



Our Beloved Community Action Network
Advancing Anti-Displacement in Alameda County

Anti-Displacement Recommendations from Our Beloved Community Action Network

February 25, 2017

To: Alameda County Board of Supervisors

Fr: Margaretta Lin and Ndidi Okwelogu, Dellums Institute for Social Justice

The below recommendations are from the following front-line community and faith organizations who have been working to prevent displacement of long-time residents in Alameda County:

- Allen Temple Baptist Church
- Asian Pacific Environmental Network
- Berkeley City Councilmember Ben Bartlett
- Berkeley NAACP
- Berkeley Organizing Communities for Action (BOCA)
- Causa Justa::Just Causa
- Centro Legal de la Raza
- City of Berkeley Rent Board Executive Director and Board President
- Communities United for Restorative Youth Justice
- East Bay Community Law Center
- EastSide Arts Alliance
- East Oakland Building Healthy Communities Collaborative
- Friends of Adeline
- Glad Tidings Church
- Oakland Tenants Union
- Oakland Community Organization (OCO)
- Parent Voices
- Pastor Mike McBride, PICO & the Way Church
- Pastor Michael Smith, McGee Baptist Church and the Faith and Justice Coalition
- Pastors of Oakland
- PolicyLink
- Reverend Ambrose Carroll, Church by the Side of the Road
- Senior Services Coalition of Alameda County
- Tenants Together
- Youth Spirit Artworks



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OUR BELOVED COMMUNITY VISION AND GOALS:

We seek to continue Dr. King’s legacy and vision for creating “Beloved Community” in Alameda County in which,

“All people can share in the wealth of the earth. In the Beloved Community, poverty, hunger and homelessness will not be tolerated because international standards of human decency will not allow it. Racism and all forms of discrimination, bigotry and prejudice will be replaced by an all-inclusive spirit of sisterhood and brotherhood.”¹

Our ability to create the *Beloved Community* is severely undermined by the displacement crisis in Alameda County. We see critical opportunities to solve this crisis and believe the following goals are attainable through a uniting of community dedication and political will:

1. Enable every long-time resident who wants to stay and contribute to have access to new resources for tenants and homeowners.
2. Ensure that new County and City housing funds are being utilized for anti-displacement strategies.
3. Redeploy available local flexible funds to address funding gaps for major anti-displacement strategies.
4. Enact significant protective anti-displacement policies at the County, City, and State levels.

WHY WE NEED ANTI-DISPLACEMENT STRATEGIES IN ADDITION TO BUILDING MORE HOUSING

- It takes time to build, i.e. 3-5 years, and people are being displaced at an escalated rate. The long-term effort to build more permanently affordable housing needs to be paired with more immediate assistance for people at risk of losing their homes.
- Funds and capacity for affordable housing development, while given an important boost by Measure A1, do not meet the need on their own. Looking at just very low and extremely low income households, Alameda County has a shortfall of 58,680 units—which would require public subsidy of over \$5.8 billion.
- The prevalent affordable housing development model is dependent on funding streams that provide one-time subsidies to build housing primarily for very low and low income households, but often aren't paired with the ongoing rental assistance needed for deep affordability. As a result, it provides only a limited supply of new housing for homeless people, extremely low income people, middle class, etc.
- Affordable rental housing, while important for economic and neighborhood stability, does not on its own address the racial wealth-stripping crisis that affects owner-occupied housing and small businesses.

¹ <http://www.thekingcenter.org/king-philosophy - sub4>



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ALAMEDA COUNTY DISPLACEMENT PROBLEM STATEMENT²

1. **Housing unaffordability:** Increasing gap between housing costs and incomes of long-time residents.
 - I.e. renters making the median household income would have to pay 114% of their income to afford new rents in Berkeley; 93% in Oakland; and 69% in Hayward.
2. **Market pressures on some landlords to induce lower rent tenants to move:** harassment; financial pay-out; less flexibility with late rent; delay repairs.
 - i.e. In 2016, there were about 8,551 notices of eviction filed with the City of Oakland; some of these did not result in an actual eviction and some tenants are constructively evicted without a formal eviction notice filed.
3. **Long-time homeowners losing their homes:** Increasing gap between housing costs and fixed incomes; predatory lending targeting homeowners of color; neighborhood targeting by real estate sharks.
 - Over 35,000 Alameda County homeowners are paying over 50% of their income towards housing; over 18,000 are very low income and over 7,500 are very low income and seniors.
 - Property tax default data analysis pending.
4. **Domino market dynamics impact most vulnerable people:** homeless, formerly incarcerated, elderly and disabled, youth, single parents with children.
 - A recent UCSF study showed that significant numbers of homeless seniors became homeless due to housing unaffordability.
 - Oakland's children population declined 16.7% from 2000 to 2010, with only a 3.9% decline in the County.
 - Recent studies show the direct correlation between housing stability and recidivism.
5. **Persistent racism including in housing, employment, and lending results in disparate impacts on African Americans, certain neighborhoods and cities**
 - In the cities in Alameda County with growing economic prosperity, the African American population has been severely reduced from 2000 to 2015.
 - Berkeley lost 5,040 African Americans, a 37% decline.
 - Oakland lost 36,559 African Americans, a 26% decline.
 - Berkeley, Oakland, and Piedmont are the top cities in the County with the largest gap between median income and market rate rents and the only cities that experienced a decline in the African American population from 2000 to 2015.
 - The economic recovery in Alameda County has been racially uneven with the White and Asian populations seeing the largest gains in income recovery from 1999 to 2011-15 compared to the median incomes of the African American and Latino populations.

² The following is a summary of some relevant data and additional information will be available in the final report.



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- **Berkeley:** median income for White and Asian households increased by \$2,410 and \$13,732, respectively, at the same time that median income for African American and Latino households decreased by \$13,570 and \$2,094, respectively.
 - **Hayward:** median income for White and Asian households declined by \$3,191 and \$1,551, respectively, at the same time that median income for African American and Latino households decreased by \$20,678 and \$14,728, respectively.
 - **Oakland:** median income for White household increased by \$6,206 at the same time that median income for African American, Latino, and Asian households decreased by \$8,152, \$9,199, and \$4,286, respectively.
 - The foreclosure crisis was concentrated in working class communities of color with the greatest impact in East and West Oakland, South Berkeley, Ashland, and Hayward's Harder-Tennyson and surrounding neighborhoods.³ Foreclosures of primarily single family homes resulted in destabilized housing with the conversion of affordable homeownership into market rate rentals. Today, these neighborhoods are either in advanced gentrification, undergoing displacement, or at risk of displacement.⁴
 - In addition, while the homeownership rate for households has declined in the County by 2% from 2000 to 2011-15, the decline rate for African American households has been the largest at 5.2% compared to Asian (3% increase), White (1.8% decline), and Latino (4.9% decline). This racial disparity is reflected in the following cities:
 - **Berkeley:** total homeownership rate (no change); African American at 6.2% decline compared to Asian (3.2% increase), White (no change), and Latino (no change).
 - **Hayward:** total homeownership rate (no change); African American at 5.7% decline compared to Asian (12.1% increase), White (no change), and Latino (4.4% decline)
 - **Oakland:** total population homeownership rate decline of 1.7%; African American at 2.9% decline compared to Asian (no change), White (1.7% decline), and Latino (2.5% decline).
 - Recent studies show that racial discrimination in lending continue today.⁵
 - Bay Area job growth is concentrated in the high wage tech and other professional industries and low wage service industries. Recent lawsuits and studies point to racial disparity and discrimination in the tech industry.⁶
- 6. There are no protections for legacy business, cultural artist, and nonprofit employers**
- State law prohibits local commercial rent protections. Rents have been escalating, with the displacement of long-time small businesses, cultural arts, and nonprofits.

³ <http://www.acphd.org/media/53643/foreclose2.pdf>, page 17.

⁴ <http://www.urbandisplacement.org/map/sf>

⁵ <https://urbanstrategies.org/download/locked-out-of-the-market-poor-access-to-home-loans-for-californians-of-color/>

⁶ <http://www.forbes.com/sites/bonniemarcus/2015/08/12/the-lack-of-diversity-in-tech-is-a-cultural-issue/#4fdc30323577>; <http://arstechnica.com/tech-policy/2017/01/labor-department-sues-oracle-for-racial-discrimination/>; <https://techcrunch.com/2016/09/26/u-s-department-of-labor-sues-palantir-for-racial-discrimination/>.



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RECOMMENDATIONS FOR FY 16-17 \$5 MILLION (ABOUT 6 MONTHS)

Criteria: In developing our recommendations we looked at the following criteria: 1) the urgent needs of County residents facing immediate displacement and/or homelessness that cannot be adequately met through existing funds, including the new Housing Bond funds; and 2) the availability of existing services and providers with the capacity to provide immediate relief.

Timeline: Our funding level recommendations are based upon a 6-month expenditure budget given the availability of FY17-18 housing boomerang funds AND what we hope will be local match funds for anti-displacement to increase the funding pot for immediate anti-displacement solutions.

Recommendation 1: County-wide universal legal eviction defense at \$1.8 million for 6 months.

Currently there are 9.5 tenant eviction defense lawyers providing eviction defense for the entire County, with an estimated 3,000 annual unlawful detainer filings. Research shows the County needs 22 additional lawyers to adequately address the service gap of over 2,000 cases annually. Research also shows that the likelihood of a successful eviction defense increases from 6% without an attorney to over 60% with an attorney.

Recommendation 2: County-wide housing counseling and education at \$300,000 for 6 months.

Housing counseling and education services are critical to helping both tenants and homeowners at the pre-eviction stage avoid eviction. However, these services are severely under-resourced. For example, the City of Oakland's grant to CJC currently funds less than 1 FTE counselor who provides services to about 800 tenants. CJC, who has been providing housing counseling and education services to the City of Oakland since 2012, estimates that \$300,000 annually is needed to address the service gap in Oakland alone, as well as provide critical case management services. We doubled this estimated budget for County-wide services.

Recommendation 3: County-wide emergency and flexible housing assistance funds for vulnerable people (including elderly and disabled homeowners and tenants, families with children, homeless, emancipated youth, formerly incarcerated) at \$2.5 million for 6 months.

Our direct experience shows that providing up to \$50,000 for an eligible low-income elderly homeowner to preserve her home, or up to \$5,000 for tenant households facing displacement, or rapid re-housing funds for homeless or near homeless people have worked to provide housing stability and ensuing life benefits. However, there are NO homeowner assistance funds in the County other than for home repair needs—the City of Oakland flexible funds have been expended. Emergency rental assistance funds are very limited—the private funds are grossly underfunded with long wait-lists and the City of Berkeley is one of the only cities with their own funded program. Everyone Home estimates that current Rapid Re-housing funds serve 3-5% of the County homeless population. Parent Voices estimates that half of their members, who are families with children, have been homeless—sleeping in their cars or on buses. CURYJ and



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other re-entry groups have highlighted the housing access problems facing formerly incarcerated residents and youth. Higher education groups have also highlighted the growing homelessness problem among their student population.

Recommendation 4: County-wide faith activities to address homelessness and anti-displacement, including outreach to encampments at \$400,000 for 6 months.

Many County faith centers currently provide services to the homeless or near homeless including food, outreach to homeless encampments, and shelter. However, many of these invaluable programs are severely under-resourced and some faith centers are not connected to existing or new public and private resources. In addition, some faith centers themselves are threatened with displacement from the loss of congregants who have been displaced. We recommend funds to support the capacity of faith centers to engage in strategic coordination with one another, to strengthen their internal capacity to improve their housing services, and to provide resources for their current services to the homeless and people at risk of immediate displacement.

Unspent funds: We strongly encourage that if there are any remaining funds in Recommendations 1, 2, and 4, that these funds should be used for Recommendation 3: Emergency housing assistance grants.

RFP process: We strongly encourage an expedited RFP and grant contracting processes so that critical services can be implemented ASAP and also for public transparency and accountability. The RFP process should recognize that successful anti-displacement strategies for the homeless, seniors and people with disabilities often require the coordination of supportive services, such as case management, and should encourage programs with robust collaborative connections.

RECOMMENDATIONS FOR FY 17-18 AND FUTURE YEARS

Recommendation 1: Use the New County Housing Bond Funds to Advance Anti-Displacement

1. **Prioritize impacted neighborhoods:** Prioritize building new or acquiring existing housing in neighborhoods at high risk of displacement, especially of African Americans, including Transit Oriented Corridors, or with concentrations of homeless encampments.
2. **Prioritize impacted people:** Ensure access for the groups most vulnerable to displacement—the elderly, disabled, formerly incarcerated, homeless, single parents with children, undocumented residents, and youth. **Remove current barriers to affordable housing for formerly incarcerated and undocumented residents.**
3. **Prioritize impacted community institutions:** Prioritize partnerships with faith and other community centers serving memberships with high rates of displacement, especially African Americans, to help prevent displacement of community centers.



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4. **Prevent further or redress racial wealth-stripping**, through:
 - a. **Home Preservation Fund** (\$45 million) for low income homeowners should include terms to facilitate **heirs to keep and live in homes**—loan not to be repaid until income eligible (80% AMI or below) and owner-occupant heirs sell the property.
 - b. **Rental Housing Development** (\$425 million) projects should prioritize **long-term affordable commercial rents** or **co-ownership** opportunities for neighborhood-serving small businesses, cultural artists, and nonprofits in commercial components.
 - c. **Homeowner Housing Development** (\$25 million) and **Down Payment Assistance** (\$50 million) should prioritize **people who lost their homes** (including those who moved out of County) or have been **long-time residents** in the County.
 - d. **Innovation Fund** (\$35 million) should include **rental housing rehabilitation funds**, including utility meter rehab, for income eligible small landlords in exchange for long-term rent affordability terms.
5. **Use power of money**: County should require all Cities who want to receive County Housing funds to prioritize anti-displacement measures—see below Recommendations.
6. **Public transparency**: Provide **quarterly public reports** and ensure that new **Oversight Committee** includes faith, community leaders for effective funding implementation.

Recommendation 2: Use local housing funds for anti-displacement priorities.

A **25% local match** of just the **City designated funds of \$225 million** including the County housing boomerang funds, would provide **\$16.25-\$18.75 million annually for critical anti-displacement priorities**. We advocate that cities with severe displacement, such as **Oakland and Berkeley**, provide a **35% local match to fund anti-displacement priorities**, which would provide an **additional \$1.4 million annually**. Our analysis of the annual affordable housing development funds from local sources such as housing boomerang and local housing fees shows that **\$48-61 million is available annually** County-wide, including County housing boomerang funds. See Table 1.

1. **Fund Anti-Displacement Community Infrastructure--one-stop centers, universal legal defense services, tenant and housing counseling, community buying program.**
2. Fund a **County-wide Home Preservation Revolving Loan Fund** for low-income distressed homeowners.
3. Funds **County-wide Emergency Rental Assistance Grants** for low-income tenants operated by existing groups.



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4. Fund **Coordinated Entry** system and **Rapid Re-housing** grants and services for homeless and homeless prevention.

Recommendation 3: We advocate that the County Board of Supervisors pass critical anti-displacement policies:

1. Protections in eviction process for people with health risks—legal analysis is pending.
2. Rent stabilization & just cause eviction laws for the estimated 18,179 tenants residing in the unincorporated areas.
3. Protections for seniors and disabled homeowners in property tax default—the County should partner with service providers to conduct outreach and refer them to services and resources. The County should take all discretionary steps possible to avoid tax foreclosure of lower income, elderly and disabled owner-occupied homeowners.
4. Remove barriers to all publicly subsidized housing for formerly incarcerated residents who receive County housing funds, following recent City of Richmond enacted law, and undocumented residents.
5. Provide property tax reductions for small income eligible landlords in exchange for long-term rental affordability requirements.
6. Prioritize public lands for 100% affordable housing (when housing feasible) or strong community benefits in commercial and industrial development including local hire, living wage, and affordable commercial rents for neighborhood serving businesses, cultural artists, and nonprofits.
7. Address discriminatory hiring in tech firms by conducting an annual report of outcomes from hiring and efforts to remove barriers using current company Corporate/Social Responsibility reports.
8. Advocate for major State law changes:
 - a. Repeal Costa Hawkins that constrains local governments from enacting effective rent stabilization protections.
 - A number of cities in California have passed resolutions supporting Costa Hawkins changes.
 - A recent study shows that local rent laws in California prevented the displacement of lower income renters, including people of color; Costa Hawkins did not result in its stated goals and has been a major factor in the urban displacement crisis.



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- i.e. About 44% of Oakland’s rental housing stock is unable to be covered by local law because of State constraints.
- b. Repeal State law prohibiting local commercial rent stabilization
- c. Provide protections in eviction process for elderly & disabled & school-aged children homeowners and tenants.

Recommendation 4: We advocate that the County Board of Supervisors incentivize Cities who want access to the County regional housing development funds (\$200 million) to have effective anti-displacement policies, including the below best practice policies.

Many of the below policies have been identified by County Housing staff as anti-displacement policies. We have included other best practice or innovative policies. We also recommend that the County require Cities to present at an annual County public hearing on 1) outcomes of the use of County Bond funds; 2) their steps to prevent displacement and the outcomes.

1. Rent stabilization laws, including for mobile homes if applicable
2. Strong condo conversion protections
3. Just Cause eviction protections
4. Ellis Act eviction protections
5. Remove barriers to publicly subsidized housing for formerly incarcerated residents, following recent City of Richmond law
6. Public lands policy requiring 100% affordable housing or commercial including for cultural artists
7. SRO preservation
8. Displacement impact nexus study and mitigation requirements from market rate projects over X units
9. Local hire for both publicly subsidized projects AND projects requiring land use and zoning changes
10. Living wage ordinance for publicly subsidized projects
11. Cultural preservation district policy integrating community governance, financing, and land use and zoning powers



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12. Seismic retrofit requirements for at-risk rental housing with strong anti-displacement including rent increase caps and funds for income eligible landlords
13. Tenant opportunity to purchase housing units about to be sold, such as the recent Washington DC policy.
14. Regulate short-term rental housing units to prevent loss of rental housing stock.
15. Policies that address employers who are exacerbating the housing crisis due to their economic development model.



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Table 1. Affordable Housing Development Funds

City	Designated County Funds for Affordable Housing Development (2017-2021)	Access to other County Affordable Housing Funds (2017-2021)	25% Local Match ⁷ for Anti-Displacement Priorities	Annual Local Match over 5 years	Estimated Annual Local Flexible Affordable Housing Development Funds ⁸
City of Alameda	\$ 10,370,727	\$49,803,134 pool	\$2.6 mm	\$518,536	\$3 mm
City of Albany	\$2,588,918	\$89,325,065 pool	\$650,000	\$129,445	?
City of Berkeley	\$15,796,369	\$89,325,065 pool	\$4 mm	\$789,818	\$1 mm + \$3.3 mm
City of Dublin	\$8,831,465	\$27,332,372 pool	\$2.2 mm	\$441,573	\$7.5 mm
City of Emeryville	\$2,799,109	\$89,325,065 pool	\$700,000	\$139,955	\$1-3 mm
City of Fremont	\$33,264,459	\$33,539,429 pool	\$8.3 mm	\$1.66 mm	\$12.3 mm
City of Hayward	\$20,298,294	\$49,803,134 pool	\$5 mm	\$1 mm	\$8 mm ⁹
City of Livermore	\$12,722,700	\$27,332,372 pool	\$3.2 mm	\$636,135	\$4.5mm
City of Newark	\$6,029,275	\$33,539,429 pool	\$1.5 mm	\$301,464	\$106,000
City of Oakland	\$54,803,565	\$89,325,065 pool	\$13.7 mm	\$2.74 mm	\$4-6 mm + \$6 mm ¹⁰
City of Piedmont	\$2,431,300	\$89,325,065 pool	\$608,000	\$121,565	\$0
City of Pleasanton	\$13,720,684	\$27,332,372 pool	\$3.43 mm	\$686,034	\$430,000
City of San	\$11,907,775	\$49,803,134 pool	\$3 mm	\$595,389	\$295,000

⁷ 25% of designated County funds for specific cities.

⁸ Sources of funds include housing boomerang and local fees such as housing impact, Inclusionary Zoning in-lieu, commercial linkage. Information based upon review of recent budgets and/or interviews with City staff.

⁹ The City of Hayward currently has \$8 million available in uncommitted local housing funds. City staff analysis on future revenues from its new housing impact fee is pending.

¹⁰ The City of Oakland's new housing impact fee began in September 2016 and is estimated to generate \$60.8 million over 10 years.



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Leandro					
Unincorporated County	\$19,671,892	\$49,803,134 pool	\$4.9 mm	\$983,594	?
City of Union City	\$9,763,468	\$33,539,429 pool	\$2.44 mm	\$488,173	\$1 mm