that.
00:42:01 --> 00:42:05: Anti displacement stop price gouging is part of the conversation.
00:42:05 --> 00:42:08: There is the part of the conversation that is more
00:42:08 --> 00:42:09: conceptually.
00:42:09 --> 00:42:12: How do we think about the the right to housing
00:42:12 --> 00:42:14: the access wealth creation?
00:42:14 --> 00:42:18: And then there's just a supply and demand conversation where
00:42:18 --> 00:42:21: after all of our communities after the Great Recession,
00:42:21 --> 00:42:25: we largely stopped building and we haven't built our way
00:42:25 --> 00:42:26: out of that yet.
00:42:26 --> 00:42:28: And so Minneapolis is also,
00:42:28 --> 00:42:31: you know, changed they've eliminated single family zoning and done
00:42:31 --> 00:42:32: other.
00:42:32 --> 00:42:36: Have questions to address supply and demand?
00:42:36 --> 00:42:37: Stability is a broad goal,
00:42:37 --> 00:42:39: but there are nuances in that and not a ton
00:42:40 --> 00:42:42: of alignment as to what that should really be.
00:42:44 --> 00:42:48: So so Tina, your recent research and ongoing researches is
00:42:48 --> 00:42:52: particularly interesting because of the combination of the practitioner,
00:42:52 --> 00:42:57: interviews with the empirical review of evidence from that sort
00:42:57 --> 00:42:58: of outreach,
00:42:58 --> 00:43:01: and conversational phase. Was there anything that you took away
00:43:01 --> 00:43:04: as being particularly surprising or interesting that you've taken forward
00:43:04 --> 00:43:07: through the rest of the research project?
00:43:07 --> 00:43:10: Yeah, I mean, I think we heard a lot of
00:43:10 --> 00:43:13: the the findings that you've presented here today as well,
00:43:13 --> 00:43:16: but I mean, I personally went into these interviews,
00:43:16 --> 00:43:20: assuming that we would hear from tenant organizers and advocates
00:43:20 --> 00:43:23: that they support any and all of these policies that
00:43:24 --> 00:43:24: are possible,
00:43:24 --> 00:43:26: right? Rent control, inclusionary zoning,
00:43:26 --> 00:43:31: really, anything you can do upzoning to help increase affordability.
00:43:31 --> 00:43:33: But what we actually heard,
00:43:33 --> 00:43:35: and we also assumed we would hear that landlords and
00:43:35 --> 00:43:38: developers were kind of against any that would.

00:43:38 --> 00:43:42: You know, reduce their potential revenues and you know maybe
00:43:43 --> 00:43:47: might change the shift the market in ways that affect
00:43:47 --> 00:43:49: their their bottom line.
00:43:49 --> 00:43:51: But what we ended up hurt hearing was really different
00:43:51 --> 00:43:52: than what we expected.
00:43:52 --> 00:43:56: We heard the advocates and organizers say that they generally
00:43:56 --> 00:44:00: support rent control but not Icey inclusionary zoning or more.
00:44:00 --> 00:44:03: You know, market driven approaches and they said that you
00:44:03 --> 00:44:06: know that was mostly because what they what they liked
00:44:06 --> 00:44:09: about rent control is the fact that it's not means
00:44:09 --> 00:44:12: tested. But we're just what you were just talking about
00:44:12 --> 00:44:15: Stephanie about the idea that housing is a right for
00:44:15 --> 00:44:17: everybody and it should be seen as such.
00:44:17 --> 00:44:20: And another thing that's often not really,
00:44:20 --> 00:44:21: you can't really measure it,
00:44:21 --> 00:44:23: and so you don't see it in the research,
00:44:23 --> 00:44:27: but that rent control can help with power imbalances between
00:44:27 --> 00:44:29: tenants and landlords.
00:44:29 --> 00:44:31: And then we heard them say that they just they
00:44:31 --> 00:44:32: don't even think about.
00:44:32 --> 00:44:34: I see they don't. They don't think about it enough
00:44:34 --> 00:44:35: to be for against it,
00:44:35 --> 00:44:38: because they feel it's so far from being beneficial to
00:44:38 --> 00:44:40: the people that they.
00:44:40 --> 00:44:42: Work most with and I thought there was a great
00:44:42 --> 00:44:45: quote I wanna read where one of the organizers had
00:44:45 --> 00:44:45: to us.
00:44:45 --> 00:44:48: Oh, I see that doesn't even fit into anybody's black
00:44:48 --> 00:44:48: people,
00:44:48 --> 00:44:50: especially as notions of affordable housing.
00:44:50 --> 00:44:53: That's why we were like we can't even campaign for
00:44:53 --> 00:44:53: or against us.
00:44:53 --> 00:44:54: It's just a waste of people.
00:44:54 --> 00:44:56: Times they really felt like that.
00:44:56 --> 00:44:59: All the ICEE deals that they'd seen were really just
00:45:00 --> 00:45:01: giveaways to developers.
00:45:01 --> 00:45:05: So it was really interesting for us to hear things
00:45:05 --> 00:45:07: that we weren't expecting.
00:45:07 --> 00:45:09: And we also heard the landlords and developers say that
00:45:09 --> 00:45:10: they actually think IZ.
00:45:10 --> 00:45:13: Isn't isn't so bad in that it's an imperfect tool

00:45:13 --> 00:45:14: in the toolbox,
00:45:14 --> 00:45:17: but that it's one that they're not generally against,
00:45:17 --> 00:45:20: but I would say you know we we really tried
00:45:20 --> 00:45:22: to hone in being an economist.
00:45:22 --> 00:45:25: I was really thinking a lot about the way that
00:45:25 --> 00:45:28: these policies affect their behaviors and incentives,
00:45:28 --> 00:45:31: and one thing that came up time and time again
00:45:31 --> 00:45:32: was rent control,
00:45:32 --> 00:45:35: particularly relating to vacancy decontrol,
00:45:35 --> 00:45:37: which is, you know, when a tenant leaves a property.
00:45:37 --> 00:45:40: In many places, the landlord can pop the rent up
00:45:40 --> 00:45:41: to market.
00:45:41 --> 00:45:44: Great that I had that really misaligns a lot of
00:45:44 --> 00:45:45: incentives.
00:45:45 --> 00:45:48: First of all landlords. Tend to try to find and
00:45:48 --> 00:45:52: recruit tenants to those buildings who are likely to move
00:45:52 --> 00:45:55: a lot so we heard them say we specifically try
00:45:55 --> 00:45:57: to get students because we want to be able to
00:45:57 --> 00:45:58: pop up the rent.
00:45:58 --> 00:46:01: We also heard people say during COVID that they even
00:46:01 --> 00:46:05: though there was massive vacancies in the city in which
00:46:05 --> 00:46:09: they own properties they weren't willing to reduce rents to
00:46:09 --> 00:46:12: fill those because then rent control the ones that were
00:46:12 --> 00:46:14: under rent control because it would take so long to
00:46:14 --> 00:46:16: get them back to market rate.
00:46:16 --> 00:46:19: So there's a lot of Miss incentives that are created
00:46:19 --> 00:46:19: due to.
00:46:19 --> 00:46:23: Specific components of the regulations and then of course we
00:46:23 --> 00:46:24: heard,
00:46:24 --> 00:46:26: and I've actually experienced personally,
00:46:26 --> 00:46:29: that vacancy decontrol as part of rent control,
00:46:29 --> 00:46:34: incentivizes landlords to either directly or indirectly get rid of
00:46:34 --> 00:46:37: tenants so the town landlord is less likely to fix
00:46:37 --> 00:46:41: serious problems with an apartment if they know that.
00:46:41 --> 00:46:42: Oh, if this tenant leaves,
00:46:42 --> 00:46:43: then I can pop the rent up for the next
00:46:43 --> 00:46:44: one,
00:46:44 --> 00:46:46: so there's a lot of,
00:46:46 --> 00:46:48: I think incentive alignment that needs to be thought of
00:46:48 --> 00:46:49: and how these are designed,
00:46:49 --> 00:46:51: but that's not to say that.

00:46:51 --> 00:46:52: They do or don't work.
00:46:52 --> 00:46:56: Overall, it's or that we know that necessarily yet,
00:46:56 --> 00:46:59: but thinking about how they're designed and implemented is very
00:46:59 --> 00:47:00: important for how they how,
00:47:00 --> 00:47:01: what outcomes they have.
00:47:03 --> 00:47:05: So so thank you Rosie.
00:47:05 --> 00:47:07: She had shared with me in a chat a question
00:47:07 --> 00:47:10: from the audience was that which which actually dovetails with
00:47:10 --> 00:47:12: the question I was going to ask you next anyway.
00:47:12 --> 00:47:15: Tina so I I will go ahead and read it
00:47:15 --> 00:47:17: right now from and I know again your research is
00:47:17 --> 00:47:19: ongoing and you you don't want.
00:47:19 --> 00:47:22: I'm sure you have all you know.
00:47:22 --> 00:47:24: Have some hesitancy with speaking with partial findings,
00:47:24 --> 00:47:25: but this isn't your first study.
00:47:25 --> 00:47:29: So do you have any examples of policies or practices
00:47:29 --> 00:47:32: that seem to have sort of empirical evidence?
00:47:32 --> 00:47:35: Base of working to promote stability in areas that have
00:47:36 --> 00:47:38: strong private property rights regimes.
00:47:40 --> 00:47:40: As
00:47:40 --> 00:47:44: the great question I I don't I don't know that
00:47:44 --> 00:47:45: we know that yet.
00:47:45 --> 00:47:49: I think that's part of the problem with the research
00:47:49 --> 00:47:51: that's out there so far is that it often takes
00:47:51 --> 00:47:54: broad strokes towards a singular policy as a whole,
00:47:54 --> 00:47:57: even though they vary so much from place to place.
00:47:57 --> 00:48:02: I'm curious if Stephanie has any thoughts on that.
00:48:02 --> 00:48:03: As well, I think
00:48:03 --> 00:48:05: the opt in programs that do the the Minneapolis program
00:48:05 --> 00:48:07: uses what's called the 4D tax credit.
00:48:07 --> 00:48:08: I'm encourage you to look at it.
00:48:08 --> 00:48:10: It does use state classification.
00:48:11 --> 00:48:13: What I think is interesting
00:48:13 --> 00:48:15: about this is on some level where it feels like
00:48:15 --> 00:48:18: there's the most consensus between the landlords and the tenants.
00:48:18 --> 00:48:22: Activists is direct subsidy. Direct subsidy that sort of allows
00:48:22 --> 00:48:25: the market to work and covers the gap in the
00:48:25 --> 00:48:28: places where income levels haven't allowed it to.
00:48:28 --> 00:48:31: Now, that doesn't mean that area has broad public support,
00:48:31 --> 00:48:33: and so that's a that's a big question,

00:48:33 --> 00:48:35: but it's an interesting place in alignment,
00:48:35 --> 00:48:39: and if that could be levied and leveraged into broader
00:48:39 --> 00:48:43: public support for direct rental assistance and tenant assistance,
00:48:43 --> 00:48:47: and expanded emergency assistance programs that actually feels like you'd
00:48:47 --> 00:48:50: get it flying from both sides of the major stakeholder
00:48:50 --> 00:48:50: debate here.
00:48:51 --> 00:48:54: And that actually dovetails with something that we heard in
00:48:55 --> 00:48:56: our interviews as well,
00:48:56 --> 00:49:00: and that when people talk about reducing red tape,
00:49:00 --> 00:49:02: if you were to ask just someone on on someone
00:49:02 --> 00:49:05: that's not familiar with the issue,
00:49:05 --> 00:49:07: that OK, who is more likely to bring up the
00:49:07 --> 00:49:11: issue of red tape or bureaucratic inefficiency or or over
00:49:11 --> 00:49:12: regulation,
00:49:12 --> 00:49:14: would that come from the tenant perspective,
00:49:14 --> 00:49:16: or would that come from the property owner or manager
00:49:16 --> 00:49:18: perspective and a lot if you aren't engaged in debate?
00:49:18 --> 00:49:20: A lot of people would say it's the property owner
00:49:20 --> 00:49:20: or management perspective,
00:49:20 --> 00:49:23: but we were. Almost as likely to hear that from
00:49:23 --> 00:49:26: the tenant advocate and organizer perspective,
00:49:26 --> 00:49:30: and you see how the.
00:49:30 --> 00:49:32: What you were saying about vacancy decontrol the devil is
00:49:32 --> 00:49:33: really into details.
00:49:33 --> 00:49:37: You can pass a policy in some ways and in
00:49:37 --> 00:49:38: an imperfect policy,
00:49:38 --> 00:49:42: but done well might be more effective than than the
00:49:42 --> 00:49:45: sort of most bespoke you know theoretically.
00:49:45 --> 00:49:49: Perfect policy that is not implemented implemented all that well
00:49:49 --> 00:49:53: because we hear about our existing programs where we have
00:49:53 --> 00:49:58: property owners or managers that want to accept households with
00:49:58 --> 00:50:02: rental assistance. Section 8 Housing Choice Voucher holders and they
00:50:02 --> 00:50:03: are willing to do so,
00:50:03 --> 00:50:06: but it takes them four two to four times as
00:50:06 --> 00:50:08: long to lease out the unit to a voucher holder.
00:50:08 --> 00:50:09: Not because they have it.
00:50:09 --> 00:50:12: It takes that long to identify some.

00:50:12 --> 00:50:15: A household that receives the assistance,
00:50:15 --> 00:50:17: but it takes them that much longer to get them
00:50:17 --> 00:50:21: to get the paperwork from the local government or public
00:50:21 --> 00:50:24: Housing Authority to get the inspections completed etc.
00:50:24 --> 00:50:25: And then on the other side tenant,
00:50:25 --> 00:50:28: that same tenant is waiting an extra two to four
00:50:28 --> 00:50:30: times as long to get the unit that they've been
00:50:30 --> 00:50:31: looking for.
00:50:31 --> 00:50:34: And we hear all the time about tenants that lose
00:50:34 --> 00:50:37: the assistance because they can't find an adequate unit to
00:50:37 --> 00:50:40: rent within the the window of opportunity that they have
00:50:40 --> 00:50:41: when they're alerted about you.
00:50:41 --> 00:50:45: So there's an error. There's some areas for of agreement,
00:50:45 --> 00:50:46: even around some of these.
00:50:46 --> 00:50:49: You know it may not sound like it's going to
00:50:49 --> 00:50:51: move the needle as much to say we're going to
00:50:52 --> 00:50:55: reform the process for inspecting units that accept Section 8
00:50:55 --> 00:50:59: housing choice vouchers and and doing income qualification for tenants.
00:50:59 --> 00:51:01: But that can have a a real.
00:51:01 --> 00:51:05: Real world impact, even if it's not as sort of
00:51:05 --> 00:51:08: doesn't catch us many headlines,
00:51:08 --> 00:51:12: we have another question in the chat when discussing strategies
00:51:12 --> 00:51:17: to expand housing supply were publicly communally owned housing solutions
00:51:17 --> 00:51:17: mentioned,
00:51:17 --> 00:51:19: such as public and social housing.
00:51:19 --> 00:51:21: Community Land Trust cooperatives, and if so,
00:51:21 --> 00:51:24: how did different groups respond?
00:51:24 --> 00:51:27: So I will. I have answers based on our research.
00:51:27 --> 00:51:30: I don't know, but I'll ask our panelists if they
00:51:30 --> 00:51:31: have any observations.
00:51:31 --> 00:51:35: Just generally speaking about communally owned,
00:51:35 --> 00:51:40: communally owned property solutions and housing solutions.
00:51:40 --> 00:51:41: Based on your work in the field.
00:51:43 --> 00:51:46: Yeah, I can hop in really quickly quickly to say,
00:51:46 --> 00:51:48: you know, we've heard from many people,
00:51:48 --> 00:51:52: particularly organizers that co-ops are like one of the main
00:51:52 --> 00:51:56: solutions we should be looking at for tenant stability and
00:51:56 --> 00:51:57: for renters rights.
00:51:57 --> 00:51:59: More broadly, Community Land Trust.
00:51:59 --> 00:52:02: Definitely, I'm actually lucky enough to be on the board

00:52:02 --> 00:52:04: of an organization starting one right now,
00:52:04 --> 00:52:06: and I've done research in the past on shared equity
00:52:06 --> 00:52:07: homeownership,
00:52:07 --> 00:52:10: which is often combined with Community Land Trust.
00:52:10 --> 00:52:13: The evidence behind that is also very strong.
00:52:13 --> 00:52:16: You know I I wanna just make sure and I
00:52:16 --> 00:52:18: think this is a good point to bring this up
00:52:18 --> 00:52:21: that this all needs to be couched within our.
00:52:21 --> 00:52:25: You know decade century of racist policy and planning that
00:52:25 --> 00:52:28: directly led to the gaps in home ownership,
00:52:28 --> 00:52:31: the racial gaps and homeownership and wealth that we see
00:52:31 --> 00:52:33: today and that you know.
00:52:33 --> 00:52:36: Programs like co-ops shared equity,
00:52:36 --> 00:52:39: homeownership, community land trusts are a great way to get
00:52:39 --> 00:52:43: people into home ownership and start to help remediate some
00:52:43 --> 00:52:46: of those like direct policies that were intentional.
00:52:46 --> 00:52:48: And if anyone hasn't read it,
00:52:48 --> 00:52:50: I highly recommend reading the color of law,
00:52:50 --> 00:52:52: which really digs into this.
00:52:52 --> 00:52:55: But I think this all needs to be couched within
00:52:55 --> 00:52:58: really being cognizant of that history and trying to make
00:52:58 --> 00:52:59: up for it.
00:52:59 --> 00:53:01: But yeah, so just to say co-ops,
00:53:01 --> 00:53:04: CLT is shared ownership, I think is something that should
00:53:04 --> 00:53:07: definitely be forefront in these discussions.
00:53:08 --> 00:53:11: My caveat on that, because I largely agree,
00:53:11 --> 00:53:13: is that they are very hard to scale.
00:53:13 --> 00:53:17: So I think in the Twin Cities region we actually
00:53:17 --> 00:53:21: have some of the highest number of landtrust units.
00:53:21 --> 00:53:23: It's great, it's a fantastic model if you can get
00:53:23 --> 00:53:24: in,
00:53:24 --> 00:53:27: but because that capital has to be put in to
00:53:27 --> 00:53:30: close the gap and by law has to stay in
00:53:30 --> 00:53:32: it can't keep cycling through.
00:53:32 --> 00:53:36: You can't then borrow against that balance sheet because it's
00:53:36 --> 00:53:37: tide up in this.
00:53:37 --> 00:53:40: It is hard to scale that so it's great solution
00:53:40 --> 00:53:43: that doesn't fit the problem we have in front of
00:53:43 --> 00:53:44: us at the same level.
00:53:44 --> 00:53:48: It's good. In part it's going to require more co-ops.

00:53:48 --> 00:53:51: Condo models that are more shared could maybe get us
00:53:51 --> 00:53:52: further because they're not.
00:53:52 --> 00:53:56: Normally there they're very complicated deals to do and require
00:53:56 --> 00:53:59: a lot of technical assistance to pull off.
00:54:00 --> 00:54:03: I think just to to piggyback on that quickly.
00:54:03 --> 00:54:05: I think that's kind of true for many of the
00:54:05 --> 00:54:06: things we're talking about.
00:54:06 --> 00:54:08: I mean, a lot of them scale quickly,
00:54:08 --> 00:54:09: like and I'm. I love that,
00:54:09 --> 00:54:12: you know, we have Minneapolis Saint Paul represented here,
00:54:12 --> 00:54:14: who has been the most proactive on some of the
00:54:14 --> 00:54:18: larger scale up zonings and density changes and everything else.
00:54:18 --> 00:54:20: But I mean, I think that that just a point
00:54:20 --> 00:54:23: that all of these it's not one solution that's going
00:54:23 --> 00:54:26: to fit everything really needs to be happening at once.
00:54:26 --> 00:54:28: We need to be doing as much as we can
00:54:28 --> 00:54:29: to attack this problem from all angles.
00:54:31 --> 00:54:34: Yeah, it it's really an ecosystem of interventions that we
00:54:35 --> 00:54:37: need and that's why you know the we are framework
00:54:37 --> 00:54:40: that we outlined in this report had the not just
00:54:40 --> 00:54:42: the three different big picture buckets,
00:54:42 --> 00:54:44: but even within the intervention category,
00:54:44 --> 00:54:47: the triage, strengthen and reform any of those specific interventions
00:54:47 --> 00:54:50: isn't going to be as effective unless you have the
00:54:50 --> 00:54:53: suite of policy tools in place in terms of our
00:54:53 --> 00:54:59: research participants, there was strong support for actually across the
00:54:59 --> 00:55:01: spectrum for different types.
00:55:01 --> 00:55:04: Of income restricted housing some more.
00:55:04 --> 00:55:09: Some people focus more on the types of ownership mentioned.
00:55:09 --> 00:55:11: Community Land Trust co-ops, etc.
00:55:11 --> 00:55:15: Others were more focused on low income housing tax,
00:55:15 --> 00:55:17: credit funding, affordable funded affordable housing.
00:55:17 --> 00:55:21: So the definition of what would constitute Community Housing was
00:55:21 --> 00:55:22: different,
00:55:22 --> 00:55:25: but there was a strong amount of support across the
00:55:25 --> 00:55:26: board for that housing.
00:55:26 --> 00:55:29: Now again, question gets when we get into the details

00:55:29 --> 00:55:30: of how is it funded?
00:55:30 --> 00:55:34: Will there be consensus? Over the specific revenue source to
00:55:34 --> 00:55:36: fund those types of investments,
00:55:36 --> 00:55:38: that's that remains to be seen,
00:55:38 --> 00:55:42: but at least conceptually, those have engaged in our research
00:55:42 --> 00:55:44: where we're broadly supportive.
00:55:44 --> 00:55:47: Where we have just a couple minutes left and so
00:55:47 --> 00:55:50: there was one question I can get to really quick.
00:55:50 --> 00:55:53: Can you share resources on the creation of shared equity
00:55:53 --> 00:55:55: and Co-op ownership innovations?
00:55:55 --> 00:55:59: I would highly recommend people visit for that for issues
00:55:59 --> 00:56:01: related to shared equity co-ops,
00:56:01 --> 00:56:04: community land trusts, visiting the web page for the Grounded
00:56:04 --> 00:56:05: solutions network,
00:56:05 --> 00:56:08: they are the nonprofit advocacy,
00:56:08 --> 00:56:14: nonprofit Technical Assistance Advocacy Policy Group that has really specialized.
00:56:14 --> 00:56:17: In this area, and they provide a great amount of
00:56:18 --> 00:56:22: resources to their members and to the general public on
00:56:22 --> 00:56:25: best practices related to those housing models.
00:56:25 --> 00:56:28: So I I would very much recommend going to visit
00:56:28 --> 00:56:32: the the Grounded Solutions Network website.
00:56:34 --> 00:56:38: So I'll just ask just a quick closing question.
00:56:38 --> 00:56:39: If we can just just,
00:56:39 --> 00:56:42: you know, sort of 1 sentence answer possible to both
00:56:42 --> 00:56:46: of our panelists and will just want to close by
00:56:46 --> 00:56:46: asking,
00:56:46 --> 00:56:49: you know, we talk about the evidence base and conditions
00:56:49 --> 00:56:50: on the ground.
00:56:50 --> 00:56:53: We should knowledge it that both these evolve overtime and
00:56:53 --> 00:56:55: the new information is gathered.
00:56:55 --> 00:56:57: But right now, for each of you as you're thinking
00:56:57 --> 00:56:58: about your work,
00:56:58 --> 00:57:03: what's the biggest unanswered question about work specifically related to
00:57:03 --> 00:57:04: stability that you have?
00:57:04 --> 00:57:06: And how my end? If you have any ideas how
00:57:06 --> 00:57:07: might we go about answering?
00:57:07 --> 00:57:09: I guess that's more than a one sentence question,
00:57:09 --> 00:57:12: but but to the extent that you get,
00:57:12 --> 00:57:13: it can be brief.

00:57:15 --> 00:57:17: Sure, I can go first.
00:57:17 --> 00:57:19: You know, we've already kind of mentioned a couple times,
00:57:19 --> 00:57:21: but if we're talking specifically about rent control,
00:57:21 --> 00:57:25: I think the biggest unanswered question in the research is
00:57:25 --> 00:57:27: whether rent control,
00:57:27 --> 00:57:31: if created and implemented properly or in the best way
00:57:31 --> 00:57:32: I possibly could,
00:57:32 --> 00:57:35: if it can help both tenants of controlled units and
00:57:35 --> 00:57:37: tenants of uncontrolled units,
00:57:37 --> 00:57:40: since we know that some studies have found most studies
00:57:40 --> 00:57:43: agree that rent control helps the tenants who are lucky
00:57:43 --> 00:57:44: enough to be in the.
00:57:44 --> 00:57:47: The controlled units, but there have been quite a few
00:57:47 --> 00:57:50: pretty rigorous studies that have found that it has can
00:57:50 --> 00:57:53: have negative effects on uncontrolled tenants for a number of
00:57:53 --> 00:57:56: reasons, so I think, but I think within that again,
00:57:56 --> 00:58:00: just you know, reiterating that we can't just treat all
00:58:00 --> 00:58:01: rent control as the same.
00:58:01 --> 00:58:03: We have to think about the specific components of the
00:58:03 --> 00:58:04: regulation and how it's implemented,
00:58:04 --> 00:58:06: how much red tape there is,
00:58:06 --> 00:58:10: how much the local governments help to support and reduce
00:58:11 --> 00:58:14: that red tape for all of the stakeholders involved.
00:58:14 --> 00:58:17: So I think that's really what we need to know
00:58:17 --> 00:58:21: before we can know whether it should be expanded broadly.
00:58:23 --> 00:58:23: Once
00:58:23 --> 00:58:26: I have two questions, one would be how a lot
00:58:27 --> 00:58:28: of these policies interact,
00:58:28 --> 00:58:31: and So what is the combination of policies?
00:58:31 --> 00:58:33: That is the most effective.
00:58:33 --> 00:58:35: It feels very hard to take them all in silo,
00:58:35 --> 00:58:37: and when you're trying a bunch at once,
00:58:37 --> 00:58:41: what's really making the difference and what's the hassles understanding
00:58:41 --> 00:58:42: that interaction?
00:58:42 --> 00:58:45: My other big question is really out,
00:58:45 --> 00:58:47: what is what is the limit?
00:58:47 --> 00:58:49: The outer limit of the private market?
00:58:49 --> 00:58:52: And So what point do we say below this?
00:58:52 --> 00:58:55: Income level housing. Really there is no market solution to
00:58:55 --> 00:58:57: it and we need a social solution and above which
00:58:58 --> 00:59:00: we have market options 'cause it really feels like we

00:59:00 --> 00:59:02: try and put everything on the spectrum.
00:59:02 --> 00:59:05: But at some point there there isn't a solution other
00:59:06 --> 00:59:08: than real public investment to solve it.
00:59:08 --> 00:59:11: And if we could identify that point a little more
00:59:11 --> 00:59:12: cleanly,
00:59:12 --> 00:59:13: maybe we could target our solutions better.
00:59:15 --> 00:59:18: Well, those are very good questions and we hope that
00:59:18 --> 00:59:21: eventually we will have more evidence and that and that
00:59:21 --> 00:59:22: will will.
00:59:22 --> 00:59:24: There are people working on that to add that to
00:59:24 --> 00:59:27: the evidence base and to inform our policymaking efforts moving
00:59:28 --> 00:59:28: forward.
00:59:28 --> 00:59:31: So I want to thank everyone that joined us today.
00:59:31 --> 00:59:32: I want to thank Tina,
00:59:32 --> 00:59:37: Stephanie and Rosie for all for your contributions to this
00:59:37 --> 00:59:39: research into the to the webinar.
00:59:39 --> 00:59:41: And please feel free my.
00:59:41 --> 00:59:44: My email address is on the screen.
00:59:44 --> 00:59:46: Please feel free to reach out to me if you
00:59:46 --> 00:59:48: have any questions and consider.
00:59:48 --> 00:59:51: Joining us at the Housing Opportunity Conference in March.
00:59:51 --> 00:59:53: Thank you very much for all of your time and
00:59:54 --> 00:59:54: have a great day.

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