Fixin' to Stay

Anti-Displacement Policy Options & Community Response
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Urban Habitat
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Race, Poverty & the Environment

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News from Urban Habitat

Dear Friends,

In the nine months since I joined Urban Habitat as its new Executive Director, I've been busy connecting with the board, staff, supporters, and community partners who represent the core of our movement toward environmental and social justice in the San Francisco Bay Area. The ever-widening array of people in our community who are dedicated to the issues that Urban Habitat continues to champion leave me with no doubt that the legacy established by Carl Anthony will be upheld and strengthened as we move forward with our work.

Although the recent economic downturn has shifted the national focus away from issues of gentrification, low-income communities and communities of color continue to be threatened by displacement. The fact is that the populations we serve were the last to benefit from the economic boom that went before, and they are the first to suffer when business is slow. Furthermore, by displacing longtime residents and upsetting the balance of our neighborhoods, gentrification has a devastating and lasting impact on the health and sustainability of local communities.

But all is not lost. Across the country local activists, in partnership with faith-based groups, labor unions and housing organizations, have created bold new initiatives to counteract the damaging effects of gentrification and displacement in their communities. In this issue of Race, Poverty and the Environment you will read the stories of these partnerships.

Through boom and bust Urban Habitat remains true to its mission of building a multicultural majority that takes the lead in fostering socially just and ecologically sustainable communities throughout the Bay Area. We are committed to creating a network that links local environmental and social justice efforts with those taking place on the regional and national levels. As we move forward, Urban Habitat will continue to support historically disenfranchised populations by advancing a vision of urban revitalization that takes as its starting point the needs and values of our communities.

This is an especially exciting time at Urban Habitat. With the guidance of our strong, active Board of Directors, and through our many publications, as well as the programs offered by our Leadership Institute, Urban Habitat will continue to provide an alternative paradigm on issues of equity and urban community development.

On behalf of the board and staff, I want to thank you again for your support and your commitment to the mission of Urban Habitat over the years. I’m looking forward to maintaining a dialogue with you through which we can share our visions and goals as we work together to continue and expand the rich legacy of Urban Habitat.

Juliet Ellis
Executive Director

P.S. Please visit our brand new website, www.urbanhabitat.org, which will be updated regularly with details of new activities and developments.
From the Center on Race, Poverty and the Environment

In local struggles, CRPE marked its 10th year as the attorneys for a hardy group of Buttonwillow, California residents who are fighting the expansion of a toxic waste dump near their community. CRPE Delano office Directing Attorney Caroline Farrell used an administrative appeal to highlight the dump’s acceptance of radioactive waste and make it a statewide issue, forcing the dump to stop accepting the waste.

CRPE has represented San Joaquin Valley residents in a series of lawsuits seeking to block factory dairy farms, and has been successful in stopping one 48,000 cow dairy proposal and slowing down more than 60 other mega-dairy proposals. CRPE staff attorney Brent Newell spearheaded a successful challenge to California’s exemption of agriculture from clean air laws, which means that mega-dairies and other industrial agricultural practices will be subject to regulation like any other factory. This is a major victory for public health in California as thousands of tons of pollutants will ultimately be eliminated.

CRPE organizer Joe Morales led our spirited Delano advisory board in hosting the first Central Valley Environmental Justice Conference, which significantly raised the profile of the fledgling Central California Environmental Network. The Network, which is becoming a presence in the Central Valley, is the result of hard work by CRPE’s advisory board members Linda MacKay, Sandra Meraz, Teresa deAnda and others.

On the national front, CRPE has represented over a dozen community groups across the country in an array of civil rights complaints and lawsuits. CRPE has also coordinated national conversations around civil rights approaches to environmental justice, and co-sponsored the January 2002 gathering of civil rights lawyers from around the U.S. in Berkeley with the Impact Fund.

I was co-counsel in the historic case of South Camden Citizens in Action v. New Jersey Department of Environmental Protection, in which a federal judge ruled — for the first time ever — that a permit given by the state of New Jersey to a cement plant violated local residents’ civil rights. The momentous decision did not last, however, and was overturned by the Third Circuit Court of Appeal in December 2001. We are still fighting the plant.

As well as our many cases in California and one in New Jersey, CRPE represents clients in Alabama, Arizona, Alaska and elsewhere in environmental justice struggles. We look forward to the Second National People of Color Environmental Leadership Summit this Fall!

Luke Cole
Director
Editor’s Notes

About This Issue

To lose the people who know a city, to lose a lot of them quickly, is like burning its library — Rebecca Solnit, Hollow City

Gentrification, the wrenching process of neighborhood change, was first named in the 1960s. But the name did not acknowledge the permanent erasure that takes place when a community loses its memory. Instead, the term reflected notions of class and racial hierarchy as it judged neighborhood change to be an inevitable and positive process of rising real estate values and farsighted public and private investment. Urban renewal, downtown redevelopment, urban blight, new names were added to describe again, a neighborhood change driven by public and private investment. Another descriptive term was "under-utilized" which may actually have meant, in redevelopment lingo, "used by the wrong people.” Gentrification, or urban blight were policy terms that carried social and racial values, as well as a political and economic agenda. The layered meanings of the language of redevelopment has been understood by many communities that have fought to remain intact. In San Francisco those communities and their fights for survival are whispered anthems to community struggle; International Hotel, Yerba Buena, Fillmore. May there be no more.

Certain lessons were learned, from those past struggles. Activists have added a second name to the process of neighborhood change, and the new term; gentrification = displacement is somewhat more descriptive of what really is at stake. The 1999 Urban Habitat report There Goes the Neighborhood tackled the subject of gentrification and policies for community stability that are needed to stem its tide. The report focused on creating policies and regional alliances to increase affordable housing and promote community control, insuring that potential new investment guided by Smart Growth plans "stabilizes rather than disrupts the most vulnerable communities.”

Since our report in 1999, gentrification = displacement has continued to charge through a number of low-income communities of color in the San Francisco Bay Area, and the half dozen other U.S. cities where housing and real estate prices in some neighborhoods are growing apace. But the 2001 economic recession and the dotcom bust in San Francisco has slowed the tide. However the cost of housing has consistently and dramatically outpaced income for many years. The National Low Income Housing Coalition informs us that nowhere in the U.S. can a person earning the prevailing minimum wage afford a market rate two bedroom home. In fact, the average national median housing wage, or hourly income needed for a two bedroom market rate rental, is more than two times the minimum wage. This puts housing out of reach even for households with two wage earners. What is more, the housing wage is increasing at a greater rate each year, more and more people are double up, or losing their housing altogether and becoming homeless. We are in the midst of an affordable housing crisis unlike any other since the end of World War II. The human cost of this is staggering. The cause is directly related to the prolonged period of disinvestment in affordable housing by the federal government.

There are effective strategies to both increase affordable housing and gain community control over development. In this issue you will find the story of a Los Angeles coalition that won a Regional Housing Trust Fund. PolicyLink has a tool kit for equitable development, a web based resource with strategies to preserve affordability. We bring you ACORN's organizing work in Sacramento and a Displacement Free Zone in Brooklyn, where the community enforces a ban on blatant rent increases. We take a look at the successes of faith-based organizing in cities were lack of investment, not displacement is the problem. In another section we look at the center of gravity for San Francisco's South of Market Filipino community, and the risk to cultural continuity that displacement can bring.

We look for future trends in community development, and find a wider frame for global capitalism, displacement, and the forces that shape our communities. Global economic decisions impact people’s choices for immigration, decent jobs, housing, and the environment. Global economic forces undermine the ability of our communities to come together and resist displacement. And displacement is not a new story. People of color in this country and around the world have long struggled for self determination and for their land.

In this issue we attempt to provide historical context, policy ideas, and community experiences from around the country that will leave you both inspired and better equipped to tackle these issues at the local and regional level.
Combating Gentrification Through Equitable Development

BY KALIMA ROSE, POLICYLINK

The Fifth Avenue Committee (FAC) has worked for fifteen years to revitalize the lower Park Slope neighborhood of Brooklyn, building affordable housing, rehabbing dilapidated buildings and training residents to own cooperative businesses in the neighborhood. The success of these efforts has forced them into unanticipated arenas, including a Displacement Free Zone campaign - their fierce effort to defend tenants within the 36-block neighborhood from evictions; and a local and state policy campaign with other New York City organizations to give landlords incentives to keep their tenants in place and to require developers to include affordable housing in market rate developments.

"Our work has made the neighborhood nicer, which was the point," reflects FAC's director of organizing Benjamin Dulchin, "but it's meant that evictions are on the rise."

Even though the expanding economy of the last decade accelerated the pace of displacement in revitalizing communities, the current recession has not reversed that trend. Thus, low-income and people of color communities such as lower Park Slope, working hard for equitable development, remain vulnerable to the larger trends and economic realities that come with revitalization. What are these trends, and how can communities respond to make the improvements benefit existing residents?

Development trend #1: Regional development patterns play a significant role in gentrification and displacement in particular neighborhoods.

As regions grow and sprawl into a network of economically interdependent jurisdictions, the abandoned or dis-invested communities become attractive to both residents and developers. Workers who tire of commuting long distances and want to be closer to effective mass transit systems look to move back towards the core. In an effort to shore up hemorrhaging municipal budgets public officials promote regional developments that will draw people back to the core for shopping or entertainment. Because the initial abandonment and disinvestment was spurred by segregationist practices such as "white-flight," mortgage preferences and redlining by banks and insurance companies, the new influx of people and capital has a distinct racial impact when displacement begins to occur.

Gentrification in San Francisco's Mission District displaced residents and businesses from the Latino cultural nexus of the Bay Area; the expansions of Los Angeles' Staples Center entertainment complex and the University of Southern California threaten both a historic African American community and a newer Latino community as land values escalate; Chinatowns of New York, Oakland and Portland have felt the loss when seniors and low-income members of historic Asian communities can no longer afford the rents or taxes on their housing.

Development trend #2: Housing affordability problems in the United States have become more pervasive.

A shrinking investment in affordable housing by the federal government limits the affordable supply and concentrates low-income housing in disinvested communities. The federal investment in HUD (U.S. Department of Housing and Urban Development) and low-income housing programs has declined as much 60% over the last quarter century. These cutbacks have placed upward pressure on the affordability of existing private units. In 1999, over 14 million owner and renter households spent more than half their incomes on housing. Contributing to these pressures is the ongoing loss of affordable rentals. More than 300,000 units affordable to households with low incomes were lost and not replaced between 1997 and 1999 alone.

Development trend #3: Not all jurisdictions are committed to producing affordable housing and enforcement mechanisms are the exception rather than the rule.
When jurisdictions undergoing growth do not tie development to affordability commitments, they are increasing pressures on existing affordable units in more affordable neighborhoods. Restrictions on land development and exclusionary zoning practices make it difficult for the market to produce housing that low-income people can afford. As household growth adds to demand, the mismatch between the supply of low-cost rentals and the number of households who need them will likely grow.

Development trend #4: Jurisdictions chase sales tax and property tax to increase local revenues

Jurisdictions make development decisions based on revenue instead of community need. Urban core jurisdictions increasingly opt for large scale developments like big box retail stores, hotels, and stadiums that draw visitors from across the region. These developments often directly displace community-serving and culturally-oriented businesses, opening wounds for communities that were negatively impacted by earlier urban renewal. The urban renewal programs of the ‘60s and ‘70s (aka urban removal) caused widespread condemnation of African American commercial districts. To residents of New York’s Harlem, Cincinnati’s Over-the-Rhine, and Portland’s Interstate neighborhood, revitalization efforts all portend the loss of community serving enterprises. While this tangible history, however, the biggest champions for community continuity—the residents—are mobilizing to direct positive neighborhood and regional change to ensure that their visions of equitable development, rather than gentrification and displacement come to life.

Indicators of Gentrification
Specific community attributes that create the greatest vulnerabilities to displacement include:

- a high proportion of renters
- ease of access to jobs centers (freeways, public transit, reverse commutes, new subway stations or ferry routes)
- location in a region with increasing levels of metropolitan congestion and
- comparatively low housing values, particularly for housing stock with architectural merit.

While the story of gentrification within each community is unique, the process tends to unfold in a series of recognizable stages. The first stage involves some significant public or nonprofit redevelopment investment and/or private newcomers buying and rehabbing vacant units.

In the next stage, the neighborhood’s low housing costs and other amenities become known and housing costs rise. Displacement begins as landlords take advantage of rising market values and evict long-time residents in order to rent or sell to the more affluent. Increasingly, newcomers are more likely to be homeowners, and the rising property values cause down payment requirements to increase. With new residents come commercial amenities that serve higher income levels.

As rehabilitation becomes more apparent, prices escalate and displacement occurs in force. New residents have lower tolerance for existing social service facilities that serve homeless populations or other low-income needs; as well as industrial and other uses they view as undesirable. Original residents are displaced along with their industries, commercial enterprises, faith institutions and cultural traditions. In San Francisco’s Mission District, rents escalated so rapidly in the past few years that non-profit health clinics, Latino cultural arts organizations and the ubiquitous auto repair shops have been forced to close. In their place, dot.coms and other offices use neither serve nor employ the historic residents of the community.

Strategies to Respond to Gentrification
Gentrification/displacement is felt most severely in historic communities of color. While community advocates have worked tirelessly to attract new investment to their capital-starved communities, they concede that only recently have they begun to wield the tools or power to substantively intervene and redirect development projects that may bring harm to the community.

The Fifth Avenue Committee’s Displacement Free Zone, although effective as a community education and mobilization strategy, is enormously time consuming and localized in impact. But organizers from San Francisco’s Mission Anti-Displacement Coalition; from Los Angeles’ Figueroa Corridor Coalition for Economic Justice; from Portland’s Interstate Alliance to End Displacement; and from Washington DC’s Colombia Heights and Shaw neighborhoods are adopting similar campaigns to heighten community awareness of the problem. They are also mobilizing tremendous
policy gains that include new Housing Trust Funds, Inclusionary Housing or Zoning campaigns, Real Estate Transfer Taxes that dedicate sources of new affordable housing revenue, and campaigns for historic tax credits, all of which provide for the revitalization of commercial districts with the explicit charge of meeting current residents’ needs for jobs, services, contracts, etc.

PolicyLink has been working with many coalitions across the country to draw new capital resources to these communities while allowing enough community control of development to enable current residents and appropriate commercial, industrial and community service amenities to remain. PolicyLink’s web-based Equitable Development Toolkit: Beyond Gentrification, ”http://www.policylink.org” provides a roadmap to the most effective policies and practices that are emerging from innovative campaigns across the country.

First, Assess
A strategic assessment of the situation is a crucial first step, because it not only helps a community figure out what is taking place, but will provide a baseline of information that communities can then compare to their community goals.

The very best time to start dealing with displacement is at the beginning of community revitalization efforts. Most communities, however, begin to focus on displacement when the elders, the disabled and those with the most limited incomes start facing eviction or when the indigenous businesses and service organizations can no longer afford rent in the neighborhood. An assessment will usually involve community mapping efforts (see http://www.policylink.org) that identify renter-to-homeowner rates, vacancy and abandonment rates, affordability indexes (rent or mortgage as percentage of household income) and spatial analyses of race and poverty. The assessment should, of course, be tailored to the specific situation.

Action on Four Fronts to Preserve and Expand the Supply of Affordable Housing. After an assessment, communities will have a better sense of their priorities and be ready to take action. There are four major categories of action that can help to stabilize a gentrifying neighborhood, together they form the basis for an anti-displacement strategy. Whether communities are working to rehab and fill vacant buildings in depopulated urban cores or to improve community infrastructure in fully populated low-income neighborhoods, an explicit housing affordability plan should always be in place first. There are many parts to a comprehensive housing affordability plan.

Stabilize existing renters. This can include assessing displacement rates, creating emergency funds for rental assistance, removing discriminatory barriers that renters face or creating rent stabilization policies such as eviction controls and rent increase schedules.

On the proactive side, developing limited-equity housing cooperatives and other forms of resident-controlled housing allows a neighborhood to stabilize by turning some of the high proportion of renters into homeowners. The democratic organization of co-ops also creates a structure that enables co-op members to play significant roles in neighborhood development. Harlem has the largest proportion of cooperative housing of any community of color in the U.S. With over 300 buildings under cooperative ownership in Harlem, residents can both stay in their community as land values rise, and use their savings on housing to accrue other assets. The Harlem Community Congregations, Inc. is working to acquire vacant land held by the City and develop the equivalent of Real Estate Investment Trusts with residents of the neighborhood as shareholders.

Along with resident-controlled housing, building and preserving affordable housing can involve all three sectors: nonprofit-owned, public sector developed, and private housing with long-term affordability restrictions. In particular, legal mechanisms to ensure long-term affordability can preserve public investment in housing and take properties off the commercial market for a while. San Francisco has one of the highest rates of nonprofit owned housing in the country. In the Tenderloin neighborhood, over a dozen nonprofit organizations that focus on specific racial minority communities or special-needs populations and keep culturally-relevant, service-appropriate housing available for the long-term.

Control Land for Community Development. Land use, tax and zoning policies all shape equitable developments; a housing affordability plan can’t succeed without taking them into account. Com-

While the story of gentrification within each community is unique, the process tends to unfold in a series of recognizable stages.
private actors, they find creative ways to do this. "We approached them [Staples Center developers and City officials] with neighborhood residents and a large coalition of community organizations, churches, and unions." recounted Jafari Eayne, organizer for the Figueroa Corridor Coalition. "It took a two to three year campaign, but after a lot of media pressure, a lot of organizing, and a lot of good coalition work, we managed to get a community benefits package that includes things like local hiring, affordable housing, money for parks, and the first ever low-income parking district."

ACORN California and PolicyLink are working to advance a regional tax sharing campaign in the Sacramento region that pools future tax increments and redistributes them by a formula of population and incentives for affordable housing and open space.

Build Income and Assets Creation. While stabilizing housing affordability and ensuring appropriate amenities are crucial components of neighborhood planning, income and asset creation are critical to ensuring resident well-being as the neighborhood economy improves. Providing needed resident services - childcare, transportation, a basic retail sector and access to health care - is a pre-condition for success. Tying public investment to local-hire and living-wage provisions or otherwise connecting land use decisions to local asset creation can significantly mitigate negative displacement pressures by bringing some of the benefits of the new investment to existing residents.

The Interstate Alliance to End Displacement in Portland has a three-pronged policy campaign in progress to advance their equitable development aspirations. A short-term and local campaign is focused on the City budget to win rental assistance to residents facing rent escalations as high as 200%. A statewide campaign for real estate transfer taxes is underway to provide revenue for affordable housing production on a scale commensurate with demand for the entire Portland Metro region. The asset-building campaign may prove the most innovative in its delivery of direct community benefits.

Led by coalition member Hacienda CDC, it proposes a mixed-use development at one of the new light rail transit stations in the city's redevelopment plan. This prospective development would provide ownership opportunities for the current residents of Interstate; a credit union for the burgeoning Latino community; homeownership opportunities in 20 percent of the 107 affordable housing units; a worker-owned cooperative for parking for the transit stop; and resident ownership of other commercial and cultural center aspects of the plan. The plan brings together innovative policy, community organizing and physical development to realize the fullest benefits of equitable development.

Develop Financing Strategies. Proactive financing strategies can provide neighborhood-specific ways to fund the other three categories of action. They are generally most effective in communities that anticipate gentrification pressures prior to redevelopment, since communities already suffering displacement face escalated real estate prices and available capital will not go as far. Options for funding are numerous, and can be directed at nonprofits, private developers, or even landlords. They include investments from labor union pension funds and regional business associations, exactions and fees on commercial developments, tax increment financing and eminent domain, bank investments under the Community Reinvestment Act, Community Credit Unions and tax abatements, credits and deferments. In Washington DC activists just succeeded in capitalizing a new Housing Trust Fund with $15 million annually from a Real Estate Transfer Tax that is indexed for speculation.

Core Tools in Action

Within each of these four categories just described, there are dozens of tools. Here is a list of some of the most important tools, and ideas about how they can connect to each other and to other strategies in order to redirect the development trends that bring out gentrification and displacement and undermine equitable development goals:

Community Land Trusts (CLTs) take real estate off the speculative market and ensure long-term affordability for renters, low-income homeowners, community arts and nonprofit institutions and community-centered businesses. The Sawmill community of Albuquerque, for example, is building its vision of mixed income, Latino-rooted, mixed-use development on a brownfield-turned-CLT. Oakland, California community based organizations are crafting a citywide trust with neighborhood equity and representation. They have won a commitment from the City of $5 million to initially capitalize the Trust.

Limited-Equity Housing Cooperatives are another affordability mechanism; providing a method for renters to acquire their buildings and share in permanently affordable and democratically-controlled home ownership opportunities. A group of renters in a class action lawsuit over the uninhabitable conditions of their Colombia Heights apartments in Washington, DC reached a settlement to acquire ownership of their building for one dollar. With a limited-equity cooperative they will formalize resident ownership and make long-needed improvements to the building. If Colombia Heights can achieve the scale of co-operatives found in Harlem (which has more than 300), and combine that with rent stabilization and zoning protections, the neighborhood will have strong anti-displacement protection.

Housing Trust Funds, created by legislation that dedicates ongoing revenue streams to affordable housing, are one of the most promising financing strategies for combating gentrification, particularly if they are used to provide housing that includes long-term affordability restrictions. San Francisco, for example, channels fees from commercial development into a housing trust fund, along with federal HOME and Community Development Block Grant money and state and city revenues allocated to housing. These funds target households that earn 30 to 50 percent of the area median income.  

> Continued on page 56
Increase Affordable Housing with Inclusionary Zoning

BY DOUG SHOEMAKER, NON PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA

Throughout the nation communities face a critical shortage of affordable housing. While the problem is national in scope and needs national solutions, local jurisdictions with land-use powers are struggling to close the gap between the housing that for-profit developers want to build and the housing that local residents can afford. In the San Francisco Bay Area, for example, low and moderate income households represent 58% of the population, but for-profit housing production in the region caters almost exclusively to the wealthy. When local residents ask developers to build housing that they can afford, the response is often "The market won't support it." So what's a community to do? Non-profit development of affordable housing has been one solution, and has created thousands of homes from coast to coast in small towns as well as big cities. Although non-profit developers will continue to deliver affordable housing, the unmet need remains overwhelming. In fact, in many parts of the country, the affordable housing crisis is no longer limited to people on fixed incomes or the working poor, but includes middle income households. Communities are beginning to ask whether they have to take what the "market" wants to provide. Many communities are turning to inclusionary zoning to address this mismatch. Inclusionary zoning is a policy that requires or encourages market-rate developments to include a substantial percentage (typically 10%-25%) of housing that is affordable to households with low and moderate incomes. The concept of inclusionary zoning is not new. Activists have succeeded in getting inclusionary zoning in Montgomery County, Maryland; Chicago's South Loop; in Boston; and over 80 communities in California including San Francisco, Sacramento, and Richmond. A 1994 study reported that inclusionary programs have resulted in the production of more than 25,000 affordable units in California. Similar numbers have been achieved in the Washington, D.C., area. As an affordable housing policy, inclusionary zoning offers several unique strengths. First, by requiring affordable housing to be developed as part of larger, market-rate developments, it expands the supply of affordable housing and creates economically diverse communities. Second, inclusionary zoning offers a way for residents to include a percentage of units (generally ranging from 10% to 20%) that are reserved as affordable housing for lower and moderate income households. Housing is considered affordable when the household's monthly housing costs do not exceed 30% of their monthly net household income. Most jurisdictions define income levels as: very low-income households are those with incomes at or below 50% of the city or area median; low-income - at or below 80% of median; and moderate income households - between 80% and 120% of median. Therefore, a unit would be affordable to a very low-income household if it rented for 30% of 50% of the monthly median income or less. Inclusionary zoning works best when combined with density bonus incentives, such as fee waivers, reduced parking requirements, and/or expedited permit review to enable the developer to mitigate the inclusionary requirement. Usually the units must be dispersed throughout the development and have similar amenities to the market-rate units (with some exceptions). These programs generally apply to both for-sale

Common Elements of Successful Inclusionary Programs

Most programs consist of an ordinance that requires proposed developments over a certain number of units (usually 10) to include a percentage of units (generally ranging from 10% to 20%) that are reserved as affordable housing for lower and moderate income households. Inclusionary zoning offers a way for communities to create affordable housing at little or no direct cost to local governments. Third, inclusionary programs can create affordable housing in communities where very little land is deemed suitable for new housing. In these instances, inclusionary zoning is essential to insure that the price of housing available within a community or jurisdiction matches the housing needs of local residents. For communities struggling with gentrification, inclusionary zoning offers a way to guarantee that at least some of the new housing developed within a community will be affordable for existing residents. Inclusionary zoning is an excellent strategy for local anti-gentrification coalitions to spearhead because:
Affordable housing project in West Oakland.

and rental housing developments, although different income standards are often applied. All programs require the inclusionary units to remain affordable for a number of years (most commonly 30 or 55) through the recording of deed restrictions. Some ordinances also stipulate the process by which affordable homes can be resold to ensure they remain affordable for future owners. Once the units are developed, it is also important for local jurisdictions to establish effective methods to track the restricted units.

Alternatives to On-Site Development

Some communities allow developers of single family subdivisions to satisfy the inclusionary obligation by dedicating land or paying an "in-lieu" fee. Land dedication options require the developer to donate a sufficient amount of land to the local government to facilitate the production of an equal or greater number of affordable units as the inclusionary requirement. In-lieu fees allow developers to pay a fee related to the cost of developing the inclusionary units in lieu of developing the units. This fee needs to be set at least as high as the cost of actually developing the units, otherwise very few developers will choose the inclusionary option. While land dedication and in-lieu options are sometimes appropriate, these choices should be at the jurisdiction’s discretion, not the developer’s. It is often preferable to have the units built by the developer, provided that the units are restricted for at least 50 years. In some cases land dedication can be a better option for satisfying the inclusionary requirement by providing an opportunity for a non-profit to build the units instead.

Effective Responses to Inclusionary Zoning Concerns

Argument: Developers should not have to bear the burden of curing a community’s affordable housing problems. 
Response: No one sector of society should bear this cost alone, however, like all segments of the community they have a role to play. Furthermore, density bonuses and other development incentives can reduce the impact to developers.

Argument: Because the inclusionary zoning concept covers all housing product types, it is a waste of scarce resources. The cost of providing an affordable unit in an upscale neighborhood could be better leveraged to assist many more families. 
Response: Agreed, in these instances, developers should be encouraged to pay in-lieu fees or donate land to enable more cost effective housing to be built.

Argument: Inclusionary zoning makes the other home buyers and renters in a development subsidize the inclusionary affordable housing units. 
Response: Although some developers claim that this problem occurs, it isn’t a necessary outcome of inclusionary zoning. Density bonuses and other incentives enable the developer to make a profit on additional units that otherwise would not be built on that site. Examples from throughout the San Francisco Bay Area demonstrate that inclusionary can work without harming other renters or buyers.

Argument: Subsidy cuts into developer’s profit, and if a developer cannot make enough profit to attract capital and compensate for risk, that developer will not build housing. 
Response: True to a point, but an experienced developer will take the regulatory context into account when determining how much to pay for land, and will not pay more for land than will allow for adequate margins.

Sources

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Doug Shoemaker, is Policy Director of the Non Profit Housing Association of Northern California
The Future of Affordability: 
Trends nonprofit housers should be watching

BY ERIC S. BELSKY, JOINT CENTER FOR HOUSING STUDIES
AT HARVARD UNIVERSITY

For-profit housing developers have to know something about the future. Years can go by between the time they decide to undertake a project and when they're ready to start selling units; securing financing, buying land, and carrying out construction all take time. In order to plan the project, developers need to know what the market is going to look like when the units go on sale. That's why they are inveterate trend-watchers. Likewise, nonprofit housing developers and advocates need to know what the future holds in store in order to prepare their plans. Here are four major trends in affordable housing that will affect the work of nonprofit housers and community organizations in the coming years:

• Affordable housing is being lost at an alarming rate.
• Net movement out from the city continues, and many core city neighborhoods will suffer further divestment. Those that don't may instead face gentrification.
• Low-income homeownership is on the rise, but it is precarious, vulnerable to changing economic conditions and predatory lenders.
• Special needs populations are on the rise. Predictable changes in the age profile of the population will drive increases in young adults, seniors, and the disabled.

The numbers of homeless and those at risk of homelessness are also poised to grow as the safety net weakens and the gap between minimum wages and housing costs widens. Understanding these trends and planning around them will be the key to strengthening communities and meeting housing needs in the future.

Affordable Housing: A Vanishing Resource

Affordable units of all sorts have been disappearing for a variety of reasons, and on many fronts the picture will continue to worsen over the next several years. By the rules of supply and demand, rent levels could have been expected to drop following the oversupply of market-rate multifamily rentals that emerged from overbuilding in the 1980s. However, the trickle-down didn't materialize. In fact, huge amounts of affordable rental housing were lost to rising rents on the one hand and abandonment on the other. Between 1997 and 1999, HUD estimates that the number of units affordable to extremely low-income renters (those who earn less than 30 percent of the area median income) fell by 750,000 units, or 13 percent. And higher-income residents who want to spend less than 30 percent of their income on housing are crowding out a growing share of the remaining affordable rentals. The majority of affordable units are unsubsidized. Many of the owners of these market-rate units are at a tipping point: either they can and will raise rents above affordable thresholds, or they will be forced to accept lower rents than they need to properly maintain their properties. Lower interest rates have recently eased some of the pressure on rental owners, and a weakening economy will take the wind out of wage growth and income demand, at least in the short run. As a result, landlords have some breathing room. In a context of sagging demand, they are beginning to offer rent incentives, like a month's rent free, to avoid having to lower their regular rents. This, however, will be short-lived. Pioneers like the Community Investment Corporation in Chicago, the Community Preservation Corporation in New York, and the National Housing Development Corporation in Los Angeles have recognized the importance of focusing resources on opportunities to preserve market-rate units at the margins and are urging Congress to do the same. The supply of public housing and directly subsidized private housing is dwindling as well. After three decades of net additions, the second half of the 1990s saw the loss of more than 175,000 assisted homes. Section 8 contracts on about 1 million apartments will be up for renewal in the next five years. If recent trends hold, landlords owning one tenth of these vulnerable units will opt out of the program in order to charge higher market rents. With short-term contract extensions now the norm and one-for-one replacement of demolished public housing no longer required and often not aimed for, the thinning of HUD-assisted stock appears likely to persist. If these trends continue, the stock of housing affordable to extremely low-income renters—subsidized and unsubsidized—could be drawn down to only a few hundred thousand by the end of the decade. Problems on the homeownership side, though not as severe, are also pressing. In 1999, about 3.1 million extremely low-income owners were spending more than half their incomes on housing as more of them consolidated other debts into their mortgages or had shrinking incomes. Incomes, especially in the bottom quintile, failed to keep pace with house prices in many areas in the 1990s. Throughout the 1990s the loss of affordable units was somewhat mitigated by rising incomes, and there was a modest drop, from 4.1 to 3.5 million, in the number of people spending half their income on housing. History has shown, however, that some of the income progress made during a boom is vulnerable to reversal during a recession, so the housing situation could worsen significantly if the economy remains shaky. Prospects for reversing the loss of affordable housing are dim. The hard-won battle to expand funding for the low-income housing tax credit and tax-exempt bond programs may slow the loss rate but will not stop it. Rapid income growth at the upper end of the income distribution will, as it has for decades, tilt the new home market towards the production of expensive units. With so many of the homes built...
in the past 20 years well out of reach of the poor, the urgency of adding to the stock is building. Making matters worse, in many places local zoning, subdivision, and code rules preclude modest homes at higher per acre densities from being built at all. These restrictions are not new, but in many places additional efforts to slow or stop growth are imposing higher costs in the form of impact fees on new construction and more preservation of open land. In the last major election cycle, nearly 400 local ballot initiatives restricting growth passed. Direct additions to the stock as well as preservation of existing affordable units will continue to require subsidy. Simply put, it costs more to house those with extremely low incomes. (and Affordable units of all sorts have been disappearing for a variety of reasons, and on many fronts the picture will continue to worsen over the next several years.)

in some places even those with incomes at the area median or higher) than they can afford to pay for it. Even if properties receive full capital grants to cover production, rents sufficient to cover the operating costs on new apartments would force extremely low-income households in most places to spend well over a third of their income on housing. Indeed, about one-quarter of extremely low-income households cannot even afford to cover utility costs, let alone debt service, operating costs, and a return to the investor.

Neighborhoods in Distress Decentralization away from densely settled urban cores will continue creating problems for many urban neighborhoods. There has been some movement in the other direction, often hailed as a return to the city. Thirty-one cities that lost residents in the 1970s or 1980s, starting gaining again in the 1990s. However, 16 of those would have continued to decline if it weren’t for immigration and higher birth rates. As of 1999, for every three households moving back to cities about five left them for the suburbs. Even the boom in low-income and minority homeownership contributed to decentralization. The majority of both low-income and minority homebuyers purchased homes in the suburbs. Falling demand in places left behind has resulted in selective neighborhood decline. Creating a vicious cycle, such decline feeds on itself. To arrest it we must preserve affordable housing, address vacant and abandoned property – contaminated and otherwise – and improve public safety, education, and sanitation services. That will not be easy, or cheap. Property values in weaker markets are often less than the cost of producing new housing, making private financing for preservation and production hard to come by. In the future, it will become increasingly vital for community groups to market the assets that a community has to offer and to attract businesses and working families back. A few organizations are leading this trend. The Initiative for a Competitive Inner City, a nonprofit founded by Harvard Business School professor Michael Porter, an expert on competitive strategy, has been demonstrating that retail demand exists in inner city areas. The Social Compact, a coalition of business leaders who joined together to promote inner city investment, has produced a methodology designed to identify and assess the market assets and strength of inner city neighborhoods. On the other hand, the households that are moving back into the city are going somewhere. In the 1990s, prosperity and lengthening commute times led to gentrification in certain low-cost neighborhoods in places like Atlanta, Chicago, San Francisco, New York, and Boston. Many of the last bastions of affordable housing were lost. As commuting distances grow and increasing premiums are placed on downtown accessibility, this pattern is likely to continue. In these areas, the need to create a supply of housing with long-term affordability restrictions will be most urgent.

Vulnerable Homeowners After an unprecedented period of growth in the number of low-income and minority homeowners, it has become more important for community groups to focus on supporting homeowners. Between 1994 and 2000, the number of minority owners surged by more than 3 million and the number of low-income owners (those earning 80 percent or less of the area median income) by about 3 million. The number of Hispanic homeowners rose fully 39 percent, African-
American homeowners 24 percent, and low-income homeowners more than 10 percent. But the new homeowners are vulnerable. Thanks to the growth in subprime and low down payment lending, many of them achieved homeownership on thin equity cushions and blemished credit. In both 1999 and 2000, fully 16 percent of homebuyers with conventional loans put 5 percent or less down on their homes, up from just 3 percent in 1990. Between 1993 and 1999, subprime lenders' share of the refinance market swelled from less than 1 percent to 17 percent. But subprime lenders are making home purchase loans too, especially in low-income and minority neighborhoods. Between 1993 and 1998, the share of home purchase loans originated by subprime lenders rose from less than 1 percent to 5 percent in high income neighborhoods, but swelled from 1 percent to 9 percent in low-income areas and from 2 to 14 percent in minority neighborhoods. At the same time, concerns over the quality of FHA appraisals and widespread predatory lending abuses in low-income and minority communities have been surfacing. Taken together, these unsettling developments suggest an increasing risk of default and foreclosure. Housing providers must be on heightened alert for the first signs of default and take swift pre-emptive measures to avert them. Ultimately, the best defense against unfair lending practices is a strong offense. That means counseling borrowers before they purchase a home or refinance their mortgage to ensure that they can handle their payments, and that they get the lowest priced credit they qualify for. It also means pressing to open up prime market channels to low-income and minority communities. Freddie Mac estimates that somewhere between 10 and 35 percent of subprime customers actually qualify for lower prime lending rates.

**Growing Special Needs Populations**

Demographic trends and recent policy shifts spell increases in some of our nation's most vulnerable populations. Over the next ten years, the number of at-risk teenagers will level off, though at high levels. But young adult population growth will turn from negative to positive, and the number of people over 75 will grow. Growth of the young adult population will boost demand for first-time homeownership programs and for job training. As seniors live longer, the number of people with disabilities will grow. And the still-large numbers of at-risk youth will add to the demand for youth-oriented programs. Meanwhile, the widening gap between the cost of housing and what even working families can afford could drive up the number of homeless, as well as the number of families in untenable housing arrangements—doubled and tripled up with friends. In response, housing groups must strive to work with others to offer their neediest clients a complete package of supports. For seniors, this will entail working with local home health care providers and senior centers, developing assisted living and congregate care communities, and helping seniors maintain and modify their homes. Home repair and modification can be accomplished by helping seniors tap their home equity. But that also means defending senior citizens from unscrupulous contractors and predatory lenders. For young adults and those moved off of welfare, reaching out will require working with providers of job training and job search services, and often providing child care. Helping the chronically homeless will take a truly multifaceted approach that spans many traditionally isolated channels of assistance. Over the longer term, it will require temporary housing and expansion of affordable housing, because homelessness for many is narrowing to a problem of bridging the gap between meager wages and expensive rents.

**Strategic Directions**

In sum, community groups will be put to the test over the next decade. In addition to the strategies suggested above, community groups may want to consider the following strategic directions. First, community groups should master the art of making the case for the importance of housing. Evidence is growing that without affordable housing and safe communities, education and workforce development suffer. Therefore, producing and preserving affordable housing must be job one. To persuade others, community groups will have to make the case in the press, through trade associations, and to public officials that housing needs are great and that the failure to meet them erodes the fabric of communities, places children at greater risk, and undermines self-sufficiency efforts. By arguing that urban revitalization takes pressure off open space and sprawl, community advocates may mobilize broader support for revitalizing depressed city and suburban neighborhoods. But groups must be ever vigilant that what they wish for does not exacerbate problems by sparking gentrification. Gentrification without adequate set-asides for below-market rentals and ownership opportunities will only spell trouble for low-income communities. Second, housing providers may want to reach beyond housing. If it takes a village to raise a child, it takes more than housing as fundamental as it is to build communities. Some can branch out by creating subsidiaries to provide additional services, some by linking with established service providers. Still others can join coalitions pressing for better schools, policing, and sanitation. Though the fractured approach to federal, state, and local assistance will impede such efforts, their importance is not in doubt. The work of community groups has been a beacon of hope in tough times before. Anticipating what's coming up can help them make that beacon as strong and as bright as possible.
Live Out Your Faith:
The Gamaliel Foundation & Faith-Based Community Organizing

BY THE EDITOR

According to Gregory Galluzzo, of the Gamaliel Foundation in Chicago, gentrification is a regional problem that low-income communities in northeastern cities wouldn't mind having. In the last twenty years, inner city neighborhoods in Buffalo, St. Louis, Cleveland and Detroit have lost fully one half their population. Their response to gentrification is more likely to be, Praise be to God, bring it on! The struggle for these communities is to regain the tax dollars and investment capital that flows out to the suburbs, and to participate in the regional decisions that shape their communities. The Gamaliel Foundation is an organizing institute working to build an interracial, multi-issue network for regional accountability.

Galluzzo sites the Gamaliel Foundation's own history as testament to the shift in focus from local to regional organizing. Now a coalition of forty-four organizations in fourteen states and in Kwa Zulu Natal and the eastern provinces of South Africa, the Gamaliel Foundation is descended from the Back of the Yards Community Council founded by legendary organizer Saul Alinsky. In Alinsky's day the stockyards employed 60,000 people and the bosses lived a few blocks away. Today, Galluzzo points out, "The stockyards are gone, Armor is owned by a corporation in Holland, and residents work all over the Chicago region. Regional transportation and investment policy are the major forces that shape the neighborhood."

Photos in this section by River Team of Youth Ministries for Peace & Justice in the Bronx, NY.

New American Apartheid
Galluzzo uses the term "American Apartheid" coined by Douglas Massey in his book of that name for urban disinvestment. "Sprawl is the root cause of a scandalous disparity in school funding, and growing class divisions throughout the country – divisions that stratify the underclass, poor, working class, middle-class and wealthy into separate communities. Urban sprawl creates a system of winners and losers, exploiting the poor and working class communities to subsidize the rich."

As money and wealth have left the inner city neighborhoods, homeowners find their property to be of little value. According to John A. Powell, of the Institute on Race and Poverty, a person’s economic well being is more accurately measured by equity, instead of earnings. He calculated the total net worth of African Americans in this country who were historically locked out of home ownership by institutional racism. In some regions of the country, such as Portland, where urban property has increased in value after an Urban Growth Boundary was established, the net worth of African Americans is ten billion dollars. In Gary, Indiana, where suburban sprawl is rampant and land in the inner city has lost value, the net worth of the African American population is at zero.

Building Metropolitan Alliances
Two years ago the Gamaliel Foundation initiated an ambitious ten year plan to build alliances of faith-based organizations and other allies in one hundred U.S. cities. According to Galluzzo, faith-based organizing is the most significant and effective organizing underway in the country. "The church is an excellent vehicle to do organizing around social justice. They have a moral platform, they have money, they have connections with other congregations in the suburbs, and with fellow pastors. Faith-based organizations can be an effective tool for regionalism as they work with unions, school councils, and the disabled com-
In Chicago, the Metropolitan Alliance of Congregations (MAC), has been working to make that city’s system of Tax Increment Financing (TIFs) more just. These regulations allow redevelopment zones or districts to keep any increased property taxes collected within the district, instead of turning the funds over to the city. The TIF regulations create segregated funding streams. Galluzzo calls it “sandbagging the revenue” so that some redevelopment districts have money to burn while other communities are starved for maintenance and basic services. Tax increment financing, or similar measures to collect localized increases in tax revenue are common redevelopment strategies.

The Pilson Neighbors Community Council, a MAC and Gamaliel affiliate, is one of several groups working on TIFs in Chicago. The community is 95% Mexican and Mexican American, and is one of the last remaining cultural communities near the business district. The city and the community’s local Alderman announced a new Tax Increment Financing zone. Pilson Neighbors began an investigation which revealed that TIF zones, where they intersect with one another, can transfer funds, effectively stealing away tax revenue. Taxes from the Pilson community could be diverted to the TIF for the University of Illinois, where upscale housing was planned.

Juan Soto recalls, “The campaign lasted a year and half. ‘We took 500 people to the Mayor’s office, 300 to the Community Development Commission. We reduced the Pilson TIF to an industrial corridor. We became the expert on TIFs in the city of Chicago. Every ward has a TIF, controlled by the local Alderman, with no local advisory committee. In order to change this we will have to go to the state level.”

As local wins develop into regional and state level campaigns, the Gamaliel Foundation’s support for regional organizing becomes critical. The work of a Gamaliel affiliate in Milwaukee, MICAH (Milwaukee Inner-city Congregations Allied for Hope) also moves between local, regional and state level campaigns. In the early 1990s MICAH waged a campaign that challenged banks to make home loans in low-income communities of color. As Dennis Jacobsen tells it in his book, Doing Justice: Congregations and Community Organizing (see our resource section) MICAH began working with one bank on a case by case basis, only to discover federal data revealed gross racial disparities in home lending in Milwaukee. The campaign led to local banks’ pledge of $50 million in loans. MICAH countered with a request for $500 million. Since then, the community has netted $700 million in loans and MICAH constituents have created a community development corporation which is building 100 new single family homes.

MICAH, along with other organizations in the region, is building a grassroots movement to get non-violent drug offenders into treatment instead of incarceration. MICAH organizer Dave Liners reports that the Wisconsin prison population grew in 20 years from 4,000 to 21,000. Non-violent drug offenders are a large part of the prison population. MICAH is working to raise awareness on this issue, which could save the state government millions of dollars. MICAH also has a Labor Committee, working on the Wisconsin bankruptcy laws which were recently changed to put banks first in line as bankruptcy creditors, ahead of workers, which may be owed severance, vacation and back pay.

Large metropolitan coalitions, such as MICAH are building political momentum for policies that bring equity to regional decision making. With support from Gamaliel allies, regional coalitions are developing their own metropolitan agendas. For example, Myron Orfield, Minnesota lawmaker and national consultant on regional tax sharing, is working with the St. Louis coalition and with the AMEN project in Chicago. The Chicago campaign includes a tax-based sharing proposal for the Chicago Metropolitan Region (which will impact public transit, school funding, job creation and city services) as well as a home ownership plan for 13,000 low and moderate income families.

As these initiatives move forward, pushed by dynamic faith-based coalitions, they represent an opportunity not only to stop the pattern of suburban sprawl and inner city disinvestment that has consumed the heart of so many U.S. cities, but also to democratize development in metropolitan regions.

From conversations with
Gregory Galluzzo and Juan Soto, Gamaliel Foundation www.gamaliel.org

Dave Liners, Milwaukee Inner-city Communities Allied for Hope, www.MICAH.org
How a Brooklyn Neighborhood Fought the Free Market, and Won (a Little)

BY BENJAMIN DULCHIN,
FIFTH AVENUE COMMITTEE

This article is about a neighborhood in Brooklyn that is struggling to stop tenant displacement. It is about neighborhood residents, working with a local community group, doing what is often thought impossible: confronting the supposedly inexorable and inevitable logic of the free market that drives rental housing prices. And, it is about these residents learning to take a policy approach to the problem of displacement in order to make the market work for the neighborhood. This article is about how the Displacement Free Zone Campaign is working to fight gentrification.

The Neighborhood

The neighborhood of Lower Park Slope is located near downtown Brooklyn. For many years it has been a stable, working class and low-income neighborhood that is unusually diverse, with an equal mix of white, black, and Latino residents. The neighborhood also has lovely housing stock composed mostly of old row houses and brownstones, and is within a half hour commute on public transportation to the major business centers of Manhattan. These factors, along with a buoyant City economy, have made the neighborhood very attractive to young professionals. Since the mid 1990s, like many other neighborhoods in New York City, Lower Park Slope has faced significant displacement pressure as the market rate rent for a one-bedroom apartment has gone from $600 to $1,200. Although much of the rental housing in New York City is protected by rent regulation, which gives tenants the right to stay in their apartments with relatively moderate rent increases, these protections only apply to buildings with six or more apartments. The majority of the housing in Lower Park Slope are buildings of two to four units, so the tenants are unprotected.

Twenty years ago the Fifth Avenue Committee (FAC), a community development organization, formed to fight abandonment and decay and win equitable development in our neighborhood. We built affordable housing and worked to get better municipal services for the neighborhood. As a disinvestment problem became gentrification problem, we organized tenant associations and advocated in housing court to stop the eviction of tenants who were being harassed by their landlords. While we were effective helping tenants protect themselves against displacement in larger, rent-regulated buildings, we were not effective in smaller, non-regulated buildings. In fact, we ignored those buildings because we knew the tenants had few rights, and we did not want to waste our time. When the senior citizen on the ground floor of the townhouse would come in with an eviction notice because her landlord wanted to double her rent, we would ignore the case in order to concentrate our resources where we could be effective. In the mid-1990s we saw a trickle of these cases. By the late 1990s, as rents skyrocketed, this trickle had become a flood.

We realized that the eviction of residents from small buildings was the crux of gentrification in our neighborhood. We had to confront it directly. But what could we do about it? Vulnerable tenants were being evicted because their landlords could make a lot more money, and the landlord had every legal right to evict. We knew that the political equation in the state legislature would not allow us to extend rent regulation to smaller buildings, so we would have to work at a grassroots level to stop displacement.

The Displacement Free Zone Campaign

We took our first case because we were tired of losing. In 1999, Felisa and Carmen Soto, low-income sisters in their 80s, came into the FAC office with an eviction notice. Rather than ignore the case because it was unwinnable in housing court, FAC staff researched the landlord, and tracked down his house in a wealthy Long Island suburb. The next
week, we organized two bus loads of neighborhood residents to travel to Long Island and picket on the landlord’s lawn. To our surprise, it worked. The landlord could send a lawyer to court in Brooklyn to evict Felisa and Carmen, but he could not face the embarrassment of having Carmen on his lawn, all 4'2" of her, with white hair, in full view of TV cameras and his neighbors. He agreed to withdraw the eviction and allow the sisters to stay in their home.

Encouraged by this success, FAC staff and neighborhood residents formed a committee to make this strategy work on a larger scale. We realized that we would not have the resources to do a major campaign to stop each and every eviction in our community, so we would have to work strategically. After a careful planning process and large public meetings, the Displacement Free Zone (DFZ) was declared.

The DFZ is a 108 square block area in the heart of gentrifying Lower Park Slope (expanded in 2002 from an original 38 square blocks). We have visually marked out the zone with posters and flyers declaring the area a displacement free zone, and announcing that we will take the case of any tenant in a non-regulated small building who is facing eviction because the landlord wants to dramatically increase the rent. The highly-visible posters state that we will fight as hard as we can use very public tactics, including press, pickets, and boycotts. When a potential case comes to the staff of the Fifth Avenue Committee and is approved by a steering committee of local residents, we take the following steps:

A delegation of local clergy sends the landlord a letter asking him or her to do the right thing and reconsider the eviction. If that fails, the local Legal Services office takes the case. Although the landlord has the legal right to evict the tenant because the building is unregulated, Legal Services mounts an aggressive defense in court based on technicalities in order to prolong the eviction and make it more expensive for the landlord. A clergy member again reaches out to the landlord in the hope that he or she will now negotiate. If this fails to prevent the eviction, the DFZ Steering Committee plans a campaign to hold the landlord publicly accountable for his or her actions. This may involve a picket at the landlord’s home, a boycott of the landlord’s business, or other creative, public strategies. The action is designed to bring the landlord to the negotiating table.

Public actions are the heart of the campaign. We have been able to sign up a few hundred local residents to form an activist cadre that regularly come to demonstrations. We keep our tactics flexible. If the landlords are “a nice young couple” who just bought and moved into the building, we may show up at the door with 40 people and a cake to welcome them to the neighborhood, but caution them that the neighbors don’t want to see the tenant evicted. If the landlord owns a local business, we may show up with 100 people and the press to picket and call for a community boycott of the business.

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We Keep These Principles in Mind

We build the campaign around the individual cases of tenants whose stories personalize the injustice of gentrification, and people get involved because they sympathize or identify with the individual tenants. The cases are often heartbreaking, which helps us to attract press attention for our cause.

We do not use anti-landlord rhetoric. We use pro-community rhetoric. Our neighborhood is a mix of landlords and tenants. We do not want to marginalize the often less politically influential tenants by keeping their struggle apart from the rest of the neighborhood. Instead, we state that the whole community shares values of respect for the racial and economic diversity that have made our neighborhood special. We aim to be speaking for the entire neighborhood in defense of these values.

We make every action high-spirited and fun. We want people to come to demonstrations repeatedly and to define themselves as DFZ activists, so we make sure that people want to come back not only because we helped to stop an eviction, but because they also had a good time. Each action has a hook that leavens the anger with humor. For example, we held a Valentine’s Day theme demonstration in front of a landlord’s store with all the protesters dressed in angel costumes, handing out Hershey’s Kisses along with the boycott leaflets.

Our goal is to take 12 cases a year and fight each one to the end. We hope to win many of those cases, but we expect to lose sometimes. The real strategic success of the campaign is not in the case that we win, but in the case that we do not have to fight because we have made so much noise that they proactively scare the landlord from commencing an eviction. Or the strategic success comes if we scare away the landlord who would evict before he or she buys in our community in the first place. We have some evidence that this strategy is working. We looked at court-supplied eviction records from the year before the campaign began and compared the area of the DFZ to a demographically similar area next to the DFZ. We found that while both areas experienced a decline in evictions, the DFZ area experienced a decline in evictions more than double that of the non-DFZ area. Many different factors are likely responsible for this change, but we believe that some part of the decrease had to do with the work of the DFZ. The DFZ is making a small but meaningful difference.

Why You Can Fight the Free Market

Creating a campaign that fights against the logic of the free market is not as quixotic as it sounds. To understand how displacement happens in our community and how it can be fought, it is important to understand why displacement happens, and why it sometimes does not happen. The case of Mrs. Vasquez is typical. In 1997, Mrs. Vasquez was living in her apartment on Smith Street. Her apartment was located above her landlord’s butcher shop, and she paid $600 a month in rent. In the early 1990s, the rents on Smith Street began to rise as the neighborhood gentrified, and by 1997 the market rate rent for Mrs. Vasquez’ apartment was $900. Yet, the landlord did not raise the rent. He kept her rent at $600 and accepted a $300 a month loss of potential income.

We think there are a few reasons why. She was a senior citizen living on a fixed-
income, and a large rent increase would result in her eviction. As the landlord of a small building, he had a relationship with Mrs. Vasquez. He was also aware that the neighborhood would disapprove of his evicting Mrs. Vasquez because she was a sympathetic senior citizen who had lived in the neighborhood for many years. In neighborhoods like ours that have small housing and a mix of tenants and landlords, the housing market does not operate unfettered and in a vacuum. A landlord is not just an independent economic actor. He or she is also a member of a community and is influenced in a variety of ways by that community. This landlord had known Mrs. Vasquez for many years, and his business existed in a community of people, many of whom also knew Mrs. Vasquez. Even those who did not know her would not like the idea of a low-income senior citizen being evicted only because of rising rents. These factors mattered to him enough not to raise her rent and evict her. In 1997, an equilibrium existed between the landlord’s personal interest and the consensus of the community that kept Mrs. Vasquez in her apartment.

By 2001, this equilibrium had broken down. Gentrification on Smith Street had continued and raised the market value of Mrs. Vasquez’ apartment to $1,200 a month. Faced with the knowledge that he was now losing $600 a month in potential income, the landlord decided to evict Mrs. Vasquez. The balance that existed between the landlord’s economic interests, and his personal relationship with the tenant and community was tipped by the dramatically increasing rents.

Mrs. Vasquez did not get evicted because the Displacement Free Zone Campaign fought back and threatened the landlord with a boycott of his store. In this one case the Campaign re-established the equilibrium that had existed by giving teeth to the community’s opinion. The quiet community consensus that stood against a $300 rent increase did not hold against a $600 rent increase. But a noisy, aggressive community demand did stand against the larger rent increase. The DFZ strategy works because the market has never functioned in a vacuum, and community activism can affect the decisions that landlords make. This is most effective where the landlord lives and works in the community, but has also proven to be effective with absentee landlords who often see themselves as part of a larger community. This fact is crucial for our campaign. Most of the eviction cases that we see involve tenants who had been paying below-market rents for a long time, then suddenly had their rent raised. A community consensus that valued vulnerable tenants previously kept their rent low, and we believe that the DFZ can strengthen and continue to enforce that community consensus.

The Community Stability Tax Credit
In spite of the good work of the Displacement Free Zone campaign, its impact is limited because it is only taking place in one small neighborhood. Even in our neighborhood, the campaign is not indefinitely sustainable because this type of organizing is very resource intensive. This has led us to bring a policy focus to our work that can have a broader and longer term impact. We are now working to create an anti-displacement tax credit program called the Community Stability Small Homeowner Tax Credit. A bill to create this program will be introduced in the New York State Legislature and we are optimistic about its prospects.

This new program will encourage landlords of a small, unregulated building to keep rents below the market rate by offering a real estate tax deduction equal to 50% of the difference between the rent actually being charged and the market rate rent. We expect this program to be effective because in neighborhoods like ours, many landlords of small buildings charge below market rents to their vulnerable tenants (senior citizens, single mothers, disabled people, low-income people, etc.). But when the market rents continue to rise or the building is sold to a new owner, the rent is suddenly raised and the tenant faces eviction. The program will reimburse the landlord for not raising the rent. It does not offer a dollar-for-dollar reimbursement of the landlord’s loss, but in the context of a neighborhood that disapproves of unjust evictions, the program will offer the landlord a financial incentive to keep the rent low for vulnerable tenants. In many cases, we expect this incentive to make the difference between the landlord deciding to raise the rent and evict the tenant or deciding to keep the rent affordable for the tenant.

The Community Stability Small Homeowner Tax Credit will be especially helpful in the context of the Displacement Free Zone campaign because it will allow us to offer a carrot to landlords who want to do the right thing, along with the stick of the DFZ. It will better

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A Letter From Bronx Youth:
WE WANT TO BE ABLE TO STAY IN OUR COMMUNITY

BY KACHEM BROWIV, ANTHONY THOMAS AND YOMARA VELEZ, RIVER

Is displacement coming to a place near you?

The RIVER (which stands for Reaching and Including Youth Voices for Environmental Rights) Team of Youth Ministries for Peace and Justice works to improve the environment in our community. While we want to make sure the neighborhood gets more parks and the Bronx River becomes cleaner, we also want to make sure that the rents don't become so high that we can't afford to live here.

Do you know what displacement means?

It means low-income and often people of color are forced to move out of their neighborhoods because rents become so high that they can't afford to pay them. This usually happens when services in a neighborhood get better and people that make more money start to move in. In turn, more expensive classy businesses come into the community and bodegas get replaced with trendy expensive stores, where sales people follow you around because they think you're going to steal something. We started to learn about gentrification and displacement so we can make sure it doesn't happen in our neighborhood. For now, we're calling ourselves the Anti-Disposition Team.

These are the adventures of the Anti-Disposition Team:

We have been visiting different community based organizations around the city to learn about gentrification and displacement. We noticed that as quality of life gets better, it gets harder for low-income folks to afford to stay in the community.

Action for Community Empowerment & Truce in Harlem

One resident in Harlem says, "They made buildings better but more expensive. They evicted people out of their apartments and made prices higher. They raised rents from $360 for a studio to $1000-$2000." The tension between old tenants and new tenants manifests itself in graffiti that reads: Yuppies, Go Home! and No Yuppies Allowed. Yuppies is a derogatory term used to describe the mostly white, young urban professionals with higher incomes that are moving into low-income communities of color.

Fifth Avenue Committee in Park Slope-Brooklyn

In Brooklyn, we met with Martha Marquez. She was evicted from her two-bedroom apartment so that the landlord could raise the rent. Now she works against displacement at Fifth Avenue Committee in Park Slope, Brooklyn. The project has established a Displacement Free Zone that covers several blocks. In this designated zone, they help tenants whose landlords are attempting to evict them. (See The Displacement Free Zone Campaign article in this issue.)

Committee Against Anti-Asian Violence (CAAAV) in Lower East Side

Not too far away in Chinatown the community is also being gentrified and folks are being displaced. CAAAV's youth are working to stop eviction of long time residents. To make things worse, Benjamin Shaoul of Elizabeth Realty Associates is suing CAAAV for $20 million, the youth organized a rally to stop the eviction of seven of the eleven Chinese tenants living in his building. We were there to support the young people and the tenants. Landlords have gone door to door demanding to see passports and they have taken tenants to court to force tenants out. One landlord went as far as to call child services on a Dominican parent to attempt to get their children taken away. Landlords have cut off the hot water, they have offered to buy tenants out and they have pinned different racial groups living in the building against each other.

These stories are common in different parts of the city and we hope that it doesn't happen in the Bronx. If it does, we will be ready to take action against it. If you're interested in our work or want more information, feel free to call.
Labor Goes to Bat for Housing

BY AMY B. DEAN, SOUTH BAY AFL-CIO LABOR COUNCIL

The dot-com nose-dive notwithstanding, Silicon Valley is still a place to get rich, and many people have. But the rapid boom has left anyone not in on the bonanza scrambling to afford soaring costs of living, specially housing. Marcella Juarez, 29, works at a fast-food restaurant in San Jose where she earns $488 a month. Her husband, a laborer on construction projects, brings in $1,000 in a good month. Times haven't been good in a while, though. They live with their two children in a two-bedroom apartment located in a run-down complex in San Jose. Their rent? $1,200 a month. It doesn't take a computer scientist to understand that these numbers do not add up. To cope, major housing initiative in recent decades has been the AFL-CIO's Housing Investment Trust (HIT), a fund that puts union pensions to work creating affordable housing and union construction jobs. Despite the success of the HIT and earlier initiatives, few union leaders at the local level have addressed their members' need for affordable housing directly, believing that the greatest contribution unions can make is by bargaining for higher wages that will provide access to better housing. However, out-of-control housing markets, like that in Silicon Valley, have led some union activists to explore other approaches.

The result of this hourglass economy is a serious housing crisis. Over the last three years, the cost of renting in Santa Clara County has soared by 61 percent. It's little surprise that 38,000 San Jose families live in overcrowded housing, while an additional 133,000 Silicon Valley workers have been forced to look for housing outside of Santa Clara County.

As the housing crisis worsened, unions began to understand that it went beyond a question of wages. As Shane Ellers of the Service Employees International Union put it, "The gains we can make at the bargaining table are out-paced by the cost of housing. We've got to understand that affordable housing is more than just a paycheck issue."

That recognition led the labor movement in Silicon Valley to make housing one of its top political issues. Beginning in late 2000, the South Bay AFL-CIO Labor Council, the umbrella group representing most area unions, joined with a wide range of neighborhood and low-income advocacy groups to create a coalition called Housing for All. The Labor Council had worked with many of these activists before, in efforts to win a living wage ordinance in San Jose and to establish a countywide children's health program, but this was the first time housing had been the subject of such a group effort.

The presence of labor in Housing for All added several things to the mix. First, and most straightforward, were resources and political capital.

Marcella (a pseudonym), her husband, and their children sleep in one bedroom while renting out the second bedroom to four men who also work at low-wage jobs.

Conditions like these are facing families all over California. Silicon Valley is one of the wealthiest communities in the world. In response, organized labor and the housing movement have joined forces to push a bold package of affordable housing construction and tenant protections. And though the proposals are full of items that would be assumed political non-starters in most of the country—rent control, inclusionary zoning, high public expenditures—the combined weight of both groups is making astounding progress.

The partnership was not an automatic one. In the early days of the labor movement, unions often developed housing for their members, but labor's only

The presence of labor in Housing for All added several things to the mix. First, and most straightforward, were resources and political capital. The Labor Council has its own policy research arm, Working Partnerships, USA. Through Working Partnerships, housing activists could draw on a wealth of talent to carefully research and prepare their affordable housing proposals. Working Partnerships published this research, and the proposals that grew from it, as a 50-page study, Everyone's Valley: Inclusion and Affordable Housing in Silicon Valley. The report offered a detailed analysis of the area's housing crisis and declared that solving it required action on two fronts: constructing new affordable units and preventing the loss of existing affordable units.

As significant as it was, Everyone's Valley and its findings could easily have been ignored had it not been for the
extra political clout labor brought to the table. In almost every major city, union access to local political leaders is exceeded only by business. In San Jose, the Labor Council had already demonstrated that its access, coupled with rank-and-file political action and sustained community outreach, could yield impressive results. The Council’s participation in coalitions promoting a living wage and universal children’s health care had made local elected officials quite sensitive to union concerns.

An additional asset that organized labor particularly offers the housing movement is its familiarity with the players in the construction and development industry. Building and construction trade unions have a thorough understanding of the inner workings of the development community, which can be crucial to identifying potential allies among developers and contractors.

The size and breadth of a regional labor organization’s constituency also turned out to be an advantage for the coalition. The formation of Housing for All was a turning point. Prior to its creation, work on the housing crisis tended to be fragmented. Tenant advocates were chiefly concerned with promoting renter rights, and rarely addressed the need to construct new units. Another group was principally interested in encouraging gap financing for homebuyers, and didn’t include renters in its strategies. The coalition approach, and labor’s need to be accountable to all its members – from workers in hospital laundry rooms to chemical engineers – helped bring these causes together into a united strategy that addressed many different constituencies at once, within the same set of proposals.

Labor’s perspective helped extend the rhetoric and the proposals in more than one direction. Affordable housing activists traditionally and understandably focus on the most severe problems, those faced by families like Marcella’s. But the Working Partnerships study, Everyone’s Valley, also addressed the impacts of San Jose’s housing crisis on somewhat higher-income working families. It described how high housing costs have forced workers to live outside Santa Clara County and endure ever-lengthening commutes that cost area drivers more than $1.25 billion annually. No less ominously, the study reported that the quality of schools and the health care system was being diminished as housing costs kept teachers, nurses, and the other professionals from making their homes in Silicon Valley. And it noted that the housing crisis even handicaps high-tech firms, which compete all over this country – and all over the world – to recruit talented young people to come to Silicon Valley. By documenting the impact of housing costs on middle-class families, the environment, and local industry, Everyone’s Valley helped prevent opinion leaders from “ghettoizing” the housing crisis as a problem of the poor alone.

At the same time, labor also represents some of the lowest-income service workers, for whom the daily challenge is preventing homelessness, not suffering through a long commute. While affordable housing developers and tenant rights advocates tend to operate in two different spheres, labor was not used to assuming such a separation, and the coalition decided to try to coordinate them. After all, it does little good to create new affordable housing if families are being forced out of homes they already live in just as fast. Bringing the two themes together sometimes allowed the coalition to recast familiar arguments in different ways that would reach new audiences. Where tenant activists are often most comfortable speaking about the pain suffered by tenants who are unjustly evicted, Housing for All addressed unjust eviction as a technique used by landlords to convert affordable units into market rate housing.

Second, it proposes strengthening rent control measures, enacting rent control in communities lacking protections, and establishing safeguards against unjust evictions. The coalition estimates that implementing the entire initiative would require a public investment of $1.2 billion. And yet, the groundwork it laid was strong enough that San Jose Mayor Ron Gonzales and most of the City Council were on hand to endorse the plan when it was unveiled. Today, the bulk of the plan, including the proposal for inclusionary zoning, has been passed by the City Council. The Council is moving ahead more cautiously on the proposed tenant protections, but it is moving, and it has created a Rental Housing Task Force to address the issue.

After such a success, has the Labor Council now put the housing crisis behind it? Hardly. In fact, when its leadership drafted its agenda for next year’s San Jose city elections, winning affordable housing was near the top of the list. After all, when unions negotiate pay raises for workers like Marcella, their goal is to put more money into her pocket, not her landlord’s.

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Activists Take a Lesson from the Unemployed Councils of the 1930s

BY JAMESTRACEY, SAN FRANCISCO COALITION ON HOMELESSNESS

National Day of Housing Action

On November 14, 2001, activists in nearly four-dozen cities took to the streets in a National Day of Housing Action, which linked local housing issues with the call to establish a national affordable housing trust fund. The day was initiated by Housing America and the San Francisco Coalition on Homelessness and quickly joined by the National Student Campaign Against Hunger and Homelessness and the National Coalition on Homelessness. The day of action received key support from the San Francisco Labor Council and Religious Witness With Homeless People.

The Day of Action also reflected the growing understanding that the homelessness crisis is a direct consequence of the housing crisis: housing for working-class families is increasingly unaffordable. Secondly, it signaled a shift in focus for the housing movement, adding a national perspective to vital organizing which is usually neighborhood-bound. Against the backdrop of the war in Afghanistan, the day sent a clear message that the fight for living wages and truly affordable housing is likely to intensify in the coming years.

The events were reminiscent of the 1930s Unemployed Workers Movement and the struggles which brought the housing safety net into existence in the first place. At first, Unemployed Councils sprung up in many industrial cities as a response to the massive lay-offs as a result of the stock market crash. That time is not unlike the one we live in now. It was preceded by a time when many Americans, had an almost religious belief in the economy and future prosperity (compare to the New Economy hype.)

Like today, the 1930s was marked by wars and rumors of war, as the Allies and the Axis players lined up on the WWII chess board. Some cities were incredibly sedate, such as San Francisco, the unemployed rally was attended by City Council members and the Chief of Police. In other areas more militant struggles collided with local authorities. Still, the scope of the movement, which began to make links with organized employed labor in the CIO, presented a threat to the established order. With the presence of radicals within the movement, and anxieties among the ruling class about revolutionary change, it was clear that concessions had to be made.

A key demand, first brought forward by Socialists, was the creation of public housing. As originally intended, public housing was to be held permanently off the speculative market, owned by the government, and immune to the fluctuations of the market. As intended it was for the entire working-class, the most impoverished and the ones bringing home a regular paycheck. The real estate industry went ballistic, correctly fearing that such a plan would eliminate their ability to profit from the resource of housing. In Los Angeles, the landlord front group called itself the Coalition Against Socialist Housing, or CASH. It was thanks to organizations like this that public housing became specialized only for the very poor-the people that real estate interests had little interest in.

Some of the Unemployed Councils’ other key demands became incorporated into the New Deal programs, and subsequent wartime economic interventions. Congress and President Roosevelt signed off on wartime Rent Controls, which remain in effect in New York City to this day.

During the Bush-Clinton-Bush years the demolition of public housing has dispersed poor people to suburbs, often far from workplaces. Income mixing requirements mean that most very poor people can’t even access federally subsi-
dized housing anymore. The term affordable housing as it is used by the federal government today generally includes those who make over 30% of an area's median income. By no means are such workers anywhere near rich or even arguably middle-class, however, they are being pitted against those with the very "worst-case" housing needs for the same scarce housing. It is ironic that the current housing programs which promise to integrate the poor through mixed income developments usually end up punishing those in need.

So Where To From Here?
One of the most valuable lessons from the Unemployed Councils is that direct action, outside of the electoral system, can make a real difference in people's lives, and serve as a building block for the larger movement. This is not to say that progressive forces should just give the electoral arena over to the rightwing, but simply that the most powerful source of change comes from the people themselves, regardless of who is in power at the moment. The Communist Party USA that played such a pivotal role in organizing the Councils later became irrelevant as they started to respond more to centralized leadership bodies (i.e. the Kremlin) and less to the needs of the people of Harlem. When social change platforms are drafted in dialogue with the base communities, they have legitimacy and life. When they are written by elite central committees, no matter how well intentioned, they are lifeless and dogmatic and quickly lose the attention and respect of the majority of people.

In recent years the destruction and renovation of public housing under the HOPE VI program has been a major lost opportunity. A progressive program would have increased the number of below-market units nationwide, instead of reducing them. Federal investment could have meant revitalization from below-but instead has mean displacement on most levels. "One Strike and You're Out" regulations apply zero-tolerance drugs laws in such a way that grandparents have been evicted for the alleged crimes of their grandchildren. Immigrant exclusion regulations have been returned to federal policy. Those living in unsubsidized housing, (the vast majority of workers) are subject to the whims of the market and often find themselves at the short end of the stick in boom times and bust.

The time is ripe for a new national housing movement. But how can we build it? Here are some suggestions to stimulate debate.

Direct Action Gets the Goods
The nationwide housing movement needs to evolve methods of direct action that make a place for those who have a lot to lose from arrest and police scrutiny. A truly powerful movement will use direct action but not exclude single mothers, immigrants and youth. The vast new powers that are being granted to law enforcement post-September 11th will undoubtedly change the game of civil disobedience and direct action in the U.S. Still, it is unlikely that power will concede a damn thing without a fierce, disruptive fight.

Take Race Seriously
In San Francisco alone, 48% of the shelter population is African American, while the overall population of African-Americans has dwindled to about 7% thanks to gentrification and urban removal programs. While the housing/homelessness crisis is essentially an issue of class; it is foolish to become "color-blind" to the reality that the crisis hits communities of color the hardest.

Start locally
The local level is where most people organize themselves, where there is the most opportunity for effective direct action and movement building. If, on a federal level, massive new funding for truly affordable housing was created, then communities would still have to contend with zoning battles and toxic racism in order to build anything.

Link up nationally
I once had the honor of working alongside tenants at North Beach Public Housing around a Revitalization From Below campaign. While we worked together to win many impressive changes, I wish that we had worked harder to make links with other tenants facing the same battles in other cites. As organizers we were so concerned with our accountability to the tenants we worked with that we shied away from some natural alliances. I think now that we could have made common cause without diluting the local one.

Don't Forget the Global Picture
The cuts in housing and other social programs go right along with the over-all trend of globalization. Local activists need to remember that the anti-globalization movement has a lot of energy and wisdom to offer. Global economy activists seem to be starting to understand that the struggle for global solidarity starts on the local level.

When social spending is cut in Brazil or Argentina, the issue is framed as an austerity measure and debated as a part of the global economy by both mainstream and left presses. When housing subsidies are cut in the United States, it is off the screen of most progressive media outlets and organizations. It is these kinds of blindfolds that leave the larger social movements marginalized, middle-class and white dominated.

Also, we should be honest about the costs of how the war on terrorism and Bush's tax-cuts for the rich are directly impacting spending on programs that could benefit working and unemployed people. It may seem unpopular to appear unpatriotic but understanding the clear trade-off between these political decisions is too important to ignore.

As workplaces become smaller and more atomized, the city has in some respects replaced the giant factory of old as the best place to fight strategic struggles for economic justice. Along with the fight for real living wages, the housing struggle is one of boundless opportunities for movement building.}

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LA Grassroots Campaign Wins $100 Million Housing Trust Fund

BY PETER DREIER AND KELLY CANDAELE

On December 8, 2000, just after 8 a.m., 31-year old Juan Pineda, a father of two children from Guatemala, was crushed to death when a two-story slum apartment building in the Echo Park neighborhood of Los Angeles collapsed. Another 36 low-income tenants – mainly immigrant garment workers, day laborers, and their children – were injured and more than 100 residents were left temporarily homeless. For years, the tenants had complained about the building’s numerous health-and-safety violations, including a faulty foundation, but city housing inspectors allowed the absentee landlord to get away with only minor repairs. The tragedy put a human face on the city’s severe housing crisis – but it also put into relief the dramatic failure of the city’s political leaders to address the problem.

In Los Angeles – a city of 4 million people, more than one-quarter of them below the poverty line – the median house costs more than $200,000. The city’s homeownership rate – 39% – is the lowest in the country except New York City. But unlike New York, LA has few government-subsidized apartments. Rents are so high that a family needs to earn almost $20/hour to afford the typical apartment.

About one out of seven apartments in Los Angeles - more than 125,000 units – are substandard. Many families live in overcrowded housing and an estimated 40,000 live in garages.

In January, a little more than a year after the Echo Park building collapse, Mayor James Hahn, a Democrat elected in 2001 to replace the term-limited Richard Riordan, announced plans for a $100 million annual Housing Trust Fund – the largest in the country – to expand the city’s supply of affordable housing.

The idea for a dedicated annual Housing Trust Fund was the brainchild of Housing LA, a broad coalition of labor unions, community organizations, and housing groups. Hahn’s announcement was the culmination of their two-year grassroots campaign that was, according to state Assemblywoman Jackie Goldberg, a former LA City Councilor, “the most important progressive victory in the city since the living wage law was adopted” in 1997.

During the past decade, as the federal government cut funds for construction of low-rent housing, and with the region’s housing prices spiraling, LA faced a deepening shortage of affordable housing. Just to keep pace
with population increases, LA needs to add at least 5,000 affordable units a year, but last year the city added only 1,200 units to its inventory.

Riordan, a moderate Republican elected in 1993, had little interest in housing. At the time of Pineda's death, Los Angeles used none of its own funds to subsidize housing for the poor. Throughout Riordan's regime, tenants groups, non-profit housing developers, and homeless advocates had little success getting city officials or the local media to make housing a priority.

How did this dramatic turnaround in the city's political priorities happen – especially in the midst of fiscal downturn caused by the economic recession and after-shocks of September 11?

"We knew we had to broaden the coalition for housing beyond the 'usual suspects' of housing developers and tenants groups," explained Jan Breidenbach, executive director of the Southern California Association for Non-Profit Housing, the campaign's key strategist. "We had to engage the unions, especially those that represent the working poor, who bear the brunt of the housing crisis, as well as the building trades whose members would build some of the housing. We also reached out to the religious community and to community organizing groups."

Breidenbach recognized that the June 2001 municipal elections – the open mayoral seat attracted six candidates and the six open seats on the 15-member City Council each attracted three or more candidates – provided a strategic opening. The Housing LA coalition decided to inject housing issues into these contests.

Cardinal Roger Mahoney and LA County Federation of Labor head Miguel Contreras agreed to serve as Housing LA's co-chairs, solidifying a labor-community alliance that the city's key activists had been forging for several years. Prominent labor, religious, civic, and other leaders agreed to serve on the steering committee. But the Housing LA campaign was more than a letter-head coalition. A former SEIU organizer, Breidenbach enlisted the support of several key unions – including those representing hotel workers, janitors, and food and commercial workers – to raise the issue among rank-and-file members and make affordable housing a key part of endorsement interviews of prospective candidates.

The coalition sent a detailed questionnaire on housing issues to candidates and distributed more than 10,000 copies of a multilingual pamphlet summarizing their responses. Housing LA constituents showed up regularly at candidates' forums sponsored by unions, churches, the Progressive Los Angeles Network, and community organizations such as ACORN, Coalition LA, LA Metro Strategy, and POWER to ask office-seekers their views on these policy ideas.

To gain the support of LA's fragmented business community, the coalition pointed out that many of the city's major employers faced problems recruiting workers because of the region's high housing costs. Two influential business lobby groups – the Central City Association and the Chamber of Commerce – endorsed the general idea of a trust fund, but opposed the coalition's proposal to fund part of it with a "linkage" fee on commercial developers.

In the months before the April preliminary election, Housing LA invited every candidate to a series of housing tours. Most of the candidates showed up for the well-orchestrated van rides, which made tangible the city's grim housing realities.

"The tours were a major eye-opener for many of the candidates," explained Robin Hughes, executive director of the LA Community Design Center. "They saw families, including children, living in subhuman conditions – in garages and tiny apartments with rats, pealing lead paint, and no hot water – some with rents as high as $1,000 a month."

Then Housing LA took the candidates to well-designed buildings in the same neighborhoods, sponsored by the city's network of nonprofit community development corporations. These subsidized projects had roomy apartments. Tenants paid less than a third of their income for rent. Some had child care centers and other social service facilities.

"Our message was simple," said Hughes. "There's the problem. Here's the solution. All we need is more money."

Some groups also engaged in civil disobedience. In February, ACORN mobilized a rally in front of a luxury housing development under construction in downtown LA to protest the lack of affordable units. While former Assembly Speaker Antonio Villaraigosa, a candidate for mayor, and Eric Garcetti, a candidate for City Council, addressed the 100 protestors, five ACORN members chained themselves to the construction site fence and were later arrested.

Eventually, each mayoral candidate supported the general idea of a municipal Housing Trust Fund. Villaraigosa, the
Our message was simple," said Hughes. "There's the problem. Here's the solution. All we need is more money."

favorite of the city's progressive movement, made housing a central part of his campaign and identified specific funding sources, including the controversial "linkage" fee, for the trust fund. Villaraigosa's advocacy helped keep the issue in the limelight.

Hahn, who had served as city attorney for the previous 16 years, beat Villaraigosa in the June mayoral run-off by a 54% to 46% margin. When Hahn pledged in his July inaugural speech to make the Housing Trust Fund one of his early priorities, "we were ecstatic," explained John Grant, in-house counsel for the United Food and Commercial Workers Local 770 and a Housing LA executive committee member. "We knew we had put the issue on the front burner."

During the summer and fall, the coalition kept up a steady drumbeat of pressure – including weekly lobbying delegations to City Hall – to get Hahn and the new City Council to put forward a specific funding plan. But as the city's economy began heading into a recession, reducing tax revenues that the Housing LA group had identified as potential sources for the trust fund, the coalition had to face a new reality. Compounded by the September 11 tragedy – which devastated the region's hotel and tourism industry, and led city officials to redirect scarce municipal funds for security at LAX – the municipal budget shifted from a surplus to a deficit.

"Under these new fiscal circumstances," said Alvion Hurd, a tenant leader with Los Angeles ACORN, "we weren't sure if the Mayor and City Council were still serious about the trust fund." The coalition agreed to accommodate these conditions by revising its plan, encouraging city officials to phase-in the trust fund so that it reached $100 million within three years.

But to keep the housing crisis in the news, Housing LA orchestrated a number of events. Cardinal Mahoney and several union leaders led reporters through a slum building. The group issued a report that ranked LA's housing shortage as among the worst in the nation, sponsored a march to City Hall that attracted more than 400 participants, and organized a vigil in front of City Hall a week before Christmas asking city officials to fund "homes for the holidays." ACORN visited Mayor Hahn's modest home in the San Pedro neighborhood to sing Christmas carols with new housing lyrics; several tenants groups did an encore performance a few days later at City Hall.

With a push from new City Council member Garcetti, the Housing LA coalition successfully encouraged Hahn to publicly announce a specific funding plan before Martin Luther King Day. At the press conference, held at a housing construction site, workers temporarily stopped hammering to allow the assembled reporters to hear the speakers' remarks. "Keep working," Hahn told the carpenters. "We need the housing."

As the Los Angeles Times noted in an editorial, the city's housing crisis "won't end because of Mayor James K. Hahn's proposed $100-million housing trust fund, but it's a start."

Housing LA intends to keep the coalition together for the next battle – persuading city officials to adopt an "inclusionary zoning" law to require builders of market-rate housing to include low-income units in their developments.

In Echo Park, the site where Juan Pineda died is now a vacant lot, the ruins of the building cleared away. A church group wants to buy the parcel and build low- and moderate-income housing. "Wouldn't it be great if we made this one of the first projects to use the new Housing Trust Fund?" said Breidenbach. "That would be a fitting memorial to Mr. Pineda and the others who suffered in that tragedy."

Peter Dreier, Professor of Politics and Director of the Urban & Environmental Policy Program at Occidental College, is coauthor of Place Matters: Metropolitics for the 21st Century (University Press of Kansas).

Kelly Candaele, an elected member of the LA Community College Board, is a freelance writer and political consultant. A version of this article appeared in The Nation.
Out of Reach 2001: America's Growing Wage-Rent Disparity

The cost of housing has consistently and dramatically outpaced income for many years. Combined with an ever-dwindling supply of housing available to the lowest income groups, we have reached a point of crisis that will be solved only with sustained and dramatic action. Out of Reach, contains income and rental housing cost data for the U.S. and calculates the income that families need in order to pay the rent and keep their housing costs generally acceptable levels. The report finds:

- The national median housing wage is $13.87 an hour, more than twice the federal minimum wage. This means that there must be more than two, full-time minimum wage workers in a household in order to afford a two bedroom housing unit at the Fair Market Rate.
- The Housing Wage in 13% of our cities and towns increased by $1.00 or more from 2000 to 2001.
- The number of counties with a skyrocketing Housing Wage is growing.

In 2000, four counties had more than a 20% increase in their previous year's Housing Wage, this year 41 had increases greater than 20%.
- 70% of local jurisdictions saw an increase in the number of renter households from the 1990 census.

See the full report and the numbers for your community on the web: www.nlihc.org

Letter from the Campaign

Dear Housing Advocate,

As someone who cares about housing issues, we're sure you are well aware of the housing crisis facing America's communities. Something can and must be done. The National Housing Trust Fund Campaign is a coalition of more than 1900 organizations working to establish a National Housing Trust Fund as a key part of the solution. Building on the success of the more than 170 state and local housing trust funds nationwide, the National Housing Trust Fund would invest billions of dollars in new federal resources to establish an ongoing, permanent DEDICATED source of revenue (a trust fund) to BUILD, rehabilitate and PRESERVE at least 1.5 million units of primarily rental housing 75% of the funds would support households below 30% of area median income, and the other 25% would support households at up to 80% ami.

We need your support to make the National Housing Trust Fund a reality.

A significant endorsement list is one of the Campaigns most powerful tools in generating legislative support.

By taking just a minute to add your name to the list, you can help us reach our goal of 4000 endorsements. Please send your organization's contact information to kim@nlihc.org or endorse at the website http://www.nhtf.org
Getting Home

Notes From Homeless Service Providers

BY THE EDITOR

Service providers in the San Francisco Bay Area report that both the size and composition of the homeless population is changing – not only are more people becoming homeless – but a higher proportion are African American and Latino single adults and single parent families. There are some obvious reasons for the growth in homelessness; high housing costs, lack of affordable housing, and the dwindling spending power of the minimum wage. There are also some surprising factors, such as the rise in the prison population in California.

Homelessness became an epidemic in the 1980s partially as a result of Reagan era federal cuts in social service and housing programs. Heaped upon those service cuts were urban renewal programs, which demolished low cost alternatives such as single occupancy hotels in many cities. In recent years rising housing prices and gentrification in low-income neighborhoods, combined with more cuts in social service, mental health, and welfare programs have swept many working people to a perilous edge. Any one of many common family crises; a divorce or separation, an injury or medical problem, a job layoff, can cause people to lose their housing. As the real spending power of wages continues to remain stagnant or decrease, as minimum wage jobs become more prevalent, this vulnerability grows.

Marty Fleetwood of HOMEBASE/The Center for Common Concerns in San Francisco, likens it to a system of musical chairs, "Someone is going to fall out – lose their home, but you don't know who. As soon as someone gets on their feet, there are three or four to take their place." The National Center on Family Homelessness report, Homelessness: Programs and the People They Serve, looked at changes in homelessness between 1987 and 1996 and found that in 1996 homeless people were more likely to be people of color, better educated, more likely to receive other social services such as Aid to Families with Children (now the TANF program) and still be homeless.

It is no surprise that the greatest barrier to making an impact on the problem of homelessness is funding. Marty Fleetwood explains, "Homeless services and classic social services such as TANF or public housing, are not resourced at a scale which aligns with the problem. They need at least one hundred times the resources. Look at how long someone has to wait for Section 8 (rental assistance) housing, it can be ten years. When someone can get housing, or treatment on demand for substance abuse without waiting, that's when we'll solve the problem."

The National Center on Family Homelessness has begun a new approach to homelessness issues. Phoebe Soares of The Better Homes Fund put it this way, "Homelessness has exploded in last several years, but we realize that funders have not kept pace. Foundation funding has increased in programs for people in extreme poverty, and programs serving women, but funding of homeless programs has
not grown. We need to refocus our efforts to better meet these needs.” In an initiative termed, *Re-engaging Philanthropy in the Fight to End Homelessness* a number of funders on both coasts have suggested, “When focused and committed, the philanthropic community is extremely influential in garnering the public will and resources (private and public) necessary to mount effective responses to important

people some place when they depart a state prison or Youth Authority. In the absence of low cost and affordable housing, homeless shelters are the solution of choice for corrections officers.

The racial disparities underlying the criminal justice system is replayed in shelters as the criminal justice system becomes a client of homeless service providers. Marty Fleetwood, reports "There is clearly a disproportionate

impact. " Building Opportunities for Self Sufficiency Director, boona cheema, also points to the racialization of criminal justice, "The incarceration of the mentally ill, and the criminalization of drug use, especially the higher penalties for crack cocaine than for powdered cocaine, has directly led to increases in homelessness in communities of color. As the pressures of institutionalized racism continue to mount, and as the rights of immigrants to services are violated, we fear we will see even larger numbers of Latinos and Asians becoming homeless."

The consequences of political choices: to shrink or eliminate safety net social programs; to increase criminal penalties and the numbers of prisons; to cut mental health and drug treatment programs, have forced more people into homelessness. Clearly more resources are needed to solve this problem. Homeless service providers are also clear on how those resources should be used. James Thomas, at the Emergency Services Network, in Oakland, an advocacy organization for homeless service providers:

preparation. They need affordable housing, which can be very difficult to build for the very low-income. People coming out of homelessness have incomes that are only 15% of the area median and affordable housing is being built for 50% of area median income. Without deep subsidies to build affordable housing it is impossible to reach these people.”

From conversations with:
boona cheema, Building Opportunities for Self Sufficiency, Oakland

James Thomas, Emergency Services Network, Oakland

Marty Fleetwood, HOMEBASE Center for Common Concerns, San Francisco

Spence Limbocker, Neighborhood Funders Group, Washington DC

Phoebe Soares, National Center on Family Homelessness, Newton Centre, MA

Martha Toll, Butler Family Fund, Washington DC
Rent Control in the New Millennium

BY DENNIS KEATING & MITCH KAHN

During the 1970s and early 1980s, the fight for rent control galvanized tenant organizing. That era's economic and political context made rent control timely and attainable on a number of different levels. First, inflation from the Vietnam War and OPEC oil embargoes placed economic hardships on increasing numbers of working families. Like today, in many areas of the Northeast and California, rent increases were far outstripping wage increases, and a growing shortage of affordable housing exacerbated the crisis.

Second, there was an infrastructure of tenant organizations able to mobilize large numbers of tenants. Groups such as the New Jersey Tenants Organization (NJTO), the Metropolitan Council on Housing (New York City), New York State Tenants and Neighbors Coalition, the California Housing Action and Information Network and the Massachusetts Tenants Organization coordinated successful local and statewide rent control campaigns. A surge of tenant activism throughout the country led to formation of the National Tenant Union (NTU) in 1980. Each group had leaders with extensive organizing experience gained from the political struggles of previous decades.

The last factor that brought about a demand for rent control was the public's disillusionment with government and corporate America in the wake of Vietnam and Watergate; large numbers of people saw progressive social change as an attainable and desirable goal.

California, New Jersey, New York and Massachusetts, and cities such as Seattle, Baltimore and Washington, DC, were the sites of pitched battles for rent regulation during this time, many of which were successful. At the height of tenant influence in the late 1970s, rent control laws had been enacted in over 170 municipalities, mainly in the Northeast and California where the rent pressures were most severe and tenant organizations were strongest. Though not uniform, these laws did have a number of common features, one of which was a specified annual rent increase, either a fixed percentage or some fraction of the Consumer Price Index. Most of these laws also provided landlords with capital improvement surcharges, tax surcharges and hardship appeals that guaranteed fair rates of return on investment.

Despite these moderate provisions, landlords vigorously opposed all forms of rent control. The emerging conservative onslaught in the 1980s further slowed or rolled back tenant gains. The National Council of the Multi-Housing Industry (NCMHI), a sister organization to the National Apartment Association (NAA), was created to serve as an umbrella organization for state landlord associations. The NAA and NCMHI lobbied to cut off federal Community Development Block Grant funds to any municipality with rent control and got the Reagan Administration to push for this sanction each time the program came up for authorization. Both of these organizations encouraged their state affiliates to initiate local and statewide referenda on rent control and provided research materials, expertise and guidance for these campaigns. These efforts coincided with a growing conservative and anti-regulatory sentiment in many sectors of the voting population.

Meanwhile, the short-lived NTU collapsed, leaving tenants without the coordinated national voice of the landlords. However, the tenant movement remained strong at the state and local levels where rent control is enacted, so the landlord offensive was largely defeated. The large statewide tenant organizations had broad, organized and vocal constituencies that made a crucial difference in thwarting landlord-sponsored voter referenda, legal challenges and massive tax appeal campaigns. But unlike the 1970s, when tenants were on the offense and winning victories, they were now on the defensive.
Massachusetts and California: Statewide Losses

When landlords attack rent control in a larger arena that includes fewer urban areas or tenants, they are often more successful. Massachusetts fared the worst in this regard, losing rent control altogether in a 1994 statewide referendum sponsored and financially backed by landlords, which passed by 51 percent. But Massachusetts only had three cities with rent control (Boston, Brookline and Cambridge), and not surprisingly, the referendum lost there. The aftermath of the loss of rent control included drastic rises in decontrolled rents and an aggravation of the shortage of affordable rental housing in the greater Boston area, with rents rising 50 to 100 percent.

While California's landlords have failed to win statewide rent control repeal, in 1995 they persuaded the California Legislature to impose vacancy decontrols statewide. Vacancy decontrol, a favorite and widely successful weapon of anti-rent control forces, allows landlords to raise rents well above the allowable annual increase when a tenant moves out. In a large number of cases, rents can be raised to market levels before coming under rent control again. In its extreme version, rents are decontrolled altogether upon a vacancy. This not only has made rental housing less affordable for many tenants in rent-controlled jurisdictions, but also has created a great disparity in rents between new and older tenants. As a result, vacancy decontrol also discourages tenant unity.

In California, statewide vacancy decontrols took effect at the beginning of 1999. For much of the rent-controlled housing, this will mean the end of rent control due to the high demand for housing and the small supply of affordable units. Tenant organizations in cities like Berkeley and San Francisco have had to refocus on the crucial, though rear-guard, fight to strengthen eviction protections for those tenants that still enjoy the greater protection of prior local laws. In the November 2000 election, San Francisco tenants passed an initiative measure to limit landlords' ability to increase rents for capital improvements (except for seismic renovations), and Berkeley voters approved an initiative to tighten owner-occupancy rights.

On the upside, California mobile homeowners have benefited from the strong legislative advocacy of the Golden State Manufactured Homeowners League (GISMOL). The mobile home tenant/owner organization in California is one of the best organized and financed in the U.S. In the mid-1990s, GISMOL led a successful effort to defeat a statewide attempt to repeal California's widespread strong city and county mobile home space rent control ordinances that have either no vacancy decontrol or limit any special increases upon vacancy.
Washington, DC: Confronting Consultants
Two years ago, in the District of Columbia, tenants successfully defeated an attempt to repeal rent control. As required by a 1997 Congressional mandate, the DC Financial Control Board had commissioned a study of the rent control system enacted in 1975. The consultants released a report in 2000 that recommended repeal of rent controls covering more than 100,000 rental units, claiming that they were no longer needed and that high vacancy rates would protect lower-income tenants from major rent increases. DC already allows special rent increases for vacant units, including a provision that allows landlords to raise the rent to that of the "highest comparable unit" in their building – although this is not technically considered vacancy decontrol.

The consultants acknowledged that decontrolled rents in Cambridge had risen by 36 percent between 1994 and 1997, but claimed that this would not happen in DC due to already higher rents and vacancy rates. They estimated average decontrolled rent increases at about 2 percent, with little likelihood of tenant displacement.

The DC Coalition for Rent Control criticized the study’s assumptions and methodology. It involved no new research, says Kenneth Rothman of the Coalition, and the study used the unusually high rent ceilings, created in some cases by the highest comparable law, to make rent control appear unnecessary since some owners were charging less than the ceiling allowed.

Knowing that the city council didn’t look favorably on the study since it had been commissioned by the imposed control board, the Coalition didn’t worry about it much. It focused instead on the need to improve the implementation of rent regulations, specifically the de facto vacancy decontrol. In October 2000, with the support of Mayor Anthony Williams, the City Council extended the existing rent control law for another five years.

At the local level, landlords have chipped away at local rent control laws through the divide and conquer strategy of vacancy decontrol.

Rothman believes that rent control is in less danger of being repealed in DC for two reasons. First, it has one of the highest percentages of renters in the country (approximately 60 percent). And second, it has no state government. In other areas, says Rothman, "When the landlords can’t fight [rent control] locally, they take it to the state so they can work with the legislators whose constituencies aren’t urban." Although DC has federal oversight, the federal lawmakers are hesitant about interfering locally and also aren’t indebted to local landlords for contributions.

New York: Chipping at the Edges
In 1997, New York tenants defeated Republican-led efforts to impose full vacancy decontrol on municipalities like New York City, but it took a full-scale organizing and lobbying campaign. Landlords did win passage of "luxury decontrol" for units renting for $2,000 or more per month. Early in 2000, the New York City Council extended its rent stabilization law covering approximately 1.1 million rental units for another three years (through March 2003), again largely unchanged due to strong tenant lobbying. However, new landlord-friendly regulations were added by the state Division of Housing and Community Renewal. These new regulations create a procedure for defining legal base rents favorable to landlords, restrict cost-sharing between roommates and allow vacancy decontrol increases more than once a year.

New Jersey: Local Inroads, Strong State
In New Jersey, long the battleground and site of major tenant rent control victories, a number of factors have led to erosion of tenant power. Two decades of vigorous landlord political activity at the state and local levels have begun to yield a shift of power in their favor. Landlord-sponsored voter referenda, a massive tax appeal campaign and co-op and condo conversions have taxed the tenant movement’s resources. In addition, throughout the 1980s and 1990s, public opposition to increases in the state income tax and local property taxes led to the election of conservatives at all levels of government. Demagogic attacks on tax increases strained the already tenuous alliance between homeowners and tenants. In the state legislature, this has manifested itself as a barrage of anti-tenant legislation which has placed the New Jersey Tenant Organization (NJTO) in a constantly defensive position.

At the local level, landlords have chipped away at local rent control laws through the divide and conquer strategy of vacancy decontrol. While tenant leaders understand the long-term negative consequences of vacancy decontrol, it has been difficult to mobilize large numbers of tenants in opposition since the policy does not affect them directly.

Landlords have also lambasted rent control as a cause of homeowners’ property tax hikes, which has caused weakness in overall tenant-homeowner unity.

As a result, there has been a widespread enactment of vacancy decontrol measures in municipal rent control laws. Eighty percent of New Jersey’s 115 rent-controlled municipalities now have some form of vacancy decontrol. More than half have full vacancy decontrol that allows rents to be raised to market levels before coming under rent control again. Two cities, Bloomfield and Passaic, have recently implemented permanent vacancy decontrol measures that will phase out rent control. In towns with full vacancy decontrol, rents have quickly risen to market levels, exacerbating the
already acute housing affordability crisis in New Jersey.

Landlords have carried their anti-rent control campaign to the state legislature, but unlike Massachusetts and California, they haven't been successful. The NJTO is still an effective electoral force in the heavily populated northern counties in the state, and in spite of persistent opposition, rent control has become a valued part of the political landscape in more than 20 percent of the state's municipalities. Also, the issue of home rule steers many conservative state legislators away from the issue.

Nonetheless, landlords maintain the offensive in the state legislature. In March 1997, Republican Assemblyman Michael Patrick Carroll introduced legislation to end rent control in the year 2000 for all apartments renting for more than $750 per month, which is well below the average rent in the state. Carroll’s bill also would have prohibited the enactment of any future local rent control laws. Following this bill’s introduction, then-Governor Christie Todd Whitman called for the establishment of a Landlord-Tenant Task Force to make recommendations on rent control and related property tax issues; the Governor recommended members who would be overwhelmingly supportive of the real estate industry’s interests.

The NJTO was given one seat on the 10-member commission. The remaining members were to come from the statewide landlord, builder, banking and bar associations and the state legislature, one Republican leader from each house. The NJTO organized a statewide campaign that mobilized local tenant associations, labor unions, community development organizations, housing advocacy groups and New Jersey Citizen Action to expand the task force’s composition. As a result of NJTO’s efforts, Governor Whitman added representatives from the New Jersey Mobile Homeowners Association and the New Jersey Housing Community Development Network, and the New Jersey Bar Association named a prominent legal services attorney as its representative.

To date, the task force has not issued its report, and tenant lobbying successfully ended the life of the Carroll bill during the 1999 legislative session. Undaunted, Assemblyman Carroll has introduced a new bill that would impose permanent vacancy decontrol throughout the state. However, this legislation appears to be dead on arrival due to considerable tenant opposition.

**The National Picture**

Nationally, outside the main rent-controlled regions, there has not been a demand for rent controls due to the relatively low inflation rate during the past decade. However, in hot local real estate markets such as Seattle, rent control has re-emerged in policy debates as a response to exorbitant rents. Housing advocates in communities that seek enactment of new rent control laws have some unique organizing challenges; a number of state legislatures, including Washington and Massachusetts, have preempted local governments’ right to enact rent laws. It will be necessary to start with a statewide presence similar to the past efforts in states of New Jersey, New York and California. Tenant unity across class lines must be built at the beginning of rent control campaigns, and tenant-homeowner unity on tax equity issues is essential to thwart the certain divide-and-conquer strategies used by landlords.

**Carrying On**

In and of itself, rent control cannot solve the crisis of the lack of affordable rental housing. However, under the right conditions it can avert much tenant displacement by preventing steep rent increases while guaranteeing compliant landlords a fair rent.

The history of rent control over the last few decades offers lessons for today’s tenant groups. First, the location of the struggle is always shifting. Real estate and landlord interests are well organized. If they can’t win at the local level, they will try at the state, and vice versa. Organizing has to be strong at all levels to succeed.

Second, economic and political climates have great influence on the success or failure of rent regulations. Tenant groups need to pay attention to these trends and actively form alliances with other groups, such as homeowners concerned about property taxes.

Third, and perhaps most importantly, vacancy decontrol and other weakening of rent regulations can be just as dangerous or more so than the threat of full repeal. Vacancy decontrol provides a strong incentive to threaten tenants with eviction, it weakens the tenant organizing base because it does not directly threaten rent increases to existing tenants and it rapidly reduces the stock of affordable housing. As Kenneth Rothman of the DC Coalition for Rent Control says, “The real fight is going to be within the details of the law.”

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How a Group of Renters Organized to Beat a Billionaire Landlord

BY JESSICA LEHMAN, ACORN SACRAMENTO

Once or twice a week, renters call or come to the office of Sacramento ACORN with housing horror stories. A woman with six foster kids has only a tarp for a roof, and recent rains have cut out the electricity in her kitchen. A single father and his son have lived in a small motel room for months, unable to find an affordable apartment. Two tenants in a run-down apartment complex dare to complain about mold in their bathrooms and receive eviction notices. Tenant problems abound for the 42% of Sacramento residents who rent, and yet city officials have remained largely unresponsive. In February, 2002, the problems grew too large to ignore.

On a sunny weekend in mid-February, 420 residents of the Sacramento area found 30-day eviction notices posted on their doors ordered there by their landlord, Gensiro Kawamoto. Tenants, initially shocked, began to feel angry and betrayed by a landlord that they had faithfully paid rent to every month for years. Many tenants, with little savings, children in school, and a tight rental market, saw the futility of trying to buy or rent another house in just thirty days.

The first step, then, was organizing the renters. The landlord had unwittingly set up an ideal organizing situation, by posting eviction notices on 420 doors in five cohesive neighborhoods. People were fired up and committed to doing something. Organizers spent several hours each of the first few days knocking on doors, talking with residents about the injustice of the eviction and about the opportunities to fight back. Less than forty-eight hours after the posting of the notices, over 200 tenants showed up at a mass meeting, where they outlined a plan of action and elected a committee of tenants to lead the campaign. Three days later, fifty tenants picketed on the steps of the state Capitol, carrying signs reading "Homeless in 30 days" and chanting "Thirty days is not enough!"

Tenants held a brief press conference and marched to the office of the Attorney General, who's counsel committed to an investigation. Direct action allowed the tenants to make their voice heard and to feel their own power. These actions sent a clear message, to Kawamoto and other exploitative landlords, that renters were an organized force that could and would continue to grow and build.

Because of his physical distance from the scene, intimidating the landlord with large turnout events alone would not win him over. Direct action won over those with broad-reaching influence: community residents, the press, the City Councils of Sacramento and Citrus Heights, community organizations, and legislators. Organizing and direct action gave the press something to cover. The situation appeared prominently day after day in The Sacramento Bee and on local TV and radio, and the story ran in the San Francisco Chronicle, LA Times, Boston Globe, New York Times, and a Japanese daily paper. Sacramento residents could not escape the story, and in the first few weeks, the mass evictions was discussed in stores, restaurants, and buses. The buzz forced people to admit that renters’ rights were a problem that had to be addressed.

From the moment the 30-day notices were posted, tenants questioned the legality of the mass evictions. Legal Services of Northern California, who had already entered into a partnership with
ACORN on renters’ rights, jumped into action. The two organizations held a Service and Action Fair about a week into the campaign to gather more information on the legal possibilities. At this day-long fair, over 200 tenants met with volunteer attorneys and gathered information from loan counselors and mortgage brokers. Armed with the information collected at the fair, attorneys at Legal Services filed a lawsuit, based on unfair business practices, with ACORN and a low-income tenant as co-plaintiffs. Lawyers argued that the eviction of 420 families simultaneously would disrupt schools, threaten public safety, and upset the housing market.

Lawyers argued that the eviction of 420 families simultaneously would disrupt schools, threaten public safety, and upset the housing market.

Assembly Judiciary Committee passed Ortiz’s legislation almost unanimously, dealing another blow to the landlord and setting a precedent for future renters’ struggles.

With the huge amount of organizing, action, and behind-the-scenes work going on to stop or delay the evictions, politicians and other government officials began to jump on the bandwagon. California’s Governor Davis as well as senators and representatives agreed to write letters to Kawamoto asking him to grant the tenants more time. Leaders hinted that Japanese officials had an economic incentive to influence Kawamoto in order to protect relations with California, the fifth largest economic unit in the world. The Japanese embassy agreed to meet with an ACORN representative and a tenant. No one knew exactly which person, if anyone, could bend the ear of the billionaire landlord (an international investor), but we knew that it would be difficult for him to ignore all of them.

After about twenty days of massive attention on the evictions through direct action, the lawsuit, and legislation, the landlord and his attorneys finally decided that we had caused too much trouble. They announced that they would rescind the 30-day notices and issue new 90-day notices. The news was met with joy and relief. The first battle was over. A group of outraged tenants had taken on a billionaire and won.

Meeting the Challenges
The campaign presented a number of important organizing challenges and lessons, particularly of race, class, ownership, and power. First, it was too easy for a group of white tenants and organizers to blame the Japanese landlord for the problem and to demonize him. This kind of polarization may have reinforced stereotypes of Asian businessmen and revived subtle racism. ACORN staff and leaders worked to put the focus on the bigger picture, the fight for renters’ rights. Kawamoto, or a landlord of any race, could only get away with sudden evictions because of larger policies that leave renters at the whim of their landlords.

A major challenge of the campaign was how to make sure the affected tenants owned and ran the campaign. Leadership development was crucial. Organizers worked to meet first with recognized spokespeople in the neighborhoods and then with everyone, signing people up as dues-paying ACORN members so that they could own the organization and its power. Members become leaders by doing, and organizers worked intensely to train tenants to run the organization and the campaign.

For example, a tenant named Lourdes volunteered to serve as a representative on the tenants’ committee. The next day, she and an organizer talked for an hour about ACORN, particularly the principle of being run by members, and about the potential of grassroots organizing, with Lourdes citing the example of parents of kids with disabilities organizing for better education programs. Two days later, Lourdes led the press conference in front of the Capitol, rallying other tenants to fight with her and speaking to the media about the plight.

Moving Out and Moving On
By mid-March, when the first 30 days were up, half the houses lay empty and shuttered. The tenants took houses in different cities. They squeezed into small and expensive apartments. Or they got lucky and found homes to rent nearby. Had they taken advantage of the extra 90 days granted, their children could have finished the school year in the same comfortable environment. They might have found something larger or more affordable. But they were afraid to wait, afraid for their families, afraid that the fight might fail.

Many of the tenants were not used to fighting. They lived in three and four bedroom homes, in what appeared to be comfortable, middle-class neighborhoods. In reality, these families were struggling, either as single parents, older people, people with disabilities, or young...
families. But people do not want to be poor. These middle-class neighborhoods afforded the tenants not only good homes, but a chance to set themselves apart from the poor backgrounds many had tried to escape and to identify as middle class. Further, the middle class comfort of many of the Kawamoto renters gave them more to lose if they fought. Unlike typical ACORN members, who are used to having to fight for good education, decent jobs, and safe streets, many of these tenants had not had to fight for a decent life or were too embarrassed to say they had problems. In future fights, middle-class comforts will have to be risked if we are to forge ahead to a new system, one in which the wealthy landlords do not control our lives.

Many tenants did, however, choose to stand and fight, despite the commonly received knowledge from our teachers, parents, and government that tells us that hard work will bring us to the top, and that bucking the status quo will only bring us down. These are the tenants that the fight was all about. They had no time to hunt down an affordable place, they did not want to uproot their children from what had become home, or they felt that the eviction was too unjust to simply surrender. Residents knew that in fighting, they were giving up valuable time that could be spent looking for a place to live. Everyone understood the possibility that we could lose. And yet we organized, we fought, and we won. We did not win long-term stability in our homes— that will take an overhaul of the tenant-landlord system—but we won time for people to find a better situation. We showed, once again, that people can successfully take on the systems that oppress them.

Building Power for the Future
Kawamoto will not be the last landlord to evict stable renters. The problem will continue until people build the power to change a society structured to disregard low and moderate-income communities. In this campaign, the power that we had already built as an organization with 32 years of grassroots organizing experience, political understanding, and a nationwide reach was essential to the win. In turn, it was clear that the campaign would help build power for renters’ rights and for low and moderate-income people.

The first benefit of running the campaign as part of a nationwide organization was field experience, 30 years worth of grassroots organizing skills. Second, alliances previously forged with Legal Services, City Council members, legislators, and community groups allowed for effective cooperation. The third asset was legitimacy in the press. Fourth was the infrastructure of a national staff.

National researchers gathered information in Dallas and Baltimore, while the national media director worked on press around the country and an ACORN lobbyist in Washington, DC scheduled meetings with the Japanese embassy and several legislators.

Taking advantage of ACORN’s strengths enabled quick and successful organizing and helped win more time, and the end of this battle means new and stronger opportunities to win the war for comprehensive and long-term protections for renters in California. People all over the city have a strong new understanding of the problems renters face every day. New alliances have been formed and old ones strengthened. The potential of grassroots organizing has become evident. The time has come to take on the real war, the war against 30-day evictions, run-down rental housing, expensive security deposits, and ever-rising rents all over California. It is time to fight for renters’ rights.

Jessica Lehman is Lead Organizer for ACORN Sacramento
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Renter Protections Around the Bay

Oakland – Just Cause on the Ballot

In Oakland the Just Cause Coalition is gathering signatures to place eviction protection legislation on the November 2002 ballot. As it now stands, Oakland tenants can be evicted with 30 days notice, for no reason. The city has enacted a few stipulations which come into affect only after a tenant has been evicted. But a city fine is no deterrent when a landlord is free to raise the rent above the legal limit once an apartment becomes vacant. Two years ago the Coalition campaigned for a Just Cause Eviction ballot measure but did not gain enough signatures to qualify for the ballot. The effort did raise the issue, and helped the Coalition build alliances. The current signature drive has been supported by congregations throughout the county as well as South Bay unions. Coalition members are PUEBLO, ACORN, Oakland Tenants Union, West Oakland Anti Displacement Network, E-BASE, and the Oakland Coalition of Congregations.

Just Cause Eviction Coalition and Regional Anti-displacement Network

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San Francisco – Plan del Pueblo

The Mission Anti-displacement Coalition (MAC) has engaged residents and businesses in the legendary Mission District, the cultural and historical center of the Latino community in San Francisco, in a grass-roots land use/community planning process. The City’s planning department is holding public workshops to update their land use plan, and Oscar Grande, of PODER reports, “We know who usually goes to those meetings – the developers, architects, lawyers and planning students, and whoever shows up usually calls the shots. Workers don't even know these gatherings are going on, yet it's their lives, and livelihoods that’s affected.” With a huge, three dimensional map of the Mission District created by a number of artists, Grande has been inviting residents to MAC workshops to voice the problems, needs and the hopes of their community. "Rents are high, residents and businesses feel lots of uncertainty about displacement, young people are BARTing in from East Bay cities like Richmond to go to school, because they can’t afford to live here, even though it’s still their community.”

Workshop participants identify community landmarks and talk about what they need to thrive – housing, jobs, public services and cultural institutions – the ingredients of community. The workshops often focus on young people, who may not frame their needs in terms of affordable housing, but talk about needing more time with parents who work two jobs to pay the rent, and about wanting to be part of a community instead of being harassed in stores. The workshops have engaged about 270 participants, and will involve about 500 community members in all.

The city planning department has held two Mission Community Planning Workshops and a lot of MAC’s workshop participants attended. Oscar Grande, tenants sat at tables with new homeowners who were mostly white, and business people. Those folks have a different agenda, one that the city caters to most of the time. Our folks put forward their vision, which is one that has not been recognized.”

PODER and MAC will eventually present the city with an alternative, people’s plan, the Plan del Pueblo. Oscar Grande says, “The campaign is really rewarding, because its not just reacting, its trying to flip the (city’s) process, make it relevant to people’s lives. The other side has a 30 year plan, why not the Pueblo?”

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North Bay – Marin County Tenants Union

Marin County is one of the region’s wealthiest counties, with a vibrant, close-knit and low-income Latino community – the Canal in San Rafael. About three years ago when Legal Aid of the North Bay launched an organizing campaign to develop a tenants union, the Canal seemed a good place to start. Jessuina Perez Teran, tenant organizer, describes the vulnerability of tenants in this largely immigrant community. “Rules for eviction in Marin are the same as the rest of California, essentially none. A landlord can evict a tenant with 30 days notice and for no reason. One thing that holds people back from getting organized is the shortage of affordable housing. If a
Evicted with a thirty day notice from their previous home, teachers Francisco Nieto and Mirella Rangel have managed to remain in their community by buying a house in Oakland.

What pushes people to get organized are constant and steep rent increases. We see $300, $400, even $1,000 a month. What pushes people to get organized are constant and steep rent increases, we see $300, $400 even $1,000 a month. Mis-treatment or harassment by building managers and landlords is also common, they threaten people with eviction, or with calling the INS (Immigration & Naturalization Service). The new tenants union is connected to regional and statewide Just Cause campaigns and with the California Housing Rights Campaign.

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Update on San Jose
In San Jose a citywide inclusionary zoning ordinance is on the table, still several months from being finalized. Working Partnerships wants the city to provide public subsidy for very low-income housing, which is extremely difficult to build without a public/private partnership. Inclusionary zoning is also a hot topic in planning for the Mid Coyote Valley Urban Reserve, a massive new development which is essentially a new town, with 25,000 new housing units on previously undeveloped land. The inclusionary zoning requirement for Coyote Valley is 20%, Working Partnerships is arguing for an equal distribution in all low-income categories.

On tenant protections, Mayor Ron Gonzales, pulled together a Rental Housing Task Force, to look at improving the housing market, conditions for tenants, rent control enforcement, and bringing buildings up to building code standards. The biggest issue for the task force has been Just Cause for evictions, which requires landlords to plead a cause in court when they evict a tenant. The task force deadline for a final report is fast approaching, but there is no agreement in sight. The landlords’ objections are that Just Cause will destroy the market for new rental housing. However, Los Angeles, which has had Just Cause protection since 1980, has seen 150,000 units of rental housing built. Most grassroots organizations in San Jose say housing is the number one issue. Evictions and complaints about landlords tell a consistent story.

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Revisiting the Sitcom Suburbs

BY DOLORES HAYDEN

The largest of the post-World War II suburbs were the size of cities, with populations between 50,000 and 80,000, but they looked like overgrown subdivisions. In Levittown, Lakewood and Park Forest, model houses on curving streets held families similar in age, race and income whose suburban lifestyles were reflected in the nationally popular television sitcoms of the 1950s. The planning of these suburbs was often presented in the popular press as hasty, driven by the need to house war heroes returned from the Battle of the Bulge or Bataan; any problems could be excused by the rush. But, haste was not the case. Political lobbying during the 1920s, 1930s and 1940s shaped postwar housing and urban design. The postwar suburbs were constructed at great speed, but that is a different part of their story.

Americans developed a "two-tier" policy to subsidize housing. Cramped multi-family housing for the poor would be constructed by public authorities, while more generous single-family housing for white, male-headed families would be constructed by private developers with government support.

Postwar suburbs represented the deliberate intervention of the federal government into the financing of single-family housing across the nation. For the first time, the federal government provided massive aid directed to developers (whose loans were insured by the Federal Housing Administration, FHA) and white male homeowners (who could get Veterans’ Administration guarantees for mortgages at four percent, with little or nothing down, and then deduct their mortgage interest payments from their taxable income for 30 years). The federal government came to this policy after fierce debates involving architects, planners, politicians, and business and real estate interests.

Herbert Hoover, as secretary of commerce (1921-1928) and then as president (1929-1933), drew the federal government toward housing policy to promote home building as a business strategy for economic recovery from the Depression. Working closely with the National Association of Real Estate Boards (NAREB), Hoover’s Commerce Department had established a Division of Building and Housing in 1921, and went on to establish and support Better Homes in America, Inc. By 1930, this coalition had over 7,000 local chapters composed of bankers, real estate brokers, builders, and manufacturers who lobbied for government support for private development of small homes to boost consumption.

In 1931, Hoover ran a National Conference on Homebuilding and Home Ownership that explored federal investment, discussing not only financing and construction of houses, but also building codes, zoning codes, subdivision layout, and the location of industry and commerce. President Franklin D. Roosevelt followed Hoover and launched numerous New Deal programs in planning and housing. The National Housing Act created the FHA in 1934; the Resettlement Administration, created by Executive Order in 1935, sponsored the Greenbelt Towns; the U.S. Housing Act (Wagner Act) created the U.S. Housing Authority to sponsor public housing in 1937. Which of these programs would be the most influential?

The RPAA and the Labor Housing Conference
Housing activists such as Catherine Bauer and Edith Elmer Wood were members of the Regional Planning Association of America...
would provide a safety net for the capital and guarantees of mortgages. Washington Committee, which lobbied hard for the housing process. Both the Urban Land Institute (ULI) and the National Association of Home Builders (NAHB) formed in the early 1940s as spin-offs from NAREB.

Beginning in 1934, the FHA insured bank loans to developers so they could purchase land, subdivide it, and construct houses on it with very little of their own capital involved. These loans of 80 or 90 percent of project cost eliminated risk and were made long before the developers had buyers. In return, the developers had to agree to submit site plans and housing plans for review by the FHA, which issued booklets offering conservative advice about architecture and site design. Meant to correct the worst abuses of corrupt builders, these manuals on small houses and on "planning profitable neighborhoods" rejected regional styles, scorned modern architecture and, according to architect Keller Easterling, instituted mediocre "subdivision products." Kenneth Jackson has documented that the FHA's concern for resale value also led it to refuse loans for racially mixed neighborhoods. Only all-white subdivisions, enforced by deed restrictions, would qualify.

The Realtors' Washington Committee supported the FHA. It also lobbied against federal government funding for any other approaches to housing, including complete towns planned by the Resettlement Administration, wartime housing for workers constructed by the government that might provide competition for private efforts, and public housing in the cities. Allied with NAREB were the U.S. Chamber of Commerce, the U.S. League of Savings and Loans, the National Retail Lumber Dealers Association, and others.

Housing Hearings of 1947-1948

After the war ended, demand for housing was intense. People were doubled up with relatives, friends and strangers. Veterans lived in converted chicken coops and camped out in cars. The need for shelter was only expected to grow as waves of demobilized veterans, wartime savings at the ready, married and formed new households.

Although they were deeply disappointed by some aspects of the 1937 housing legislation, Catherine Bauer and other advocates of multi-family housing in urban residential neighborhoods did not retreat. They campaigned for expanded public housing through better legislation in the form of the bipartisan Taft-Ellender Wagner housing bill first introduced in 1945 and supported by such groups as the AFL, the CIO and the Conference of Mayors.

Postwar suburbs represented the deliberate intervention of the federal government into the financing of single-family housing across the nation.

vote for the Wagner Act in 1935 and 1936, passing it in 1937 with severe cost restrictions, means testing for tenants, and slum clearance provisions to protect private landlords. These provisions meant that design would be minimal and residents would be poor. The Labor Housing Conference members bemoaned the final result as the "Anti-Housing Act."

The Realtors' Washington Committee

Many of NAREB's members, large-scale land subdividers of the 1920s, were originally real estate brokerage firms, not homebuilders. (They left the home building to small contractors or mail order house companies.) By the 1930s, many of these subdividers realized they could enhance profits by erecting houses on some of their lots to enhance the image of community and stability they were selling. They renamed themselves "community builders." Herbert U. Nelson, NAREB's chief lobbyist, became executive director of the Realtors' Washington Committee, which lobbied hard for the FHA, so that federal sources of capital and guarantees of mortgages would provide a safety net for the subdividers' building operations. These advocates found themselves in a shouting match with NAREB lobbyists who were busy discrediting public construction of shelter as "un-American" and promoting government subsidies for private housing development. Historians Rosalyn Baxandall and Elizabeth Ewen, in their book Picture Windows, document the hearings on housing dominated by Senator Joseph McCarthy in 1947 and 1948. McCarthy hassled proponents of public housing and planned towns. Attacking one federally funded multi-family project for veterans, he claimed the government had paid for "a breeding ground for communists." NAREB's Herbert U. Nelson also believed public housing was communistic, whereas public support for private businesses was fine. He argued that "public credit can properly be used to help sustain home ownership and private enterprise," and he railed against the women housing activists trying to promote affordable housing for workers. McCarthy's committee also attacked building workers in the AFL's traditional craft unions as incompetents who produced "slack" work and would impede the postwar housing process.
McCarthy found in developer William Levitt an ally who testified that only federal aid to large private builders, coupled with abolition of zoning codes, building codes and union restrictions, could solve the postwar housing shortage. Levitt and Sons, of Long Island, became the nation’s largest home building firm by 1952, creating its first postwar suburb of over 70,000 inexpensive houses on small lots. Levitt followed FHA restrictions on race, refusing to sell to African Americans, so Levittown became the largest all-white community in the nation. There was never an overall town plan for Levittown, which spanned two existing Long Island towns, Hempstead and Oyster Bay, in Nassau County. Levitt and Sons provided no sewers, relying instead on individual septic tanks, and built residential streets that failed to connect with county and state highways. The project was all about selling houses, not about the basics of sheltering tens of thousands of people according to professional standards of housing or urban design.

By October 1952, Fortune magazine gushed over “The Most House for the Money” and praised “Levitt’s Progress,” publishing his complaints about government interference through too-strict FHA and VA inspections and standards. With a straight face, and despite receiving hundreds of millions of dollars of FHA financing, Levitt said, “Utopia in this business would be to get rid of the FHA restrictions on race, refusing to sell to African Americans, so Levittown became the largest all-white community in the nation. There was never an overall town plan for Levittown, which spanned two existing Long Island towns, Hempstead and Oyster Bay, in Nassau County. Levitt and Sons provided no sewers, relying instead on individual septic tanks, and built residential streets that failed to connect with county and state highways. The project was all about selling houses, not about the basics of sheltering tens of thousands of people according to professional standards of housing or urban design.

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Meanwhile, Catherine Bauer and her allies faced the same kind of opposition they had confronted on the earlier housing bill. The 1949 Housing Act did not meet their expectations, and its provisions for demolition began the neighborhood destruction pattern that would later become "urban renewal." With each succeeding year, fewer units of new public housing construction were authorized.

The Two-Tier Legacy

In Modern Housing in America, historian Gail Radford defines the 1930s and 1940s as the time when Americans developed a "two-tier" policy to subsidize housing. Cramped multi-family housing for the poor would be constructed by public authorities, while more generous single-family housing for white, male-headed families would be constructed by private developers with government support. This policy disadvantaged women and people of color, as well as the elderly and people of low incomes. It also had profound implications for urban design. Inadequate financial resources hampered multi-family housing complexes, while material resources were wasted in single-family housing production without proper urban planning. Worst of all, federal policy mystified many working-class and middle-class Americans, who saw minimal visible subsidies helping the poor but never understood that their own housing was being subsidized in a far more generous way through income-tax deductions that grew with the size of their mortgages.

Despite the greater scope for urban public amenities suggested by New Deal legislation enabling federal involvement in town building and public housing, it was the FHA’s mortgage insurance for private subdivisions that proved to have the greatest long-term effect on American urbanization patterns. As real estate historian Marc A. Weiss has stated: "This new federal agency, run to a large extent both by and for bankers, builders, and brokers, exercised great political power in pressuring local planners and government officials to conform to its requirements." Between 1934 and 1940, Weiss concludes that "FHA had fully established the land planning and development process and pattern that a decade later captured media attention as 'post-war suburbanization.'" Barry Checkoway noting that accounts of subdivisions "exploding" often attributed their growth to consumer choice, but in fact consumers had little choice. The well-designed urban multi-family projects Bauer and others had envisioned were not available as alternative to the large subdivisions of inexpensive houses constructed by the big builders who now controlled the housing market.

The distrust and anger generated by the two-tier housing solution endure today. Public policy has separated affluent and poor, white and black, male-headed households and female-headed households, young families and the elderly. Advocates of affordable housing and urban amenities often see white suburbs and their residents as the enemy, while many affluent white suburban homeowners and successful builders don’t want to deal with city problems. The two-tier solution also dampened idealism in the planning and design professions. Architects lost the chance to build large amounts of affordable multi-family housing with sophisticated designs. Regional planners lost the chance to direct the location and site design of massive postwar construction. Sixty years later, metropolitan regions are still shaped by the outcome of these old debates.
And Then There's HOPE...

BY THE EDITOR

Ironically, the public housing programs intended to support extremely low-income residents may be fuelling displacement instead. HOPE VI, the U.S. Department of Housing and Urban Development's (HUD) "laboratory of public housing reform" seeks to transform the nation's worst public housing into mixed-income urban communities. The program provides community building and support services to tenants such as child care centers and credit counseling, offers Section 8 subsidized housing vouchers to tenants who choose temporary or permanent relocation, brings in new development and leasing partners to work with local housing authorities and finally, creates mixed-income communities that attract middle-income residents to rent or purchase a portion of the new units. HUD targeted some of the nation's most infamous public housing projects for the program, such as Cabrini Green in Chicago. The Housing Research Foundation which tracks HOPE VI statistics, reports that between 1993 and 1999, the program has demolished 48,477 units nationwide, and relocated 39,315 households. Of those relocated, 5,693 households eventually returned to new units, joined by another 15,420 new households. This brings us to a total of 21,383 new or rehabilitated units, and a net loss of 27,094 units. Many of those units were in poor condition or were already vacant, and all were in areas with high concentrations of poverty. Some would say that the real loss of operational units is not as great as the raw numbers indicate.

But at a time in which the rates of homelessness are growing, and levels of home ownership are in decline, when people must earn an average of two times the minimum wage in order to afford a modest two bedroom, market rate rental – any net loss of public housing is difficult to understand. In fact, as housing prices have zoomed upwards, federal funding for public housing has not.

In recent years historians have re-evaluated the 1949 and 1954 Housing Acts which called for "a decent home and suitable living environment" for all Americans, (See Dolores Hayden's article in this issue ) pointing to the injustices of the nation's two tiered housing policy. One tier (Title 2 of the 1949 Act) provided mortgage and tax subsidies that enabled white, middle class families with a male head of household to purchase housing in suburban and largely racially segregated enclaves; the second tier, representing a fraction of the cost of the first, created largely underfunded, no-frills public housing, usually in extremely dense configurations in neighborhoods already scarred by urban renewal or highway construction.

When viewed in the context of past public housing programs, HOPE VI appears to be a vast improvement. The program's emphasis on good urban design and residential supportive services, its increased access to Section 8 housing vouchers and funding levels ($3.2 billion in leveraged funds to 1999, another $570 million for FY 200213) need to be weighed against the displacement of residents and loss of affordable units.

The Elizabeth, New Jersey HOPE VI is an example of the program as it works best, in part because it is being implemented with an anti-displacement strategy. The project will rehabilitate units over a seven year time span, seeking to enhance the neighborhood's best qualities. The design goals are to augment existing design features, such as the neighborhood vernacular architecture, and to support the existing community networks, which are the social building blocks of community. The biggest change HOPE VI represents, according to Daniel Hernandez, Project Director in Elizabeth, is that "HUD is now in the business of community building." He reports that the project began with a community design process, which brought in all stakeholders. "But we found that you can't begin by talking about design, because the first question for existing residents is - Can I come back?"

The Housing Authority responded by choosing to construct the project in phases, or sections, so that residents could move into the new units as they were completed. In the beginning, the residents had little trust, in fact, they protested with signs. Now, according to Hernandez, the tenants are still engaged, but their complaints and concerns are of a different kind. "We have shown them that we are committed to them, and that our priority is to not to displace the residents, but to create a new neighborhood. But we have to do that with awareness, and be respectful of the fact that we can't disrupt peoples lives."

In Elizabeth, they began by tearing down a small number of units, and asked for volunteers to accept Section 8 vouchers for market rate rentals in the area. When the new apartments are completed, residents wishing to stay will move in, some might move more than once as building goes up. This phasing prolongs the development process, stretching the Elizabeth project into a seven year construction phase instead of five years, which is more common. Hernandez adds, "It's important to balance the need for time spent on design issues and creating a better neighborhood, and it's just as important to get the work done in a way that's not causing additional displacement. Those two goals have to be integrated."

HOPE VI projects often involve more stringent leasing procedures and are administered by private leasing companies selected by the project developer. The project in Elizabeth brought residents in early to talk about the leasing strategies. Hernandez reports that residents were concerned about their credit histories, and were skeptical that they would qualify. The project planners...
incorporated credit counseling into the project, took the residents concerns to the leasing agency, and worked out an agreement for the eligibility criteria to include income and ability to pay, but would not factor in other selected debts, such as medical bills.

Another HOPE VI project with an explicit anti-displacement strategy is Valencia Gardens in San Francisco, developed by Mission Housing Development Corporation. In a city with severe affordable housing shortages, Mission Housing committed to replacing all of the existing 233 units. The project includes development of 60 additional units off-site, which will actually result in a net increase in affordable housing for the city. The project has just completed the feasibility phase, in which community design, initial environmental studies and financial analysis were completed. Project Director Lisa Pagan reports that more than half of the existing residents have already moved, most planning to return after construction. Residents moved with Section 8 vouchers, some worked with San Francisco Housing Authority programs to purchase homes, and other residents moved to other HOPE VI projects, and don't plan to return. Construction will begin at the end of 2003.

For local Housing Authorities aiming to strengthen the health of these older neighborhoods, a HOPE VI project offers the potential for infill development and attracting new home buyers. Yet in order to lure middle income residents who may have been saving money to buy a house, the real estate dynamics will need to change. Hernandez points out that the Elizabeth project built new units across the street from old public housing. The last phase of the project, will build the home ownership units offered to middle income residents earning 80% to 115% of area median income. Hernandez hopes that this time frame will allow the neighborhood to change slowly. "By the time the home ownership units go on the market, the public housing residents will have moved into the new units, and the new neighborhood will be working."

Hernandez sees the charge for HOPE VI planners is one of balance. "For their part, the Housing Authorities are working to overcome the context of people saying 'Why would I go there? It's a bad neighborhood!' But the question is, what is the first goal? To attract new, middle income residents? I think not. In the effort to create dynamic, diverse neighborhoods with good design and good streets that work for everyone – we risk disrupting people lives. We need to match these priorities."

G
rowing up in a rural area in the Philip-
pines I remember vividly how nature fas-
cinated me – the transformation of a
caterpillar into a butterfly, or the changing of a
tadpole into a frog. Now, living and breathing
in downtown San Francisco, I witness an
urban metamorphosis – the changing land-
scape, structures, even forms of movement
and color of people. What is happening in my
neighborhood, in the South of Market, is
called gentrification, a phenomenon of reha-
bitilation and settlement of decaying urban
areas by middle and high income people
drawn by low-cost housing and easier access
to downtown business areas.

During the dotcom frenzy in the late 1990s,
South of Market, or SoMa, became a mecca
for young technology and multimedia entre-
preneurs with new ideas. SoMa had the cheap-
est industrial land adjacent to the Multimedia
Gulch, fewer building restrictions, and little
community scrutiny of the planning approval
process. The influx of these new immigrants –
most of them young, urban-bred and techni-
cally savvy, with discretionary incomes and
needing spaces to live and work – spurred
developers, real estate and entertainment busi-
nesses to build live/work units, upscale and
late night entertainment palaces, and new
office space in renovated buildings.

The tidal forces of gentrification and rede-
velopment in SoMa have greatly impacted the
Filipinos who live, study and work in the
neighborhood. Landlords began to increase
rents, sell property, or convert buildings into
to live-work units, meanwhile taking advan-
tage of tenants' unfamiliarity with their rights
and the system. The result has been the dis-
placement of a large number of Filipino fami-
lies and seniors.

One Filipino institution after another is
being displaced, if not threatened out of exis-
tence. The award winning Filipino Education
Center (FEC), a landmark bilingual and bicultu-
ral learning institution established in 1970s,
has been forced to move. Several Filipino busi-
nesses at the Mint Mall may have to go. Car-
men’s, a historic restaurant displaced from the
Port area, has been omitted from the future
plans for Mission Bay, a major development.
The old Plaza Hotel, home of the Bindlestiff
Studio – the epicenter of Filipino American
performing arts in the Bay Area – is scheduled
for demolition with no assurance that the the-
ater space will be rebuilt.

When we were young in the countryside
and still learning our ways in life, our elders
instilled in us a respect for the spirits in nature
and other peoples’ spaces. Whenever we spit,
urinate, or walked on someone’s ground we
were reminded to say; Tabi po to show our
respect for the spirits that dwell in the ground
and to avoid being harmed by them. The com-
plete expression – Tabi po nuno. Baka kayo
mabunggo means “Stay aside, Granpa, for we
may bump into you.” – is invoked in order to
avoid offending the nuno sa punso, (i.e. elder
in his own home, in the spiritual world). What
is also conveyed in Makikiraan po and Tabi-
tabi po is “Please allow us to pass for we come
from a family of good character and strong
virtue.”

Before we entered a yard or house we
would always say Tao Po which may mean lit-
erally “I am a human being.” and “Is any
human being there?” You will only be allowed
to enter their premises when you are invited.
These expressions of respect are deeply rooted
in the Filipino proverb: “It is easy to be a man.
It is difficult to be human.” The behavior of an
individual person towards others, the whole
process and experience of making oneself
more fully human and decent, is a very highly
esteemed virtue among Filipinos.

I wonder if other urban communities in
America have similar concepts and expres-
sions for Tabi po, Makikiraan po, Palanos,
and Tao Po? When developers move in with their
wrecking machines to demolish old structures,
renovate dilapidated buildings, and displace
Cambodian musicians.

communities, do they ask for permission from the nuno sa punso, or "elders in their home?" How do they show respect to the people who live in the area, past and present, living or in memory?

Since the 1920s San Francisco's South of Market has been the home for Filipino immigrants who have brought the barangay structure and the plaza complex of their homeland to the new place. Many Filipino families pool their resources to buy or maintain a house and lot, preferring to locate near other Filipinos. In recent years, as real estate prices have increased, many SoMa families have moved to Daly City. But unlike the barangay in the Philippines, the new neighborhood lacks a sense of community, with few connections or bridges between people. Although Filipinos constitute more than 30 percent of the population of Daly City, there are few Filipino service providers and agencies linking people from their "island." To rekindle the barangay spirit, and reaffirm their Filipino identity, Filipinos visit SoMA, where the fragmented and dispersed structures of the old plaza are the churches, and prayer groups, the family and clan gatherings and the alumni or regional associations of their island.

In this way SoMa functions as the old plaza, where Filipino services (including health and education) are available for seniors, families and youth. The area is also the center of gravity for cultural and religious activities. However, the SoMa residents tend to be low-income, less educated renters who come from villages in the Philippines. In terms of culture, values, and familial relationships, they are barrio folks threatened by the increasing gentrification of the neighborhood.

Developers, policymakers, new immigrants in South of Market and especially Filipinos should not forget what happened to Manilatown and the International Hotel in 1977. For many years, Manilatown, just north of SoMa, was a center for the Filipino community. San Francisco's growing financial district spilled over to Chinatown and swept into Manilatown. After a bitter community fight, elder tenants in the single room occupancy hotel were evicted. Our elders' spirits haunt us not to let it happen again. We have elders and heroes who have shed their blood, sweat and tears to have our own space. The people's struggle in support of the Manilatown/International Hotel tenants became a national symbol of neighborhood struggle against the forces of gentrification, displacement and elitist urban development.

Another source of inspiration is the 40 Filipino seamen who pooled their resources in 1921 to purchase a property which has become the Gran Oriente Filipino Hotel. The seamen immigrated to America and purchased a three-story Victorian building for $6,000 in a South-of-Market neighborhood known as South Park. At the time Filipinos were classified as US nationals — they owed allegiance to the United States but could not vote or own property. They formed a Masonic lodge, Gran Oriente Filipino which enabled them to purchase several properties including a Masonic temple that is located near the Hotel. The Hotel functioned as a meeting place and boarding house for a membership of both local and Central Valley farm.
Filipinos across the Bay Area are uniting into one whole community.

spirits in nature and the legacy of our ancestors to guide the conduct of fellow human beings, in dealing with gentrification and community empowerment. With this framework the issues, and struggles of one sector, say the parents of Filipino Education Center, is the concern of every family and sector of the community. It strengthens our campaign and advocacy work. It is consistent with our elders’ words of wisdom: “The pain of the little finger is felt by the whole body.” The problem of one becomes the problem of everyone.

In 1998, we formed United Pilipino Organizing Network, to make non-Filipinos understand the Filipino community on our own terms. It is sad that even when Filipinos have lived for a long time in SoMa and have helped animate it, many Americans still fail to see and appreciate their contribution. When UPON was talking with Forest City Enterprises, the developer of Bloomingdale’s and a large shopping complex on the edge of SoMa, we showed them two historical markers. One marker in Union Square commemorates the “heroism” of American soldiers who vanquished the Filipinos for the U.S. Sand is a reminder of the cultural rationality of “Manifest Destiny” and “Benevolent Assimilation” in annexing our homeland, the Philippines. The second marker, in SoMA on Market Street states: “Dr. Jose P. Rizal, Philippine Hero and Martyr, stayed at the Palace Hotel from May 4 to 6, 1888 in the course of his only visit to the United States.” Caballero de Dimasalang, the fraternity of Filipino workers formed in 1920 in San Francisco, was named after Rizal’s pen name. In the entire United States it is only in South of Market area where you can find streets named after Filipino national heroes such Dr. Jose Rizal, Andres Bonifacio, Lapu-lapu, Tandang Sora, and Apolinario Mabini.

As a result of our cultural advocacy work and our resolute position vis-a-vis development, in the coming years we will have; Bayanihan Community Center at the gateway and main street of South of Market; a Filipino Cultural Center on the new Bloomingdale’s; a Manila Store Heritage Foundation in its old site; and a youth center facility. We formed Bahay-Bayan, an affordable housing and homeownership advocacy organization to sustain and increase Filipino residents despite gentrification and massive displacement in South of Market. It the US Census 2000, the Filipino population in the city and county of San Francisco declined, while Filipinos in South of Market grew 36%. Our SoMa Pilipinas is still a work in progress. We are still up in arms in the cultural front. We are still reciting Pablo Neruda’s verse from Injustice:

Whoever discovers the who of me
Will find out the who of you
And the why, and the where.

MC Canlas is Senior Fellow, Wildflowers Institute and Bayanihan Community Center tel: 4151348-8042

The Filipino community has benefited from the cultural framework developed by the Wildflowers Institute for viewing the quality of life in various geographic and ethnic communities in America.

For information on the Wildflowers Institute: http://www.wildflowers.org/
Wildflowers team spent close to a year preparing for Studies 2000, getting to know five API communities in a series of focus groups.

The Interface

Wildflowers grew out of the premise that thriving communities need both a nurturing "core" steeped in culture and tradition and an "interface" zone that reaches out and speaks the vocabulary of the mainstream culture. "We think it's in that interface where a lot of creative work, a lot of thoughtful work, a lot of analytic work and a lot of advocacy work needs to happen," said Liu.

The underlying cultural patterns, however, tend to be invisible, so the Wildflowers meeting planners used focus groups, video, music, computer renderings and model building to help the patterns emerge. Composer Francis Wong drove home the "interface" idea on opening night with a video clip of Chen Jiebing, master of the Chinese two-stringed erhu, improvising with African-American jazz drummer Max Roach. "Notice how they're each using their own language and sound-stepping out of their comfort zones," noted Wong. "Creative tension is a significant aspect of any interaction between different cultures."

As a preview of the next two days of site visits, Liu's 13-year-old son Weisheng screened videos he had produced on the "core identities" of five API communities: Filipino, or unity of self and others; Cambodian compassion; Iu Mien or moral conduct in the material and spiritual world; Laotian or interrelatedness; and Chinese or endurance. Liu also displayed a complex multicolored "cultural map" showing the leadership structure of the Iu Mien, a highland Lao minority group that fled its land after the U.S. withdrawal in 1975, and settled in Oakland, California, where they reestablished their traditional leadership structure by dividing the population into eight "districts." Since the Iu Mien are interspersed among other Oakland residents, the districts are based on their home villages, not their current residences. The district leaders facilitate communication among the Iu Mien, who have no written language. They also help community members solve problems and mediate...
disputes. But, noted Liu, "this formation is totally invisible to anyone who lives in Oakland. It doesn't have a 501(c)(3)."

Studies 2000 participant Sherry Hirota, a trustee of the California Endowment and CEO of Oakland-based Asian Health Services, marveled at the heart of the neighborhood, I had a similarly humbling feeling two days later. While others were visiting Oakland's Iu Mien community and San Francisco's Chinatown, I joined a site visit to the heart of San Francisco's Filipino community in the South of Market (SOMA) area. Despite working for seven years at the San Francisco Chronicle in the heart of the neighborhood, I had only passing awareness of the extent to which a Filipino community has been thriving in the shadows of the Sony Metreon, the Moscone Center and the dot-com invasion. A bus tour by community organizer M. C. Canlas opened my eyes. We saw a health center, a senior center, a bilingual education center, an elementary school with 46 percent Filipino enrollment, a teen center primarily serving Filipino youth, a Catholic church with nearly 90 percent Filipino parishioners, a minitheater for Filipino talents and various low-income housing developments and residence hotels.

The previous day we had traveled 90 miles to Stockton, California, home to a large population of Southeast Asian refugees. One group visited the Lao/Khmu community, and the others went to Park Village, an apartment complex owned and run by the Cambodian residents through a nonprofit called APSARA, Asian Pacific Self-development and Residential Association. APSARA helped organize Park Village residents to buy Park Village from the HUD, the U.S. Department of Housing and Urban Development, for $1, and in the process improved conditions in the once gang-ridden housing complex. Funders heard the story of Im Chan, 52, who lost her parents, her first husband and her second child in Khmer Rouge camps but eventually made it to Park Village with her second husband and five children. By 1989 the family finally began to recover a sense of security and serenity, only to have their oldest daughter, Ram, shot down on the school playground by a deranged killer. "I thought by coming to this country, I would be safe," she told us. "But unfortunately, it turned out to be one of my saddest moments, just like the Khmer Rouge. During my entire life, I never saw any kind of shooting at a school. We never had anything like that in Cambodia." Although social service agencies flocked to the neighborhood to help Im Chan and families of the other four children who were killed in the school shooting, Im Chan doesn't recall them helping much.

We Don't Want to Melt

Although the meetings were not designed for communities to seek grants, funders did learn about some of the pressing issues for each of the communities. "We'm not here with our cups out," said Bill Sorro, a board member of the Manilatown Heritage Foundation. "This is a community that's been here for 80 years. If they fund us or don't fund us, we're going to keep on doing what we've always done. We know what happens in terms of melting [pots]. We don't want to melt." The other communities voiced similar concerns about preserving their cultures, but perhaps none was as pronounced as the Iu Mien. "We have no country, no formal education, no written language," said Saechao. "If we have no cultural foundation, the newly educated generation won't have a place to come back to.

If we have no cultural foundation, the newly educated generation won't have a place to come back to.
Learning from Cambodian Donut Shops
The Family Independence Initiative

BY MAURICE LIM MILLER, FAMILY INDEPENDENCE INITIATIVE

Over my 20 years with Asian Neighborhood Design, I have noticed that more often than not, the individuals most successful in moving out of poverty were surrounded by supportive relationships with knowledgeable people. These relationships play a very significant role in how a person gets his or her life together. I used to joke that instead of providing job skills training or housing, our agency should start a dating service. Over the years, many of particular neighborhood, those of a particular ethnicity, or even those of a common concern, such as the environmental community. Policymakers, funders, and service providers often define community to fit their needs. People struggling to get out of poverty should be able to define their "community" themselves, based on what they, their families, and friends identify as their common values and beliefs. For this discussion, networks

Too often the terms "neighborhood" and "community" are used interchangeably. As Tom Dewar, now with the MacArthur Foundation, has described, the terms should be distinguished. "People often know they share the same "neighborhood" but don't feel much "community." Most Americans do not turn to their neighbors when they lose a job or have problems with their teenager. Instead, they turn to friends and family with whom they feel a sense of community, even if they live far away.

People-based initiatives targeting those on welfare, the homeless, or even children see the primary community as the group of clients they are serving. Yet, welfare-to-work moms do not all see themselves as one community. Such categorical targeting is done for the convenience and control of the funding source, not for the benefit of the recipient. If you were to ask these moms what would help them most in the long term, you'd find that job opportunities and support services for their children, part-
ing community. From the outside, these patterns might not be apparent. They are critical because they indicate accepted community norms. For example, some affinity communities follow similar job patterns. In the San Francisco Bay Area Filipino community, many people have followed one another into jobs as airport security personnel. In some communities, a significant number of people may drive taxis or start laundries. While occupations are not the defining element of an affinity community, aspiring to particular occupations may indicate accepted "norms" of behavior. Once this pattern is understood, new opportunities can be added that build on the expectation, perhaps creating a career ladder.

Strategies to Affect Patterns
In California, a Cambodian family ran a very successful donut shop. They initially helped friends in their affinity community enter the donut business. Soon, many other people were helping other affinity community members, spreading this business pattern to more communities of Cambodians. Today, Cambodians run over 80 percent of the independent donut shops in California. The effectiveness of needed micro-business or business incubator programs will be much improved if they understand and target undeveloped and often invisible community strengths.

Once patterns are recognized, funders and service providers can accurately map the community's assets and needs.

Patterns and norms can also be seen in educational expectations. The educational norm in one community may be that kids only graduate from high school, while in another community the norm may be to graduate from college. If there is a negative education pattern, such as an acceptance of dropping out of school, new programs to change that pattern and expectation can target a particular group. These indicators or types of accepted patterns and expectations are present in housing, transportation, human services, and even attitudes about voting and civic engagement.

While everyone in an affinity community may not follow the exact same path, the behavior of members must be within the accepted norms of that group. If someone deviates too far, they may come under community pressure or criticism. Ultimately, they may develop new relationships and leave that initial community. These aspects of trust, as well as accountability to the group, can be extremely useful in consciously assisting a community to better itself.

Investments can be targeted to enhance positive behaviors. Programs can be designed and implemented that address issues relevant to each community, rather than focusing on the lowest common denominator of large collaborations. Many contemporary foundation initiatives work within large collaborative structures. These initiatives incorrectly assume that by convening the leaders of various communities and asking them to develop a joint plan, somehow the needs of each represented community will be met. Instead, what happens is that people agree to plans that they can live with, not plans that truly address their needs.

Issues of Class
One of the most significant advantages of supporting an affinity community with a history of shared values, trust, and mutuality is that as members become more affluent, they will continue to be a part of the community. These communities are held together by shared values, rather than identities such as being homeless or living in the same neighborhood, creating a connection across class. This is especially important as people in that community become successful and move out of poverty. People from poor communities that become more working or middle-class should be encouraged to stay connected to those still struggling to self-sufficiency. Foundation sponsored programs should have the ability to continue to engage those that are succeeding, providing some continued support in return for their acting as mentors or providing leadership to expand community expectations. The patterns and norms of those succeeding, can provide paths to success for many others. This is a good way to develop mixed income communities. Funding initiatives that

To move towards a diverse society, we must acknowledge and support existing relationships. The wonderfully distinct affinity-based communities that make up our land should not melt away in a homogenous American culture.
Each affinity community defines its own priorities. One community has set a goal of building each other's houses because it is common practice in their home country to assist each other in this way.

by the children in the family, or networking for employment or educational opportunities.

The Family Initiative also organized a commission to assist community leaders to develop connections with the city and the private sector. The commission, which includes the Mayor of Oakland, and the directors of the state and county social service departments, has promised to provide networking for these families. In one community a shooting occurred, and community leaders were able, through the resources of the social services director, to receive additional policing services.

Administration and staff support by the Initiative is minimal, the families essentially do the work of professional staff; calling meetings, training and conveying information. Where expertise is missing, the Initiative provides technical assistance or training, such as grant writing assistance for one community seeking funds for a community van.

Each affinity community defines its own priorities. One community has set a goal of building each other's houses because it is common practice in their home country to assist each other in this way. Another wants to establish an alternative health center to bring their community together. The Initiative is now exploring giving the groups a pool of financial resources to control which they can use for the community good. One group wants to buy computers and establish a network. The Initiative funded the computer plan with the condition that in one month every member will be on-line, and the community will keep an audit trail of all expenditures. Another group is established as a nonprofit, with their own 501(c)3.

Peer pressure and natural accountability systems already existing within affinity-based communities that make up our land should not melt away in a homogenous American culture. Existing relationships should be honored. As each affinity community becomes stronger, it adds a new, strong, and distinct healthy element to a multicultural society.

What an awful meal we would create if we took a Mexican dish, Thai dish, Italian, German and Indian dishes, threw them all into one pot, and stirred. We do this when we force externally dictated, diverse governing bodies to stir all of their needs and ideas into one pot. Yet it can be such a joy to go down a street and see a Mexican restaurant, next to an Italian, Chinese and then an Indian restaurant – each standing on the street strong and distinct. But they do more than

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Back to the Streets: Why Community Developers Should Join the Fight Against Corporate Globalization

BY MIRIAM AXEL-LUTE

In the protests and civil disobedience that met the April 2001 bi-annual meetings of the International Monetary Fund (IMF) and World Bank in Washington, DC, the focus was largely global. From their various perspectives, the protestors were all challenging the wisdom and ethics of giving investor and corporate interests carte blanche in the rapidly developing global economy. But in among the discussions of human rights in China, third world debt relief and the destruction of rainforests was a much more local issue – impending gentrification in the Columbia Heights neighborhood of DC.

Columbia Heights, a mixed ethnic, historically Black working-class neighborhood, has a brand new metro station, making it suddenly accessible from downtown. The opening of the station coincided with a newfound interest in code enforcement that has left several buildings slated for eviction, say tenants and local housing activists. Many are suspicious that the area is being cleared for gentrification, charging that most of the needed repairs could be made without forcing the tenants out. Meanwhile, they point out, DC's education and public services budgets are cut and privatized, an unelected control board tells the city how to reduce its debt, and public funds are spent on a new convention center. "It's a microscopic example of what's going on worldwide," says Clark McKnight, a Columbia Heights tenant leader and A16 organizer.

Ruth Caplan, of the Alliance for Democracy, agrees that the parallels are striking. She produced a four-page brochure for A16 outreach detailing the similarities between what agencies like the WTO and the IMF impose on developing countries – privatization, cutting of essential services, catering to the needs of businesses, focus on exports – and what governments of all levels impose on poor communities in the United States.

Caplan and the A16 local outreach committee also worked with activists in Columbia Heights to set up a support action on April 15th to harness the energy and solidarity of the globalization protestors. It was a good fit. When Tom Waters, a tenant organizer with New York State Tenants and Neighbors, arrived in DC and learned that a housing action was planned, he immediately saw the similarity between the IMF's structural adjustment programs and what happened to New York City in the '70s. "Democracy was basically suspended and bankers told the city what it had to do to get access to credit in the future," he says. Displacement is a theme familiar to both US housing advocates and third world activists. "It's peasants and their land in developing countries and working class tenants and their homes in Brooklyn." says Waters.

The support action drew about 200 people and visited three apartment buildings where imminent evictions had been threatened. Larry Yates of the Center for Health, Environment, and Justice, recalls, "At each [building], at least one tenant leader – in each case a person of color – came out and spoke to the crowd, each one clearly nervous, excited and heartened by the march's support."

Where Were the Community Developers?

Although many grassroots housing activists were in the thick of the action, the housing movement at large – and community developers in particular – were not as visible a part of the anti-globalization coalition as labor, environmentalists, and third-world solidarity organizations. "It's hard for folks who've gotten used to the tasks of actually making a real difference in a specific person's life to go out to a protest that they don't see an immediate effect from," says Larry McNeely, an graduate student who has...
worked with the homeless in St. Paul, recently participated in the National Congress for Community Economic Development’s Emerging Leaders program, and was arrested for his participation in A16.

Given their already full schedules and limited resources, why should community developers involve themselves with a movement that seems far beyond the scope of their local efforts?

Globalization Happens
The people living in the neighborhoods CDCs serve, occupying the housing they build, receiving their services, and participating in the empowerment processes they facilitate are all being directly affected by the policies and priorities of corporate globalization. For example, community developers have long recognized that it takes more than housing to revitalize a disinvested neighborhood. “Affordable housing isn’t affordable if people don’t have jobs” wrote Bethel New Life Executive Director Mary Nelson in the last issue of Shelterforce. But as soon as you start talking about jobs, you’ve already gone global.

Luci Murphy, a singer-songwriter and one of the organizers of the anti-gentrification march, explains what is known as the race to the bottom: “Depressed living standards abroad together with the U.S. funded repression of ‘security forces’ has led to the export of U.S. manufacturing jobs, and depressed living standards at home. This job ‘relocation’ has caused many middle-class communities to become poor.”

Many people straddling the line between community development and global justice work identify with the parable about standing by a river rescuing drowning child after drowning child, until someone thinks to ask why no one is going upstream to see who is pushing the children in.

“I wanted to learn about the nuts and bolts of organizational leadership and community development, so that if there was a chance to get someone a house built or get someone a job, or help a county that was doing badly, I could do it,” says McNeely. “But,” he continues, “I’ve realized that I’m just plugging holes in a dike that’s about to burst. One neighborhood by itself is never going to make this global economy work for them.”

The Shrinking Toolbox
For all those whose work involves trying to give underserved areas and their residents a leg up, challenging the current approach to globalization may go beyond international solidarity. It may be a matter of being able to do their jobs. Under the WTO rules on subsidies, NAFTA’s Chapter 11, and the as-yet-held-at-bay Multilateral Agreement on Investments, much of what community developers do could become illegal. Though they vary on the specifics, these treaties all define “trade barriers” to include de facto discrimination against foreign companies, even by policies designed to do other things.

According to the Corporation for Enterprise Development (CFED), this Development. In fact, he says, they can be seen as a way for the nations and communities that have used economic development tools to leap over their competition to now prevent anyone else from using them.

The Power of Organizing
Community Development’s roots are in organizing for justice. “The only way [community development] got to the table in the first place is because people took the streets,” says McNeely. In the face of globalization, continued gaps between rich and poor, and an election season where affordable housing is barely on anyone’s radar screen, many people are raising the volume on a call to reconnect community development to its movement roots.

“It is ironic to me that the roots of many of today’s community development and affordable housing organizations are in the insurrections in Watts,

The only way community development got to the table in the first place is because people took the streets...
issues. But they were interested in learning. In fact, one of the most talked about characteristics of this wave of protests is the connections forged between different, but related, causes. "That's the whole point of large actions" says McNeely. "You realize you are standing alongside people that despite real differences, are fighting the same fight." A strong presence in these networks could help make affordable housing a more visible issue in the spectrum of progressive causes.

In fact, it may be under this larger tent that community developers can be reunited with their natural allies - tenant organizers and homeless and welfare rights advocates. The Kensington Welfare Rights Union of Philadelphia, for example, has been active in both the Seattle and DC demonstrations making sure the voices of the poor and homeless are heard as leaders.

Another benefit of the new networks is their model of limited, almost ad hoc, coalitions that come together for one specific purpose without needing to agree on every issue or strategy. This could be a good fit with the busy schedules of hard working local activists and developers.

Last but not least, a key part of community development's heritage is the value of citizen participation in the decisions that affect them. The non-hierarchical consensus-based organizing process of the new networks can provide a powerful tool for that empowerment.

Giving Roots
The CDC movement is inherently place-based, focusing on specific target neighborhoods and sometimes missing elements of the bigger picture. The new movement comes from a big picture perspective, sometimes forgetting what things look like on the ground. But they are both working toward a common goal of a just society based on values other than greed. And both recognize the importance of not just criticizing current policy, but trying to build something to take its place, based on the real needs of real people.

The new networks have focused on building democratic structures and communities that are based on democratic process, local control, and solidarity with each other and the world's poor. They are skilled at incorporating art, celebration, food and gardening in their work. Place-based groups, from community land trusts to credit unions to co-operatives, are "actually doing alternative models: of housing ownership, local development alternatives," says Matt Siegel of the Preamble Center. "They are examples of people who've done it and can make it work." A16 protestor Daniel Haran is one example. Upon returning to Nova Scotia he went back to work with two cooperatives creating a community economic development investment fund.

Working with the day-to-day needs of the poor communities also keeps the reasons for being involved from becoming romanticized or distant. "It feels very grounded to me to be working on housing locally while I'm talking about privatization nationally," says Caplan, who has stayed involved in local housing struggles in DC since A16. "I feel much more of a place in my community."

Connecting to community organizations can also help the movement's image in a similar way. "Without US based interests involved you end up with a campaign that seems critical only of what's happening elsewhere," says Siegel. "There's only so much legitimacy to that." Connecting to housing advocates and community developers specifically can help activists converging for a large demonstration to connect with particularities of the neighborhoods they are visiting.

It can also help to have a progressive, yet established, institution backing you up. In Seattle, the Low Income Housing Institute – a community developer that works closely with homeless advocates – used its housing knowledge and contacts during the WTO protests to negotiate between the police, squatters who were using an empty building for shelter, and the building owner. LIHI also provided shelter for the squatters – out-of-town demonstrators and homeless alike – when they left the squat.

Next Step Philadelphia/LA?
Globalization is happening. The question to be decided is by whose rules and using what values. "We want people to open up their CDCs, their shelters, their programs, and load the buses and march side by side with their clients," says Cheri Honkala of the KWRU. KWRU is one of the main organizers of the upcoming demonstrations at the Republican and Democratic National Conventions, which will focus on making the connection between global and domestic issues, including economic justice, the prison system and police brutality. Perhaps these will be perfect opportunities for the community development industry to reclaim its movement roots.

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Resources
50 Years is Enough: www.50years.org; 202-463-2265
Global Exchange: www.globalexchange.org; 415-255-7296
Preamble Center: www.preamble.org; 202-265-3263
Alliance for Democracy: www.ea1.com/alliance; 202-244-0561
Republican Convention in Philadelphia Unity 2000: www.stockton.edu/~change/unity2000; 215-382-1390; unity2000@pcan.org
KWRU: www.libertynet.org/kwrut; 215-203-1945
Democratic Convention in Los Angeles D2KL: http://d2kla.org; 323-660-3249
People's Convention: www.peoplesconvention.com
Direct Action and the New Networks "How We Really Shut Down the WTO," by Starhawk. www.reclaiming.org/starhawk/wto.html#two
Direct Action Network: www.directactionnetwork.org
Ruckus Society: www.ruckus.org
Indymedia: www.indymedia.org
Mobilization for Global Justice: www.a16.org
Resources

Books


Magazines
Colorlines
www.colorlines.com

Shelterforce
www.nhi.org/online

City Limits
www.citylimits.org

Internet Resources
GentrificationWeb
http://members.lycos.co.uk/gentrification/Launchingpoint for world wide gentrification resources on the web, with a bibliography and well-annotated links page.

Beyond Gentrification: PolicyLink Equitable Development Toolkit
www.policylink.org/EquitableDevelopment/

Poverty and Race Research Action Council
www.pprac.org

Institute on Race and Poverty
www.umn.edu/irp

San Francisco Homeownership Program
www.sfhomebuyers.com

National Community Builders Network
www.ncbn.org

Center for Community Change
www.ccc.org

National Low Income Housing Coalition
www.nlilhc.org

US Department of Housing and Urban Development
www.hud.gov

Housing Research Foundation provides comprehensive HOPE VI information
www.housingresearch.org

Indymedia Housing Project
http://www.indybay.org/housing

Reports


Videos
*Voices from the Community: Smart Growth and Social Equity*. 2001. Urban Habitat Program.
Combating Gentrification
Through Equitable Development

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Inclusionary zoning and Below Market Rate (BMR) Ordinances provide an ongoing framework for ensuring mixed-income communities. East Palo Alto, a historically African-American and growing Latino community on the edge of Silicon Valley, recently enacted a BMR ordinance which requires one of every four units to be made available to people making no more than 30 percent of area median income. With significant new development underway, this provision will provide homeownership opportunities for many residents who would otherwise be forced to leave their community. These ordinances combine particularly well with the three core tools listed above.

Organizing

Achieving any of these things takes political will, however, and that means organizing. Brooklyn’s Fifth Avenue Committee called together 200 actors in community development, neighborhood associations and urban planning to develop a proposal for a broad policy response to displacement in their community. The FAC has garnered leadership commitments to propose joint action on inclusionary zoning, tax abatements for rental support and mortgage conditions that hold new owners of apartment buildings accountable under agreements that prohibit eviction for specified periods.

There is no reason why people who have worked so hard to build lives and improve their neighborhoods should not be able to stay there. The types of dynamic policy responses to the forces of investment and development described in the Beyond Gentrification Toolkit bode well for holding communities together, especially as they revitalize and thrive.

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See Policylink’s Beyond Gentrification Toolkit, a web-based resource for equitable development, www.policylink.org

How a Brooklyn Neighborhood Fought the Free Market, and Won (a Little)

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allow us to build the campaign as pro-community, not simply pro-tenant. An additional strength of the program is that it is politically viable. In the anti-regulatory atmosphere of our state legislature, new pro-tenant regulations are difficult to pass. New subsidies for tenants are even harder to pass. The Community Stability Small Homeowner Tax Credit is a tenant subsidy disguised as a tax break for landlords, something which is far more popular in our conservative legislature. The program’s mechanism of tax breaks for landlords has allowed us to build an alliance with some small landlord groups. This coalition of unusual partners greatly enhances our political strength and our ability to turn the bill into a law.

Conclusions

As a community development corporation, the work of the Fifth Avenue Committee to build affordable, tenant-controlled housing is important, but it cannot be the only strategy that we use to fight gentrification and displacement. Constructing housing that exists outside of the market creates a secure block of affordable housing, but for every unit of affordable housing that we build, 100 are lost on the free market. We must also commit our efforts and resources to community organizing that builds on the strengths of the community to directly address and counter the mechanism of the housing market. Rent regulation is the strongest protection against gentrification. But our experience with the Displacement Free Zone Campaign has taught us that, even in the absence of rent regulation, it is still possible to fight the excesses of the housing market. In neighborhoods like Lower Park Slope that are made up of small buildings and have a mix of landlords and tenants, there has never been a free and unfettered housing market. A landlord’s relationships in the community, and the general consensus of the community does and always has influenced landlords’ decisions. An aggressive organizing campaign can mediate the market. Creative policy approaches, such as the Community Stability Tax Credit, can sometimes coopt the energy of the housing market and make it work to preserve affordable housing. As institutions, community development corporations can be good platforms for community organizing because we often have strong networks of relationships with community residents that can be developed into real neighborhood leadership and a powerful organizing base.

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