



The Rent Control Vote: Prelude to More Conflict or Real Solutions?

By Andre F. Shashaty

The narrow defeat of rent control at the polls in Santa Rosa on June 6 must not be seen as the end of a battle about housing, but the beginning of a dialogue about priorities and political power in the North Bay. If we don't address the fundamental reasons for the crisis that lead to the demand for rent control, today's problems will look like child's play in a few short years.

As the publisher of *NorthBay biz*, Norm Rosinski, pointed out in a column earlier this year [Publisher's Forum, April 2017], the only solution to the housing crisis is to build more housing. Rent control advocates said that increasing the supply made sense as a long-term goal, but immediate relief should be imposed by regulation. Apartment owners said that increasing the supply was the only real solution and that rent control was counterproductive.

Let's focus on the good news: Both sides agree on the need for more housing. The bad news is the political deck is stacked against increasing housing production, especially construction of high-density rental units affordable to the poor and working poor.

Californians, especially in the North Bay, have chosen time and again to make it difficult and expensive to build rental housing. They do it through a complex system of government land use and building regulation, plus hefty fees—a system that's become more onerous year after year. Special interests, both private and public, tack on expensive demands as a condition of allowing housing to be built.

Many people (generally those who already have good housing), fear that affordable housing in any quantity would reduce property values, drive up crime, increase taxes for schools and infrastructure, worsen traffic, spoil their view, or attract "undesirable" people. They use the public review processes for new projects to constrain development and add costs to each unit that's approved.

Investors bid up prices on existing apartments because our high "barriers to entry" protect them from competition from new apartments and let them raise rents pretty much at will.

Our complicated, expensive and adversarial approach to development is antithetical to widespread affordability of housing. However, it's rarely questioned and never subject to objective review by voters or public officials. It's a built-in, always-on inflationary engine that makes life harder every year for less affluent folks who need shelter and yearn for a home they can own.

A state-mandated system of planning for meeting metropolitan housing needs sets a goal for each community, and requires those places to plan for how to meet that need. Unfortunately, the goals are rarely met. Some jurisdictions in the North Bay are explicit about their disdain for the goals and blatantly ignore them.

Rent control came to the fore in Santa Rosa and other cities in the Bay Area largely because it's far easier politically than changing our

system of regulating housing construction. But we can no longer avoid the need for honest debate about our priorities, the restrictions we want to place on housing construction, and how we truly feel about the people who would benefit from more production and suffer from less of it.

The starting point is for advocates of rent control to make the need for housing affordability known at public hearings on proposed housing developments. The next step is to demand systemic change in the way we finance and regulate housing.

Tenants and their advocates must join forces with housing developers and builders of all kinds, including the nonprofits who work against long odds to provide low-rent apartments. They must build support for housing production among the more-or-less neutral voters who now understand just how serious a problem we have. This kind of coalition could hold officials accountable for increasing production of all kinds of housing, including units

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affordable to people earning less than the median income.

Santa Rosa is making a renewed effort to encourage housing construction, even offering some money to the cause. A committee is exploring issuance of a housing and infrastructure bond in 2018. Like other cities throughout the state, it is starting to encourage construction of accessory dwelling units, which are located on the same parcel as an existing single-family dwelling. They can be attached or detached, and provide complete independent living facilities.

That’s a positive beginning, but much more must be done. Local leaders must rise to the challenge and examine how they contribute to housing cost inflation. The state legislature must help them, first by rejecting a proposal to give localities more power to impose rent control and then by acting to restrict the ability to delay proposed housing developments for years even when those projects fully comply with local land use laws.

If we don’t look beyond the simplistic story line of tenants vs. landlords and start talking about the real choices we face on housing, the community will be more divided than ever, and the struggles of the poorly housed and the homeless will continue to worsen.

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