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The Advocate for
Berkeley's Rental Housing Providers

Founded 1980 • Charter Member, California Rental Housing Association
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The 7 Habits of Highly Offensive Landlords

Mark Tarses, President, BPOA

- 1. Not responding promptly to tenant service requests.** Most tenants will not call their landlords with service requests unless something is really bothering them. That something may seem trivial to you, like a drippy faucet, but you should assume that it is important to them. Some of the biggest and most expensive fights between landlords and tenants start off with some little thing that was annoying the tenant, and the landlord ignored it.
- 2. Being Mr. Cheapskate.** There are landlords who will not give their tenants replacement light bulbs for ceiling light fixtures because, they say: "I can't afford it." That attitude will just infuriate your tenants. You can afford to give your tenants things like replacement light bulbs when they request them.
- 3. Making deductions from security deposit refunds for wear and tear.** Charging tenants for tiny holes in the walls where the tenant hung pictures will just infuriate your tenants, and you will lose in court. Carpets, venetian blinds, and appliances all wear out over time. Apartments need periodic repainting. Tenants pay you rent to live in their apartments, not to admire them at a distance.
- 4. Thinking of maintenance as improvements.** Replacing an old refrigerator that is no longer able to keep frozen food frozen is not an improvement. Replacing a rotten fence is not an improvement. That's maintenance. Things wear out. You are not doing your tenants a favor by properly maintaining your property. That is your job.
- 5. Saying 'No' to tenants just because you can.** Suppose you have signed a lease on a vacant apartment. The lease starts on June 1, but your new tenant asks if he can move in a day earlier. You could say No, but why would you?
- 6. Not putting things in writing.** If you have made a deal with a tenant, put it in writing and have the tenant sign it. Spell out the details. Remember, honest people remember things differently.
- 7. Not fixing things until you get a complaint.** You need to remove graffiti from your building as soon as you become aware of it. You need to have junk dumped on your property removed immediately. You need to mow your lawns when your lawns need mowing, not just when the fire department complains about it.

MEMBERS ZOOM MEETING

Thursday, April 15th, 2:00pm

Marijuana, ESAs & Other ADA Pitfalls

Check the event calendar at bpoa.org for information & registration

For the safety of our members, our monthly member meetings will remain online through the end of this year.

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Editorial

It's a Damn Good Crisis

Albert Sukoff, Editor

BPOA Monthly is a regular publication of the Berkeley Property Owners Association, a trade association dedicated to assisting rental housing providers with upkeep and management of residential rental property and coping with Berkeley's rent law.

2021

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About the Newsletter

Our articles are contributed on a volunteer basis by members and other interested parties, although we do accept paid advertising. We are always happy to include material submitted by members and welcome suggestions on how to improve our publication.

All articles in this publication represent the author's viewpoint and not necessarily the position of our organization.

Direct comments and material to our Bancroft Way office or to bpoa@bpoa.org

Since the Great Depression, one of the two parties which dominates the American polity has been very concerned about persistent deficit spending which adds more and more to the national debt year after year. The other party has been blase cavalier about the debt, paying lip service to the issue at best.

The party willing to spend is the party in power. The party which expresses concern over the debt at given time is the minority party. The two parties may have different priorities as how they would spend the national treasure, but each is more than willing to borrow in excess of revenue to get what they want.

For the record, the national debt is — drum roll please — \$27,000,000,000,000.00. It has not been a steady incline to get there. Beginning in the 80s, the debt rose dramatically. It only reached a trillion dollars — yes, ONE trillion — in 1982. We added another trillion every few years thereafter reaching \$7 trillion in 2004. By 2017, the debt was \$17 trillion. Today, in response to Covid-19, it has ballooned to \$27 trillion.

That comes to \$82,000 for each of 330,000,000 US citizens. The Treasury projects the service on the debt to average about three percent for this decade. This means that, each year, servicing the debt costs about \$2,500 per person, \$10,000 for a family of four.

For an individual, a family or a country, spending in an emergency makes sense; it may be necessary; it may even be essential to survival. A family borrows to care for a seriously-ill child. War is generally such an emergency for a nation.

To pay for WWII, the United States sold \$186 billion worth of War Bonds. Borrowed money accounted for 60% of the cost of the war. The national debt rose from \$40 billion in 1939 to \$260 billion in 1945.

From the Depression to WWII, the deficit rarely exceeded 5% of GDP. From 1943, 1944 and 1945, it exceeded 20%. From WWII through the 2008 Recession, it was again mostly under 5%. There were even a couple of years with surpluses rather than deficits. After 2008, stimulus spending pushed the ratio to 7-10%.

Then Covid-19 hit. Spending rose to 18% of GDP for 2020 and was projected to be about 10% for this year. Then the American Rescue Plan added another \$1.9 trillion in Federal spending. This will put the deficit to WWII levels, above 20% of GDP.

Let's get a little perspective here. Relief spending of \$1.9 trillion comes to about \$5,750 for every US citizen; about \$14,600 per household. About 145,000,000 tax returns are filed last year. The average tax paid was a bit over \$10,000 per return, but this is misleading. The top 50% of taxpayers pay over 97% of all taxes, the bottom half less than three percent. The average tax *for tax filers who paid taxes* (the top 50%) was over \$20,000. (FYI, the average federal rate paid was 13%.)

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❖ THE COALITION CORNER ❖

By Krista Gulbransen, Executive Director

The Berkeley Rental Housing Coalition (BRHC) is the political and legal voice of Berkeley's rental housing providers.

The Berkeley Rental Housing Coalition is here to keep members updated on local and state legislation that impacts the way you manage your rental housing. The pandemic has added an extra layer of “emergency” legislation that take a lot of our energy and time to keep up with. But this month we are devoting the BRHC Corner to a damaging political play by Berkeley politicians — the Tenant Opportunity to Purchase Act (TOPA).

What is TOPA?

TOPA is a strategically constructed piece of legislation that would impact the sale of *every* rental property in Berkeley (yes, that includes single family homes!) It would give tenants and “qualified organizations” (aka housing nonprofits) the first chance at buying your property once you move to sell. There are specified timelines which the owner must follow before they can go out to the open market and list their property. These timelines are lengthy and are constructed to allow the tenant(s) as much time as possible to consider their option to buy. Regardless of whether a tenant truly intends to buy, they can utilize the timelines given to them however they see fit — even if it means holding up your time to go to market.

Those of us that have bought and sold property know well that timing is everything and that supply and demand is real. There is usually a multitude of reasons as to why rental property is sold, but it's always with an eye to maximize the sale using a number of conditions. One of these conditions can be time to close. While Berkeley's TOPA grossly impacts the time to sell, we must also recognize that it impacts the possible final sales price. Proponents of this legislation will tell you that owners are not “forced” to sell and that they will get “fair market price.” Those in the business know that sales prices are driven by demand and many times demand centers around a buyer's specific timeline needs.

Don't be fooled — the proponents will publicly (and vehemently) say that an owner will get a fair price, all while saying behind closed doors that they intend to reduce the sales price in an effort to negatively impact housing speculation. If one digs deep enough into the threads of the policy, you will find out who and what is really behind this policy.

Who benefits from TOPA?

Those who benefit from TOPA are — surprise — not actually tenants. This is clear in that there has been no money set aside to help tenants purchase these properties. Unless the tenant is independently wealthy, chances are they will have a difficult time qualifying for purchase. That leaves us with the Qualified Nonprofits. And who exactly are they? They are organizations such as Bridge Housing and Satellite Affordable Housing Associates (SAHA). These organizations have been intertwined with the likes of Mayor Jesse Arreguin and other tenant organizations — such as Alliance of Californians for Community Empowerment (ACCE) — for years. Bridge Housing donated \$30,000 in the 2018 election for the Yes on O & P campaigns, bond measure that would set aside money for affordable housing. If TOPA were to pass, these nonprofits would benefit greatly from any money put in by the city of Berkeley to fund purchases. To date the Mayor has publicly stated an intention to fund the program with \$10m in taxpayer money).

Who does TOPA harm?

Besides the general population of small property owners who might need to sell quickly and maximize their sale, this specifically harms what is left of our black “mom and pop” owners in Berkeley. There has been considerable talk about the single-family home zoning elimination proposal as a way to create equity for marginalized communities in Berkeley to move into historically Caucasian majority neighborhoods. The idea is that by creating additional housing it will become more affordable, thereby allowing some community members greater choice in where they live.

In the process of crafting the legislation, *not one* black property owner (of any property owner for that matter!) was consulted on the impact this would have on them. If the time it takes to sell depresses the price of the property, how is that not negatively impacting the generational wealth that members of our community have worked hard to create? Their wealth building was done outside of conventional methods, often involving their immediate community. TOPA most decidedly interrupts that process which ultimately could wind up in a decreased sales price.

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J.K. Dineen and Sarah Ravani, *San Francisco Chronicle*, March 20, 2021

Public Housing 2.0 could be coming to California.

For decades, cities across the United States have been moving away from public housing, tearing down or privatizing federally owned developments that are often isolated, mismanaged and deteriorating from lack of investment.

Now there is a growing movement to get the government back into the housing development game. Except this time the model is called "social housing," and advocates say it has more in common with European or Asian models than the checkered legacy of U.S. public

Two Bay Area lawmakers, Assembly Members Alex Lee of San Jose and Buffy Wicks of Berkeley, have introduced the Social Housing Act of 2021. The law would create a California Housing Authority, which would develop residential buildings to house the poor as well as middle-income households whose rent payments would help subsidize their neighbors.

"The biggest difference I would say from American public housing and what we strive for with social housing is not restrict it to poor folks," Lee said, adding that the vision of mixed-income social housing means you can cross-subsidize for posterity and perpetuity.

Social housing is also gaining traction on the local level. Berkeley City Council Member Terry Taplin has asked staff to study the feasibility of social housing. In San Francisco, Supervisor Dean Preston has introduced a ballot measure that would authorize 10,000 units of social housing. And Oakland Councilwoman Carroll Fife has said she is interested in studying it for her city.

While the idea is in its infancy, Taplin said he wants to pursue "innovative housing solutions" that don't rely on the private market because the market "has failed to guarantee housing." [*No. No. No. Government policies in California have precluded the private market from meeting all housing demands. See Texas, State of. — Ed.*]

"When there was public housing, we didn't do the work to maintain it and make sure that everyone was living in safe conditions and we let a lot of that housing stock fall into disrepair," he said. "But that doesn't mean we can't try to figure out a better way."

While the details are vague as to how social housing will be structured, financed and implemented, there is widespread agreement across political lines that the current system is broken.

The result is that housing production in the Bay Area largely caters to the extreme ends of the economic spectrum. On the one hand, Bay Area nonprofits build thousands of units for low-income residents using a complicated array of financing sources including tax credits, bonds and some city and state money. While these groups are successful at developing subsidized housing, the projects often face neighborhood opposition, take more than five years to develop and cost upward of \$700,000 a unit. Housing proposals at both the Balboa Reservoir and Schlage Lock factory property have taken more than a decade to plan and gain approvals for construction.

Meanwhile, nonsubsidized housing is so expensive and difficult to build that developers can only make it profitable by catering to high-wage earners. Even with rents down 24% because of the pandemic, the average one-bedroom in San Francisco rents for \$2,650, 44% higher than Seattle and 27% more than Los Angeles. The average home price is \$1.4 million.

Wicks pointed to Singapore, where 82% of residents live in mixed-income housing estates built by the government and then sold to residents on a 99-year-lease. She also wants to study Vienna, which has 220,000 municipal housing units, a quarter of the capital's entire housing stock. There, social housing, built on government-owned land and operated by outside groups, is mixed-income with 50% low-income residents.

"If you have statewide housing, it's not impacted by the market," she said. "The state can dictate what the rents are."

While the idea is gaining traction among affordable housing advocates, it's also met with cynicism by those who argue that the U.S. public sector has a poor track record building and owning housing. Those critics say the last 30 years have proven that private nonprofits are more effective and efficient than the government at housing management and development. Multiple public housing authorities, including San Francisco's, have been taken over by other government agencies due to corruption and incompetence.

Modeling social housing after Europe and Asia could be tough, because in the countries where it has worked have very different attitudes toward government than we have in the U.S., according to Barry Zigas, a housing policy expert who has worked in both the public and private sectors for 40 years.

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Bay Area Exodus is the Leading Edge of Pandemic Housing Reshuffle

Howard Schneider, Reuters, February 17, 2021

Long one of the nation's "it" destinations, San Francisco was already a land of unaffordable housing before the coronavirus hit, and with the median single-family home price still hovering above \$1.5 million even as of December thousands of residents are leaving the Golden Gate city. Data from high-tech sources like cellphone location trackers to old-school change-of-address forms have started to put some scale around the reversal of fortune the City by the Bay now faces, with anywhere from 1.5% to perhaps 3% of its population exiting for surrounding counties or other states over the past year. Housing prices are beginning to follow suit.

"The Bay Area is hurting," cellphone data firm Unacast said in an analysis concluding that about 46,000 people had left the Bay Area's 10 counties, with more than 13,000 leaving San Francisco itself. "The exodus from both city centers and Silicon Valley is very real," and may have resulted in a blow to local incomes of around \$12 billion. In a separate analysis, Oxford Economics, citing U.S. Postal Service change of address information, said the decline in the city's population may have topped 27,000, the fourth highest in the nation and part of a broader population reshuffle from major cities during the pandemic.

That has been feeding through to higher home sales in places like Texas and North Carolina, where people have been moving.

In San Francisco it meant a nearly 7% drop in the median home price from November to December, a 23% decline in rents over the year, and a 15-year high in available condominiums, according to data posted online by Norada Real Estate Investments.

The pandemic has triggered a number of changes in housing, work and migration patterns — from major cities to the suburbs, from dense office buildings to working from home — and the persistence of those trends are likely to shape what the economy looks like after the health crisis subsides, according to economists and policymakers.

The Unacast data, for example, is based on vast amounts of information gleaned from cellphones, and in particular to changes in a phone's overnight location. The firm has noted similar population declines in New York and Houston — the nation's first and fourth most populous cities.

While those new patterns may reverse, many analysts feel they are likely to endure to some degree — and the adjustment may not be smooth.

Oakland Also Considering Fourplexes in Single-Family Neighborhoods

Sarah Ravani, San Francisco Chronicle, March 7, 2021

Oakland took the first step this month in allowing fourplexes throughout the city, including in areas now designated for single-family homes.

Vice Mayor Rebecca Kaplan introduced a resolution Thursday that directs the city administration and planning department to study allowing fourplexes throughout the city. Kaplan also noted that the study should include anti-displacement protections.

"This will allow more units of housing to be built in certain areas and will prioritize areas near resources and BART stations and thus, support access to jobs and transit-oriented development as well," Kaplan told The Chronicle in a text message.

The directive comes after Berkeley voted unanimously to end single-family zoning by the end of 2022. Berkeley is also considering allowing fourplexes in exclusive neighborhoods.

Oakland and Berkeley are the latest cities looking at generating more housing by opening up neighborhoods as the region struggles with high rents and increasing homelessness. Oakland's homeless population soared from 2017 to 2019 — increasing by nearly 47% to 4,071 people. Sacramento recently voted to endorse the idea of fourplexes, and one San Francisco politician is pushing a similar plan. San Jose and South San Francisco are also considering the issue.

Laws that allow only single-family houses in certain areas hurt housing supply, worsen the housing crisis and perpetuate racial disparities, Kaplan wrote in a memo to the City Council.

"This is one piece of how we both remedy historical exclusions and increase housing availability to help solve our housing crisis," Kaplan said.

Cal's People's Park Housing Plan Stirs Old and New Tensions

Sarah Ravani, San Francisco Chronicle, February. 16, 2021

In Michael Delacour's youth, he traveled to what is now People's Park in Berkeley to protest the Vietnam War and declare the land along Telegraph Avenue a free space. He's 83 now, and these days, his trips to the 2.8-acre park that he helped create are more serene. He likes to sit quietly and eat lunch with some of Berkeley's homeless.

"People's Park is for the people," Delacour said.

That declaration hasn't changed since 1969, when the land became a battlefield after UC Berkeley cleared housing there to make way for dormitories. Activists fought the plan, and though their protests were met with force — a county sheriff's deputy fatally shot a man, and then-Gov. Ronald Reagan brought in the military to occupy the area — they ultimately prevailed, keeping development from the property.

Since those radical days, the park has remained a haven for the homeless. But the region's housing crisis has become overwhelming, especially in Berkeley, and the value of a piece of buildable property three blocks from campus, even one drenched in history and symbolism, has grown. Now, the park is targeted once again for development — and while a new battle is brewing, it seems likely to go other way this time around.

The university plans a building on the site of up to 17 stories, with as many as 1,200 beds for students. A second building would contain 150 beds for people needing supportive housing, in a city where the homeless population increased by roughly 11% from 2017 to 2019.

In an echo of 1969, some students mistrust the university's intentions. They want more resources for the park's homeless residents and worry that the development will displace them. Meanwhile, the unsheltered people who live and spend time at the park want the property to remain the way it is, a free space where they've built a community.

But university officials say UC Berkeley must address a dire shortage of student housing, a crisis that has only worsened over the decades. Building on People's Park is a necessity, they say, and still won't meet the demand for student housing. City officials, seeing the university's footprint squeeze housing and inflate prices further, say the university needs to do its part.

"We are facing a housing emergency," said Mayor Jesse Arreguín. "We have students who are homeless, couch surfing, living in their vehicles. The cost of housing in Berkeley and in the Bay Area is some of the highest in the country. The scarcity of housing for students drives up rents throughout our community, it pushes people out and it results in displacement."

The university plans to present its development plans to the UC regents this summer. If approved, construction could begin in 2022. The campus needs to add 8,800 more beds to house its undergraduate and graduate population, said Kyle Gibson, a spokesman for the university's capital strategies department, which oversees campus design, planning construction and real estate.

The non-student portion of the development will focus on people who are very low-income or formerly homeless, Gibson said. It's unclear if the park's current residents would be eligible — a sticking point for students. Gibson said the city maintains a list of people eligible and prioritized for supportive housing that will be used to identify who can move in.

On February 2nd, students ripped up temporary fences surrounding the park and dropped them at Sproul Plaza in defiance of the plans. Last week, nearly 60 students set up tents and occupied the park. They say the university should consider building somewhere else. Leave People's Park alone, they say, and instead consider building tiny homes and hot showers for the homeless.

"This is not a battle over (being) for or against housing. It's about what kind of housing we are creating, who's involved in the conversation and who stands to benefit," said Coleman Rainey, a fourth-year Ph.D. student who is among those occupying the park. "As the students, we reject a paradigm where the university continues its role as a speculative developer and as a landlord."

The new plans have dredged up old memories and mixed feelings. Courtney Goff, a 75-year-old retired contractor and developer who lived across the street from the park as a graduate student in 1969, helped build a gazebo there. At the time, he said, there was an overwhelming distrust of the university's intentions — a similar sentiment felt by students today. Like others, Goff felt the park should remain untouched by development. Now, he isn't so sure.

"I realize there is an incredible need for housing in the state and it's not getting built," said Goff, who now lives in Sausalito. "I'm not opposed to the university building property, unlike 52 years ago. They must need it."

Phil Bokovoy, the president of Save Berkeley Neighborhoods, lives about eight blocks from People's Park. He said his group hasn't taken a position on the development because members haven't seen design plans. But a 17-story building, he said, is "completely out of scale for the neighborhood and the city." The student housing complex would be taller than any other near the campus. Designs aren't final yet.

S.F. Finds a Way to Build Homeless Housing Cheaper and Faster

Heather Knight, San Francisco Chronicle, March 20, 2021

Near a sports bar, bail bond offices and taco trucks sprouts one solution to the puzzle that is San Francisco's devastating homelessness crisis.

This fall, 145 people who have struggled with chronic homelessness will move into a new permanent supportive housing development rising across the street from the hulking Hall of Justice in the South of Market neighborhood. These are folks who've been living on the city's streets for more than a year and suffer from some mix of mental illness, drug or alcohol addiction and developmental disabilities.

The best part of the new housing? The project at 833 Bryant St. is being built faster and cheaper than the typical affordable housing development in San Francisco, the ones that notoriously drag on for six years or more and cost an average of \$700,000 per unit. This project will take just three years and clock in at \$383,000 per unit.

So, of course, there's already a fight to ensure this kind of success never happens again - with several city supervisors saying they're unlikely to support another project like it.

At issue is how the project was built so quickly: with modular units made in a Vallejo factory. Each unit was trucked across the Bay Bridge, strung from a crane and locked in place like a giant Lego creation. San Francisco unions don't like the method because it leaves them out, but considering the city's extreme homelessness crisis, City Hall can't afford to toss the idea.

The project also benefited from a unique pairing between Tipping Point, the philanthropic organization that aims to reduce poverty, and the San Francisco Housing Accelerator Fund, which raises private and public money to create affordable housing. Having the money up front sped development, as did Senate Bill 35, the 2017 state law that provides streamlined permitting for some affordable housing projects.

A recent tour of 833 Bryant showed the promise of this kind of project, which didn't feel slapdash at all. The apartments include a bathroom, kitchenette, closets and space for a bed and other furniture, and windows angle toward the skyline rather than the imposing and ugly Hall of Justice. The first floor will include community space, social services and retail.

The thoughtfully designed project helps in the city's epic battle to house residents of all income levels, particularly the very poor.

So what's to argue about? This is San Francisco. There's always something to argue about. In this case, most of San Francisco's construction trades unions object vociferously because they're cut out of the deal.

The manufacturer of the modular units, Factory OS in Vallejo, has contracted with the Carpenters Union of Northern Cali-

fornia. Its workers perform all the tasks that would usually be split in San Francisco among plumbers, electricians, carpet layers and others.

Factory OS employs many people just released from prison who don't have as much training as San Francisco's union members. It has partnered with San Francisco's revered Delancey Street, the nonprofit that provides vocational training to formerly incarcerated people who need second chances. That seems like a true San Francisco value.

But Larry Mazzola Jr., president of the San Francisco Building and Construction Trades Council, said journeymen in his plumbers and pipe-fitters union make \$76 per hour plus benefits. He asserted that workers at Factory OS make just \$20 per hour, but the factory's CEO, Rick Holliday, said the figure is actually \$40 to \$45.

Mazzola said he's sending a letter this week to the mayor and Board of Supervisors outlining "mistakes and over-costs" at the 833 Bryant site, which is being developed by Mercy Housing, though he didn't have many specifics yet.

"The quality is crap, to put it basically," he said. "They don't have plumbers doing the plumbing. They don't have electricians doing electrical. They get them from San Quentin, and they're not trained at all. We're going to fight vigorously with the city not to do any more of these."

Doug Shoemaker, president of Mercy Housing, said he didn't know what Mazzola was talking about. The quality of the project, he said, is high. Holliday, too, said there was no basis to Mazzola's claims.

"We're doing it differently than it's been done in the past, and that creates some friction," Holliday said. "We haven't pleased them, and we never will."

Meanwhile, Jennifer Friedenbach, director of the Coalition on Homelessness, said she's a fan of modular housing and would like it to expand in San Francisco. The lower cost and shorter timeline, she said, make such projects "an important investment to solve the humanitarian crisis that unhoused folks are facing." So can more modular housing units pass muster at City Hall despite union objections? That remains to be seen.

To their credit, the unions backed three other modular projects that should all be completed next year: 256 units at 1064 Mission St., 141 units in Mission Bay and 105 units on Treasure Island. But they refuse to support more.

Mayor London Breed is open to more modular projects, her spokesperson said, considering them "another tool" in housing low-income people. But city supervisors are mostly reluctant to oppose the powerful unions.

How Can We Solve the Bay Area Housing Crisis? Build 160,000 Affordable Homes

Marisa Kendall, Bay Area News Group, March 18, 2021

New Study Highlights Severity of Affordable Housing Shortage

The Bay Area needs more than 160,000 additional homes to house its poorest residents, according to a report published Thursday that offers new insight into the extent of the region's ongoing affordable housing crisis.

There are only 35 affordable units available for every 100 extremely low-income households in the combined area of San Francisco, Alameda, Contra Costa, San Mateo and Marin counties, according to the report by the National Low Income Housing Coalition. These estimates, calculated based on 2019 census data, do not capture the economic impact of the COVID-19 pandemic, nor do they count unhoused residents who need housing.

But the numbers offer some insight into what's driving the Bay Area's massive housing shortage, and why the region's population of homeless residents is rising. Homelessness increased in Alameda County by 43% between 2017 and 2019, and by 31% in Santa Clara County.

Experts say one major factor is the extreme shortage of housing that people in the lowest income bracket — including people with low-wage jobs or who are disabled and out of work — can afford.

On Thursday, new data released by the U.S. Department of Housing and Urban Development showed homelessness increased by nearly 7% in California as of January last year, compared to 2019.

San Francisco, and the North and East Bay together are short 121,244 homes for the region's lowest-income residents — those making less than 30% of the area median income. In Alameda County, that's \$39,150 for a family of four.

Santa Clara and San Benito counties are short 40,550 homes for their extremely low-income residents.

"It is time to treat this challenge with the same urgency we've brought to the pandemic," Will Dominie, of the Bay Area Regional Health Inequities Initiative, wrote in a news release. "We've diagnosed the issue; our lawmakers must begin treatment."

Because there are so few homes affordable to people in this lowest income bracket, and many of those that are affordable are rented by people who make more money, the Bay Area's lowest earners end up spending so much of their paychecks on rent, that they have little or nothing left over for other expenses. That lifestyle is untenable and often leads to missed rent payments and eviction, or the threat of eviction.

Nationally, among extremely low-income households, 36% contain someone in the labor force, 30% are seniors, 18% have someone with a disability, and 7% are students or caregivers. Extremely low-income renters also are more likely to be people of color — 20% of Black households, 14% of Latino households and 10% of Asian households fall into that category, compared to 6% of White households.

California has one of the country's gravest shortages of low-income housing. There are 24 affordable, available homes for every 100 extremely low-income renters in the state — putting California among the five lowest-ranking states in the country.

On Thursday, HUD released its annual report on homelessness. But the data don't tell the whole story in the Bay Area. HUD reported 8,124 unhoused residents in San Francisco, 8,137 in Alameda County and 9,605 in Santa Clara County as of January 2020 — compared to 8,035 in San Francisco, 8,022 in Alameda County and 9,706 in Santa Clara county the year before.

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“These are countries where government support of basic human necessities is a given,” he said. “It’s not a controversial proposition. That is not the case here.”

For now the concept of social housing seems to be popular among the two factions of the region’s land-use politics, embraced by both the YIMBY movement, which supports all new housing development, and the progressives, which tends to favor affordable housing but not market-rate development.

For social housing to work, the public authority would likely have to be able to bypass some of the local planning processes that make projects so time-consuming and expensive. For instance, state agencies such as the University of California are exempt from local zoning and planning rules, which allows them to build dorms and academic buildings far faster than the private sector can.

“If we put social housing through the same rigamarole that we put nonprofit affordable housing through, it wouldn’t address the underlying shortage problem,” said San Francisco YIMBY Executive Director Laura Foote.

While Foote said she would love to see the creation of a state social housing authority that could overrule local rules, she thinks legislation has a better chance of passing if cities more receptive to dense development could opt into the program, while other cities opt out.

Former HUD Secretary Henry Cisneros, a developer and former mayor of San Antonio, thinks that a California Housing Authority would be helpful — not as a replacement for the current nonprofit tax credit model, but in addition to it.

“The California case is so special. The need there is so great. There is such great wealth and rising incomes. Areas like San Francisco and Silicon Valley are paying the price in outmigration, in the loss of jobs, in traffic from people having to make long-distance commutes,” he said. “It’s negatively impacting the larger economy. If some of that need can be filled with pure public housing, I would encourage it.”

Derek Sagehorn, author of housing equity nonprofit East Bay for Everyone’s paper, titled “California Housing Corporation: The Case for a Public Sector Developer,” said that one reason past public housing efforts have failed is that they have only served a narrow swath of the poorest residents.

“Politicians will work harder to represent those neighborhoods if they aren’t relegated to a corner of a city and focused specifically on the poor,” he said. “Having that broader coalition means you have more people that are invested in it.”

For the safety of our members, our monthly member meetings will remain online through the end of this year. Please check our website for the most current dates and topics or shoot us an email at bpoa@bpoa.org and let us know about a topic you’d like to see covered.

<https://www.bpoa.org/eventcal.php>

DATE	TOPIC
February	Financial Planning for Rental Property Owners
March 18, 1:00 pm	What’s on Deck for State Housing Bills in 2021
April 15, 2:00 pm	Marijuana, Emotional Support Animals & Other ADA Pitfalls
May 20, 2:00 pm	Managing the Rising Cost of Rental Property Insurance Rates
June 17, 2:00 pm	Mid-Year Berkeley & State Rental Regulation Update

Are you a new member or new to being a landlord? In 2021 we are hosting a Beginning Landlords Series for new housing providers or anyone that needs to brush up on the basics of being a landlord in Berkeley. Each month we will take on a new topic in depth, examining everything you need to know to manage your own property.

Check the BPOA calendar for more details.

New Owners Can't Evict when Sellers Refuses to Move

Peter Aitken, FOX Business

A California couple got more than they bargained for when they discovered a pest in their new home: the former owner, refusing to give up the keys and leave, thanks to a coronavirus eviction loophole.

Tracie and Myles Albert experienced a nightmare after they put down money on a beautiful four-bedroom home in Riverside on Jan. 31, 2020.

More than a year later, the couple is still fighting to move into their home. The previous owner wanted to sell immediately, but has since refused to leave the home.

"It's just draining, emotionally and financially," Tracie said.

Chris Taylor, the real estate agent who handled the sale, said the owner needed just over half a million dollars, demanding it on a Sunday, which meant he needed a cash buyer.

"It took us scrambling to get everything we had, our life savings put together and a hard money loan on top of it to make that happen," Myles said. "We own the house outright. That's our house and it's all in a contract, written, legal, done."

"He's been paid the money in his account. How could we have no rights to go into our home?"

Efforts to enlist the authorities met with frustration as the COVID rules prevented them from forcibly removing the previous owner.

"They have this case under a COVID tenant situation, of no evictions when it doesn't fall under that at all. This transaction went through in January 2020 before any of that, it isn't a renter who was getting thrown out. It's the guy who collected all of this money," stated Myles.

A local eviction attorney said that this situation is not unheard of, with at least seven cases "of this exact type of situation" arising.

The frustrated husband says that when he contacted law enforcement, they told him, "If you were in Arizona, if you were in Nevada, this wouldn't be a problem, you would just go take your house back. But in California, like our hands are tied, even though we're on your side, there's nothing we can do."

continued from page 3

Coalition Corner

TOPA is intended to come before the Council the last week in May or the first week in June. Please keep an eye out for our messages to members or keep updated at www.stoptopaberkeley.org

The BRHC Corner is a way to keep our members connected to rental housing legislation both at the local level and the state

level. The Berkeley Rental Housing Coalition is the political and legal arm of BPOA with its own membership. Membership provides support to our political efforts, lawsuits, and the employment of Executive Director Krista Gulbransen.

To lend your support, contact Executive Director Krista Gulbransen, krista@bpoa.org or (510) 304-3575.

MEMBERS ZOOM MEETING FOR APRIL

Marijuana, ESAs & Other ADA Pitfalls

THURSDAY, APRIL 15TH AT 2:00 PM

Check the event calendar at www.bpoa.org for information & registration

For the safety of our members, our monthly member meetings will remain online through the end of this year.

BPOA WORKSHOPS — Go Beyond the Basics

New Mills College to House 200 UC Berkeley Freshmen Next Year

Nanette Asimov, San Francisco Chronicle March 25, 2021

Mills College students and alumnae, still staggered by the news that the 169-year-old women's school in Oakland will soon stop enrolling students, learned Thursday that 200 UC Berkeley freshmen will flood their campus next fall. "Mills has agreed to be the location for UC Berkeley's 'Changemaker in Oakland Program,' a brand-new program that will allow 200

Berkeley first-year students of all genders to live and study on the Mills campus during the 2021-22 academic year," Mills President Elizabeth Hillman wrote Thursday in a letter to Mills students and employees.



QUOTE OF THE MONTH

What would you think of a person who earned \$24,000 a year but spent \$35,000? Suppose on top of that, he was already \$170,000 in debt. You'd tell him to get his act together – stop spending so much or he'd destroy his family, impoverish his kids and wreck their future. Of course, no individual could live so irresponsibly for long. But tack on eight more zeroes to that budget and you have the checkbook for our out-of-control, big-spending federal government.*

— John Stossel

* make that \$270,000 (see editorial)

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Adding another \$1.9 trillion to the debt at 3% interest adds \$57 billion to the annual cost of servicing the debt. Each tax-paying tax filer will have to pay over \$750 extra each year *forever* to cover the Covid Relief Bill. Why forever? Because the last time the US was debt-free was January 8, 1835. Andrew Jackson was president.

As dollars are fungible, you cannot differentiate between a dollar of debt incurred in 1835 from one incurred in 2021. In a very real sense, we are still paying off the Mexican American War. Unless the debt itself causes a complete monetary meltdown, it is all too likely that the US will never appreciably pay down the debt. Taxing people to pay down the debt gets a politician nothing. *Expecting Congress to pay down the debt is akin to asking a six-year-old if he/she would rather have an ice cream cone or pay down Mommy and Daddy's mortgage by a couple bucks.*

Biden's relief bill is excessive. From the broad categorizations I have seen, it appears that less than half the bill is germane to the current crisis. Something closer to the Republican proposal would have sufficed. There is much in the bill to please voters and the bill is popular. How could checks from the Fed not be popular? But there is much which contributes nothing to an economic recovery from Covid. Much of the previous relief bill is still unspent and much in this bill will not impact the economy before recovery is well on its way anyway. It is also possible that such an infusion of cash into the economy will be inflationary thereby wiping out much of the projected benefit.

Nixon said we got to the point that everyone was a Keynesian. He was half right. Keynes said we should spend to stimulate economic activity when things were slow and pay it back when things were booming. Washington missed the second part.

Long before Rahm Emanuel, the decidedly more-clever Winston Churchill opined that politicians should never let a good crisis go to waste. Apparently the corollary is *never pay for it either.*



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