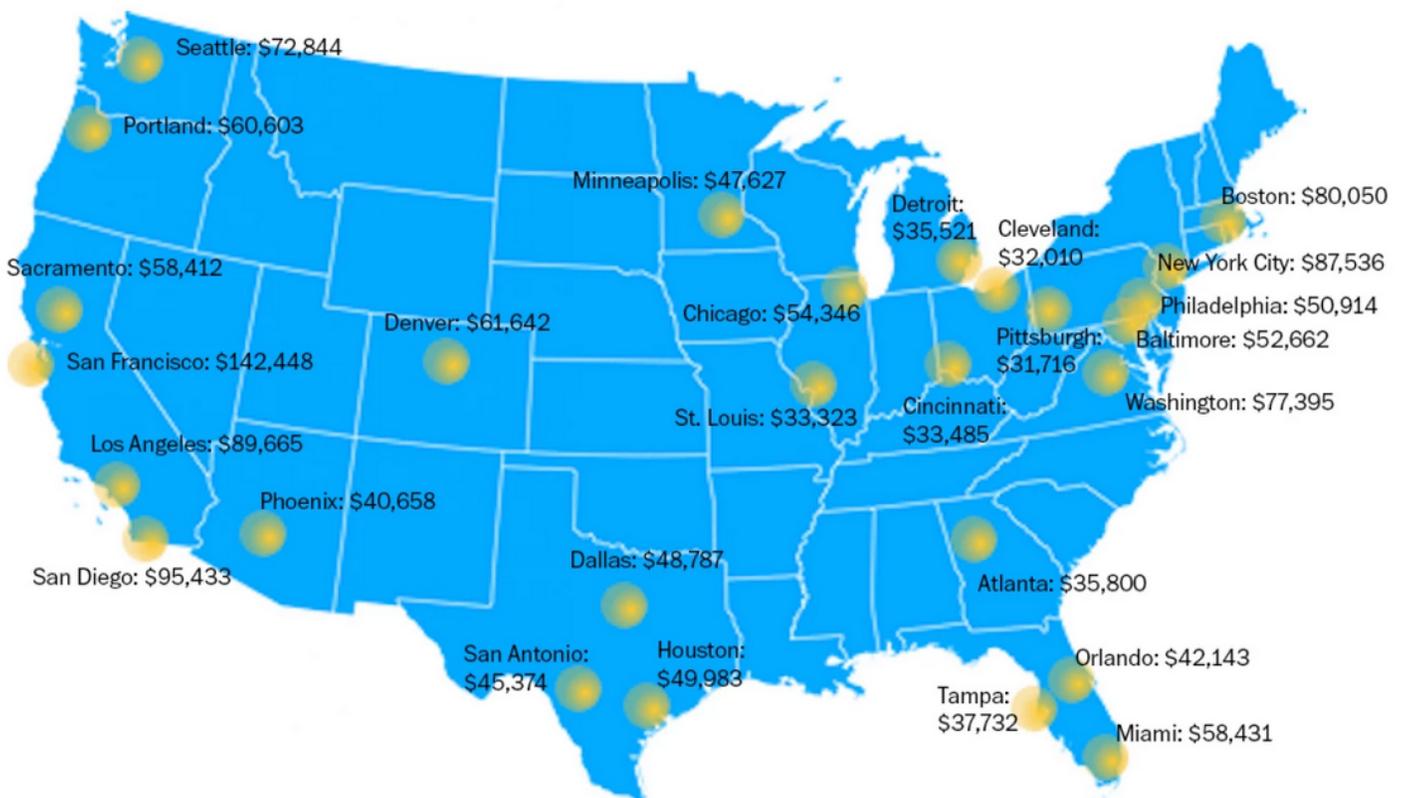


Planning For People Not Profit: Human Development For The Right To The City

Working class urban dwellers are in crisis. Neighborhoods that have seen decades of public and private disinvestment, environmental degradation and racist segregation are now being flooded with an influx of new capital, new developments and new residents. Is this new wave of investment actually good for people and neighborhoods? Who is really benefiting from urban development?

The regional median home price in the Bay Area at the end of 2014 was \$742,900. This means that to afford a home, you would need a 20 per cent down payment of \$150,000 and expect a monthly mortgage of \$3,323.79. Cash investors account for 1 in 5 of all home sales and there is a growing number of absentee buyers. Waypoint Real Estate Investment Group has spent \$1 billion purchasing hundreds of single-family homes in Oakland and Contra Costa County. Wall Street backed investment firms like Colony Capital, Blackstone and Och-Ziff are literally buying up neighborhoods around the country and making it impossible for anyone who cannot afford an "all cash" purchase, to acquire homes in these communities. This type of speculation has contributed significantly to rising prices and deepened disparities in homeownership rates for Latino and Black families. Nationally the Latino-White homeownership gap has widened and the Black-White gap has reached historic proportions. Increased investments in housing has not benefitted the residents of urban communities in the Bay Area or nationally.



This graphic shows the annual income needed to afford median home prices in urban centers nationally.
By **Dan Brekke** for KQED MAR 9, 2015

Proposals for big development projects are popping up all over San Francisco and Oakland.

Maximus Real Estate Partners is proposing to build 345 units of luxury condos with retail space above the 16th and Mission Bart Station right next to an elementary school. The 10 story tall project will cast a permanent shadow on the school playground, increase housing prices in the surrounding area and raise commercial rents

for small, mom and pop businesses. Hundreds of teachers, students, parents, neighborhood business and owners have been organizing to demand that the project be 100 per cent affordable in a community hard hit by evictions, displacement of Latino residents and long time, small businesses.

It took community residents and organizations coming together to ensure that a proposal to develop a huge section of East Oakland include plans to stabilize current residents, provide affordable housing and provide jobs to those in the area. One resident described her view of the Coliseum City project as "feeling like it didn't include those who live [nearby], and that the development would be an 'alien space city' plopped down in East Oakland. We're here now so lets move you out!" While the project promises to create 20,000 jobs over a 25-year period, there is no guarantee that current workers would keep the jobs or that the new positions would be union. The project that covers an area between the Oakland Airport and the Coliseum Bart station includes multiple parcels of public land and there are many concerns about how that land will serve the many needs of current East Oakland residents.

Residents in the San Antonio neighborhood of Oakland are opposing a plan to sell a city-owned parcel to a developer who wants to build a 24-story project with 298 luxury units. The land is in a prime location on the edge of Lake Merritt and the city's proposal to sell it for far under market value, to a small group of hand picked bidders, has raised serious opposition. Projected rents for a one-bedroom unit in the building will be \$3,150 a month, making the units affordable to households with \$113,000 or more in annual income. According to US Census data, the median household income for the zip code that includes the neighborhood is \$38,363 a year. It is clear that if approved this project will not serve the affordable housing needs of the neighborhood and likely drive up the cost of living in this working class community with a large and diverse immigrant population.

There is a widely held view that historically disinvested and neglected neighborhoods should welcome all new developments. That **any** investment is better than none at all. For many residents of those neighborhoods, the opposite feels true.

Working class Blacks and Latinos are being displaced at incredible rates from their neighborhoods. The historically Latino Mission neighborhood went from being 50 percent Latino in 2000 to just 38.5 percent in 2013 and Oakland has lost almost a quarter of her Black residents in the last decade. In Oakland you have to make \$8,000 a month to afford the median monthly rent of \$2412, and in San Francisco you have to make \$10,400 a month to afford the median rent of \$3,100. Someone making minimum wage would have to work 163 hours a week in Oakland and 212 hours a week in San Francisco to be able to afford housing. This affordability crisis is compounded by the fact that real wages for Blacks and Latinos have decreased in the Bay Area over the last decade. The argument that producing new housing will solve the crisis feels like a limited solution. Regional housing production will meet only 10 percent of the very low-income need, 9 percent of the low-income need and 11 percent of the moderate-income need over the next 30 years. Racial and economic inequity is deepening in the Bay Area and the current approach to development is contributing to that, not helping it.

We hear too often from our elected representatives and public agency staff that we cannot make demands of private developers who are coming in with ideas and money, for fear that we will scare off investors. A large part of this problem is the over reliance on the private sector to drive urban development. The public sector sees its role as facilitating and supporting private development through public policy and spending. It is common practice for cities to ease existing land use and building regulations, as well as providing generous public subsidies to encourage private investment. Twitter successfully negotiated a payroll tax break from San Francisco in exchange for staying in the city and expanding operations. Forest City received almost \$61 million to develop the Uptown project in Oakland, a huge sum for a city with a modest budget. For both cities, this is a standard part of doing business and promoting development.

This type of development results in a severe mismatch between the needs of residents and the profit motivated interest of those driving urban development. While our communities are crying out for basic infrastructure like grocery stores, family serving retail and low cost housing for a range of family sizes, what often gets prioritized are new businesses and services designed for new, higher-income residents, not the projects that benefit existing residents. This approach that focuses development on serving new, future residents requires and facilitates the displacement of current residents and business, as well as community serving social, cultural, faith and political institutions. Luxury condos, high-end bars, restaurants and retail are not making our communities, healthier or more sustainable. For those on the frontlines of the gentrification crisis, it feels like our public policy decisions and revenues have made landlords and private developers rich at the expense of working class communities of color.

Causa Justa :: Just Cause's Development Without Displacement: Resisting Gentrification in the Bay Area report defines gentrification as a profit-driven race and class reconfiguration of urban, working-class, communities of color that have suffered from a history of disinvestment and abandonment. The process is characterized by the replacement of working class people of color with higher-income residents willing to pay more for the housing. Gentrification is driven by private developers, landlords and corporations; and facilitated by public sector policies and revenues. Gentrification happens where commercial and residential land is cheap, relative to other areas in the city and region, and where the potential to turn a profit either through repurposing existing structures or building new ones is great.

Enough is enough. We will not be moved. Our neighborhoods and cities are not for sale. Gentrification stops here and we are fighting back. Community residents are creating a new vision for urban development, one not driven by speculation but centered on human need. We are calling for human development for the right to the city.

We want development to be driven by the leadership and vision of current residents. We want our public representatives and agencies to ensure that residents are fully informed and deeply engaged in projects that are coming to their neighborhoods. We want residents to have the ability to participate in actual decision making around the types of development and who the developers are, who are coming into their communities. We want development to be driven by those who will be most impacted by it.

We want 30 per cent of all land in working class communities set-aside for community controlled, community driven projects. We want our public agencies to stop the sale of all public land to private entities. We want to see existing land trust and land banks expanded. We want to see the creation of mechanisms that will support collective ownership and control of land for green space, housing, health, job creation, urban agriculture and other community serving needs. We want community control of land as a way to stabilize and strengthen our communities.

We want to see tenant rights and protections in all cities throughout the region and we want to see the preservation and improvement of the rental housing stock. We want all jurisdictions to pass and fully enforce Just Cause and Rent Control. We want to see public revenues and programs dedicated to improving the quality of older buildings and housing. We want stronger enforcement of building and health codes that do not result in the displacement of residents from their homes. We want to see housing made more affordable, healthy and sustainable for all residents.

Human development empowers a community to identify the types of housing, services and infrastructure that should be located in their neighborhood. It ensures that the interest and needs of longtime residents play a central role in defining the vision for neighborhood development and change. It supports resident leadership and protagonism by providing resources, tools and information to support their full engagement. A human development approach also centralizes decision-making power in the community and ensures that residents are not only able to offer their opinions, but that they have actual decision-making ability to say what

development looks like in their neighborhood. This approach to community development fosters institutions and enterprises that are of value to the residents, puts protections in place that prevent displacement and gentrification, and results in positive human development outcomes for all residents.

This is our vision for a new urban agenda centered on racial and economic equity and a healthy society for all people. Human development driven by the needs of working class communities of color will create neighborhoods and cities that work better for everyone.

This is a call to action. Join us. Why? Because [#HousingisaHumanRight@Causajusta](#)

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