



Weinstein's Housing Freeze Puts Affordable Housing at Risk

California has a serious housing affordability crisis and we need to take action. But the deeply-flawed Weinstein Housing Freeze will make our problem worse. Independent experts agree that policies contained in the initiative reduce the availability of affordable and workforce housing, leading to higher costs and more evictions. With no protections for affordable housing development, the initiative puts already challenging and tenuous projects further at risk. Low-income Veterans, the low-income elderly and low-income families – those who need the most help with finding affordable housing – will suffer greatly.

No Exemptions for Affordable Housing Developments

Affordable housing construction is already under pressure since the elimination of state redevelopment funds, which accounted for up to 30 percent of funding toward affordable housing. The full impact of this elimination is just starting to be felt. The Housing Freeze would make it even less likely that affordable housing developers can confidently pencil out these projects.

- Affordable housing projects are already extremely difficult to build due to the limited availability of funding and requirements that the units remain affordable for as many as 55 years.
- The Housing Freeze could further restrict what affordable housing developers could charge tenants – even though projects are already under strict rent guidelines.
- It would put new burdens on affordable housing developers and take away an already limited ability to operate their property.

THE WEINSTEIN HOUSING FREEZE:

- Does not exempt affordable housing
- Allows rent caps to be locked in place forever, discouraging new housing and encouraging condo conversions
- Opens the door for rent control on single family homes
- Creates uncertainty over what constitutes fair market value, which will lead to lawsuits
- Grants new powers to regulatory bodies to impose or modify rent policies – without public oversight
- Allows proponents to intervene in lawsuits with all their expenses paid by taxpayers – even if they lose
- Cannot easily be changed without another ballot measure
- Is sponsored by an individual with a history of opposing renters and affordable housing

No Funding for Affordable Housing and No Requirement It Be Built

This measure will do exactly the opposite of what it promises – instead of expanding access to affordable housing, it will result in less housing and higher costs.

- Independent academic experts agree policies embraced in this initiative stop the construction of new affordable and middle-class housing.
- These new caps could slow – if not eliminate – construction of new affordable housing units.

Sponsor Weinstein Has a Long History of Opposing Affordable Housing and Has Called Renters “Transients” Who Destroy Neighborhoods

The Housing Freeze's sponsor, Michael Weinstein, has an extensive history of fighting against new housing:

- OPPOSED a 731-unit residential development in Hollywood that would have created new affordable housing.
- OPPOSED a bill that eased restrictions on the construction of affordable housing.

(More)

- SPONSORED anti-housing Measure S in Los Angeles, which would have imposed a housing moratorium in one of California’s most impacted and expensive housing markets. The *Los Angeles Times* editorial board said, “Measure S is likely to increase evictions and the loss of rent controlled housing” and “will result in a loss of rent-stabilized housing.”
- CAMPAIGNED AGAINST RENTERS in 1993. As a candidate for city council, Weinstein called renters “transients” that cause neighborhoods to “lose their identity.” His campaign sent out a mailer boasting that he would “encourage more home owners and fewer renters.”

The Housing Freeze Will Mean More Red Tape and Will Empower Unelected Bureaucrats to Set Housing Prices

- The Housing Freeze allows bureaucrats to decide what they think is fair market value for every rental unit in the state. Each city would be empowered to create its own rent regulatory agency – not only adding another unnecessary layer of bureaucracy, but also creating an environment where complex renting rules differ from city to city.
- Importantly, this gives unelected bureaucrats the power to significantly change the cost and availability of local housing – with no requirement that they listen to detailed public input or hold a public vote.

The Housing Freeze Could Lead to Permanent Caps on What Property Owners Can Charge for Their Property – Even After a Tenant Moves Out

- This poorly written measure would allow local bureaucrats to create permanent caps on rental prices – caps that could be extended even after a tenant moves out.
- This provision could have a particular impact on seniors and others living on low or fixed incomes who rely on rental income to help make ends meet.

Paid for by Californians for Responsible Housing, Sponsored by the California Apartment Association. Committee Major Funding from Essex Property Trust, Inc., and Affiliated Entities; Equity Residential; AvalonBay Communities, Inc. Funding details at www.fppc.ca.gov.