

Speaker 1 ([00:00:00](#)):

Um, the majority of renters spend in California spend more than a third of their monthly income on rent, and that's going up over the past seven years. A typical apartment in California and the rent has gone up by about \$500 a month. And San Diego, it's now more than \$2,600 a month. The January floods gave a really unfortunate snapshot of this rise. The floods hit some of San Diego's forest neighborhoods the hardest, and the people who were displaced, many of them have been living in those homes for years and years. So now that they're looking for new leases, they're facing rents that in many cases are higher than their monthly income. The San Diego Housing Commission offered certain flood survivors up to the average monthly rents, um, for, I think it was about six months. And they said, we'll cover your rent. And they still couldn't find housing that they could afford.

Speaker 1 ([00:00:56](#)):

The stakes are high. Uh, Princeton's eviction lab found that each 10% increase in rent was associated with an 8% higher risk of death. So just this Thursday, a couple dozen public health organizations signed a letter to President Biden asking him to limit rent increase as a public health issue. What does rent control look like right now? So, California limits rent increases to 10% a year for tenants living in older apartments. But a law known as Costa Hawkins prevents cities and counties from passing further rent control, like for newer buildings, new tenants, and single family homes. On your November ballot, you'll see Prop 33, and it's also called the Justice for Renters Act. Um, and that would repeal the Costa Hawkins law, which allows cities and counties to create more rent control laws if you're having deja vu, this was on the ballot in 2018 and 2020 voters, uh, voted it down by about 60% both times.

Speaker 1 ([00:02:03](#)):

It's sponsored by the AIDS Healthcare Foundation. If that sounded odd to you through me at first too. Um, the leader has been criticized for using funds on this, um, and it's supported by tenant advocacy organizations, labor unions, and the California Democratic Party fighting the measure are not just housing providers, but a long list of local leaders, including, including Mayor Todd Gloria, and Senator Tony Atkins, and some pro affordable housing groups like California Ybi Apartment and realtor associations have donated more than \$67 million to fight Prop 33 compared to almost \$42 million to support it. Both sides tend to agree that there's a housing crisis that needs to be addressed, but they differ on how they say it should be addressed, whether rent control would make it better or worse. I will say in preparing for this, whatever side you land on, you can find research that supports your side.

Speaker 1 ([00:03:06](#)):

Most of the research is theoretical, so it's people's ideas of what would happen under rent control. So I spoke with a lead researcher who only looked at studies with data from places that have passed rent control and what actually happened there. Um, here's what they found. Rent control has worked to keep below market rent levels and increase housing stability for those tenants. There's little evidence that rent control prevents necessary upkeep and improvements to properties. Though it does seem like more aesthetic improvements are set aside, there's not a lot of data showing that it slows new construction, but it does lower the amount of rental units overall as owners take them off the market. And there's a lot of debate whether the majority of benefits from rent control go to the families who need it most as an equity reporter. A few things I'll mention before we begin this affordability issue, uh, falls hardest on black and Latino renters, um, who rent at higher rates and tend to have lower incomes.

Speaker 1 ([00:04:12](#)):

Renters are growing, but they still represent a minority of Californians, and historically, they're less likely to vote. Voting barriers are higher for many of the people. This impacts the most, like people who are unhoused, uh, living with disabilities, work multiple jobs or single parents. So our panelists, Rafael

Batista, realtor, community organizer, tenants union leader, Lucinda Lilly, former president of the Southern California Rental Housing Association, and Consultant to rental property owners, Grace Martinez, a community organizer who works statewide on housing issues. And Melanie Woods, vice president of local Public Affairs for the California Apartment Association and San Diego's Political Action Manager. Welcome. Thank you all for taking your time to be here today. I really appreciate it. I wanna start, we'll, we'll have lots of times for questions and digging deeper and details, but I wanna start briefly with how you plan to vote on Prop 33 and your top reason why. And we'll start with Grace.

Speaker 1 ([00:05:22](#)):

Um, good morning. Um, Grace Martinez. I'm sorry. I've been to like three cities in the last day, so I'm like, where am I? Um, I, of course, ACE has endorsed Prop 33. We were originally the proponents for Prop 10 in its first iteration. Um, and the other question was like, what? Why do we support it or Yeah, your top reason we believe housing isn't in right. And, um, you know this, in many cities I've been organizing, it'll be, um, next week, 21 years. So the already of, not that I ever said, I gonna just talk about housing issues. Every city I've organized housing listing of the white issue, I come from San Francisco. And this is like, it's the ground zero of like what you, you know, when you see developers and like putting profits over people and how that's really changed the scope of the city.

Speaker 1 ([00:06:12](#)):

Um, you know, we are still pushing Gavin Newsom on his promise for, um, a million affordable H homes, and he hasn't even gotten to that. He's only put like, what is it, 1% of the one, um, of the funding required to get to that and then still leave policies to protect people as we're building. This is like, house is not a werewolf, is there's no silver Bull that you have to do multiple things. And so we wanna make sure that people working with animals, um, have like, you know, dignified accessible and affordable housing. Um, like not everyone is making \$42 an hour to be able to afford rent, right? And we can't like, walk around thinking that housing is like some investment property or retirement plan when it is a business. When people, if you go to McDonald's and they give you food poisoning, there is a health department that will shut it, shut you down.

Speaker 1 ([00:07:08](#)):

But when, or if there, like, there is, I think during the pandemic there was issues around price gouging. There are times when the government comes in and makes sure that prices and conditions are, you know, are, are monitored. And we wanna make sure that like, because, you know, people are incentivized about how much money they can get, but at the end of the day, it's like when we think about what it requires for every person to survive in this world and decent education, um, you know, access to healthcare and also having like a place to let a roof over your hole when you don't have a roof over your hole, how do you function? How do your children go to school? Are you, well, and if you're constantly worrying about like, can you afford rent because someone is like, because the market will bear it. It's like, I don't know what kind of capitalist religion that you're, um, falling into if there's an altar of money that you're looking at, at the same time. But not every, like how many jobs do you need to be middle class? How many jobs do you have to pay, you know, are needed in order to pay for housing that has, like, you're subletting to racks, you have mold, and then you're expected to pay \$32 to \$3,200 a month. Okay. Oh, sorry. Then we'll get into it, Warren. So yes, I'm 33 <laugh>.

Speaker 2 ([00:08:28](#)):

Yeah, thank you. Everything that Grace said, um, we subscribe to, uh, in addition, uh, we are voting for Prop 33 because Kaha Hawkins needs to be revealed. It's a terrible law. It's, it's actually a, a government subsidy for the rich, and it ensures that private, private profiteers of, of capital and land are forever making money. Uh, it's a guarantee that they will get, uh, return on their investments, right? So when

we're talking about repealing Casa Hawas, we are trying to give the middle class the working class a fair shake, and we see that the everything stacked against them. I mean, we have Governor Tony already coming out against it, right? And this is not like a light counter endorsement from Tony Atkins. This is a, a very worrisome endorsement against something that would help the people. And we need to reengage the control that Tony has, that Todd has, that Jennifer Azar has in making development oriented policy.

Speaker 2 ([00:09:36](#)):

Because we see that this is the decay of our society. Uh, we know housing is the largest portion of our budgets. Uh, as you know, I am a real estate broker and I am the, the director of the San Diego Tenants Union. And when we're approached by tenants who are facing abuse, like the hundreds of tenants that we are organizing currently in Fairbanks Ranch telling us that they're getting 25% rent increases, and a lot of them are seniors, a lot of 'em are fixed income, and they're essentially protected by it pole. When we're talking about Casa Hawkins, that is the biggest loophole to landlords. And we see that ever since it was passed, it's been a situation where it's creating a renter society. We had a higher home ownership occupancy rate in 1992 than we do now. So as we've seen in the last 20 years, the last 30 years, the housing crisis has gotten worse.

Speaker 2 ([00:10:36](#)):

It has not improved, and we have not had rent control. So we think that it's beyond time, you know, I know the, the panel, uh, heading is, is it enough, uh, or is it too late? Uh, we're saying we're not getting enough and it's can't be here soon enough. And if we don't get something like this, which will be followed by rent control because there's mechanisms to allow or force rent control in a way, um, for local municipalities, then we're gonna be facing even more radical solutions in the future. We're talking about vacancy control. We're talking about limiting at speculation, right? By limiting how many pri um, you know, these large equity firms can invest in these properties, right? It, it's unfair that 25% of the market is dod up by investors and regular people can't get access, right? So when we're talking about, you know, changing the dynamics, let's see that owner occupancy rate go up. Let's not create a renter society.

Speaker 1 ([00:11:39](#)):

Let's sentence. That was a lot. Okay. It's on. Good morning. My name is Lucita Lilly, and as reported, I am a past president of the Southern California Rail Housing Association. I have spent the better part of the past 40 years providing rental housing to people. I do not get up and go to work every day trying to figure out how much money I can get out of a renter. Rather, I go to work every day trying to figure out how I can provide quality rental housing to the people who need it. Um, we don't get up every day either and try to omit people. What I do is represent rental housing owners. And I wanted to correct something. I know that you said that, uh, currently we can raise rents 10%. Um, that amount changes every year. In 2019, we passed AB 1482 and it put a rent cap on how much rent increases could be, and the rent cap is 5% plus the cost of living currently year over year, we're looking at a 3.6% cost of living.

Speaker 1 ([00:12:50](#)):

So rents theoretically can increase by 8.6% over the course of one year period of time. That rent cap already exists, and we are doing our best to stay within it. But we also say that, uh, the, as the economy goes, so too does the housing and our economy is doing this, and rural housing prices are doing this as well. We are losing rental the market value, and we're still providing rental housing. If we cap those rents even further, I fear that a number of things will happen. The amount of development that will occur is going to drop significantly. Latest statistics show that we need, uh, 10, I think. Uh, how many housing, well housing units do we need over the next 10 years in order to keep up with growth? We're already behind. I'm sorry. So I think more than enough. Okay. Okay. That's the San Diego lung.

Speaker 1 ([00:13:50](#)):

And if the rents are capped, considering what the development fees are in order to build rental housing, we're afraid that developers are just not going to build, we won't have any more rental housing. I also fear that the amount and value that's available to take care of properties is going to slide a bit too. Property owners. And if anybody is a property owner, whether it's your own home or rental housing home, you're already being faced with the almost impossibility to get insurance for your property and when you can get it, I've heard of the pos of 700% increases year over year. How do we absorb all of that and still put that hard, hard, hard line cap on rents? It's hard. It's really hard. And we agree that there's problem, but what we also agree on is that, and I think Raphael and Grace would both agree with this, working together to come up with a solution is what's gonna be necessary. But to hammer on landlords right now saying that they are all greedy and all horrible is mouthy answer. So I'll be voting no on 33. Hi everyone. Melanie Woods with the California Apartment Association and enthusiastically opposed to Proposition 33. The bottom line is Proposition 33 is going to make our housing crisis worse. This is going to reduce property values. Um, the unbiased legislative analysts office says that the cost that the decrease in local revenues could be in the tens of millions of dollars. This is less revenue for essential services like public safety and less revenue in a time when our city and county budgets are already squeezed.

Speaker 1 ([00:15:47](#)):

Proposition 33 is going to make it harder to build affordable housing in California. And it's also going to make it so that local jurisdictions can supersede the Historic Tenant Protection Act as referenced AB 1482. They'll be able to supersede that legislation to blanch housing projects. We've already seen this play out in, um, n in Huntington Beach where, um, extreme Republican and Nibis are citing this legislation as the way that they can circumvent housing laws that, that are working hard to increase the supply of housing across California. So yes, enthusiastically about, I'd like to ask, um, grace and, and Raphael, how you would respond to this concern that rent control would lower the amount of rental units and make the housing crisis worse?

Speaker 2 ([00:16:54](#)):

Yeah. Uh, you know, several of the things that were mentioned are, are just total lights, their fabrications, um, you know, we're, we're talking about development. What, what, what's happened in the last 20 years for development? It hasn't accelerated and they've taken a lot of regulations off, and we've seen that they don't pass on the savings to the consumers either, right? Uh, what we're talking about home ownerships and, and, and, you know, having tenants acquire properties and becoming homeowners themselves, that's what we want. We desire affordability so that people can be owners of their homes. Housing is a human right. Everybody should be insured to having that, right? Uh, landlords and, and property owners can miss three mortgage payments and, and not be evicted, right? Tenants miss one monthly payment and they're evicted immediately, right? And, you know, there's a series of threats that do over tenants heads, but ultimately we see that real estate investment trusts are becoming more and more powerful.

Speaker 2 ([00:17:55](#)):

The BlackRocks of the world have incredible amounts of power, lessard development and others have incredible amounts of power, and they're de deciding and dictating policy. So if the developers are dictating policy, the Ys are dictating policy, how is it that they can't develop enough to, to keep up with the demand? You know, it almost seems like they're being intentionally restrictive to keep costs elevated and to keep people in prison and keep people forced to make these incredible rent payments, unaffordable rent payments. And then on top of that, they gives even more. Uh, we were, they were discussing the fact that costs are going up. Yeah, of course, costs are going up. Uh, prudent landlord purchases property knowing costs are gonna go up. They designate specific portions of what their good revenues are gonna be towards those costs. I've talked to many developers in 2017. I was part of the SAR development, uh,

academy, and I've been part of the Global Leadership Academy since, and the developers sell us three to 4% rent increases every year are sufficient for new developments, right?

Speaker 2 ([00:19:03](#)):

So we're looking at this and, and we're saying, yeah, we, we want housing costs to come down. Prices should come down. They should be more affordable. But the myth that, you know, crop prevent is going down and, you know, the, the, the conditions are gonna get worse for renters. How much worse? They're already terrible. There's already a lack of accountability. There's already a lack of true policies that we can force the landlords to do the right thing. And the other factor is that the tenant protection Acts 2019 has the sunset cost. It ends in 2030. So, you know, how, how long are we gonna go through this? You know, the, the last four years, it was 10% every year for most tenants because of the inflation. 5% plus 5%, maximum amount of 10, right? So they've already been gouged 40% in the last few years. What, what are they trying to do for the next 10?

Speaker 1 ([00:20:05](#)):

Uh, I agree with everything that Rafa says. I think one, just to throw it out there, we don't hear all landlords. There's this one Ginger, she's great. Um, um, oh, is Ginger here in your head? The question was like, what are the, the response to a lot of that? I think that, you know, like we see places, and I'm sure there's a lot of cri criticism around this. It's like places that already have rent control has not slowed down development. We know that in San Diego how much development has occurred, and then this is one of the places that had no, uh, rent protections. And if we look at some of these were typical, like Prop 33 simply is allowing local cities to expand if they even have any, to like, to expand rent control to address their housing needs based on what works for them, right?

Speaker 1 ([00:20:51](#)):

Like what happens in, I don't know, I don't know, it's wealthy around here, but like a wealthy neighborhood is not gonna have the same type of rent control policies, even though they should. Um, compared to like a place like, you know, San Francisco and even different parts of San Francisco, like San Francisco's property millings are through the roof. If you could own property there, and you will hold onto that, right? And like when I came down to San Diego and looked at someone like the prop, you know, the prices, I was like, oh my God. Like, I wish I still had mon I, I wish I had money to buy any of it, but it was still comparably affordable, right? And I think what I, you know, a lot of these arguments, like we feel like, oh, we have to recreate the mill every time everybody here is familiar with Prop 13, right?

Speaker 1 ([00:21:33](#)):

Um, you know, this is like, that's the communist plot that we're all gonna overturn that. This was the same message around property values, right? We have rent control, we have mortgage control for, um, property, um, owners. They get like, there's a freeze on their, um, mortgage about how, like, how much taxes they're gonna pay on it, but we can't pass that same type of mentality to renters. And this in the way that that was billed was like, oh, we'll have a trickle down effect and like renters will have a savings on it. What ended up happening, it's like our schools get defunded. We don't have money into infrastructure and we have to let development in in order to like bring in revenue into the city. So some of those arguments is like, this ultimately is not about like the best solution. This is about a moral issue.

Speaker 1 ([00:22:20](#)):

Do we believe that people should be housed when we look out there and we see people living in their car with children working two jobs because they can't pay \$3,200 a month on rent for sub stats of standard housing? What exactly does it mean? It's like we gotta protect, you know, development at like this future



generation when we have seen this all over California, this is not a new colum. This is a moral issue and not an economic issue. This is not a cri, this is not a crisis of housing. This is a crisis of profit. I wanna ask, uh, Melanie and Lucinda, how you would respond to the concern that affordable housing isn't being built fast enough and without rent control, many more Californians could become homeless in the couple years.

Speaker 1 ([00:23:13](#)):

So proposition, proposition 33 would enable local jurisdictions, local bureaucrats, and elected officials to come in and set the rental rates and tell property owners how much they can charge for their game net. So, and let me back up. This is not about rent control. Up and down. Rent control, as was mentioned, already exists throughout California in dozens of jurisdictions. This is a, in, this is about extreme forms of rent control. So local jurisdictions could come in and set the price that property owners can charge for their units. So if, and let's say a jurisdiction decides to set that price at \$500, that you can write down your one bedroom unit. Four, do you think that developers are gonna keep building when they know they'll only ever be able to charge \$500 for a unit? Um, there's just no way to make that pencil. So, um, I, I think you don't have to take our word for it. You can look to the dozens of elected leaders, progressive elected leaders and housing advocates who have joined our coalition and the numerous housing and veteran groups, carpenters the NAACP who have signed on to the coalition now on Proposition 33.

Speaker 1 ([00:24:44](#)):

First of all, Rafael, I'm not a liar. Thank you. And second of all, eviction as, uh, Mr. Batista has represented a renter can miss one month's rent and be evicted. And I'll tell you that eviction is a last resort for housing providers, Patricia, it's true. Well, I would not take, I I do not recommend my clients to evict somebody based on one month's rent. Things happen, cars break down, people get sick, they can't work. What we'd love to see is some temporary supportive financial aid provided to get people through a hump if that's what they need. Again, eviction is a last resort for us. Lack of accountability was something that was discussed as well. I am the first to admit that there are landlords who are bad actors, either bad actors on purpose or because they don't know what they're doing either way. I, I will agree with that.

Speaker 1 ([00:25:44](#)):

I will also say that one of the reasons that I still am participating in real housing industry is to educate and collaborate with rental housing providers so that they do know the right things to do. We already have measures in place. I just don't believe that going even further is a requirement at this time. I did wanna ask, so you brought up this hypothetical and happening in, in \$500, that that could be possible under this law. Um, this would be local municipalities coming up with, uh, rent control laws that could look like anything. I'm wondering if either of you see, is there any form of healthy rent control or do you think that it shouldn't exist? <affirmative> rent control does already exist. It exists throughout California. Local jurisdictions already are in power to put rent control in place. We're seeing it come forward in lots of jurisdictions. This is not about rent control. This is about extreme forms of brain control. What, what would you say is the line for extreme? Currently, state law has struck a balance. Um, ACE stood behind the governor as he signed it to law AB 1482, which struck a balance between tenant protections and put in place statewide rental caps at 5% plus the cost of inflation. So we already have rent cups throughout California.

Speaker 1 ([00:27:24](#)):

I'm wondering if this were to pass, if you both think that this is enough or, and if not, what more is needed to address a housing crisis?

Speaker 2 ([00:27:41](#)):

Yeah, obviously in San Diego, this is not enough. Uh, we don't have local rank control. We have seen cities like Pasadena and others start enacting rank control, uh, capping it as inflation or two or 3%. That's what we would desire to see. Uh, what we originally started organizing, we had tenants full on this, and it was clear 2% is something that they can manage, something that they can expect, something that would allow them to be secure in their homes and be able to fight for their families to have a better future. Uh, I did want to talk about, uh, the, the fact that they're po this as an extreme measure. This is only removing a terrible policy, right? A terrible policy that ensures profits for, for profiteers. And under the premise of capitalism, maximizing profits is the motive, right? So when we're talking about, you know, the one month missed payment, landlords are eager and they'll find any loophole.

Speaker 2 ([00:28:41](#)):

And when there's no loopholes, they'll break the laws to try to Big tenants, we've seen this countless times. We brought it to you in the media, uh, with Kelly Street tenants and countless others. Um, very recently, Michael Con, who's a atrocious landlord who lives in a \$8 million mansion on La Jolla owns Sons of Property here in Linda Vista. A disabled woman, senior disabled woman missed one payment because she fell and hurt herself because she didn't have a rep accessible to leave her home when she was wheels shut down. And because of this, her son Miss worked. They couldn't made the parent end payment that month. They, they are trying to make it on the 20th, and the landlord refused. They took them through the lawful detain court and got 'em out. This is what they do because they have the power to do this because they have the funds, the resources, and the policy backing them to be able to abuse tenants. And we know that it's not all landlords. Most working class landlords, mom and pops, they share the struggle of the working class. They understand that a working class person is not gonna get a 10, 20% rent, uh, raise under wage. So they're not gonna impose a 10 to 20% rent increase. But in fact, we've seen all the larges landlords year after year input, 10% rent increases. And that's because they're capped. Otherwise they would come higher.

Speaker 1 ([00:30:06](#)):

I think that, um, and I think I've mentioned this, um, before, it's like housing is not, there's no silver bullet to address a lot of these things, right? Like when we think about like, you know, how, how reds go up, it actually, it, what it does is that people who are a lower income are, don't have access to it. And then middle class people who would typically buy housing are now like, right, they would, you know. So now what we're doing is like, we're taking a lot of rent that would typically be affordable to people who like should be able to buy housing. And now we're at this place where like there is no affordable housing. We have people who are homeless. We have like teachers to nurses who are like, I can't buy hou, I can't buy anything. Getting to a place where it's like, you know, they're taking up all the rental stock, which isn't a bad thing, but like if we are trying to increase the number of units available, then, you know, why can't, you know, why can't we buy?

Speaker 1 ([00:31:03](#)):

And the thing is, when it comes to the market prices, this isn't magic. This is like an industry that gets to set their standard. It's like we don't have like, does that house really go for a million dollars because of the cost of labor and all of those things? It's like, no, it's because that's what people are willing to buy. And unfortunately in Rafa would probably know this is typically a speculator of buying tons and tons of property. I think what we do mean, like the AB 1482 was something that, um, you know, in our attempt to press Pot 10 and even our attempt to, um, overturn cost sue the legislation, it was like we had a a, a more extreme version of this because a part of like AB 1482 wasn't just even the, um, the rent cap, which was a big piece, but to Rafa's point, no one is making increase of like 8% per per year in in their, um, in their wages.

Speaker 1 ([00:31:58](#)):

Right? Their income is not increasing at that rate. And god forbid at 10%, right? That would be great. That's like a really good union. If you're part of that union, you keep building that union. Um, the other piece to this is that like, you know, what are the other things we need to do? It's like we do have to build access. You know, like the land trusts are a big thing. Deifying, a lot of the housing stock is gonna be clear because like we look at Blackstone, right? What's happening right now? They buy like a lot of local developers, even other property owners had no access to that. You just exchange, it should exchange it from one billionaire to another billionaire. And that is naturally affordable housing. Like it bursted from the ground and all of a sudden it was like, it, it wasn't like that at all.

Speaker 1 ([00:32:44](#)):

This was slum housing. It was housing that was substandard. That like one very wealthy company that is buying housing all over the world has access to that is where these policies come into play and why we need them. They are bad actors. And like even then, 1482 comparative to a lot of policies and what we need to do to protect people. It is not enough. And like big thing with just cause it just allows to make sure that the law is clear why you're being evicted. Because landlords oftentimes not just even here in San Diego, places that have those policies, it's like the, they just do whatever the hell they want. I'm not saying all because people need to be educated, but there are enough cases where we, the, the narrative becomes an issue where there are we too many bad landlords that we need legislation active, um, legislative action, they bring up large corporate landlords. We know that's a sliver of the market. I'm wondering if you could see a healthy form of rent control for companies like Blackstone or if, uh, you think that would also be detrimental. Like I mentioned, rent control does already exist. Um, I would like to talk about slum boards. Like you mentioned the sponsor of Proposition 33, the person who brought forward Justice for renters is a notorious slum board up in Los Angeles. He has a track record of not maintaining his units. There's been a lot of news coverage about how the condition that his housing units are in because he's taking his profits and he's diverting them away from patient care and using them for a political war chest to, for fight housing across California.

Speaker 1 ([00:34:40](#)):

So Grace and I agree, education for landlords is definitely necessary. We need to continue to provide best practices and how to manage property and own property well to provide quality housing to renters all across the board. What I don't get is the correlation between the rate control that's being proposed and education. It doesn't seem to mesh. Again, I think that by working together to make sure that landlords, people who own and manage on the property understand that it is people. Um, I I think the the term you use was capable for profits. And, and while I don't think that capitalism is the big bat ugly wolf, um, I do think that the majority of people who provide rental housing are doing the best to provide this housing and getting by. Did they invest at some point maybe to have something to live off of when they retire?

Speaker 1 ([00:35:52](#)):

Yeah, there are a lot of people who did that. Are the corporations also bound by the same a B 1482 that we are as independent row owners? Yeah, they are. Corporations are not all bad. I just don't understand why, how furthering the existing right caps that we have is going to solve the education and the support of the rental housing providers that needs to be, give me, I I just stopped at the four. One thing I wanted to ask you about is, you know, overturning Costa Hawkin, it wouldn't automatically create new rent control laws, it would just put it closer to the hands of local voters. Do you see, um, an issue with that?

Speaker 1 ([00:36:43](#)):

So what they, so overturning Costa Hawkins does three things. Um, it allows for right control in new construction. It allows for right control in single family homes and it allows for vacancy d control. So



well, and you have a vacancy, you have the ability to bring your unit back up to market rate because likely you've had a tenant in there a long time. You are charging well below market rent because they're a good tenant and they've been there a while. Um, but then you know that when there's a vacancy, you're able to bring that unit back up to market rent. That's how you're able to cut that person's break, right? Currently. So overturning Costa Hawkins would allow local governments to take away those three things and, but, um, local elected leaders in charge of setting rental rates, um, I think the market is doing a good job of deciding what those rights are now and the additional rent control is just not necessary in those areas. How many tell him?

Speaker 2 ([00:38:02](#)):

Yeah, uh, those three items, uh, should be reading. Uh, they should not be in policy. They should not be, uh, law in California. And when we're talking about rent control, we we're not talking about extreme forms of rent control. We wanna see efficient forms of rent control because rent control rental with loopholes is not efficient. Uh, we knew that when TPA passed and we needed it desperately, and that's why it has a 10 year sunset clause, right? But we need permanent solutions. We can't afford these 10% rent increases or 8% rent increases or whatever. You know, the CPI will be plus the 5% guarantee, a 5% right? Year over year. And then we're, we're talking about them cataloging this Prop 33 as some radical, uh, law in the same way that the Magda supporters are cataloging. Kamala Harris is a communist, right? This is a, a total fabrication of what's happening.

Speaker 2 ([00:39:00](#)):

And as a matter of fact, again, when government is enforcing laws to benefit private owners, this is a type of socialism, right? In this or this type of socialism, this Trump socialism. So getting rid of it and allowing local municipalities to do something that's gonna be effective, efficient, then I think that's, you know, she made a very clear point. You know, these three things should be, they should be out the way. Uh, vacancy de control doesn't mean the government comes and sets the rates for the rents on properties. It just means that the rent that was set by the previous tenant can be raised a thousand dollars on the next tenant. That sounds kind of fair.

Speaker 1 ([00:39:49](#)):

I was just thinking about

Speaker 2 ([00:39:50](#)):

The,

Speaker 1 ([00:39:50](#)):

The sponsor of Prop 33 and like, you know, I don't, I don't know too much about like his landlording because of, I just haven't paid attention to that. But the opposition of like Costa Hack, like of every iteration of this is like, been Blackstone and they support I think Donald Trump. So I guess that the whole rhetoric of like eating dogs, Haitians eating dogs, maybe that's something we should look at you as. Well, I don't like at this point, this is about a policy, the funding of it. Like we're constantly outspent by the opposition. So there's money, people have money to put into this. I just, it would, maybe they should hold onto that to improve the units of those element conditions and stop fighting like these. And, and it's probably because it's from their beginning of all rent increases from all these, um, you know, lack of, uh, rent control locally. Where is that money coming from? Pro

Speaker 2 ([00:40:46](#)):

Question. Yeah. Yeah. And just to add, as far as, uh, the aids he healthcare foundation, uh, fund this proposition, uh, as Kate mentioned, housing and health are interrelated and, and the other factors, health, housing, and education are interrelated. And in San we had record, uh, children homeless. Now do you think that people, kids that are living in their cars are gonna be able to study with the same land privilege that someone that has a secure household is so too, right? These are barriers against our community.

Speaker 1 ([00:41:26](#)):

This is the third time as he's been on the ballot. And I'm wondering if, um, any of you have thoughts on what's different this time around? I actually wanted to, to, before answering a question, um, and thank you Katie. Um, so a lot of subsidiary terms being used and, um, I've wanted to make sure that as a group we understand that people who own real property are not typically criminals. We're not out to make things worse for people. That's not what we do every day when we get out. And, um, again, there are safeguards in place. Rafa, you mentioned, I'm sorry, Rafa, you mentioned, um, uh, the lady who was wheelchair bound and didn't have a ramp to get into her home. Well, there are fair housing laws that protect people with disabilities to be able to provide those types of, uh, services. The ramp or the, the rent bars or things like that.

Speaker 1 ([00:42:31](#)):

So I, I believe that we have the loss that we need. What we need is for people to understand how to operate within in it so that we can continue to provide good housing for people. I'm just, again, not sure how it is that putting another layer onto people who are trying to provide rental housing is gonna be the solution. I think there's something more that we might need to be doing. So, and I totally forgot what your question is. So, uh, what, what is different this time? That's the third time it's been on the ballot. It's funny because it's not much different and the motors have voted it down twice already.

Speaker 1 ([00:43:19](#)):

Yeah, I'd agree with this, that the, the sponsor of this bill has an enormous war chest that he's using to bring this forward for a third time. The Boers have already spoken twice by a margin of nearly 20% each time. And yet our industry continues to fight this battle because we understand that this extreme form of rent control is not the solution to our housing crisis. We talk about fabrication, um, the yes on Prop 33 campaign actually used kamala's like likeness to try and say that she supports yes on Prop 33. She does not weighed in on that campaign and she's not in support of Yes. On prop 33.

Speaker 1 ([00:44:11](#)):

I'm sorry, what's question? Like, just a response to that. What's different? Um, I mean, I'm just gonna be honest. Like, I don't think it's nothing, it's just a constant like this, we've been in the same crisis. Like I think in a lot of these, like in the way that this is put out, it's like you're thinking NI and RA are like some like, you know, secret, um, you know, Italian restaurant where we're plotting and we're, you know, we're wearing our rays, um, because we're communists, um, and come, you know, we have to have salt and pepper. We don't like our fruit season it either. So, um, I don't think there, it, it, I think that in the same way that the housing crisis hasn't changed, it's gotten worse and worse, right? And so I think that when we talk about like any political campaign and like talk about a war chest, the opposition has a massive war chest.

Speaker 1 ([00:44:59](#)):

When I was working on Prop 10, it was really hard because like a lot of tenants were very confused. Like they were billing this, this is rent control. It's like, it's not, it allows for the expansion of local cities to expand rent control. It is not rent control, but that's what tenants are being told. And they were also being told, like, um, you know, like there, there was the sad landlord that, you know, like when we talk about

small property owners, it's not the mom and pop and always wants to be the mom and pop. That's like someone's grandmother, you know? But the one property 80, 14 and two, that doesn't even apply to that grouping of people. When we talk about, you know, the mom and pops that are crying over this are typically like in five units, was it 10 units? I can't even remember.

Speaker 1 ([00:45:46](#)):

It's a larger number. It's like, I don't know what the mob and pop at this point is because that's way more property than myself. That's a way more property than someone who just has one home. So I mean, yeah, maybe the leg, the we have to overturn it. That doesn't need to be different other than the crisis is still bad. And we keep ringing the bell that we need stronger protections. And like I said, this is, this is the big stick. But it doesn't mean that we can't continue to create like more solutions locally because we still need to build housing. We need to make sure that there's real affordable housing. But we also need legislation that, how about this? There are enough bad actors that it requires legislation. There are enough like people who are uneducated about this and don't care to be educated about this because once you go into a business, don't you wanna learn that business?

Speaker 1 ([00:46:40](#)):

It is not an excuse to go into making money and say, I don't wanna learn the rules of what this is or what decent and affordable housing is. That is not an excuse. So just to confirm, AB 1482, sorry about that. AB 1482 applies to all properties, two units of war on piece of property, um, that that's what AB 1482 is. It doesn't start with like five units. So just, just a point of that, and I think we agree we need more housing. So how do we build more housing? How do we do that? How do we incentivize that or putting on the rent the way to do it? We're about to go to Im question, so I just wanna make sure you have a chance to answer.

Speaker 2 ([00:47:24](#)):

Yeah, I do see several, several differences. Uh, first of all, the pandemic occurred. Second of all, we've seen 10% rent increases year over year for some people of a higher, like affordable housing. Uh, tenants are not, uh, part of the law. And in the last few years we've seen several cities pass rent control. It's way smaller cities than San Diego. And unfortunately, San Diego has become the least affordable city in the country, right? And the worst city for rent like renters. Uh, so these are factors that we have to take into consideration why other cities that are smaller are seeing this as a problem, um, and acting upon it when our city council has seen it as a problem for so many years, and all they say is, oh, rent control is illegal because Casa Hawkins, as if they didn't know that they can pass rent control.

Speaker 2 ([00:48:12](#)):

So there are marketing, um, differences now and the housing crisis is a lot worse, uh, just to attend. Uh, other are opposing, uh, debaters here made a very obvious, um, example of what's the problem. There are laws and the landlords break them, right? So we need stronger laws and we need accountability. So, you know, when, when we're talking about rent control, we always talk about a, a panel or a board of rent control, right? Elected by people that are impacted because that's how we are able to counter this. Just one final thing, David Ez, a, a horrendous s landlord who was part of the Southern California Rental Housing Association and used their documents to oppress dozens of tenants in his 12 plus buildings in San Diego. He died and he left hundreds of people in the plural living conditions. We're talking about holes in their windows and their ceilings in the walls, manifestations, cockroach infestations all contributes to shoring people's lifespans.

Speaker 2 ([00:49:33](#)):

And this is all in the front and city heights on people of color. We're gonna move to audience questions. Yeah. So, um, is this on? Can you hear me? Yeah, you can. Great. I have a stack of questions here, but before we move to all the audience questions, um, we're actually gonna have upper first question from a high school student. Uh, he, uh, one of our, uh, Aaron Clients fellows, her name is, uh, Naomi Shin. Naomi, you wanna stand up, uh, each year that Aaron Price Fellows program selects 40 kind, inquisitive, and open-minded nine braiders like Naomi b from a full of 300 advocates for a three year journey. They go behind the scenes to see how cities function score the world community members in shaping society and develop empathy and skills for navigating Diverse World Program is a high school leadership experience, started in 1981 by the price family with the s at Price Club and Price Smart. And the mission of the Aaron Price Fellows program is to prepare a highly motivated group, San Diego Public high school students to be responsible, engage and caring carrying numbers of their. Today there are over 1000 air prize fellows, alumni five budget locally carrying out the mission of the program, and then a difference in their families', careers, and community. So they always kind of ask the first question and then we'll turn it back over to Katie. They take questions from the audience who be able show the card bank news

Speaker 3 ([00:51:10](#)):

As <inaudible> live. My name is a, a junior and high school, and to fight lik is for Rock re and Grace, you've already briefly touched on this, but I wanted to ask for elaboration on this fire. So my question is, given the failure of similar rep control propositions in 2018 and 2020, what new campaign strategies do you think drive a develop upward opposition?

Speaker 2 ([00:51:34](#)):

Yeah, unfortunately, uh, in both cases, the opposition has spans countless amount of, of money. So they have unlimited resources, and the only way for us to actually be able to counter that is by pointing out the, the, their propaganda as lies, which they are, they're saying housing will be reduced. They're saying that people won't build and that there's, uh, the conditions are gonna go, uh, terrible for the tenants, right? We already see a lot of these conditions and we don't see rent control in place. But as far as, you know, how we're pushing in is we always organize with people on the ground. So impacted tenants driving the story through the media and making sure that word of mouth gets around right? Housing costs are not something that only impact tenants. And and that's something that many times people don't understand. As a real estate broker can tell you that housing costs affect us all and the fact that a lot of investors are empirically removing wealth from our communities by gouging our people and taking it elsewhere, right outside of San Diego, they're keeping money that should be recirculated by tenants on our needs, uh, out of our communities.

Speaker 2 ([00:52:52](#)):

So, you know, we're, we're wanting to make sure people understand that this is an upfront, it's working class communities and this is why property three should be passed.

Speaker 1 ([00:53:04](#)):

I think, um, you know, so your other question is like, are there any new strategies to this? You know, I think Rafa said it and I think with any, what any type of campaign, especially when you're on, you know, um, have over, um, out spent is like really getting, you know, tenants and people who are impacted by this to go out. We talk about like what their stories are and how, you know, truthfully, like how it really helps 'em, because the reality is if it does pass, it doesn't mean like, the same thing with AB 1482, once it passed, there was an issue like enforcement, like, and cities having to adopt it. Like, and in San, and I know it's not even the question, but even how the city of San Diego had to understand like what was grandfathered from like their tenant, um, tenant, um, right to know ordinance, ordinance, which no one knew about, which is really interesting to name it that. But, um, you know, there was still adaptation to a

lot of this. So I think with Prop 32, like any campaign you need to make sure it's all about voter education getting out now it is about to be October. Um, I don't, I'm not privy to any of that strategy and nor am I gonna give out any of my own strategy to do that. Um, I will talk to the members about it, but, um, I don't think, you know, this is just really gonna be like getting out the vote and talking

Speaker 1 ([00:54:27](#)):

What's different this time around. Um, there are a number of progressive organizations that have previously been in support of prophe of the, the measures that came before Proposition 33 that have taken a neutral or a post position this time around, um, current legislation restricts rent control to older humans. I know you've mentioned many times there is rent control in place, um, and that you said you thought they struck a line. Uh, would you object to applying that current policy to all units?

Speaker 1 ([00:55:11](#)):

AB 1482 does not apply to houses, condominiums, individual units, um, and then doesn't apply to properties that were built within the past 15 years. And the reason it doesn't apply to properties that were built within the past 15 years was there was a carve out to incentivize, again, more development of property. Um, the cost of development is astronomical. I think there was a, a, a developer I was having a conversation with, and in the city of San Diego, before you even break ground on a 15, 16 year apartment community, there's about about \$170,000 in fees, um, that, that have to go, that have tree eight before you can even break ground. It was an astronomical amount of money. Um, and as my cowork here said, um, if that right control were applied immediately, there's no way that they would be able to afford properties. It wouldn't be able to afford to pay mortgage in the construction loans and things like that. So, um, I think that, again, AB 1482 does strike a good balance. Um, and I'll go back to the accountability piece. I would love to work with you to educate, um, and make sure that landlords understand what their responsibilities are in addition to their rights. Um, our associations are all about those landlord and residents rights and responsibilities. This isn't us against them in any way, shape or form. We have a housing crisis, let's solve it together. I just don't think this is the way to do it.

Speaker 1 ([00:56:58](#)):

Yeah, I think we hear a lot about bad actors and Christ gouging and harassment, all of those things are already illegal and this new proposition does nothing to further enforce the things that are being referenced. Um, the bottom line is this is going to make our housing crisis worse. Uh, speaking to that, I'm wondering if, um, either of you have ideas of policies or additional interventions, um, if this proposition passes, um, this audience member's asking how will we offset potential risks? For example, the incentive for landlords to switch to short-term rentals instead of long-term housing.

Speaker 1 ([00:57:48](#)):

So one of the issues with AB 1482 is like I, you know, the people here, when do you become a customer? When you buy something, you become a customer. And when you go and for under AB 1482, I think you have to be a tenant for 12 years. So you are now literally paying for those accommodations, which you do not get protections right away. You gotta wait 12 years. Now that doesn't make sense to me because once my money leaves my, you know, account in order to make sure that I am paying for a service, that automatically means that I have some kind of consumer rights. I think that those are some things about AB 1482 and also additional protections that we have to look at. I think my concern is that we are using AB 1482, which I don't think is even strong enough to, as like the reason why we can't do anything local. And I think, you know, what's hard is that it has been in the California Apartment Association that bought us every time on AB 1482. Like and any type of statewide rent control. California's one of three states in the entire United States that hem. But any form of like, just cause or attempted protection, right? And if we look around the United States, it's like, what's their housing crisis like?



Speaker 2 ([00:59:07](#)):

Yeah. So the tenants unanimity in a multi-prong approach already. Uh, not only do we advocate for rent control and against displacement, we've also sued the city of <inaudible> for not allowing affordable housing to be built, right? We've also been bringing cases about affordable housing to elected officials because they're really in the loophole. They can get 25% rent increases and they can get away with it. So what we're looking at this change of law and making sure that it does cover, you know, as much property as possible, we're leveling out the playing field. So, you know, when the landlord control the pricing, they control the conditions, they control policy, then we're gonna see the results, which are the current results. Uh, we're on our, I think 20th year of, of housing crisis and we're like 13 years, their homeless numbers have risen and they can't keep up with the people that are being rehoused, right? So more people are becoming homeless than the people that are actually getting re harmed. And there's only one explanation. It's bad actors and, and, and there's a lack of controls. So that's

Speaker 1 ([01:00:28](#)):

For Lucinda and Melanie, why should this be decided at the state level and mount the City York County that all, we're not the ones who put this on the ballot. Um, this is the third attempt to bring this forward on August statewide. So we didn't make that decision. I think they're asking, you know, if this word of passed, then it could lead, decided that the city and county level, why not allow it to be decided at that level rather than the state level. California already has in place, as they mentioned with 1482, the most protective, um, most, most tenant protections of any state in the United States. This AB 1482 was historic in how far it goes to protect tenants. Those protections don't kick in after 12 years. They kick in after 12 months, a standard lease term. Um, and that's when leave just cause protections, uh, are in place. Um, yep. Okay. I understand, uh, you know, voicing why you think it shouldn't be passed. Um, but just wanna ask again, why not let local voters decide local voters won't be deciding I on election day

Speaker 2 ([01:01:52](#)):

Y? Yeah, so, you know, the, the California law is, is, you know what it is. Um, but it's even all standard, right? We can't say that a standard that applies for the entire state should be something that solves San Diego's problem. Um, sand Diego has a very unique situation going, and we think that only locally we can actually create the solution.

Speaker 1 ([01:02:22](#)):

Do you have time for one board? I I wanted to add something. Um, I had more of that going back to state versus localities. Localities do have the ability to do certain things and we're seeing certain localities looking into these options and the point that I will state again is that what I'm hearing being said is that there are bad actors who need to be brought in line, but imposing rent controlled, the way that it's being presented right now doesn't do anything about that. And I just don't think that this is the way to solve the problem when what we have as an education and the humanity issue. And I think that in working together, I've said it a billion times today, we can educate and support and collaborate so that people can provide quality rental housing for the people who need it. Um, someone asked, is rent control something that would apply to all rentals in a zip code or county? I think part of of this law is that this is cities and counties creating rank control laws. And um, I'm wondering if the panelists can speak to how much, uh, flexibility would be in that. What kind of rank controls, uh, would you hope that they would set? Would it be blanket or tea or,

Speaker 1 ([01:03:56](#)):

You know, it's interesting because like the, you know, when you, when you're dealing with a lot of lawyers or having, or excite, and also when we're bouncing the pandemic, there's like, what, 17 municipal math in San Diego for 13 different types of moratoriums. And it was challenging because like, you know,

we were lucky that we had to push the county to come up with it, use their police powers to do that. And that made like education as well as like, you know, both for us as like applicants to like make sure people knew what their rights were. And also for like, lawyers who are coming in there, the laws were very clear, right? The, I think when it, um, and I lost my train of thought 'cause my mind went there. What was the question? Oh, it's like a tailored versus I think that the more the, it's clear, like the rights are very, for every renter are clear, then I think the outcome then it'll be easier to like enforce this when it comes to court.

Speaker 1 ([01:04:51](#)):

And that's the thing is like we, we might say it's like that's not our first response is eviction. But the same problem is the outcome has been eviction. It is, you know, there's been hella last resorts right now, right? Because that's why a lot of our service providers who are doing this, like LA doesn't even have like LA has strong protections. There's so many evictions, they don't have enough attorneys in order to address that. Right? And a lot of this comes down to what is the real clarity in the law, you know, and what, what can allow lord, what can and cannot happen? And I think that's education, but also having stronger policies so that people aren't going and like violating what that protection wins. We need to wrap up, but I did wanna ask Lucinda one final question.

Speaker 2 ([01:05:37](#)):

Sure. Uh, just, just point of clarity, uh, we, the tenant union supports universal rent control application of land long properties.

Speaker 1 ([01:05:45](#)):

I did wanna ask, you had mentioned to me that uh, you think the market's already overregulated and part of that is that a patchwork of laws as hard to follow. Can you speak for water now? I I think grace already stuck to it and 17 different municipalities, 17 different codes that have to be followed and it's just this patchwork, um, AB 1482 is for all properties throughout the state of California other than houses in continental and properties built within the past 15 years to have A-A-A-A-A hatch for, and not even understand how can istic, you know, beach you teach, but you are property in national city. In another part, a beach with laws are dip fried. It really is very con confus and to, to very su right. It, the attorneys have work on phone. So making it specific to local on the me <inaudible>.

Speaker 2 ([01:06:44](#)):

Yep. And so, uh, obviously this is a very live baby. You go on Aman, but we do have to have it 'cause we have another, uh, event in this room, uh, coming up if you want to stick around the next session, which is, uh, debate week to Diego City Council candidates, uh, Sean and ELA Rivera at Tilly Hopkins.