

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

00:00:59 --> 00:01:02: 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

00:01:09 --> 00:01:13: members

00:01:09 --> 00:01:13: to catalyze housing production and improve attainability and

00:01:13 --> 00:01:16: equity.

00:01:13 --> 00:01:16: We do this through direct engagement with communities and

00:01:16 --> 00:01:18: 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

00:01:18 --> 00:01:22: 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
 00:03:19 --> 00:03:20: 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
 00:03:51 --> 00:03:53: 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
 00:04:20 --> 00:04:24: of cost
 00:04:20 --> 00:04:24: burden and worsening household financial position in terms
 00:04:24 --> 00:04:25: 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
 00:04:31 --> 00:04:35: direct
 00:04:31 --> 00:04:35: health impacts of the COVID-19 pandemic and associate and
 00:04:31 --> 00:04:35: 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
00:08:39 --> 00:08:42: circumstances can lead
00:08:42 --> 00:08:42: to displacement and the cost of moving or being evicted
00:08:42 --> 00:08:46: further.
00:08:46 --> 00:08:50: Heightens a household economic precarity however,
00:08:50 --> 00:08:55: practitioners who spoke to the tenant perspective highlighted the less
00:08:55 --> 00:08:56: outwardly visible but potentially impactful challenge of power imbalances between
00:08:56 --> 00:08:59: owners and renter households.
00:08:59 --> 00:09:00: To provide a brief illustration of how this dynamic may
00:09:00 --> 00:09:03: play out.
00:09:03 --> 00:09:06: The supply shortage for decent rental homes means that
00:09:06 --> 00:09:10: units
00:09:10 --> 00:09:13: can often be filled quickly and lower at lower income.
00:09:13 --> 00:09:16: Households may often have to compete with households with
00:09:16 --> 00:09:19: more
00:09:19 --> 00:09:20: resources for the few decent well located available units.
00:09:20 --> 00:09:23: Renter households will be at a disadvantage in a dispute
00:09:23 --> 00:09:26: with the landlord if they face potential homelessness as an
00:09:26 --> 00:09:28: alternative.
00:09:28 --> 00:09:32: Because of that shortage. Furthermore,
00:09:32 --> 00:09:35: the main method for enforcing tenant rights in most cases
00:09:35 --> 00:09:38: is through the civil court system,
00:09:38 --> 00:09:42: whereas many property owners and managers may keep
00:09:42 --> 00:09:46: legal counsel
00:09:46 --> 00:09:49: and retainer filing suit may be challenging for many lower
00:09:49 --> 00:09:52: income tenants with limited resources or less knowledge of the
00:09:52 --> 00:09:55: legal system and the tenant landlord legal framework.
00:09:55 --> 00:09:58: This contributes to the fact where potentially vulnerable

households don't have the ability to to enforce their rights if they are that are already enshrined in law.

Owners and managers that we engage with face considerable challenges as well.

As with renter households, the most immediate challenges are financial and more closely tied to the pandemic, particularly the impact of non payment of rent as there have been a hit on the revenue side of the Ledger, expenses have also increased due to health and safety protocols, labor shortages and rising material costs.

And while most owners and managers we spoke with supported varying degrees of tenant based supports during the pandemic, they were particularly concerned that policy efforts did not account for the operational and management realities that they face.

A 2020 survey of owners and operators by the National Apartment Association found that respondents spent on average more than half of rental revenues on mortgage payments and property taxes, which are often inflexible and must be paid to avoid default or tax foreclosure.

Although during the pandemic there have been some relief programs put in place.

An additional 38% of revenues are spent to keep the property up and running, including both short and long term maintenance, with 10% of revenues contributing to owner profit.

For an owner of a 5 unit property who has expenses similar to those outlined above, if just one tenant lost work as a result of the pandemic and was unable to make payments for the initial six months of intensive lockdowns, the amount loss could wipe out annual profit potential for the entire property and could constrain the owner's ability to 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

00:13:02 --> 00:13:04: debate about policy,
 00:13:04 --> 00:13:08: but it does not may make coming to a consensus
 00:13:08 --> 00:13:11: any easier around policies that address those issues but do
 00:13:11 --> 00:13:14: not have adverse impacts on good faith.
 00:13:14 --> 00:13:17: Actors on both sides of the of the debate on
 00:13:17 --> 00:13:20: a more positive side based on our outreach,
 00:13:20 --> 00:13:23: there was more overlap than one would think between
 00:13:23 --> 00:13:25: stakeholders
 00:13:25 --> 00:13:27: of various perspectives on the core challenges and what
 00:13:27 --> 00:13:31: needs
 00:13:31 --> 00:13:34: to be done to improve stability.
 00:13:34 --> 00:13:36: If policy dialogue can emphasize.
 00:13:36 --> 00:13:38: This common ground and discourage entrenched
 00:13:38 --> 00:13:43: segmentation by sector.
 00:13:43 --> 00:13:47: There could be opportunities for creating more equity
 00:13:47 --> 00:13:51: equitable policy
 00:13:51 --> 00:13:56: outcomes for all involved.
 00:13:56 --> 00:14:00: So what is currently being done to address residents
 00:14:00 --> 00:14:03: stability?
 00:14:03 --> 00:14:05: In our landscapes, can we uncovered a lot of different
 00:14:05 --> 00:14:09: examples and we grouped them the most common
 00:14:09 --> 00:14:09: proposals,
 00:14:09 --> 00:14:13: initiatives into four categories. These include direct financial
 00:14:13 --> 00:14:16: support such
 00:14:16 --> 00:14:18: as rental assistance and emergency rental aid price controls
 00:14:18 --> 00:14:22: such
 00:14:22 --> 00:14:23: as rent control and anti gouging regulations,
 00:14:23 --> 00:14:26: which I'll return to in a minute.
 00:14:26 --> 00:14:27: Operational controls which address how landlords select and
 00:14:27 --> 00:14:31: interact with
 00:14:31 --> 00:14:35: tenants.
 00:14:35 --> 00:14:38: And changes to eviction processes in moratori.
 00:14:38 --> 00:14:40: We'll discuss these in more detail as the presentation goes
 00:14:40 --> 00:14:44: on and during the discussion portion of the agenda,
 00:14:44 --> 00:14:44: but I do want to highlight that price control category
 00:14:44 --> 00:14:44: in particular.
 00:14:44 --> 00:14:44: Rent regulations and rent control have been advanced in a
 00:14:44 --> 00:14:44: number of jurisdictions.
 00:14:44 --> 00:14:44: Some of these policies are updates to existing regimes or
 00:14:44 --> 00:14:44: pandemic related emergency restrictions we've seen in some
 00:14:44 --> 00:14:44: cases,
 00:14:44 --> 00:14:44: and we'll talk about this in particular during the Q&A
 00:14:44 --> 00:14:44: during the discussion portion of our agenda,
 00:14:44 --> 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

00:18:19 --> 00:18:23: achieve

00:18:19 --> 00:18:23: through policy before evaluating the policies on whether

00:18:23 --> 00:18:27: 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

00:19:44 --> 00:19:47: role

00:19:47 --> 00:19:51: of that the person played in the market and prioritization

00:19:51 --> 00:19:54: and focus may vary even if conceptually people didn't have

00:19:54 --> 00:19:57: conflicting opinions, so these are not necessarily area of

00:19:57 --> 00:19:58: conflicts,

00:19:58 --> 00:20:01: but there are areas of focus where that where that

00:20:01 --> 00:20:05: focus may differ.

00:20:05 --> 00:20:08: For example, tenant advocates were more likely to focus on

00:20:08 --> 00:20:11: making changes to legal processes and supporting

00:20:11 --> 00:20:13: organizing efforts they

00:20:13 --> 00:20:16: hope will create a more even power dynamic between tenant

00:20:16 --> 00:20:19: and landlord. When talking about adding supply,

00:20:19 --> 00:20:22: 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 part,

00:22:59 --> 00:23:00: part,

00:23:00 --> 00:23:03: focused on the nuts and bolts issues of expanding housing supply.

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

00:24:36 --> 00:24:38: 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

00:24:42 --> 00:24:45: 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

00:25:16 --> 00:25:18: 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

00:25:22 --> 00:25:25: concern

00:25:22 --> 00:25:25: that in the process of increasing supply redevelopment could

00:25:25 --> 00:25:29: 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

00:25:40 --> 00:25:44: prevent protection

00:25:40 --> 00:25:44: efforts that would be 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

00:28:09 --> 00:28:13: acutely impactful

00:28:13 --> 00:28:17: given current economic circumstances and the first category

00:28:17 --> 00:28:17: is triage,

00:28:17 --> 00:28:21: and those are sort of our crisis and emergency response

00:28:22 --> 00:28:26: interventions.

00:28:26 --> 00:28:26: Those are critical to for stabilizing households in here now

00:28:26 --> 00:28:31: and making sure that disadvantage does not compound and

00:28:31 --> 00:28:34: make

00:28:34 --> 00:28:36: itself.

00:28:36 --> 00:28:41: Worse. We need strengthening based reforms and

00:28:41 --> 00:28:44: interventions that provide

00:28:44 --> 00:28:48: long term support for economic mobility,

00:28:48 --> 00:28:51: housing, production and operations this.

00:28:51 --> 00:28:55: These are the types of supports that help build up

00:28:55 --> 00:28:58: people's capacity to weather economic shocks.

00:28:58 --> 00:29:00: To find a more decent and stable housing to make

00:29:00 --> 00:29:01: those triage based reforms less necessary.

00:29:01 --> 00:29:05: And then we also need structural reforms to address the

00:29:05 --> 00:29:08: root causes and market failures to these issues so.

00:29:08 --> 00:29:11: What that looks like in different markets will will be

00:29:11 --> 00:29:13: different in some cases.

00:29:13 --> 00:29:17: The main issue may be zoning reform to increase supply

00:29:17 --> 00:29:20: in others it may be housing quality that they're there,

00:29:20 --> 00:29:21: may be enough homes, but they're not necessarily in high

00:29:21 --> 00:29:25: opportunity neighborhoods,

00:29:25 --> 00:29:25: or they need significant amounts of investment in repair.

00:29:25 --> 00:29:25: In other cases, it may be structural reforms to the

00:29:25 --> 00:29:25: tenant,

00:29:25 --> 00:29:25: landlord law and eviction processes to make systems better

00:29:25 --> 00:29:25: 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 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

00:31:38 --> 00:31:41: 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
00:33:16 --> 00:33:20: mixes
00:33:20 --> 00:33:24: both qualitative and quantitative analysis so interviews and
00:33:24 --> 00:33:28: focus groups.
00:33:28 --> 00:33:32: Also with data analysis to really holistically look at the
00:33:32 --> 00:33:33: impacts of both rent control and inclusionary zoning,
00:33:33 --> 00:33:37: different types of regulations, not because we know rent
00:33:37 --> 00:33:40: control
00:33:40 --> 00:33:43: from city to city.
00:33:43 --> 00:33:44: And I see from city to city can vary greatly.
00:33:44 --> 00:33:45: We're looking at how different types of these policies and
00:33:45 --> 00:33:49: how they're implemented affect both the supply of housing
00:33:49 --> 00:33:52: that
00:33:52 --> 00:33:53: is affordable,
00:33:53 --> 00:33:56: so not just subsidized housing,
00:33:56 --> 00:34:00: but housing more broadly. And access to opportunity for
00:34:00 --> 00:34:03: people
00:34:03 --> 00:34:06: with low incomes and people of color so to do
00:34:06 --> 00:34:09: so.
00:34:09 --> 00:34:12: We've interviewed tenant advocates, landlords,
00:34:12 --> 00:34:17: developers, policymakers, and practitioners from across the
00:34:17 --> 00:34:17: country.
00:34:17 --> 00:34:22: On both of these topics to learn about how the
00:34:22 --> 00:34:22: really we focused in on how the the variations and
00:34:22 --> 00:34:28: how these regulations are designed and implemented,
00:34:28 --> 00:34:31: implemented affect their behaviors and their decisions,
00:34:31 --> 00:34:34: which was really interesting, particularly on the developer
00:34:34 --> 00:34:37: and landlord
00:34:37 --> 00:34:38: side.
00:34:38 --> 00:34:42: Then in tandem, we've been creating a huge data set
00:34:42 --> 00:34:42: of rent,
00:34:42 --> 00:34:42: control, and disease reforms for cities across the country.
00:34:42 --> 00:34:42: Using we've been using machine learning to collect data from
00:34:42 --> 00:34:42: newspaper articles back in time and across the country,
00:34:42 --> 00:34:42: and we're going to then use those data to do
00:34:42 --> 00:34:42: causal analysis.
00:34:42 --> 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

00:36:49 --> 00:36:52: 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

00:37:33 --> 00:37:37: ordinances right now.

00:37:33 --> 00:37:37: Notice of sale requirements have already passed in

00:37:37 --> 00:37:40: Minneapolis.

00:37:37 --> 00:37:40: Both Minneapolis and Saint Paul increased tenant

00:37:40 --> 00:37:43: 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

00:37:55 --> 00:37:59: 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

00:41:07 --> 00:41:11: 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

00:41:44 --> 00:41:47: 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

00:41:50 --> 00:41:51: 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

00:41:56 --> 00:41:56: 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
 00:46:23 --> 00:46:24: 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

00:58:41 --> 00:58:42: understanding

00:58:42 --> 00:58:45: that interaction?

00:58:45 --> 00:58:47: My other big question is really out,

00:58:47 --> 00:58:49: what is what is the limit?

00:58:49 --> 00:58:52: The outer limit of the private market?

00:58:52 --> 00:58:55: And So what point do we say below this?

00:58:55 --> 00:58:57: Income level housing. Really there is no market solution to

00:58:57 --> 00:58:58: 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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