

CALIFORNIA

GREEN

NEW

DEAL



greennewdealca.org

Steering Committee



The Coalition



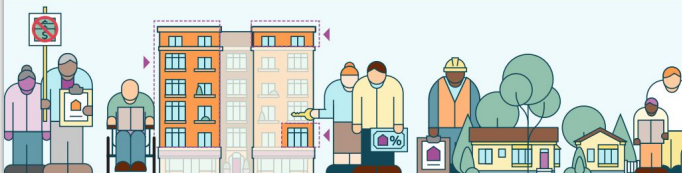
From Building Decarb →
Green Social Housing





Decarbonization Without Displacement

Tenant Advocacy in the Context of
Inflation Reduction Act Implementation




OCTOBER | 2023

DECARBONIZING CALIFORNIA EQUITABLY:

A Guide to Tenant Protections
in Building Upgrades/Retrofits
Throughout the State

SAJE
STRATEGIC ACTIONS FOR A JUST ECONOMY

**CA GREEN
NEW DEAL**



A well-designed decarbonization policy could help to address existing environmental, economic and social disparities, but a poorly-designed policy could exacerbate these persistent inequities.

Homeowners benefit, and tenants...?

The benefits of building decarbonization are structured to accrue to higher-income homeowners

- Those who can afford upfront costs can benefit from energy savings, property value increases, etc.

What about tenants?

- ~46% of homes are occupied by tenants in California
- Landlords are not incentivized to invest in building decarbonization and energy efficiency technologies (“split incentive” problem)

Split Incentives: exposing profit motive in housing

Individual (tenants)

- Improved indoor air quality
- Energy bill savings
- Improved habitability and reduced health risks (e.g. cooling)

Societal

- Reduced emissions
- Grid resiliency and reliability
- Good jobs
- Housing affordability and quality

Benefits for landlords

- Increase property value
- Ability to charge higher rents
- Remove tenants

**How to electrify
your life when
you rent**

Homeowners who want to reduce their carbon footprint by getting rid of polluting appliances have the US government's full support. Not so with apartment dwellers.

Risks for renters

Decarbonization investments without tenant protections run major risks of harming renters through:

- Greater rent burden, via pass through costs
- Surge in evictions (legal and illegal)
 - Legal: renoviction (“substantial remodel”)
 - Illegal: harassment, evasion of eviction protections
- Loss of affordable units

CEC Equitable Building Decarbonization program

- **In 2022**, the coalition worked with partners and allies to advocate for and win the creation of an Equitable Building Decarbonization (EBD) direct-install program with initial funding of almost \$1B
- **In 2023**, the coalition has been advocating on the design of this program, with special attention to tenant protections, community engagement, workforce standards, and program administration.
- The program recently released its final guidelines, and will soon release its solicitation for Program Administration (PA) teams

We must not sacrifice housing affordability by improving housing quality



Equity in Building Decarbonization

- Building decarbonization policies, programs, and investments must be embedded with **comprehensive, enforceable tenant protections**
- Develop incentives for landlords that drive uptake without sacrificing tenant protections
- Consider ways to prioritize permanently affordable housing solutions
- Consider different strategies for targeting deed-restricted affordable housing vs. NOAH

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What is green social housing?



Green Social Housing



SOCIAL OWNERSHIP

*Public or community-owned
(e.g. land trust or co-op)*



PERMANENTLY AFFORDABLE

*Housing that fits our
affordability needs*



PERMANENTLY DECOMMODIFIED

*Housing cannot be
transferred out of
social ownership*



TENANT SECURITY

*Tenants should be
secure & without
fear of evictions*



TOWARDS A DEFINITION OF

SOCIAL HOUSING

COMMUNITY CONTROL

*Housing
developed by
and for the
community*



RESIDENT MANAGEMENT

*Direct role for
residents in
management*



Key principles of social housing



Democratic control

Permanent public or community not-for-profit ownership, forever protected from privatization and the speculative market; managed by democratically accountable entities, public workers, and residents.



Universal

Housing available for working people of all incomes forever free of segregation by income or race.



Truly affordable

Rent is based on ability to pay, always below market rate, with up to 100% subsidy for poor renters; paid for by taxing the wealthy.



High quality

Beautiful, durable and environmentally sustainable construction, ample community and green spaces; transit access and permanently guaranteed maintenance budgets

GREEN SOCIAL HOUSING ACROSS PLACE



UNIT LEVEL

Healthy living spaces that are toxin and toxic-free, energy-efficient, temperature controlled, and well-maintained



BUILDING LEVEL

Green buildings that are durable and sustainably-built, allowing residents to easily and safely access utilities, use clean energy sources, and stay safe from disasters.



COMMUNITY LEVEL

Resilient communities where everyone has access to clean water, air, soil, green spaces, and the public infrastructure that they need to thrive – and where tenants are protected and in control.



The fight for green, healthy, permanently stabilized social housing is already being advanced in California, with growing momentum across housing, labor, environmental justice, and public health movements.

Los Angeles's opportunity

Measure ULA (House LA), the November 2022 passed by L.A. voters, unlocked hundreds of millions of dollars for social housing production through a 1.5 percent transfer tax on properties sold at more than \$1 million and a 5.5 percent transfer tax on properties sold at more than \$10 million. The new transfer taxes are expected to generate hundreds of millions of dollars a year that will be used to acquire, rehabilitate, and build healthy, affordable homes for low-income and middle-income Angelenos.



California Just Passed the First State Social Housing Legislation in the US

BY
RICHARD MARCANTONIO

Earlier this month, California passed a bill requiring the state to produce a



Inland Equity Community Land Trust promotes affordable housing



Blanca Lopez, Inland Equity Community Land Trust board parliamentarian, is seen with Executive Director Maribel Nunez. (Courtesy of Inland Equity Community Land Trust)



The New York Times

In San Francisco, Tenants Use Labor Tactics to Challenge Their Landlords

A small group of residents in San Francisco apartments are on rent strike. Can a union model work for residents the same way does for laborers?

Share full article



From uninhabitable to social housing

01

Expand tenants' options in code enforcement

02

Close loopholes in tenant protections

03

Passing pro-tenant green habitability standards

04

Policies to transition ownership from bad actors

05

Coalition building at the community level

06

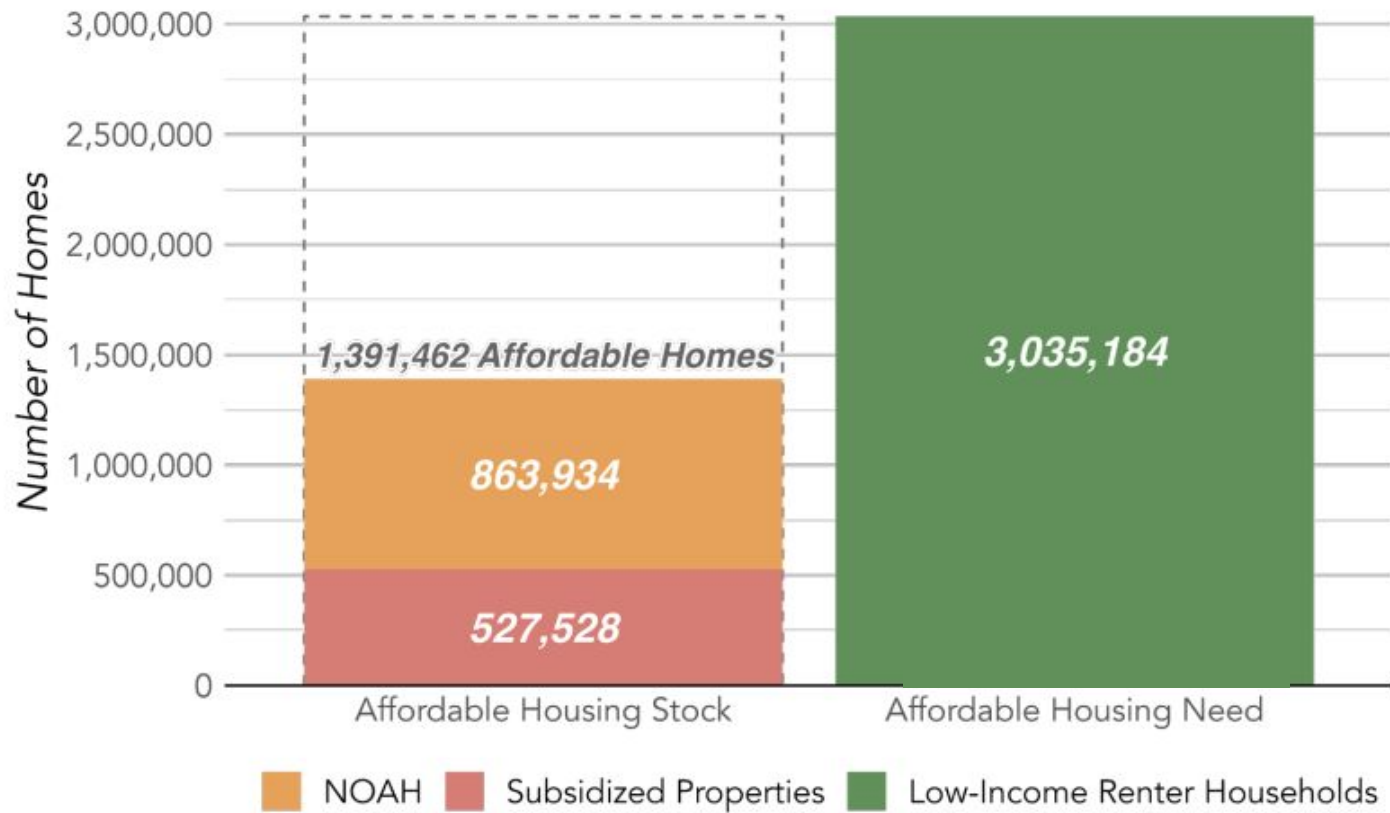
Funding, funding, funding! Also: funding

Questions?



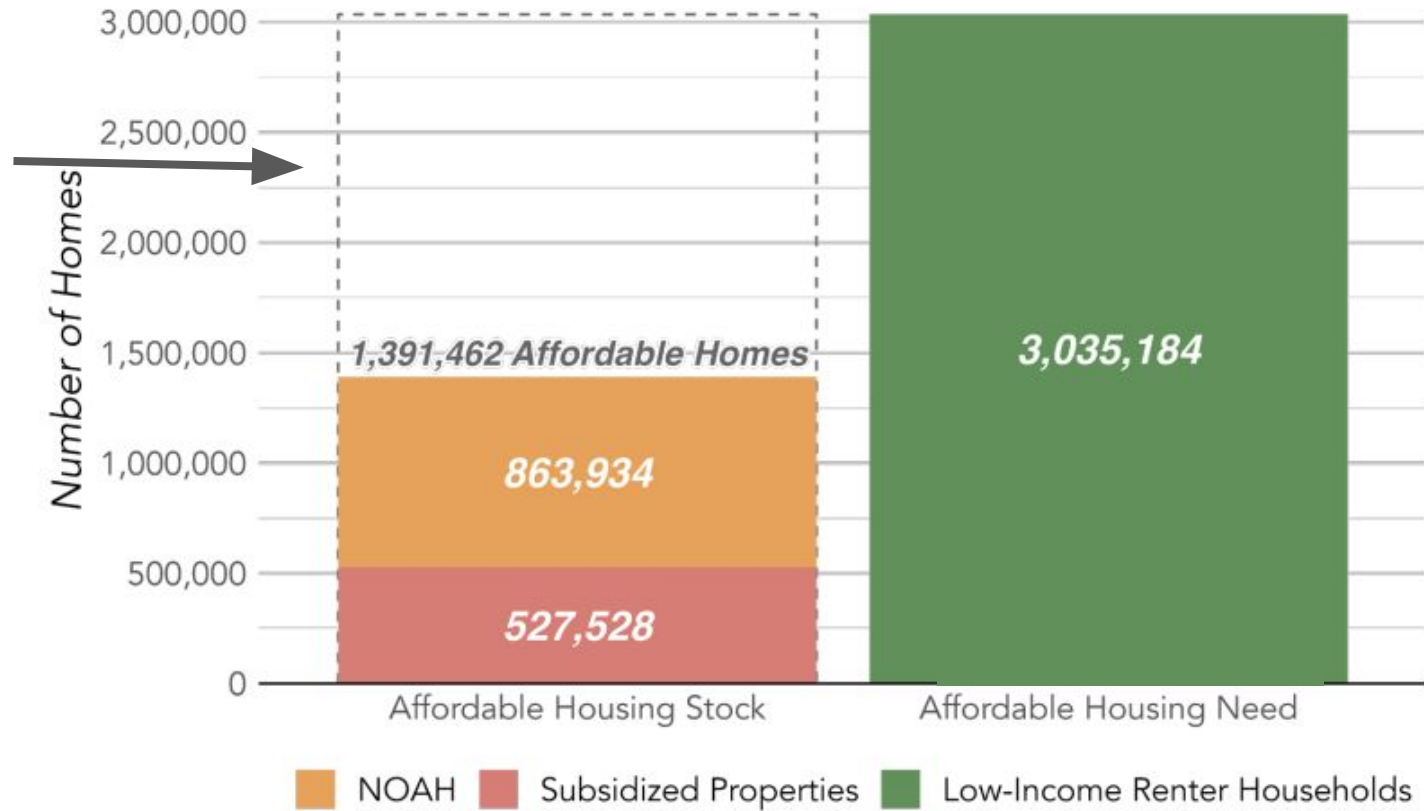
Impacts on Affordability



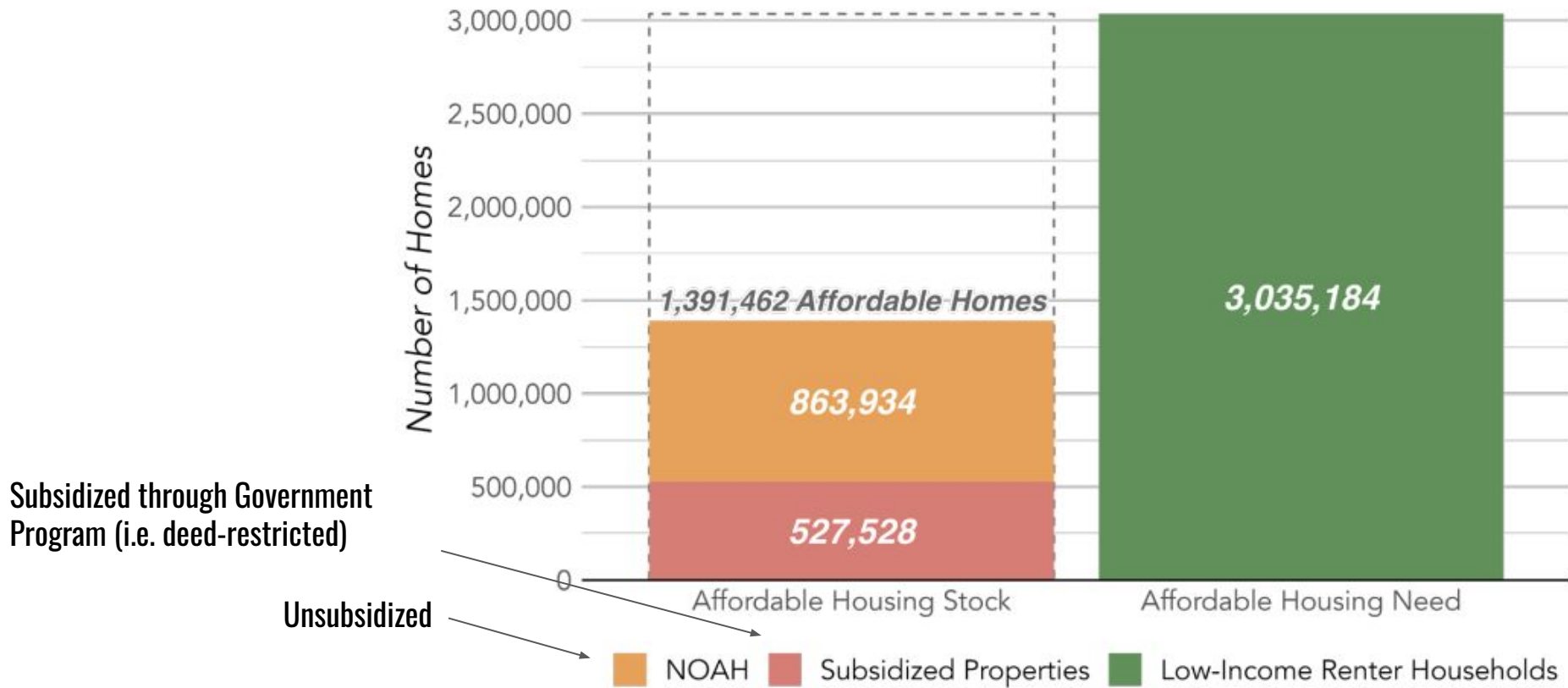


This is California's Affordable Rental Housing

Majority of low-income tenants are currently living in unaffordable housing



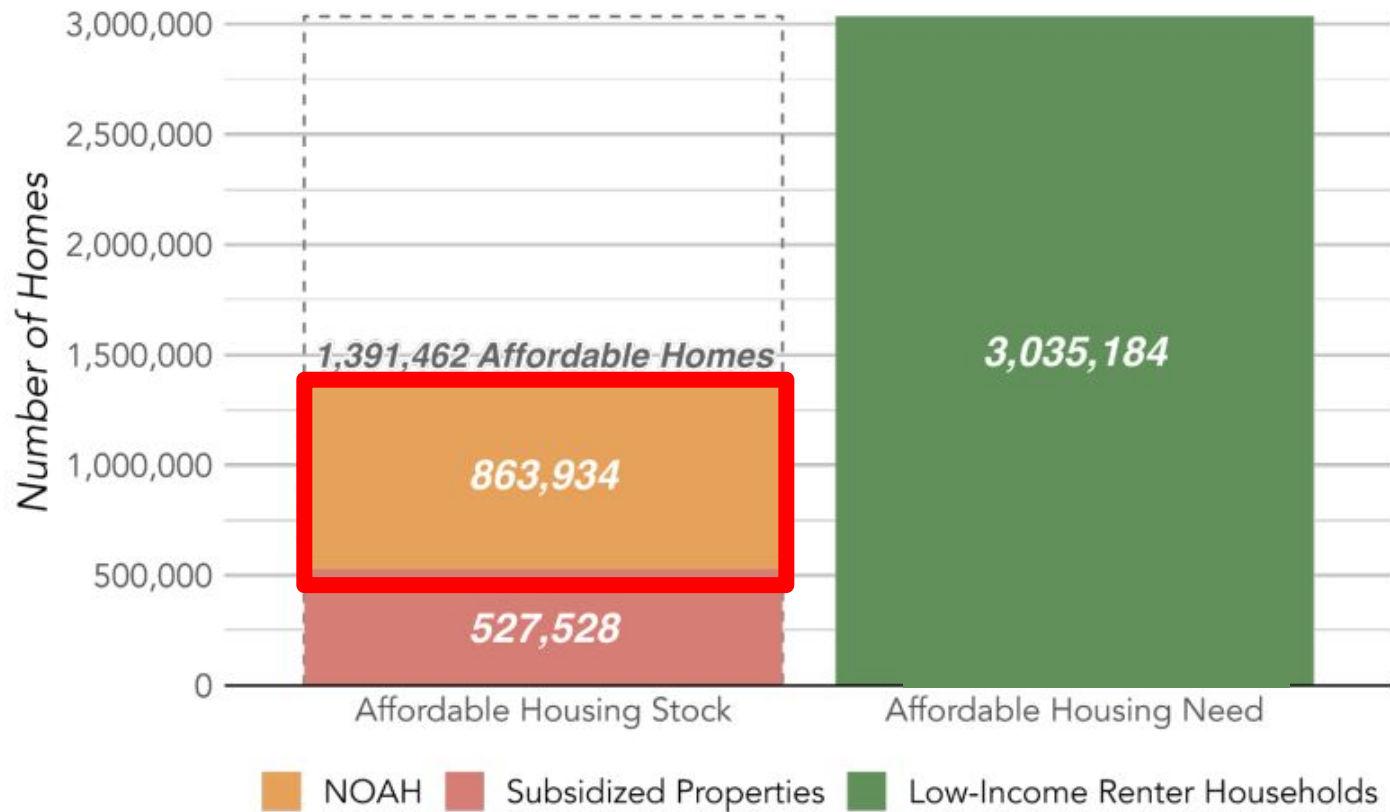
California Doesn't Have Nearly Enough Affordable Housing



Most Affordable Housing is Unsubsidized (i.e. Market Rate)



California's Affordable Rental Housing Stock is Old and Low Quality



As a Result, Housing Affordability is Often at Expense of Housing Quality