

Fair Housing Council of San Diego
Fair Housing for Our Future Conference
Remarks from Rep Scott Peters
Friday, February 17, 2023

I don't know who you were raised to think were heroes, but in our house, it was the Rev. Dr. Martin Luther King, Jr.

My father is a retired Lutheran minister who was only five years younger than MLK who would have been 94 years old last month. My dad taught my sisters and me that Christian ministry was not just about prayer and comfort, which are important, but also about action and justice. We were called to walk in the footsteps of Jesus, who comforted the afflicted and afflicted the comfortable. And Reverend King, who stood against racism, and for working people, was a model. He walked the talk.

My dad was part of the civil rights movement in the 1960s and became friends with Martin Luther King, Sr. after his son was killed. Daddy King spoke to our congregation in suburban Detroit, and my dad spoke to his in Atlanta. One of the coolest experiences for my dad was when his congressman son arranged for him to visit Congressman John Lewis in his Washington DC office. The meeting was scheduled for 15 minutes but the two of them talked for 45 minutes about all the activists and clergy they knew in common from those days decades before. My mom and I were enthralled listeners, while John's scheduler acted nervously about the morning's ruined schedule.

The first injustice I understood as a child was housing discrimination. In the 1960s, in the suburbs of Detroit where we lived, there were certain neighborhoods where people who were Black or Jewish were not allowed to buy houses.

So, my father decided he would walk his talk and joined forces with other clergy in the area in an interfaith coalition to pressure the political leaders of the day to end housing discrimination. This was at a time when Detroit was literally on fire from racial tension and hatred. He became such a recognized leader in this effort that the police chief told him to leave town for a week and take his family while things cooled down. We took a car and drove to Washington DC – my first trip there by the way. I still visit from time to time.

My dad is retired now, but with this and his history in mind, when my office was approached back in 2018 by then San Diego City Council President Georgette Gomez to endorse her proposed ordinance to ban income-based housing discrimination, I was happy to provide support. Housing discrimination is a core justice matter.

Dealing with housing and homelessness is a partnership among the state, federal and local governments and the community at large, including philanthropy, advocates, faith groups and neighbors. Let me talk about the federal role and then address some of the obstacles we are facing locally to more housing, affordable housing, and fair housing.

Part of what we do in Washington is supplement the cost of rent for low-income households either through Section 8 Housing Choice vouchers or Veterans Affairs Supportive Housing or VASH vouchers. The Housing Choice Voucher program provides rental assistance to families based on income qualifications. For households that must pay 30 percent or more of their income toward rent, public housing authorities, like the San Diego Housing Commission, can offer housing vouchers to help cover the difference, payments that go directly to landlords.

The federal housing voucher program began in the 1970s as an alternative to public housing projects which were extremely expensive

and often led to the segregation of poor families in poor neighborhoods with lower quality schools.

While they are not a cure all, vouchers sharply reduce homelessness, and as we all know, homelessness leads to other hardships – illness, mental illness, substance abuse conditions that are much more difficult to treat than lack of shelter. Housing vouchers help lift millions of children out of poverty, help them live healthier, more stable lives, and expand their access to education. A child without a home, is more likely to be a child without a school district and a school.

Vouchers are good investments –they prevent a lot of longer-term even more expensive challenges to overcome.

Congress funds these vouchers through its regular annual appropriations, and we could increase funding for Housing Choice Vouchers year after year. Of course, I and many of my colleagues fight to increase the voucher program to meet the greater need.

And we need more money, but not just more money. As the San Diego Housing Commission explained to us, if property owners refuse to accept this form of payment, it doesn't matter how much money we send.

Source of income discrimination undermines our investments and our return on these housing investments. It also diminishes the efficacy of these investments into communities that allow income discrimination. The sad truth is that millions of Americans fall victim to the housing crisis in our country with personal stories of loss, anxiety and then add to that the challenge of adversity when finding and securing permanent housing. We cannot allow refusals to accept vouchers get in the way of Americans' having safe roofs over their heads.

Thousands of families are on long waitlists for housing vouchers. They wait years to get to the top of the list only to then be denied a rental unit because a landlord refuses to accept rental assistance. In tight housing markets, such as ours here in San Diego, refusals and long wait times may lead to applicants losing their voucher altogether because they expire.

So why are they refused? Property owners have generally cited the additional administrative burdens involved. The rental agreement has three parties: the landlord, the tenant, and the local housing agency. They are also required to apply to the local public housing agency and be approved to rent to Section 8 voucher holders. This application includes an inspection of the property for safety and cleanliness and agreement between the agency and the landlord as to what is a fair market rate for subsidized rental units.

So, yes, there are additional hoops to clear, and I get that this makes it more burdensome. But we cannot allow income discrimination to serve as a proxy for discrimination against a protected class. But that's what happens.

According to the nonpartisan Center for Budget and Policy Priorities, in 2021, more than 5 million people in 2.3 million low-income households used vouchers to afford a place to live. Of those 5 million, more than 70 percent of them are black or Latino.

Of those 2.3 million households reliant on choice vouchers to shelter their families, more than 60 percent of them were headed up by women -- homes where a woman was the primary care giver and provider. And many of those women are mothers with children. That's who's hurt by income discrimination.

After the City of San Diego adopted its income-based rental discrimination ordinance, we began researching how this type of legislation could be leveraged at the federal level. At the time we began drafting a federal bill, about 16 states and 74 local governments across the country had some form of prohibition against source-of-income discrimination.

The landmark Fair Housing Act was passed in 1968, but it took years to accomplish. It stalled in Congress because conservatives feared these protections would bring black communities into white ones.

The law passed mere days after Martin Luther King Jr. was assassinated when President Johnson called on Congress to honor his legacy and pass the bill.

The Fair Housing Act makes it illegal to discriminate against prospective tenants based on their race, religion, ethnic background, national origin, sex, familial status - such as having children -and physical or mental disability. Yet, as we've seen, source of income discrimination can lead to bias against all these.

I introduced the Fair Housing Improvement Act in previous sessions of congress and was proud to partner with Senator Tim Kaine of Virginia who introduced it in the Senate. The bill has been endorsed by the American Bar Association, National Low Income Housing Coalition, the National Alliance to End Homelessness, and many more.

Our Fair Housing Improvement Act simply adds 'source of income' to the current list of protected classes under the Fair Housing Act. We define those sources as housing choice vouchers, benefits received through Social Security, income received by a court order, or payment from a trust or guardian, as well as HUD-VASH vouchers used by veterans.

Our bill also adds veteran status as a protected class under the Fair Housing Act. Here in San Diego, we are proud of our military history and our role in our national defense, so it may come as a surprise or even a shock that veterans might be the target of discrimination.

Most veterans after their service is complete easily transition into the civilian workforce: they advance their education, become small business owners, take up a trade.

Yet, still, veterans make up a large portion of our homeless population. The causes range from post-traumatic stress or an addiction that stemmed from that trauma, or difficulty re-entering the workforce after their term of service. These are the same reasons why some landlords have been reluctant to rent to veterans.

But we owe our veterans better than that. That's why in 2018, when the Trump Administration tried to cut housing vouchers for homeless veterans, I fought back and successfully prevented President Trump from doing that in the Veterans Affairs spending bill.

Separately, I authored and introduced the Veteran HOUSE Act to increase the number of veterans who are eligible for VASH vouchers. Other than honorable discharges are often for administrative reasons and are not the same as a dishonorable discharge for wrongdoing.

Yet, previously, veterans with other-than-honorable discharges were not eligible for the VASH program because their Other Than Honorable status made them ineligible for the VA case management services that accompany a housing voucher.

Veterans with other than honorable discharges make up 3 percent of the veteran population – but they compose 15 percent of the homeless veteran population. Expanding housing assistance and services to these men and women allow homeless veterans who have slipped through

the cracks access to the support they have earned through their service to our nation.

That bill passed in 2021 as part of the National Defense Authorization Act and is now law.

My priority as a federal elected representative will be to continue to fund our rental support programs and to continue to fight against housing discrimination, and I hope you will speak up for passage of our Fair Housing Improvement Act. Senator Kaine and I will reintroduce the bill in April, and we will need your support.

I'm also vocal as an elected leader, citizen and neighbor about some actions we need to take locally to create more housing for everyone in every zip code, because federal programs won't get people into homes that don't exist. We in California and San Diego face an urgent housing supply crisis.

More people are renting their homes than owning, affordable apartments are scarce, rents are rising, and inflation caused in large part from a once in a lifetime pandemic and the war in Ukraine have left people with less money. When people can't make ends meet, in the direst of circumstances, they lose their homes. Homelessness is a housing problem.

A recent analysis in [the Atlantic](#) posed this question: "How many homes must the country's expensive coastal cities build to become affordable for working class families....?" San Diego was not named in the article, but I think we can presume the description applies.

The writer consulted a range of economists and housing experts, including a group that I work with in D.C. called Up for Growth. The answer is we need to build millions and millions of new homes to fill the gap between supply and demand. More housing, period.

Set asides for affordability are a good part of our strategy. But research from those same experts, and other research from New York and Seattle and elsewhere, consistently show that when builders can build new units in any given place, the cost of rents and the costs of homeownership decline in nearby neighborhoods. Affordability is largely about supply and demand.

By 2050, San Diego's regional population will increase from 3.14 million to 4.07 million. That's mostly due to births exceeding deaths. We can't pretend our population won't increase any more than we can pretend there isn't climate change or old age. We need to get ready for more people. But how do we build more housing in a place that's often called "built out?" We can't sprawl out any more without threatening sensitive natural resources or housing people in wildfire-prone areas.

Our best strategy is infill. That's the use of vacant or underused land in already-developed areas for new construction. More sprawl is a bad idea; it consumes open space, depopulates local schools, requires more taxpayer investments in new roads and pipes, and results in longer commutes, more pollution and more congestion.

It also exacerbates our climate challenges if we build in flood-prone or wildfire-risk areas. Infill development makes it easier to travel by transit, bicycle or on foot, which serves today's market for more affordable, compact, alternatives to suburbs.

And this is a good time to generate new housing. When rents are through the roof, when Apple and Google and other companies are expanding, the market conditions should be promising.

So, what's in the way?

First has been zoning. People want a nice quality of life. That's a reasonable desire. We should make investments in every neighborhood

that improve that neighborhood. Turning abandoned strip malls into housing leads to huge improvements in neighborhood activity, safety, and aesthetics. Building multifamily housing that's a little taller with fewer parking spaces along transit routes just makes sense.

Let's stop talking about new housing, or "density," as something that existing neighborhoods must take, like broccoli or medicine or a colonoscopy. We should and can improve neighborhoods with housing investments.

Too many NIMBY, or Not In My Back Yard, homeowners assert as an article of faith that more development will hurt their property values. It's just not the case. I was really pleased to see the State of California and the city of San Diego make it easier to build accessory dwelling units or granny flats. The density bonus programs that allow developers to build many more units on a given property if they set aside a portion for rent restriction have been tremendously successful. And wresting control of some of the macro land use decisions from cities that have resisted permitting housing is a good thing.

Thankfully, the politics are changing. We have YIMBY or Yes in My Back Yard groups now – one that I helped found -- not just NIMBY. Environmental groups that used to knee jerk oppose new development now appreciate the connection between infill housing and climate action. And there are dozens of examples of buildings that were bitterly opposed by neighbors in Mission Hills, Bird Rock, Santa Luz and even downtown that now are embraced and loved by their neighbors.

The second challenge is process. California needs to reform the California Environmental Quality Act (CEQA). While I can't directly change state regulations in Congress, I advocate for CEQA reform every chance I get to anyone who will listen. It's idiotic that in the middle of a housing crisis an angry neighbor or interest group with no interest in

the environment can file a lawsuit to block or renegotiate the housing projects approved by our duly elected government.

Earlier this month, CEQA was used to block development of 531 housing units in Rancho Penasquitos on the site of a former golf course. A golf course – not a nature preserve. 500+ units would go a long way to making San Diego’s housing stock more affordable. I propose that Sacramento not allow any CEQA lawsuits against housing projects on already developed land. I would say that regulating an urban surface parking lot like it’s a sensitive environmental resource is a joke, but it’s not funny.

A third challenge is transportation – how do we move these people around? There’s reason for hope there as well. The Mid Coast light rail trolley now connects our region’s major job center around UCSD to downtown, east county and the border.

The Mid Coast has opened tremendous new housing opportunities for students who can now live in Clairemont, Mission Valley, or even as far away as La Mesa and get to and from school on the trolley – students who are making the most of the Mid-Coast.

As a city councilmember representing UCSD in the early 2000s I pushed to get the Mid Coast trolley line included in the region’s transit plan and when I got to Congress, I helped secure more than \$1 billion to get it built.

I realized though that as a City Councilmember, that when the city was applying for federal funding for the trolley, no one ever asked us what we were going to build next to it. Parking lots? Or housing units so people could live close enough to the line that they might not need a car to get to work; housing that would increase ridership to ensure value for our federal investment.

The Build More Housing Near Transit Act, which I authored, would change the application process for securing federal transportation grants of \$300 million or more to require a local commitment to ensure that land use.

As we open our minds and zoning laws to more homes for all people all over town, it is important to provide preferences for rent restricted units. Locally, the most effective is probably the density bonus.

At the federal level, I've focused on ways to encourage more affordable housing through programs like the Low-Income Housing Tax Credit (LIHTC). California uses this affordable housing tax credit to build and rehabilitate housing structures for low-income Americans. The state also has programs to help generate low-income housing where the market is not generating it on its own.

And President Biden is fulfilling his promise on fair housing by proposing an updated 'affirmatively furthering fair housing' rule, which should be released soon.

We'll improve upon this Obama-era proposal by bolstering enforcement of the Fair Housing Act to actively dismantle discriminatory housing policies.

All of us in all levels of government and in our community still have a lot of work to do so every family can have a safe place to live.

Most ideas we enact in Congress start with a problem we encounter in our local communities and through the work you all do. I ask you to continue to amplify these challenges and fight for what's right, even if it takes years to pass them into law.

Thanks for allowing me to speak with you all today.

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