

Proposition 10: The Local Rent Control Initiative

Informational Resources

“A yes vote supports allowing local governments to adopt rent control on any type of rental housing, thus repealing the Costa-Hawkins Rental Housing Act.

A no vote opposes the initiative, thus keeping the Costa-Hawkins Rental Housing Act and continuing to prohibit local governments from enacting rent control on certain buildings.”

- Ballotpedia

“Voting YES on Prop. 10 will allow cities that need it to pass laws limiting rent increases. Prop. 10 does NOT mandate rent control. It does NOT force any community to adopt any rent control measures that would not be a good fit for their own housing situation. It does NOT force any one-size-fits-all solutions on any city. Instead, Prop. 10 simply allows communities that are struggling with skyrocketing housing costs to put an annual limit on how much rents can be raised. Communities are free to bring more fairness to housing, ensuring that tenants have protections against huge rent increases, while ensuring that landlords receive a fair rate of return with reasonable yearly increases.”

- Official Argument in Support, written by Zenei Cortez, co-president of the California Nurses Association, and Nan Brasmer, president of the California Alliance for Retired Americans, and Elena Popp, executive director of the Eviction Defense Network

“Prop. 10 repeals protections homeowners have enjoyed for over 20 years, and lets the government dictate pricing for privately owned single-family homes, controlling how much homeowners can charge to rent out their home—or even just a room. Prop. 10 might even lead to bureaucrats charging homeowners a fee for taking their home off the rental market... New government fees and regulations will give homeowners a huge financial incentive to convert rental properties into more profitable uses like short-term vacation rentals, increasing the cost of existing housing and making it even harder for renters to find affordable housing in the future.”

- Official Argument in Opposition, written by Alice Huffman, president of the California State Conference of the National Association for the Advancement of Colored People, Frederick A. Romero, state commander of the American G.I. Forum of California, and Stephen White, president of the California Association of Realtors

“Listen to the No on Prop 10 ads — about California’s much-debated rent control measure — and you’d think it’s a deeply flawed initiative that will drive the state’s housing crisis ever-deeper. Click over to the Yes on 10 spots and you’d get the impression renters in California desperately need this measure to pass.

So, which is it? Which side in this tustle is telling the truth?...

Prop 10 will take rental units off the market and slow housing construction

Opponents frequently make these claims. And economists generally agree with them... But other experts say expanding rent control won't necessarily slow housing construction -- especially if cities implement more moderate regulations and continue to exempt new construction from rent control.

Miriam Zuk, a housing researcher at UC Berkeley, wrote in a 2015 blog that the six cities with rent controls in the San Francisco Bay Area actually produced more housing units per capita than cities in the region without rent control from 2007 to 2013...

Voting yes on 10 will help limit rent increases

Economists agree there's a financial benefit for those covered by rent control. They also say not all tenants in a city are covered by those rules, and the majority of renters see no benefit, or could experience higher rents.

The Stanford study, for example, found tenants in San Francisco with a rent-controlled apartment saved anywhere from about \$2,300 to \$6,600 every year after the city expanded rent control. Notably, rent control did not apply to some smaller apartment buildings.

Once the expansion took effect, average rents citywide ticked up 5 percent because some landlords took their rental units off the market, leading to greater scarcity including for those without any rent control protections...

Rent control 'is a boon to the people that get it,' added Christopher Palmer, a finance professor at the Massachusetts Institute of Technology, who has studied rent control, in an interview with Capital Public Radio earlier this year. 'That comes at the cost of landlords and potentially at the cost of other tenants in the city that are paying higher rents or that are having scarcer housing. Or even future tenants that are going to get into a unit someday at some very high rent.'

- *Fact-checking claims about California's rent control measure Prop 10*, Chris Nichols, Politifact

Jewish Resources

"The one who rented a house to his fellow, in the rainy season, he cannot kick him out from Sukkot until Pesach [this is the winter/rainy season]. If [he rented to him] in the summer, he must have thirty days. And in large cities, whether the rainy season or the summer, twelve months."

- Mishnah Bava Metzia 8.6

"Ha! One who builds one's house with unfairness and one's upper chambers with injustice, who makes their fellow work without pay and does not give them their wages, who thinks: I will build me a vast palace with spacious upper chambers, provided with windows, paneled in cedar, painted with vermilion! Do you think you are more a king because you compete in cedar? Your ancestors ate and drank and dispensed justice and equity -- then all went well with them. They upheld the rights of the poor and needy -- then all was well. That is truly heeding Me -- declares the LORD."

- Jeremiah.22.13-17

Conclusion

The group came to a divided conclusion on this issue. Both sides agree that as progressive Jews, it is important that we support legislation that leads toward affordable housing. They cited Isaiah 58:5-7:

“Is such the fast I desire, a day for men to starve their bodies? Is it bowing the head like a bulrush and lying in sackcloth and ashes? Do you call that a fast, a day when Adonai is favorable?”

No, this is the fast I desire: To unlock the fetters of wickedness, and untie the cords of the yoke to let the oppressed go free; to break off every yoke.

It is to share your bread with the hungry, and to take the wretched poor into your home; when you see the naked, to clothe him, and not to ignore your own kin.”

From this passage, the group concluded that food and housing for all is a Jewish value. All agreed that unaffordable housing should be something we stand against as progressive Jews. The disagreement amongst our Prop 10 team came down to beliefs about the effectiveness of rent control and Costa-Hawkins.

One side proposed that because Costa-Hawkins includes a provision for vacancy control as well as rent control, it was important to keep in place for cities like Berkeley, that have already enacted rent control and need vacancy control as well. This side also proposed that rent control would motivate landlords to rent fewer properties, creating a scarcity of housing and ultimately driving up the cost of rent. This side believed that a progressive Jewish vote would be a no on Prop 10.

The other side proposed that rent control creates accountability for landlords and leads to lower rents. They also pointed out that Prop 10 does not force all cities in California to have rent control, it just made the pathway to rent control easier. If a community did not want to have rent control, they did not need to do so under Prop 10. This side believed that a progressive Jewish vote would be a yes on Prop 10.