

Power, Planning, and the Right to the Post-Disaster City:

Exploring Opportunities for Long-Term Housing Affordability and
Resilience in Earthquake Recovery

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Abstract:

The San Francisco Bay Area is in the midst of a housing crisis, which has been exacerbated by the growth of high-income earners, slow housing construction, and a historic transfer of property ownership facilitated by the foreclosure crisis. This has resulted in the rapid displacement of low- and moderate-income communities, particularly those of color. The displacement of these communities is set to accelerate with “the Big One,” an inevitable massive earthquake expected to hit California. Investments in hazard mitigation and disaster response will help to lessen impact, but the reality is that large-scale disasters will cause devastation, especially on low-income communities of color, no matter how much preparation. Knowing that natural disasters are increasing, and that central cities will move to rebuild, what opportunities do disasters present to reshape the post-disaster city of the future, and where do these opportunities create space to advance affordable housing?

Through the theories of the “Right to the City” and the “Shock Doctrine,” I explore the political, spatial, and economic opportunities that disasters create within the housing market, the tensions in recovery, and the power dynamics that determine who benefits from disaster resilience. By creating a “blank canvas” on which to develop new uses, facilitating changes in land ownership, and drawing on an influx of institutional funding for development projects, disasters can be catalysts for reshaping the city. I introduce the community land trust (CLT) model as a strategy uniquely suited to use these opportunities to address displacement and encourage wealth building, both today and in post-disaster scenarios. Using cases from CLTs in Houston and the Florida Keys, I examine the opportunities and challenges of CLT post-disaster expansion. I conclude by recommending planning processes for Bay Area cities and communities to pursue in preparation for advancing the right to the post-disaster city.

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Terms and Definitions

The city: Locally, “the City” refers to San Francisco, but in this context the term does not refer to a single municipality. Rather, the city is used loosely to refer to the urban core.

The Bay Area: The boundaries of the Bay Area are hotly contested, and as the region grows so does the understanding of what constitutes the Bay. However, references to the Bay Area in this thesis generally refer to the 9 counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

AMI: Area Median Income

Low Income: Those making 50% or less of the Area Median Income

Very Low Income: Those making 30%-50% of Area Median Income

Extremely Low Income: Those making less than 30% Area Median Income

Rent Burdened: Paying over 30% of income towards rent

Severely Rent Burdened: Paying over 50% of income towards rent

“Low- to moderate-income”: Used to refer to families making roughly below 80% AMI

Introduction: Sitting on Shaky Ground

dis•as•ter

/dəˈzɑːstər/

noun

A serious disruption of the functioning of society, causing widespread human, material, or environmental losses which exceed the ability of affected society to cope using only its own resources.¹

California is in the midst of a housing crisis, and the San Francisco Bay Area is at the epicenter of it. At the time of this writing, the median home value in the San Francisco-Oakland-Hayward Metro area is \$949,500² while the median home value in the San Jose-Sunnyvale-Santa Clara Metro is \$1,209,700.³ This puts homeownership, a historic vehicle for building wealth, out of reach for many Bay Area families and serves to widen existing inequalities in the region. With a slate of Silicon Valley tech companies going public this year, there are fears of several thousand newly minted millionaires entering the housing market and further driving up housing costs.⁴

As homeownership becomes increasingly unattainable, more people are pushed into the volatility of a tight rental market, or pushed out of the area all together. A study by Verma et al (2018) found that the average extremely low-income renter pays 68% of their income towards rent, while the average low- and very low-income renter pays 43% and 31%, respectively. These pressures, however, are felt most acutely by communities of color. The high cost of land and housing incentivizes price gouging and land speculation on behalf of developers, investors, and the wealthy, who are able to outcompete lower-income renters, as well as non-profits intent on developing and preserving affordable housing. These pressures, not to mention the increase in evictions fueled by the high cost of housing, is leading to the increased displacement of low- income communities of color, the suburbanization of poverty in the areas surrounding the greater Bay Area, and re-segregation of the region.⁵

This crisis is set to get even worse with the escalating threat of natural disasters. Northern California has seen a slew of record-breaking deadly fires in the last few years, fueling an existing housing crisis

¹ “Internationally Agreed Glossary of Basic Terms Related to Disaster Management” (United Nations Department of Human Affairs, December 1992),

<https://reliefweb.int/sites/reliefweb.int/files/resources/004DFD3E15B69A67C1256C4C006225C2-dha-glossary-1992.pdf>.

² Zillow Inc, “San Francisco-Oakland-Hayward Metro CA Home Prices & Home Values,” Zillow, 2019, https://www.zillow.com:443/san-francisco-oakland-hayward-metro-ca_r395057/home-values/. The metro area includes San Francisco, Berkeley, Fremont, Oakland, San Leandro, Hayward, Concord, Richmond, and Antioch.

³ Zillow Inc, “San Jose-Sunnyvale-Santa Clara Metro CA Home Prices & Home Values,” Zillow, 2019, https://www.zillow.com:443/san-jose-sunnyvale-santa-clara-metro-ca_r395059/home-values/. The metro area includes Palo Alto, Cupertino, Mountain View, Sunnyvale, Santa Clara, Milpitas, San Jose, Gilroy, and Hollister.

⁴ Anna Marie Erwert, “What Will Happen to SF Home Prices If Slack, Airbnb, Uber and Lyft Go Public?,” *SFGate*, February 27, 2019, <https://www.sfgate.com/realestate/article/What-will-happen-to-SF-home-prices-if-Slack-13598371.php>.

⁵ Philip Verma et al., “Rising Housing Costs and Re-Segregation in the San Francisco Bay Area” (Berkeley, CA: UC Berkeley Urban Displacement Project and The California Housing Partnership, 2018), http://chpc.net/wp-content/uploads/2019/02/CHPC_UDP_RegionalReport_FINAL2.pdf.

in the region.⁶ Flooding and sea level rise from climate change will inevitably impact low-lying coastal communities. Perhaps the largest disaster looming over the Bay is the threat of the “Big One,” a massive earthquake that could dramatically reshape the region. According to the United States and California Geological Surveys, there is a 72% change of a 6.7 magnitude earthquake or greater along the Hayward Fault in the next 30 years. Figure 1 shows the anticipated damage from USGS predictions. They estimate that such an earthquake would kill 800 people, injure 18,000, threaten two million buildings, and displace over 411,000 people.⁷ The City of Oakland alone estimates that 22,000 apartment units and 600 single-family homes are at high risk of structural damage in such an event.⁸

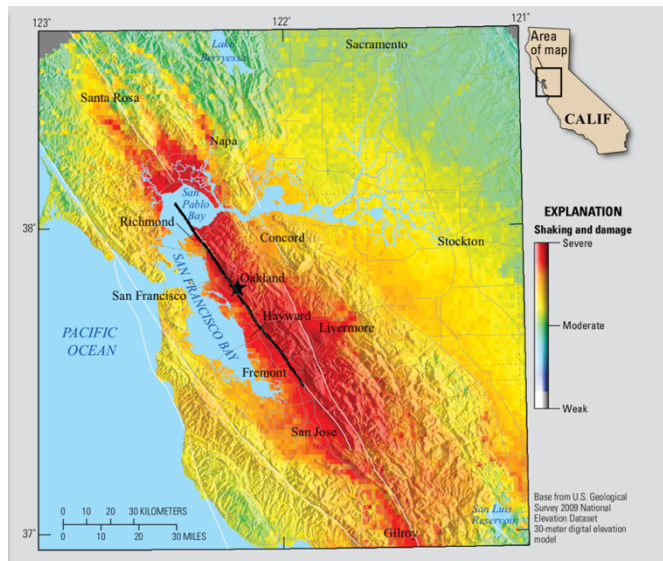


Figure 1. The USGS expects a large-scale earthquake along the Hayward Fault to cause extensive damage. Credit: USGS

The prospect of this imminent death and destruction is troubling, to say the least. However, just as it is certain that an earthquake will happen, it is also a certainty that the Bay Area will rebuild. In that process of reconstruction, a new city and new relationships to land and power will materialize. What that future post-disaster city looks like, and who will be a part of it, is yet to be determined. Will the city be rebuilt as it was, or can a better city be built? Will a disaster deepen inequalities that are fueling the current crisis, or can the city be reformed to be more inclusive and equitable? Who has a right to the current city, and who has the right to shape the post-disaster city?

The devastating impacts of disaster are well-documented and reported. Existing literature around resiliency and opportunity amid disaster abounds, but is centered on how disasters deepen inequality. Largely missing from the conversation is how these tragic opportunities might be used by vulnerable communities to address existing long-term housing affordability stresses by bringing land under community control. This thesis investigates:

1. **What opportunities for reshaping the city arise from large-scale natural disasters?**
2. **Can these opportunities be used to address current housing barriers, minimize displacement, advance long-term affordability, reclaim land, and build power for low- and moderate-income families in a post-earthquake Bay Area?**

⁶ Thomas Fuller, Kirk Johnson, and Conor Dougherty, “California Fires Only Add to Acute Housing Crisis,” *The New York Times*, November 16, 2018, sec. U.S., <https://www.nytimes.com/2018/11/15/us/homeless-california-wildfires-evacuees.html>.

⁷ Kenneth W. Hudnut et al., “The HayWired Earthquake Scenario— We Can Outsmart Disaster,” Fact Sheet (US Geological Survey, 2018), https://pubs.usgs.gov/fs/2018/3016/fs20183016_.pdf.

⁸ City of Oakland, “2016-2021 Local Hazard Mitigation Plan” (City of Oakland, June 7, 2016).

Overview of the Thesis Structure

In Chapter 1, I will describe elements of the housing crisis in the Bay Area, most notably land arrangements that arose out of the foreclosure crisis, in order to identify barriers to addressing the current lack of affordability. I will make the argument that the Bay's housing issues are largely a function of power and control of land, and I will introduce the concept of the Right to the City as an ideal frame for thinking about how power to shape the city should be redistributed.

In Chapter 2, I will review the literature on disasters and resilience to argue that disasters create the opportunity to mobilize rapid political change, rebuild new land uses, to shift land ownership, and to utilize incoming disaster funding to rebuild a different city. History shows that these opportunities often come at the expense of vulnerable communities, but I will argue that by reconsidering the scope of disaster planning, the same vulnerable communities could strategically use these opportunities to advance an affordable housing agenda.

In Chapter 3, I will introduce Community Land Trusts (CLTs) as an ideal strategy for using these disaster opportunities to advance long-term, post-disaster housing affordability and community resiliency. I will then explore two cases of post-disaster CLT expansion in Houston and the Florida Keys to better understand how these CLTs both utilized and missed the aforementioned opportunities to expand. From these case studies, I draw lessons for how future CLTs may plan for expanding affordable housing options post-disaster.

In Chapter 4, I return to the Bay Area to make recommendations for pre-disaster planning and CLT support to facilitate community empowerment and community control of land. I then conclude this thesis.

Methodology

Because there is extensive literature on disasters, housing, resilience, and CLTs, the majority of this thesis utilizes existing research, as well as government plans, and documents. Several interviews were also conducted over the course of this project. From January to May I conducted five interviews with CLT representatives in the Bay Area, Houston, the Florida Keys, and New Orleans. I also conducted formal interviews with two CLT technical advisors, two local government representatives, three representatives of foundations, two resilience planners, and several MIT professors. This thesis most directly uses interviews from the directors of the Houston and Florida Keys CLTs, but the other interviews were invaluable in providing context, introducing concepts, and piquing interest in subjects that until this process were foreign to me. In March, I attended the National Community Reinvestment Conference in Washington, DC, and in April attended the National Planning Conference in San Francisco. The panels and informal conversations I had with academics, disaster experts, community development practitioners, seismologists, and of course, planners, helped to inform and shape my understanding of the subject matter.

Limitations

The original intent of this project was to be much more focused on Bay Area policy and politics. This proved difficult given the distance between Massachusetts and California, and difficulty in contacting potential interviewees. Given time constraints, this thesis represents an exploration of the larger opportunities and challenges of disasters, housing, and CLTs, rather than being specifically tailored to

the Bay Area. Future research should dive deeper into the local context to connect disasters to Bay Area CLTs, governments, community organizations developers, and investors operate.

A Note on Sensitivity and Hope

I must note that this thesis is about an incredibly sensitive subject. As mentioned above, natural disasters are tragedies that dramatically impact people's livelihoods, destroy communities, and take lives. What I advocate here should not be construed as exploitation. Rather, this thesis is meant to challenge the current ways we plan for disaster, and *prevent* exploitation by keeping people rooted in place. No recovery process is going to be perfect, and it may well be impossible to prevent all communities from facing the tragedy of disaster. However, I hope this project will help to inspire hope in moments where hope may seem to be lost, and to chart a path towards a future city that is more inclusive and accessible than it is today.

Chapter 1. A Region in Crisis, Forged in Disaster

The Bay Area is prone to disasters. The 1906 San Francisco Earthquake and resulting fire killed anywhere from 700 to 3,000 people, rendered 225,000 people homeless, and destroyed 28,000 buildings.⁹ In 1989, the Loma Prieta Earthquake destroyed or significantly damaged almost 12,000 buildings, with another 31,000 sustaining some damage.¹⁰ More recently, the Camp Fire in 2018 killed 85 people, destroyed nearly 14,000 homes, and caused nearly \$9 billion in property damage.¹¹ After these disasters strike, communities begin the long-process of recovering and rebuilding. That process, however, creates opportunities to shift power dynamics in the process of building the post-disaster city. Who gets to return, restart, and reshape their life in the new city depends on the kinds of power that exists before these moments of creative destruction. The nature of the current housing crisis is also working to reshape the Bay Area. As housing becomes increasingly expensive, especially for low-income communities of color, the city becomes increasingly exclusive to those with the means to stay. How did it come to this? Understanding the current crisis in the Bay Area first requires an understanding of how these inequalities of power were forged deeper in the wake of another recent disaster, though this one was not natural. The foreclosure crisis of the last decade was an economic disaster that shocked the country, contributing to the redistribution of land and power.

Consider the story of Norma Sanchez and Ambrocio Carrera. Norma and Ambrocio live in a small home in East Oakland with their three children. Ambrocio works at Togo's, a chain of sandwich shops, and Norma works as a house cleaner. In August of 2017, Norma and Ambrocio's landlord informed them that he was doubling the rent on their Oakland home from, \$1,200 to \$2,400 per month. Sanchez and Carrera, both low-wage workers, could not afford this increase.¹²

Though they had lived in the home for several years, their landlord, Steve Kalbach, had owned the home for only a few years. Kalbach, like thousands of other opportunistic investors, purchased foreclosed, bank-owned homes in East Oakland at heavily discounted prices as millions of families were losing their homes in a wave of foreclosures that swept the country.¹³ This crisis was an economic disaster for the individuals and communities that lost their homes. However, it proved to



Ambrocio Carrera, Norma Sanchez, and their three kids sit on the steps of their home, where their landlord threatened to double their rent. Credit: Ray Chavez/ Bay Area News Group

⁹ "Casualties and Damage after the 1906 Earthquake," U.S. Geological Survey, 2019, <https://earthquake.usgs.gov/earthquakes/events/1906calif/18april/casualties.php>.

¹⁰ Mary Comerio, John D. Landis, and Yodan Rofé, "Post-Disaster Residential Rebuilding," Working Paper, Working Papers (Berkeley, CA: University of California Institute of Urban and Regional Development, February 1994).

¹¹ Marisa Kendall, "Deadly Camp Fire Fuels California's Raging Housing Shortage," *Chico Enterprise-Record* (blog), December 4, 2018, <http://www.chicoer.com/deadly-camp-fire-fuels-californias-raging-housing-shortage>.

¹² Marisa Kendall, "A Home You Can Afford: How Land Trusts Are Changing Bay Area Home Ownership," *The Mercury News*, July 30, 2018, <https://www.mercurynews.com/2018/07/30/a-home-you-can-afford-how-land-trusts-are-changing-bay-area-home-ownership/>.

¹³ Tammerlin Drummond, "Landlord Doubles Rents in Low-Income Oakland Neighborhood, Sparking Tenant Protests," *East Bay Times*, September 29, 2017, <https://www.eastbaytimes.com/2017/09/29/a-tale-of-two-cities-piedmont-investor-doubles-rents-in-low-income-neighborhood-sparking-oakland-tenant-protests/>.

be a tremendous opportunity for banks, investors, and others seeking cheap real estate. In many ways the foreclosure crisis mirrors the impacts of a disaster, and provides insights into how the devastation of a disaster creates opportunities for exploitation. It also serves as a warning for how disasters impact vulnerable communities and the systems that perpetuate inequality in the process. It is impossible to understand the current housing crisis in the Bay without first considering the impact of large-scale land redistribution that occurred during this period, especially in low-income communities of color.

The Disastrous Impact of Foreclosures on Land and Power

In 2008 the housing market crashed, sending the global economy into crisis. Nine million families lost their homes to foreclosure or short sales,¹⁴ and from 2006 to 2012, U.S. homes lost \$7 trillion in home equity. The crisis put 22% of all mortgages underwater, meaning that the mortgage was higher than the value of their house. The recession resulting from the collapse of the housing market drove up unemployment, making it increasingly difficult to make mortgage payments, thus fueling the disaster even further.¹⁵

These impacts were felt hardest in communities of color, with Black and Latinx communities disproportionately targeted with higher risk loans and higher rates of foreclosure. A study by Bayer et al (2018) found that in the years preceding the crisis, Black and Latinx borrowers were 103% and 78% more likely to get a high cost mortgage than Whites, even when controlling for credit score and other factors. The higher payments meant that these borrowers were giving more of their money to lenders instead of building wealth and saving for unexpected emergencies. This increased the likelihood of default, foreclosure, poor credit, and the prospect of future ownership, not to mention increasing existing disparities in the racial wealth gap.¹⁶ Black and Latinx communities experienced foreclosure rates three times higher than White neighborhoods, the impacts of which spilled over to non-foreclosed homes through abandonment and neighborhood blight.¹⁷

The crisis was a huge missed political opportunity to reform a financial system that desperately needed reforming. Instead, the federal government redistributed wealth from taxpayers to the wealthy financial class through bailouts,¹⁸ and redistributed land ownership to speculative investors. With millions of homes in their portfolio post-foreclosure, banks like Wells Fargo, Bank of America, and JP Morgan Chase sold millions of delinquent mortgages to investors speculating on properties at cheap

¹⁴ Alana Semuels, “The Never-Ending Foreclosure,” *The Atlantic*, December 1, 2017,

<https://www.theatlantic.com/business/archive/2017/12/the-never-ending-foreclosure/547181/>.

¹⁵ Ingrid Gould Ellen and Samuel Dastrup, “Housing and the Great Recession” (Stanford Center on Poverty and Inequality, 2012), <https://furmancenter.org/files/publications/HousingandtheGreatRecession.pdf>.

¹⁶ Patrick Bayer, Fernando Ferreira, and Stephen L. Ross, “What Drives Racial and Ethnic Differences in High-Cost Mortgages? The Role of High-Risk Lenders,” *The Review of Financial Studies* 31, no. 1 (January 1, 2018): 175–205, <https://doi.org/10.1093/rfs/hhx035>. 202.

¹⁷ Matthew Hall, Kyle Crowder, and Amy Spring, “Neighborhood Foreclosures, Racial/Ethnic Transitions, and Residential Segregation,” *American Sociological Review* 80, no. 3 (June 2015): 526–49, <https://doi.org/10.1177/0003122415581334>.

¹⁸ Banks and insurance companies were bailed out with \$475 billion through the Troubled Asset Relief Program (TARP), though some estimate the broader bailout through various other programs totaled \$14.4 trillion.¹⁸ Though a portion of these funds were directed towards helping homeowners and stabilizing neighborhoods, through initiatives like the National Stabilization Program (NSP), the majority went to stabilizing banks and insurance companies rather than direct homeowner relief. See Nomi Prins, “The Real Size of the Bailout,” *Mother Jones* (blog), 2009, <https://www.motherjones.com/politics/2009/12/real-size-bailout-treasury-fed/>.

prices.¹⁹ Not only that, the federal government helped to facilitate the handover of government-backed mortgages through the Distressed Asset Stabilization Program (DASP), which pooled distressed mortgages and sold them at discounted rates to investors. From 2012 to 2014, the Federal Housing Administration sold 98,100 mortgages totaling \$8.8 billion, 97% of which were to for-profit entities, namely private equity firms.²⁰ Instead of working with homeowners to stay in their homes or selling the properties to non-profit housing organizations, HUD and the FHA facilitated a large-scale, nationwide transfer of property ownership from individual homeowners to the investor class. All told, from 2011 to 2017, hedge funds, private equity firms, and other investors spent \$36 billion to purchase 200,000 homes across the country.²¹ To be clear, housing investment is not inherently negative, but “the potential for absentee ownership, negligent property management, ‘vulture investors,’ and an increase in the displacement of residents is heightened when there is such a rapid shift from owner-occupied to investor-owned housing.”²²

Investors and the Redistribution of Land in Oakland

The devastation of the foreclosure crisis and the opportunism that flourished continues to have lasting impacts on communities in the Bay Area, like Norma and Ambrocio’s. 69,851 foreclosures occurred in the San Francisco and Oakland-Fremont MSAs from 2006-2009, dramatically redistributing property ownership throughout the region.²³

According to a foreclosure study by King (2012), the city of Oakland saw over 20,000 notices of default issued by mortgage holders from 2007-2011. Of those, 10,508 entered foreclosure and went to auction, the highest concentration of which were in Black and Latinx neighborhoods in East and West Oakland. To put this in perspective, Oakland had about 62,500 owner-occupied units at the time, bringing the foreclosure rate to about seventeen percent. Figure 2 shows the locations of completed foreclosures in Oakland from 2007-2011.

Analysis of deed transfers at auction and post-auction reveal a web of acquisition and sales, with 81% reverting to Real Estate Owned (REO – that is, bank, government sponsored entity, or government entity that originally held the mortgage) status. Investors played a big role in both purchasing homes at auction, and then later purchasing homes from REOs. By 2011, 4,446 (42%) of Oakland’s foreclosed homes had been purchased by an investor at some point in the process.²⁴ By the end of 2011, through subsequent bank, government sponsored entity (Fannie Mae and Freddie Mac), and investor reselling, banks owned 2,101 (20%) of the foreclosed homes, investors owned 3,872 (37%), and homeowners, non-investor individuals, and non-profits owned 3,985 (38%) of the originally

¹⁹ Heather Perlberg and John Gittelsohn, “Hedge Funds Boost Bad-Loan Prices as U.S. Sales Increase,” August 11, 2014, <https://www.bloomberg.com/news/articles/2014-08-11/hedge-funds-boost-bad-loan-prices-as-u-s-sales-increase>.

²⁰ Connie M. Razza, “Vulture Capital Hits Home: How HUD Is Helping Wall Street and Hurting Our Communities” (Center for Popular Democracy, 2014).

²¹ Alana Semuels, “When Wall Street Is Your Landlord,” *The Atlantic*, February 13, 2019, <https://www.theatlantic.com/technology/archive/2019/02/single-family-landlords-wall-street/582394/>.

²² King, “Who Owns Your Neighborhood? The Role of Investors in Post-Foreclosure Oakland,” 12.

²³ Debbie Gruenstein Bocian et al., “Dreams Deferred: Impacts and Characteristics of the California Foreclosure Crisis” (Oakland, CA: Center for Responsible Lending, 2010), <https://www.responsiblelending.org/california/ca-mortgage/research-analysis/dreams-deferred-CA-foreclosure-report-August-2010.pdf>.

²⁴ King defines “investor” as a limited liability corporation, limited partnership, investment fund, or individuals who purchased more than one property.

10,508 foreclosed homes in Oakland.²⁵ The result was a massive transfer of ownership and subsequent wealth within the city.

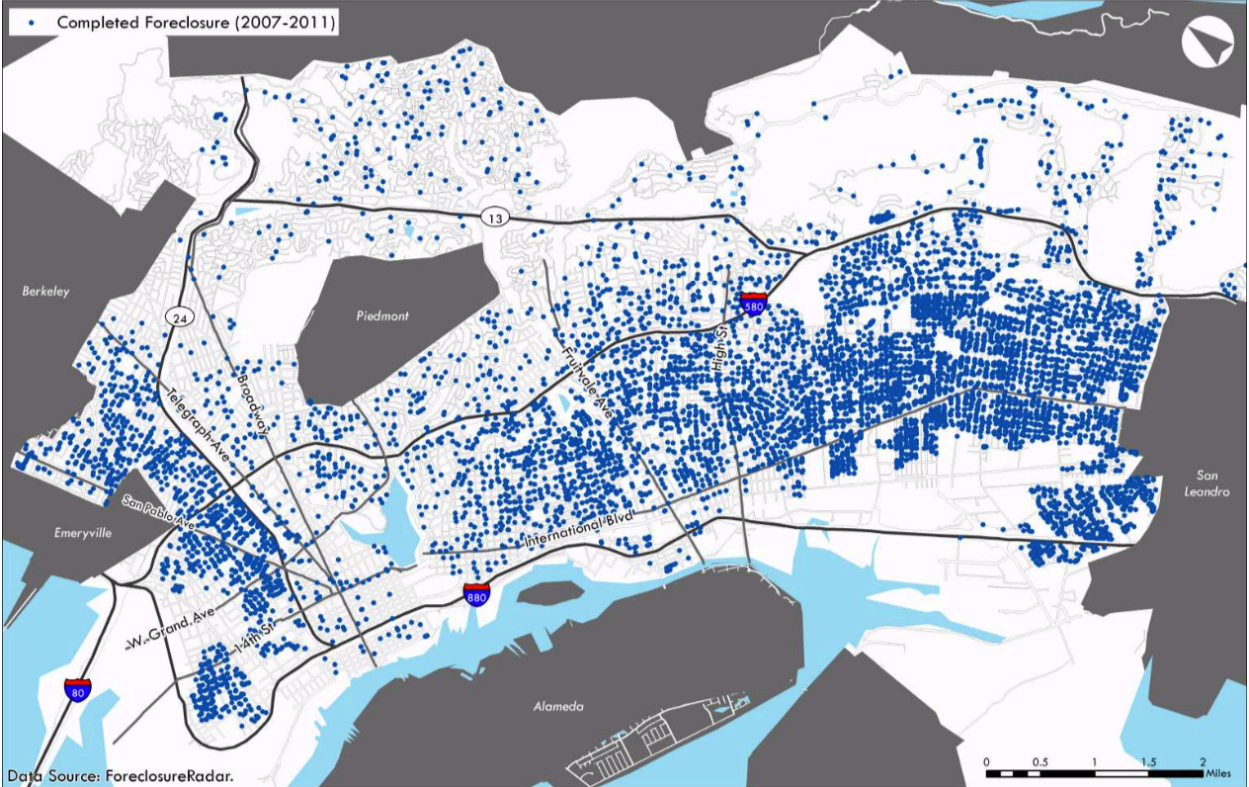


Figure 2. Completed Foreclosures in Oakland 2007-2011. In this time period 10,508 foreclosures occurred, predominantly in the lowlands of East and West Oakland. Credit: Steve King, *Who Owns Your Neighborhood*

The foreclosure crisis in the Bay and throughout the country raise several concerns about housing and the nature of the city. The uprooting of communities displaced by foreclosure, the loss of wealth among families, and the emotional toll and trauma that accompanies this kind of disaster have worked to reshaped the demographics of the city. With thousands losing their homes and their credit through foreclosure, more families were pushed into the rental market, increasing demand, driving up costs, and fueling more displacement. Homes that were abandoned had spillover effects on surrounding properties, driving down home values in neighborhoods with high concentrations of foreclosures.²⁶ At the same time, the dramatic decrease in home value, forced eviction of existing residents, and subsequent sale of homes can be compared to large-scale land clearance, creating opportunities for investors and eventually higher income homeowners to purchase land at discounted prices. This land speculation has had dramatic payoffs, as the current housing market in the Bay Area attests. It is painfully ironic that homes once underwater and the source of so much suffering are now worth hundreds of thousands, if not millions, of dollars.

The role of investors in the crisis raise a number of concerns, particularly in their ability to acquire properties over other entities. According to the King’s study, 10 of the top 30 investors in Oakland foreclosures were not based in Oakland, thus shifting control of the land outside of the community.²⁷

²⁵ King, “Who Owns Your Neighborhood? The Role of Investors in Post-Foreclosure Oakland.”

²⁶ King.

²⁷ King.

Because investors have easier access to larger, more liquid pools of capital, they are able to make cash payments at short-sales and post-trustee sales once the majority of homes reverted back to bank ownership. This ability to cut down on closing time and to buy in bulk allowed them to acquire more property and successfully bid at lower prices.²⁸ There is also evidence that investors conspired to coordinate bids at auctions, pulling more homes into investment pools.²⁹ Investors are also able to more brazenly convince owners to sell. Walk through any low-income neighborhood and you can be sure to see a sign that says “We buy homes for cash,” and homeowners in gentrifying neighborhoods are frequently contacted by real estate companies offering to buy them out.³⁰ This is all at the expense of individual homeowners and non-profits who could have been working to build local wealth, rehouse foreclosure victims, and service local community needs. With the high cost of land today, investors continue to purchase properties, making it increasingly difficult to acquire, preserve, and develop property for affordable housing.

The foreclosure crisis did not have to go this way. Though the crisis was a disaster for millions of families, the impact could have been lessened by returning depressed homes to homeowners, or utilizing the newly available cheap land to give to service-driven organizations committed to affordable housing and a more equitable recovery. Instead, the crisis was a massive opportunity for speculators to redistribute and re-concentrate land ownership. It freed up new housing for wealthier buyers to purchase as the economy grew and higher income earners entered the region. It was also an opportunity to convert single-family homes to rentals by large private equity firms such as Blackstone, as well as smaller-time investors, like Kalbach.³¹ As Saskia Sassen, professor of sociology at Columbia University, observes:

We are witnessing a deep history in the making, a systemic transformation in the pattern of land ownership in some of our major cities. Whether it’s national or foreign, large-scale corporate investment...it shrinks the texture and scale of spaces that are accessible to the public, and ultimately changes the very character of the city. If we are to safeguard equity, democracy, and rights in urban areas, we must first ask ourselves: who owns the city?³²

Aftershocks of the Foreclosure Crisis

This shift in ownership and power continues to impact the Bay Area today. Political, economic, and racial power imbalances that have always existed are now even more stark. The decline in homeownership from foreclosures pushed more people into the rental market, increasing the pressure on already limited housing stock. The clearance of existing homeowners also created opportunities

²⁸ King.

²⁹ U.S. Department of Justice Office of Public Affairs, “Three Northern California Real Estate Investors Agree to Plead Guilty to Bid Rigging at Public Foreclosure Auctions,” United States Department of Justice, February 9, 2012, <https://www.justice.gov/opa/pr/three-northern-california-real-estate-investors-agree-plead-guilty-bid-rigging-public>.

³⁰ Based on author’s observations and experience.

³¹ Blackstone owns Invitation Homes, the second largest owner of residential real estate in the world. For more information on the financialization of single-family homes post-foreclosure crisis, see Meredith Abood, “The Financialization of Single-Family Rental Housing and the Need to Redefine ‘Risk’” (Massachusetts Institute of Technology, 2017), <https://dspace.mit.edu/handle/1721.1/111349>.

³² Saskia Sassen, “Investment in Urban Land Is on the Rise – We Need to Know Who Owns Our Cities,” *The Conversation* (blog), August 6, 2016, <http://theconversation.com/investment-in-urban-land-is-on-the-rise-we-need-to-know-who-owns-our-cities-63485>.

for a new workforce of higher income industries, led by the technology sector, to purchase homes or pay for higher rents.³³ At the same time, the state has continued to under-develop new housing to meet demand. California is expected to grow by 1.83 million households by 2025, with 22% of that growth coming from the greater Bay Area.³⁴ Since 2000, California has produced less than 80,000 new homes per year on average, despite an estimated 180,000 needed annually.³⁵

To put this in perspective, from 2007-2017, Silicon Valley and San Francisco added 200,364 and 146,787 jobs, respectively. In the same time, Silicon Valley only permitted 72,887 units of housing, and San Francisco only permitted 28,813. Further, local jurisdictions are consistently falling behind their local housing goals for affordable units,³⁶ while permitting almost all applications for market-rate housing. A study by Bromfield and Moore (2017) found that from 2007-2014 ninety-nine percent of the above moderate-income housing units (>120% of AMI) allocated by the Association of Bay Area Governments through these goals were permitted, while less than 30% of moderate, low, and very low allocated units were permitted. The study also found a link between allocation and race, with whiter, wealthier communities receiving less of an allocation, even when controlling for population size.³⁷ While there are several reasons for this, the power of “Not In My Backyard” sentiment (NIMBYism) among homeowners who perceive density and lower-income people of color as threats to their property values is a central driver of the lack of affordable housing construction. These residents are able to create and preserve exclusive communities through zoning in an attempt to preclude undesirable uses and undesirable people from their vicinity. These include apartments and condominiums which are perceived to attract immigrants, students, and lower-income people of color.³⁸ This NIMBYism is itself a power to exclude and *prevent* the shaping of the city.

Where rental housing exists, the competitive nature of the housing market incentivizes landlords to raise rents or refuse repairs to push tenants out in favor of higher income tenants. Only twenty out of the 482 cities in California (4.1%) have some type of protections against rent increases and arbitrary evictions, but California’s Costa-Hawkins Rental Housing Act of 1995 severely limits where localities are able to enforce these protections.³⁹ This leaves a huge segment of the population vulnerable to

³³ For a comprehensive look at the Bay Area’s economic growth, see Micah Weinberg and Sean Randolph, “Continuing Growth and Unparalleled Innovation: Bay Area Economic Profile” (Bay Area Council Economic Institute, July 2018), <http://www.bayareaconomy.org/files/pdf/BayAreaEconomicProfile2018Web.pdf>.

³⁴ California Department of Housing and Community Development, “California’s Housing Future: Final Statewide Housing Assessment 2025” (State of California, February 2018).

³⁵ California Department of Housing and Community Development.

³⁶ The California Housing Element Law of 1967 assigns housing targets to local jurisdictions, which are determined by Department of Finance population projections through a Regional Housing Needs Assessment (RHNA). Each RHNA sets goals for regional councils of governments (COGs) based on income, which then allocates housing targets to local governments. Local governments are expected to find land and zone parcels to accommodate these state-identified goals. However, there is very little accountability and oversight for local jurisdictions meeting their requirements. See Bromfield and Moore.

³⁷ Heather Bromfield and Eli Moore, “Racial Disparities and the Regional Housing Needs Allocation Process in the Bay Area,” Research Brief (Berkeley, CA: UC Berkeley Haas Institute for a Fair and Inclusive Society, August 2017), http://haasinstitute.berkeley.edu/sites/default/files/haasinstitute_unfairshares_rhnabayarea_publish.pdf.

³⁸ *Village of Arlington Heights v. Metropolitan Housing Development Corporation*. 429 U.S. 252. Supreme Court of the United States. 1977. See Gerald E. Frug, Richard T. Ford, and David J. Barron, *Local Government Law*, 6th Edition (St. Paul, MN: West Academic Publishing, 2015).

³⁹ “List of Rent Control Ordinances by City.” Costa-Hawkins only permits rent stabilization on multi-family housing built before 1995 or whenever a local rent stabilization ordinance was passed. This means that all single-family rental

landlords who have the power to raise rents by as much as they determine the market demands, to evict lower-income tenants to convert buildings to condominiums, evict tenants to make long-overdue repairs and then rent them to higher income residents, or evict tenants to demolish existing housing and build new market-rate housing. An analysis by Inglis and Preston (2018) found that from 2014-2016 Californians experienced an average of 166,337 evictions per year. San Francisco saw an average of 3,275, Contra Costa saw an average of 3,928, and Alameda County saw an average of 5,467 in that time period, respectively.⁴⁰

The result of all this – foreclosure crisis and current housing crisis – is an increasing suburbanization of poverty and people of color. While the number of people in poverty has increased throughout much the Bay Area, cities on the outer edge of the region have seen the largest increase in their poverty rates. Though the Latinx population is the fastest growing group throughout the region, it's growing fastest in the outskirts of the Bay Area. Poverty in the Latinx community has also increased in most counties, with the highest increases in Marin, Sonoma, and Solano Counties. The Black community is also being hit especially hard by this crisis. At the same time population is growing overall, the Black population in the central urban parts of the Bay Area is declining, while levels of Black poverty are increasing throughout.⁴¹ Oakland's Black population is expected to be halved by 2030. In Berkeley, the Black population has dropped from 14,000 in 2000 to 9,700 today, and one third of Black residents have left Richmond since 2000.⁴² Since the Bay remains the center of the regional economy, an astonishing 123,000 workers commute into the central core from the Monterey Bay, Northern San Joaquin Valley, and Sacramento Area, all of which have seen a rise in people of color in poverty.⁴³ Thus, the Bay Area's housing market regime skews towards meeting the needs of wealthier, whiter communities at the expense of lower-income communities and communities of color.

It's All About Power

This analysis of the foreclosure crisis, California's slow pace of building, and the increase of wealthy residents, though limited, has helped to explain part of the complicated story of California's current crisis. These factors – increased economic growth, lack of housing supply, an aversion to density, an historic shift in ownership, and real estate speculation – have profoundly shaped the city. Central to all of these issues is power: the power to have one's needs met, the power to purchase and develop property, the power to raise rents, the power of stability, the power to say yes or no to new development; all center on who has power, and by extension land. Land is in many ways a manifestation of power, as those who own it have more of a say in what they get to do with that land, and for whom that land is used. These different interests are at times opposed and at times overlap, but generally push together towards economic growth, though where and how is negotiated in the spheres of government. Government regulations like zoning, building codes, and rent stabilization can impact the value and use of land and structures, but they can also drive this “growth machine.”

homes are exempted and cities like San Francisco and Oakland can only stabilize rents on units built before 1979 and 1980, respectively. Tenant groups attempted to repeal the law in 2018 and will likely seek to modify it again in 2020.

⁴⁰ Aimee Inglis and Dean Preston, “California Evictions Are Fast and Frequent” (Tenants Together, 2018).

⁴¹ Tony Roshan Samara, “Race, Inequality, and the Resegregation of the Bay Area” (Oakland, CA: Urban Habitat, 2016).

⁴² Darwin BondGraham, “The East Bay's Changing Demographics,” *East Bay Express*, February 24, 2018, <https://www.eastbayexpress.com/oakland/the-east-bays-changing-demographics/Content?oid=13262928>.

⁴³ Weinberg and Randolph, “Continuing Growth and Unparalleled Innovation: Bay Area Economic Profile.”

Thus, governments are caught between the need to respond to crisis and satisfying the fiscal growth needs of landowners.⁴⁴

Alternative Relationships to Land and the City

This is not to say that non-landowners do not have power. The history of political struggle for social justice is a testament to the power that is built through organizing. As this housing crisis deepens across the country, tenants' movements and their allies are driving governments and even some of these investors towards solutions that address the needs of low- and moderate-income people. One such investor is Steve Kalbach. After he threatened the rent increase, Norma and Ambrocio – the tenants mentioned at the beginning of this section – and their neighbors organized with a group called the Alliance of Californians for Community Empowerment (ACCE) to fight the increase. When Kalbach decided he wanted to sell the house on the market, ACCE organized protests at his home and office, and after a two-year campaign, ACCE's members successfully pressured Kalbach to sell the house to the Oakland Community Land Trust (OakCLT).⁴⁵

Community Land Trusts (CLTs) are non-profit organizations that steward land for the sake of community stabilization. The CLT holds the land in trust and then leases it to the owners of the structures on top of the land, which can be for businesses, non-profit offices, and gardens, though CLTs are mostly used for preserving affordable housing. By taking the land out of the speculative market, CLTs provide an opportunity for permanent affordability. They employ a limited-equity model, such that the structures are owned by an individual or family, who are able to build equity in the home or building when they choose to sell. CLTs are meant to be a means for low- and moderate-income communities to control land while building wealth.⁴⁶ More will be discussed about them in Chapter 3. Norma, Ambrocio, and their family are currently renting from OakCLT, but hope to buy into it in the near future.

Founded in 2009, OakCLT was created in anticipation of the foreclosure crisis. Organizations like the Urban Strategies Council, Association of Community Organizations for Reform Now (ACORN), and later ACCE, saw the threat of predatory lending to low-income communities in Oakland and across the country and began advocating for a CLT. As properties were consumed by the foreclosure wave and sold at auctions, community members saw a need to try and bring them back into community control.⁴⁷ With a \$5 million grant from the National Stabilization Program – one of the federal programs meant to help struggling homeowners during the crisis – OakCLT set out to purchase properties.⁴⁸ As was mentioned before, the financial capacity of investors made it difficult for non-profits like OakCLT to purchase homes, and they still have to compete with investors in this expensive market to this day, making it difficult to expand. However, with support from foundations, banks, and

⁴⁴ Harvey Molotch, "The City as a Growth Machine: Toward a Political Economy of Place," *American Journal of Sociology* 82, no. 2 (1976): 309–32; James M. Buchanan, "Principles of Urban Fiscal Strategy," *Public Choice* 11, no. 1 (September 1971): 1–16, <https://doi.org/10.1007/BF01726209>.

⁴⁵ Kendall, "A Home You Can Afford."

⁴⁶ Jarrid Green and Thomas Hanna, "Community Control of Land & Housing: Exploring Strategies for Combating Displacement, Expanding Ownership, and Building Community Wealth" (Washington, D.C.: The Democracy Collaborative, August 2018), <https://democracycollaborative.org/community-control-of-land-and-housing>.

⁴⁷ Steve King, Director, Oakland Community Land Trust, In-person, January 8, 2019.

⁴⁸ Green and Hanna, "Community Control of Land & Housing: Exploring Strategies for Combating Displacement, Expanding Ownership, and Building Community Wealth."

the city, Oakland has grown a portfolio of 20 single-family homes, three mixed-use buildings, and 10 plots for community gardens.⁴⁹

This process in Oakland demonstrates the duality of opportunity within a disaster. On the one hand, the foreclosure crisis was a huge opportunity for investors to amass properties in their portfolio. On the other, the foreclosure disaster was an opportunity to mobilize the community to start the Oakland CLT with federal funds that would not have otherwise existed. The two are far from being equal opportunities, but they do illustrate that in the course of a disaster, opportunities do present themselves. How those opportunities are presented and who seizes them is a matter of circumstance, but OakCLT has been able to preserve affordability and bring community control to land in Oakland, even if a small portion of it. Now that OakCLT is formed, it is likely better equipped to respond to similar disasters in the future.

That future, of course, is uncertain. The current housing crisis continues to reshape the city and determines who gets to be a part of it, and that determination increasingly falls along lines of race and class. If we are to believe that the ability stay in the city should be decided by the market, then the Bay Area will continue to shift towards control for the wealthy and investor class. By Sassen's reckoning, they will own the city. This of course fails to recognize the beautiful and complex production that is city life. Cities are ecosystems that require many different people to do many different functions, and for a city to survive it needs a diversity of people to sustain it. Even high wealth cities require low-wage services to sustain a certain bourgeois quality of life. This then suggests that there is something beyond the market that should determine who gets to be a part of the city and who has a right to it.

The Right to the City: A Frame for an Alternative Collective Future

What does it mean to have a right to the city? In 1968, Henri Lefebvre first wrote about the right to the city amidst the global and social upheavals of the 1960's and the redevelopment of his home of Paris. He was responding to an urban crisis that draws many parallels to the crisis we see today, with the massive reshaping of city form and function. He categorized this nebulous right as "a cry and a demand" to both meet basic necessities and increasing the quality of life within the city.⁵⁰ Central to Lefebvre's idea is a challenge to the capitalist sensibilities of the city as a vehicle for investment, production, and capital absorption, in exchange for an ideal of what a quality city life might be: "a transformed and renewed *right to urban life*."⁵¹ It is a vision for a different, more empowered, and more fulfilling way of being in the city, shared by those who are excluded from its benefits and those whose potential for human growth have yet to be met.⁵²

Fundamental in this right is the understanding that city life is relational and transformative between people and the city itself. This exists as a collective right, because the experience of living in the city is a process of living with others, and the constant movements, changes, interactions, and experiences that are shared and constructed, through space and through time, constitute what the city is. Cities are nothing without people and the relationships shared by those people. Conversely, those lives that are lived within the city are fundamentally shaped by the form and structure of the city. Harvey notes that "the question of what kind of city we want cannot be divorced from the question of what kind of

⁴⁹ "OakCLT Properties," Oakland CLT, accessed May 20, 2019, <https://oakclt.org/about/oakclt-properties/>.

⁵⁰ Marcuse, "From Critical Urban Theory to the Right to the City."

⁵¹ Lefebvre, 158.

⁵² Marcuse, "From Critical Urban Theory to the Right to the City."

people we want to be, what kinds of social relations we seek, what relations to nature we cherish, what style of life we desire, what aesthetic values we hold. The right to the city is, therefore, far more than a right of individual or group access to the resources that the city embodies: It is a right to change and reinvent the city more after our hearts' desire."⁵³

Because the city shapes us, as individuals and as a collective, the right to the city is the ability to shape ourselves through the collective process of shaping the city. That power stems from multiple sources, and therefore it constitutes, as Marcuse notes, "multiple rights that are incorporated here: not just one, not just a right to public space, or a right to information and transparency in government, or a right to access to the center, or a right to this service or that, but the right to a totality, a complexity, in which each of the parts is part of a single whole to which the right is demanded."⁵⁴ Lefebvre, Harvey, and Marcuse acknowledge that the right to the city is not just about being able to be present in the city, but the ability to improve the quality of that presence. The absence of a gate does not fulfill this right, and "the homeless person in [San Francisco] has not won the right to the city when he is allowed to sleep on a park bench in the center."⁵⁵ Surely the thousands of workers who drive into the Bay from the outer counties everyday cannot be considered to have the right to the city. Therefore, having a better life within the city requires building power to shift the structures that determine what urban life looks like. Whether that is political, social, economic, or spatial power, the right to the city is not just being in the city but asserting the right to be in it to make it better. In short, a key component of the right to the city is collective agency.

And yet, though the right to the city is not *just* about access, as Lefebvre, Harvey, and Marcuse note, having deeper access to the city through land ownership is a key part of ensuring the right to it. Being able to secure land and property opens up the possibility of stability within the city. Even though the foreclosure crisis dispossessed millions from their property, land ownership provides more stability in an ever-changing city. Land is power – the power to determine what happens in your space and what happens in the area around it – to shape the city. Increasing land ownership by and for the sake of low- and moderate-income people of color is a means of ensuring the right to the city. However, this ideal of land ownership should not simply be used to reproduce the current system and the current method of city making. Simply having more low- and moderate-income people of color owning single-family homes will not fix the crisis, though it would help to address some long-standing inequalities. Rather, since the right to the city is a collective right and a collective process, new (or rather different) structures and relationships to land ownership are required to build a future city that is more equitable. CLTs, like the one in Oakland, present a vehicle for such a vision for community control.⁵⁶

Of course, this is difficult in this current reality, given the high cost of acquiring land in the Bay. For this to change, and to change on a large scale, some type of system altering event would have to occur,

⁵³ David Harvey, *Rebel Cities: From the Right to the City to the Urban Revolution* (Brooklyn, NY: Verso, 2012). 4.

⁵⁴ Marcuse, "From Critical Urban Theory to the Right to the City."

⁵⁵ Marcuse, 193.

⁵⁶ Who has the right to the city? Harvey argues that anyone can claim it, from financiers and developers to the struggling tenant and the homeless person on the street. The struggle to claim it is where the right manifests. Marcuse makes a more targeted argument, "that the demand comes from those directly in want, directly oppressed, those for whom even their most immediate needs are not fulfilled... The cry comes from the aspiration of those superficially integrated into the system and sharing in its material benefits, but constrained in their opportunities for creative activity, oppressed in their social relationships, guilty perhaps for an undeserved prosperity, unfulfilled in their lives' hopes" (190). The right to the city is not a hard science but rather an ideal, dreamed up in the struggle to reclaim the means of producing the city.

and mobilization towards this new relationship to land would have to be realized quickly because “[a]ny spontaneous alternative visionary moment is fleeting; if it is not seized at the flood, it will surely pass.”⁵⁷ An earthquake or other natural disaster might be that shakeup that could produce “a transformed and “renewed *right to urban life*.”⁵⁸ If OakCLT came into being during crisis, it can be expected that future disasters will present future opportunities for expansion of CLTs. Knowing that disasters are going to occur, and that they will shift land and power dynamics compels a deeper understanding of the opportunities that disasters present, and how anticipating those opportunities might create a wedge to advance the right to the post-disaster city.

⁵⁷ Harvey, xvii.

⁵⁸ Lefebvre, 158.

Chapter 2. Finding Resilience and Opportunity in Disaster

Natural disasters are an increasingly present reality in America. Since 1953, the year that the presidential disaster declaration process was initiated, there have been 4,122 major disaster declarations. More than half of those have occurred since 2000.⁵⁹ The Internal Displacement Monitoring Centre estimates that over six million people were internally displaced by natural disaster in the U.S. from 2008-2017.⁶⁰ Since 1980, there have been 246 climate related disasters that have each caused over one billion dollars in damage, killing 13,000 people. The National Ocean and Atmospheric Administration estimates that combined, these disasters have inflicted nearly \$1.7 trillion in damage.⁶¹ These events are an unfortunate yet impending reality and given the heavy physical, emotional, and economic costs of disaster, it is critical to plan for these events in a way that minimizes future devastation. As Seismologist Lucy Jones notes, “Natural hazards are inevitable; the disaster is not.”⁶²

To manage these ever-present emergencies requires planning for and investing in pre-disaster risk mitigation, more effective disaster response once disaster strikes, and the long-term recovery of cities and communities afflicted by the inevitable destruction. These three phases of disaster management – pre-disaster, response, and recovery – are increasingly framed in terms of “resilience.” The National Preparedness Goal, a directive by the Department of Homeland Security to prepare for threats and hazards, defines resilience as “the ability to adapt to changing conditions and withstand and rapidly recover from disruption due to emergencies.”⁶³ The simplistic definition of “resilience” raises the question of whose ability? Other conceptions of resilience offer the idea of “bouncing back better,” but again, the idea forces the question of “better for whom?” After the foreclosure crisis, banks and investors were able to recover, largely with support from the federal government. Communities most affected by the crisis, however, were not. The ability of oppressive systems to rebound does not align with a holistic notion of resilience.⁶⁴

Resilience, then, exists on multiple levels and in multiple phases, defined by multiple factors. The ability to rebound through city-rebuilding, economic activity, political stability, and emotional healing

⁵⁹ FEMA, “Disaster Declarations by Year,” FEMA, 2019, https://www.fema.gov/disasters/year?field_dv2_declaration_type_value=DR. It should be noted that presidential disaster declarations are made on a state-by-state basis, and thus multiple disaster declarations will occur for one event. For example, four states received major disaster declarations from the president for Hurricane Sandy in 2012. While this number does not fully represent the number of disasters, it does help to illustrate the scope of them.

⁶⁰ Internal Displacement Monitoring Centre, “United States Country Information,” Internal Displacement Monitoring Centre, 2019, /countries/united-states.

⁶¹ National Centers for Environmental Information, “Billion-Dollar Weather and Climate Disasters: Table of Events,” National Oceanic and Atmospheric Administration’s National Climate Data Center, 2019, <https://www.ncdc.noaa.gov/billions/events/US/1980-2019>. NCEI includes drought, flooding, freezes, severe storms, tropical cyclones, wildfires, and winter storms as weather and climate disasters.

⁶² Jones, *The Big Ones: How Natural Disasters Have Shaped Us (and What We Can Do About Them)*, 8.

⁶³ “National Preparedness Goal - Second Edition” (U.S. Department of Homeland Security, September 2015), https://www.fema.gov/media-library-data/1443799615171-2aac90be55041740f97e8532fc680d40/National_Preparedness_Goal_2nd_Edition.pdf.

⁶⁴ Diane E. Davis, “Reverberations: Mexico City’s 1985 Earthquake and the Transformation of the Capital,” in *The Resilient City: How Modern Cities Recover From Disaster* (New York: Oxford University Press, 2005), 255–80.

are all dimensions of resilience.⁶⁵ Embedded in all of those are race and class, as one's pre-disaster capacity to live and thrive in the city largely determines how one is impacted and one's ability to recover post-disaster. People, and the cities that they live in, faced with chronic stresses, such as homelessness, un- or underemployment, racial disparities, and housing insecurity, are more likely to have those stresses explode when faced with a major shock, like a natural or economic disaster.⁶⁶ Resilience is inherently a conflict of power – the power to determine where resources are allocated, the power to rebuild, and ultimately the power to determine who gets to be a part of the city after the disaster passes.

Though power dynamics shape all phases of the emergency timeline, the process of recovery is the one where the city is most redefined by disaster. At the same time, it is perhaps the most difficult to prepare for, since the spatial, temporal, and physical dimensions of a catastrophe cannot be fully known until it comes to pass. Therefore, notions of resiliency and the actions that form it tend to focus on what can be done in the pre-disaster phase to mitigate potential hazards, and create the system and structures of response. This is essential for saving lives and lessening the larger devastation of a disaster. However, focusing disproportionately on mitigation and response ignores the reality that disasters *will* create devastation.

While the full impacts of future disasters cannot be fully planned for, there can be a reasonable expectation that certain powers, processes, and structures will seize upon a disaster to drive recovery to meet certain interests. Knowing that disasters are inevitable, and better understanding where these opportunities lay, can allow cities and communities to better plan for a more equitable recovery. Having an understanding of the tensions, opportunities and opportunism that can be expected during recovery will bolster communities' ability to define resilience in a way that may better advances the right to the city.

Understanding Recovery

Recovery denotes the process of bringing about a sense of relative normalcy after a catastrophic event. However, it is difficult to say when a recovery begins and ends, and for many it never will. Therefore, recovery should be thought of as “an ongoing process rather than an outcome.”⁶⁷ Within this process, several opportunities to address existing problems present themselves “by improving construction and design standards and construction quality, renewing infrastructure, creating new land use arrangements, avoiding hazardous locations, reinventing economies, improving governance, and raising community awareness and preparedness.”⁶⁸ This includes the opportunity to redefine housing structures and access. Within these opportunities, however, exist several tensions.

The Tension Between Returning to What Was vs. What Could Be

The project of rebuilding begins with the question of what to rebuild. The answer depends on how devastating the disaster is and how strategically the potential opportunities are perceived. For many, the process of reconstruction is a return to pre-disaster normalcy. Haas, Kates, and Bowden (1977)

⁶⁵ Vale and Campanella, *The Resilient City: How Modern Cities Recover from Disaster*.

⁶⁶ “Resilient Oakland” (City of Oakland, 2016), <https://www.oaklandca.gov/documents/resilient-oakland-strategy>.

⁶⁷ Laurie A. Johnson and Robert B. Olshansky, *After Great Disasters: An in-Depth Analysis of How Six Countries Managed Community Recovery* (Lincoln Institute of Land Policy, 2017), 6.

⁶⁸ Johnson and Olshansky, 3.

observe that “there is already a plan for reconstruction, indelibly stamped in the perception of each resident—the plan of the pre-disaster city.”⁶⁹ By some understandings, being able to come out of a disaster and return things to the way they were is a type of resiliency. However, a return to the form of the previous city will only serve to recreate and deepen existing structures of oppression and exclusion.

As Chapter 1 discusses, the Bay Area needs to both build more housing at a higher density and provide opportunities to house low- and moderate-income people at risk of displacement. Simply rebuilding units one-for-one and leaving exclusive single-family neighborhoods untouched would do nothing to address long-term stability for the region. This is not to say a return to what existed before disaster is necessarily a bad thing. It makes sense given the traumatic experiences that disaster bring. But it is less strategic in accomplishing larger goals of access and agency within the city. If resiliency in the process of recovery is understood to be an opportunity to build new structures and arrangements, then the possibility of a new kind of city emerges, one that could be better or worse than the previous one. A tension thus rises between new ideas and plans, and the old way of the city. Who will benefit from recovery, and whether they will drive or defer change, will depend on who has power.

The Tension Between Time and Deliberation

Commensurate with the struggle over what gets rebuilt is the tension between time and deliberation.⁷⁰ Whereas the act of city-making traditionally occurs site-by-site over the course of several decades or even centuries, the process of rebuilding the post-disaster city compresses that time into a matter of months or years. Bureaucratic systems, even well-planned emergency management systems, are not meant to handle so many processes as once – from delivering aid, to approving building permits, to rezoning neighborhoods. Because the dominant drive is to return to a sense of normalcy, the approach of those leading recovery is often to jumpstart the process, “muddle through, innovate, and learn as they go.”⁷¹ Moving quickly, however, often means foregoing the usual processes of planning and discourse that are in the course of city development. For those seeking to change the city to make it resilient to future shocks and stresses, the challenge of building a new vision runs contrary to the desire to act quickly and return to the way things were. Exploring the ways in which pre-disaster planning can ease that tension is critical for developing a more equitable and inclusive model of recovery.

The Tension Between Exclusion and Inclusion

Within these tensions between normalcy and change, time and deliberation, lies the key question of resiliency for whom? Though disasters do not target specific groups, they without a doubt have a much deeper impact on people who are, low-income, people of color, renters, the elderly, and other vulnerable populations. Disasters are expensive, and many government disaster aid programs require up-front payments with reimbursements later. Other programs require good credit to qualify. Low-income residents are less likely to have access to a computer for news or to understand what programs are available, whether they qualify, or how to apply.⁷² Low-income families, whether they own or rent,

⁶⁹ Eugene J. Haas, Robert W. Kates, and Martyn J. Bowden, *Reconstruction Following Disaster* (Cambridge, MA: The MIT Press, 1977), 268.

⁷⁰ Johnson and Olshansky, *After Great Disasters: An in-Depth Analysis of How Six Countries Managed Community Recovery*.

⁷¹ Johnson and Olshansky, 3.

⁷² Gillian B. White, “Natural Disaster Recovery Is Harder for the Poor,” *The Atlantic*, August 3, 2015.

are more likely to live in poor-quality housing, which is more likely to sustain damage in a disaster. If they are homeowners, they are more likely to be underinsured or uninsured.⁷³

In the long-term, low-income people, people of color, renters, and populations with lower levels of educational attainment are more likely to face housing instability and move multiple times in the wake of a disaster,⁷⁴ and disasters have a negative impact on their credit, credit card debt, and foreclosures that persist or worsen over time.⁷⁵ Disasters are also more likely to induce long-term devastation on rural areas which have less of the economic infrastructure needed to rebound. Because resilience often focuses on rebuilding what was, and rural, low-income, people of color, and renters have less ability to access the means of rebuilding what they had, resilience becomes an ideal that is largely exclusive to those with higher incomes. Countering this requires building new structures, plans, processes, and visions of the city that center on rebuilding for equity and inclusion.

The “Shock Doctrine” and Exploitative Disaster Opportunism

While a disaster could be an opportunity to address existing stresses and inequities, it is also an opportunity to exacerbate and exploit them in the process of recovery. According to Klein’s theory of the “Shock Doctrine,” governments, developers, investors, and corporations seize upon moments of “collective trauma” to engage in radical social and economic engineering,⁷⁶ by conducting “orchestrated raids on the public sphere” in order to seek “exciting market opportunities.”⁷⁷ This fits squarely in the concept of the neoliberal state, whereby a government actively supports private sector expansion through deregulation, privatization, and austerity. These “disaster capitalists” use the moment of disaster to change the system and the city in a way that benefits them at the expense of others.

Where there is a tension between time and deliberation in the process of reconstruction, the “Shock Doctrine” holds that those seeking to exploit the opportunity will leverage their resources to move quickly to avoid public oversight and consolidate power. For disaster capitalists to best utilize the disaster opportunity, it is “crucial to act swiftly, to impose rapid and irreversible change before the crisis-racked society slip[s] back into the ‘tyranny of the status quo.’”⁷⁸ When communities are destabilized, it is easier to accomplish otherwise un-accomplishable goals. Once an action is taken – a property purchased, a family displaced, a new building constructed, a new policy created – it is difficult to undo. For example, Klein describes the process of converting the beaches of Arugam Bay in Sri Lanka from fishing villages to luxury resorts. In 2004 a tsunami hit the region, killing 250,000 and leaving 2.5 million without homes. Efforts had been made to remove the traditional villages to make way for highways and tourists before the storm, but the existing residents were well organized and successfully prevented their displacement. However, after the storm, the Sri Lankan government and international aid organizations like USAID moved quickly to supply capital and shift policy. Suddenly,

⁷³ Jacqueline Patterson, “Equity in Disasters: Civil and Human Rights Challenges in the Context of Emergency Events,” in *Building Community Resilience Post-Disaster: A Guide for Affordable Housing and Community Economic Development Practitioners*, Forum on Affordable Housing and Community Development Law (Chicago: American Bar Association, 2013), 91–107.

⁷⁴ James R. Elliott and Junia Howell, “Beyond Disasters: A Longitudinal Analysis of Natural Hazards’ Unequal Impacts on Residential Instability,” *Social Forces* 95, no. 3 (November 16, 2016): 1181–1207, <https://doi.org/10.1093/sf/sow086>.

⁷⁵ Caroline Ratcliffe et al., “Insult to Injury: Natural Disasters and Residents’ Financial Health,” Opportunity and Ownership Initiative (Urban Institute, April 2019).

⁷⁶ Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (New York: Picador, 2007), 9.

⁷⁷ Klein, 6.

⁷⁸ Klein, 8.

the villagers were not allowed to return because the area was considered unsafe for them, but luxury hotels were given permission to build. As Herman Kumara, the Head of National Fisheries Solidarity Movement, observed:

People were vehemently opposed to these policies in the past. But now they are starving in camps, and they are just thinking about how to survive the next day – they don't have a place to sleep, they don't have a place to be, they have lost their source of income, they have no idea how they will feed themselves in the future. So it's in this situation that the government pushes ahead with this plan. When people recover, they will find out what had been decided, but by then the damage will already be done.⁷⁹

This sad story illustrates one example of how disasters become an opportunity to exploit the unfortunate circumstances of already vulnerable populations by avoiding public processes in moments of acute crisis. As this example shows, these actions do not manifest organically, but rather are often the result of strategies conceived before the disaster. Milton Friedman, the infamous University of Chicago economist who pioneered the use of the shock doctrine by supporting military coups in countries such as Chile and Argentina, observed that “only a crisis – actual or perceived – produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around. That, I believe, is our basic function: to develop alternatives to existing policies, to keep them alive and available until the politically impossible becomes politically inevitable”⁸⁰

Hurricane Katrina provides an additional example for this theory. The destruction became a tremendous opportunity for pro-charter advocates to dismantle the public education system in New Orleans, turning it into a publicly funded yet privately owned enterprise.⁸¹ Plans to demolish public housing that had previously been met with resistance were advanced, especially in the Iberville Complex right at the foot of French Quarter. This site, and others throughout the city have since been replaced with publicly funded but privately developed and privately owned mixed-income housing. Louisiana Representative Richard Baker put it simply when he said, “We finally cleaned up public housing in New Orleans. We couldn't do it. But God did.”⁸² Disaster Capitalism is thus an extreme version of the inclusion/exclusion spectrum, which seeks to move quickly to radically change systems by exploiting the vulnerable. On the reverse end of disaster capitalism is building community power to uplift those most marginalized by existing systems to assert their right reshape them. That struggle is the struggle for the right to the city.

When it comes to addressing the housing crisis in the Bay Area, an earthquake may provide a unique opportunity to build more affordable housing. It could also be an opportunity to reconstruct even more exclusive communities.⁸³ Whether the post-disaster city is the one that Lefebvre, Harvey, and

⁷⁹ Qtd. Klein, 500.

⁸⁰ Qtd. In Klein, 7.

⁸¹ Lyndsey Layton, “In New Orleans, Traditional Public Schools Close for Good,” *Washington Post*, March 28, 2014, sec. Education, https://www.washingtonpost.com/local/education/in-new-orleans-traditional-public-schools-close-for-good/2014/05/28/ac4f5724-e5de-11e3-8f90-73e071f3d637_story.html.

⁸² Roberta Brandes Gratz, “Who Killed Public Housing in New Orleans?,” *The Nation*, June 2, 2015, <https://www.thenation.com/article/requiem-bricks/>.

⁸³ The relationship to disasters and land is complicated. With climate change and sea-level rise, more land will be affected by disaster, raising the important debate around the merits of climate adaptation or managed retreat. This thesis does not focus on this issue, both because it focuses on cities, which are unlikely to be abandoned, and because it has focused on

Marcuse envision or the one that Klein fears all depend on the planning, processes, and responses that are put in motion before a disaster and in its wake, and who is moving to seize those opportunities. Where are the opportunities that disaster capitalists might use to build their vision of the exclusive city, and how can communities counter those moments to seize those moments to build more community control? Among those opportunities are the creation of a “blank canvas” on which to rebuild, the potential for large-scale land acquisition, and the influx of recovery funding.

This list is not exhaustive, but is meant to provide insight into spaces where communities are most vulnerable to exploitation so that they may prepare for them. It is also meant to help communities think about strategies to proactively go on offense to fight forward on housing post-disaster. Knowing how developers and investors will act, will help to counter neighborhood change before it becomes, as Friedman puts it, “politically inevitable.”

A Blank Canvas to Reshape the City

One obvious but unfortunate result of a major natural disaster is large-scale land clearance. Where apartments, homes, and businesses once stood may end up being severely damaged, flooded, full of mold, or turned into a pile of rubble. While unfortunate for those who previously used the building, this moment presents an opportunity to build something different in its place.

The durable nature of housing stock makes it difficult to change as local and regional preferences shift. It is impractical and expensive to constantly tear down and redevelop sites given individual versus market preferences, land use regulations, and the cost of construction, demolition, and acquisition. This is especially tense in growing, older cities that have a large stock of single-family homes. While space could be much better utilized to meet market demand by building more dense housing, individual owners are less likely to want to change their use, and neighbors are more likely to push back against new uses in their neighborhoods that may drive down property values or bring in undesirable residents (i.e. NIMBYism). Existing structures, then, act as long-term frictions and delay redevelopment to address increased housing demand and population growth. In growing cities, the effect is often a persistence of lower density housing.⁸⁴ This is one of many factors that contributes to higher real estate prices, as supply cannot meet demand. It is a key problem in the Bay Area, where vacant land for new construction is scarce and the persistence of single-family neighborhoods prevent higher density housing. However, large-scale land clearance in the wake of a disaster provides an opportunity to ease the friction of existing uses.

By creating a “blank canvas” natural disasters provide opportunities to shift uses in destroyed areas. Siodla’s (2015, 2017) studies of redevelopment after the 1906 San Francisco earthquake and fire, which destroyed over 28,000 buildings, found increased housing density in burned areas after recovery.⁸⁵ At the same time, pre-disaster demand for non-residential uses was rising as the city was growing. Commercial, warehouse, and industrial spaces were desired closer to the central business district, especially as the development of rail more easily facilitated sprawl throughout the city. However, the existing housing, mostly single-family homes, in and around the center of the city proved to be a

earthquakes, which are not climate related. Strategic rebuilding in the face of climate change has been outside of the scope of this thesis, but deserves to be explored more in the context of post-disaster CLTs.

⁸⁴ James Siodla, “Razing San Francisco: The 1906 Disaster as a Natural Experiment in Urban Redevelopment,” *Journal of Urban Economics* 89 (September 2015): 48–61, <https://doi.org/10.1016/j.jue.2015.07.001>.

⁸⁵ Siodla.

significant friction on the ability to redevelop these more desired uses. With the earthquake, and more importantly the fire, burned areas were rebuilt with less single-family homes, a higher residential density, and yet an increase in the overall share of nonresidential space. Siodla also finds evidence that the creation of new business opportunities in the burned zones had spillover effects and created opportunities for business expansion in other parts of the city. Because these uses remained durable, the land uses and densities that came out of the 1906 disaster still largely persist today, and may be a friction to the current market pressures for housing.⁸⁶ A study by Hornbeck and Keniston (2017) of the 1872 Boston Fire, which destroyed 776 buildings in downtown Boston, found that the disaster and resulting land-clearance provided an opportunity to rebuild to a higher quality and thus increased land and building values by destroying older and less valuable structures. This had a positive spillover effect, increasing the values of adjacent unburned land, and over time incentivized redevelopment in the areas untouched by fire.⁸⁷



An aerial view of San Francisco one month after the earthquake and fire. The scale of destruction created opportunities to rebuild a new city. Credit: George R. Lawrence (1869-1938).

These studies show that disaster-induced demolition presents an opportunity for landowners to capitalize on previously untapped market pressures by reorienting their building uses. This suggests that those *who are able* to rebuild post-disaster will benefit long-term by constructing more economically valuable structures that can return higher market rents in the process of recovery and beyond. While the San Francisco of 1906 was eager to build more non-residential uses, the nature of the Bay Area housing crisis today suggests that newly cleared land after another earthquake or fire would likely yield higher density housing, with profit seeking landowners charging market-rate rents. Because there are spillover effects, landowners in the surrounding area will see land value increases, which may entice them to upgrade their buildings. It is possible that landowners who were previously averse to density may temper their resistance if they no longer have a property whose value needs to be protected, or who choose to leave the area. This shift towards more dense housing in the wake of a disaster might help to address long-term supply issues, which could help to stabilize housing prices over time.

⁸⁶ James Siodla, “Clean Slate: Land-Use Changes in San Francisco after the 1906 Disaster,” *Explorations in Economic History* 65 (July 2017): 1–16, <https://doi.org/10.1016/j.eeh.2017.04.001>.

⁸⁷ Richard Hornbeck and Daniel Keniston, “Creative Destruction: Barriers to Urban Growth and the Great Boston Fire of 1872,” *American Economic Review* 107, no. 6 (June 2017): 1365–98, <https://doi.org/10.1257/aer.20141707>.

However, herein lies a tension between change and returning to normal, and inclusion and exclusion. It is much easier to build single-family homes because of their economic structure and the way in which they are favored in post-disaster financing. Single-family homeowners have relative ease in getting private financing for post-disaster reconstruction, granted they have projectable income, good credit, equity in their home, (assuming it is not completely destroyed), and their property is expected to appreciate in value.⁸⁸ They also have access to more government funding programs that facilitate single-family rebuilding. Most government programs require that structures be rebuilt similar to what stood before.

On the other hand, financing multi-unit reconstruction for existing buildings post-disaster is very difficult, especially for apartments housing low-income populations. Multi-family buildings have to be able to take on a debt load that may be much higher than the value of the structure after construction, or be able to self-finance. This increases the likelihood that landlords looking to reconstruct would have to significantly raise the rent on tenants already facing distress and displacement. Because of this, it is very difficult to get private post-disaster financing, especially for below-market housing.

Comerio, Landis, and Rofé modeled different scenarios for single-family versus rental home reconstruction after the 1989 Loma Prieta earthquake, varying from no damage, to damage requiring 50% of the cost of building value for reconstruction. The simple model assumed that both building-types would require a reconstruction loan. While even the highly damaged single-family home saw appreciation after 10 years, the costs of rebuilding apartments were such that even moderate damage and appreciation meant landlords faced financial loss after 10 years. In order to compensate, landlords would likely have to raise rent, or if the building remains, do few repairs.⁸⁹ This all of course depends on the scope of the damage. Those with enough reserves or personal financing should be able to rebuild, but this capacity decreases with more damage, the more leveraged the owner is, and the income of previous tenants. Since low-income apartments are more likely to be older and susceptible to earthquake damage, low-income tenants are the most likely to be affected by this, and the least likely to be able to return.⁹⁰ Landlords unable to recoup these costs will have to rely on government assistance, or sell to those that can afford to rebuild.⁹¹

Large-scale destruction may also create a critical mass of development in new areas. Current market-rate development in lower-income, less invested neighborhoods can be risky, as older and less maintained properties might depress the potential gains of a new building. This changes when a previously under-invested neighborhood is cleared and multiple redevelopments happen at once, raising the overall value of the neighborhood.⁹² This, of course, was the strategy of urban renewal. Because the impacts of new construction are likely to have spillovers, surrounding landowners whose property did not sustain damage will seek to capitalize on the increased value by charging higher rents, thus placing more displacement pressures on lower-income residents. In the process of rebuilding, land ownership bestows the power to determine who gets to live in the post-disaster city.⁹³ As Klein

⁸⁸ Comerio, Landis, and Rofé, "Post-Disaster Residential Rebuilding."

⁸⁹ Comerio, Landis, and Rofé.

⁹⁰ Comerio, Landis, and Rofé.

⁹¹ For more on the difficulties of rebuilding, see Christine Meisner Rosen, *The Limits of Power: Great Fires and the Process of City Growth in America* (New York: Cambridge University Press, 1986).

⁹² Siodla, "Clean Slate."

⁹³ Of course, that power is mitigated by market demand. For market-rate developments, landowners can only charge what the market allows them to. If the market demand for housing is strong, landlords can charge a higher price. However, if a

observes of the fishing villages in Arugam Bay, “because the storm did such an effective job of clearing the beach, a process of displacement and gentrification that would normally unfold over years took place in a matter of days or weeks.”⁹⁴

Governments can influence landowners’ power to capitalize on disaster through zoning, permitting, and other policy measures. The events of the Boston and San Francisco fires and earthquake occurred before cities employed zoning as a tool of local control. In those cases, both city governments wanted to have a more strategic and deliberate process of recovery to widen streets and implement a stricter building code, but were ultimately defeated by landowners seeking to build back quickly. Now that most cities have zoning and building code enforcement powers, as well as post-disaster funding to drive development, they are able to impact the speed and shape of recovery. Therefore, cities have a lot of power to address existing structural and systemic vulnerabilities with a post-disaster blank canvas. For example, cities could rezone areas with higher levels of destruction and increase inclusionary zoning requirements to ensure more value is captured as private developers take the opportunity to rebuild. They can also use disaster relief funds to incentivize different types of development, including affordable housing, and acquire land for its construction.

However, government officials also face the tension between time and deliberation. On the one hand there is the opportunity to rebuild in a way that makes the city more resistant to future shocks and stresses, like housing insecurity. On the other, there is an immediate need to quickly rehouse people displaced by disaster and to streamline reconstruction.⁹⁵ The situation may make for strange bedfellows as developers, homeowners, and tenants who may traditionally be at odds are suddenly desperate for new construction and mounting pressure on officials to expedite the process of recovery at the expense of more strategic recovery actions. For developers seeking to take advantage of the moment, this is a key element of the shock doctrine. As Klein notes, “Believers in the shock doctrine are convinced that only a great rupture – a flood, war, a terrorist attack – can generate the kind of vast, clean canvases they crave. It is in these malleable moments when we are psychologically unmoored and physically uprooted, that these artists of the real plunge in their hands and begin their work of remaking the world.”⁹⁶ If cities are left scrambling with recovery, or lay-off a significant portion of their staff in response to dramatic funding deficits post-disaster, which is what happened in New Orleans post-Katrina, they undercut their ability to move strategically and leave the window of opportunity open to either rebuild the same structures or build them back even more exclusively.

This highlights the need for the scope of pre-disaster planning to move beyond hazard-mitigation, disaster response, and immediate recovery, and into more strategic long-range planning. Cities already have general plans outlining strategies for building housing, but as was discussed in Chapter 1, housing goals in the Bay Area have been systematically unmet. Large-scale land clearance after a natural disaster presents the opportunity to leverage existing plans, processes, and resources to meet these goals of more affordability while bolstering them with an increase in funding. For city governments, this is a matter of connecting the dots between their current housing goals, existing resources, and the opportunity of the blank canvas. Non-profit organizations that build affordable housing would benefit

major disaster causes widespread abandonment of the area, the demand for rental housing will be dramatically reduced. This is largely a problem for rural areas and cities that have weak housing demand.⁹³ San Francisco and Boston were growing at the time of Hornbeck, Keniston, and Siodla’s studies as they are growing now, so landowners would likely benefit from the blank canvas opportunity.

⁹⁴ Klein, *The Shock Doctrine: The Rise of Disaster Capitalism*, 508.

⁹⁵ Johnson and Olshansky, *After Great Disasters: An in-Depth Analysis of How Six Countries Managed Community Recovery*.

⁹⁶ Klein, *The Shock Doctrine: The Rise of Disaster Capitalism*, 25.

the most from such a plan. However, the issue of land ownership remains a significant barrier to developing affordable housing. Without property acquisition post-disaster, non-profits will have limited capacity to rebuild for low-income communities of color most at risk of displacement now and in the future. If more non-profits become landowners in the wake of a disaster, they will be able to build more housing, and better protect the right to the city for residents of the post-disaster city.

Changes in Land Ownership

This question of what to rebuild after a disaster is preceded by an even more important question: who is *able* to rebuild? Construction costs in the Bay Area are already the highest in the country, in large part due to both the increase in demand for projects, as well as the decrease in supply of workers, many of whom have left the Bay Area.⁹⁷ For wealthy property owners or well-financed investors, this may not be a matter of consequence. However, most people will need to rely on outside sources to finance the gaps in their reconstruction funding. The process of reconstruction is especially challenging for low-income property owners who have the least access to resources and are most likely to live in older, more dangerous housing. Housing recovery is largely financed through insurance and government programs. If residents are unable to fill their necessary funding gaps, they will be forced to leave and open the opportunity for someone else to redevelop on their land.

High Risk, Low Insurance: Who's at Fault?

Housing markets operate under the assumption that buyers and sellers have access to information, and that both can assign a certain value to uncertainty within the market.⁹⁸ Where there is uncertainty, insurance is meant to fill the gap. While we know that disasters will happen, and can predict to some degree how they will happen and how to mitigate them, disasters strike more or less randomly, therefore making them the epitome of uncertainty.⁹⁹

Disaster insurance is one way of mitigating that uncertainty, but high costs have led to limited coverage. Assume that you own a home near the Hayward Fault and are wary of an impending earthquake. How much damage will your home sustain in an earthquake? Will you be able to move back in immediately or will you need temporary housing? Will you need to make a few repairs or clear the rubble and rebuild the whole structure? If your job is impacted by the earthquake, will you be able to continue to pay the mortgage on your home, even if it no longer exists? What happens to all of the personal property inside the house? These are all uncertainties within the larger uncertainty of the disaster, and these issues are what earthquake insurance generally covers.¹⁰⁰

Quantifying this uncertainty is quite difficult, especially for large earthquakes that may only occur once in a century. Most insurance has some type of measure of premiums and payouts, but it is impossible to know both the length of the pay-in period *and* the extent of the damage in a disaster, especially for

⁹⁷ Louis Hansen, "New Bay Area Crown: Most Expensive Place in the World to Build," *The Mercury News*, April 25, 2019, sec. Real Estate, <https://www.mercurynews.com/2019/04/25/new-bay-area-crown-most-expensive-place-to-build-in-the-world/>.

⁹⁸ Comerio, Landis, and Rofé, "Post-Disaster Residential Rebuilding."

⁹⁹ Jones, *The Big Ones: How Natural Disaster Have Shaped Us (and What We Can Do About Them)*.

¹⁰⁰ "A Consumer's Guide to Earthquake Insurance" (National Association of Insurance Commissioners, 2011), https://www.naic.org/documents/consumer_guide_earthquake.pdf?72. At the same time, earthquake insurance is narrow in its coverage. Other natural hazards that may be instigated by an earthquake, such as a flood or fire, require separate policies.

earthquakes. For this reason, most insurers assume a high level of destruction and therefore a higher pay-in.¹⁰¹ On the other end, deductibles generally range from 10 to 20% of the coverage limit, though they can be lowered if building-owners invest in earthquake safety measures. As home value appreciates, so does the cost of insurance. This means that lower-income homeowners who purchased when the market was down or who inherited their property are less likely to be able to afford insurance in gentrifying neighborhoods. Because earthquake insurance is not a requirement, people opt out of the market, tightening the insurance pool, and further driving up premiums. The result is an expensive and underutilized program. In 2017, the average annual residential premium in California was \$723.¹⁰²

Given all of these factors of uncertainty, property owners have a choice to make:

1. They can choose to buy insurance, betting that the high costs will pay off because the likelihood of an earthquake is high, and therefore the potential losses are high. For apartment owners, the incentive to buy insurance exists only if their building is highly profitable and/or highly leveraged.¹⁰³
2. They choose to forego insurance and instead save that money, hoping that the actual damage of an earthquake will be manageable.
3. They take a bet and assume that no earthquake will happen during their tenure in the house.
4. They assume that the government will step in and help them rebuild.
5. They cannot afford insurance and pray for the best.

Factoring into this decision around finance and uncertainty is a “normalization bias,” which is “the human inability to see beyond ourselves, so that what we experience now or in our recent memory becomes our definition of what is possible. We think that common smaller events are all that we have to face, and that, because the biggest one isn’t in anyone’s memory, it isn’t real.”¹⁰⁴ Because a major catastrophic earthquake has not happened in a long time, it is hard for us to imagine that it will actually happen, leading us into a false sense of security and therefore downplaying the importance of insurance. The result is that Californians are dramatically uninsured. In 2017, only 13% of California’s residential housing market was covered by an earthquake policy.¹⁰⁵ Most of these policy holders are insured by the California Earthquake Authority, a state-owned non-profit that was started in 1994 after the Northridge Earthquake convinced insurers to stop underwriting. The CEA currently has about \$15 billion in reserves.¹⁰⁶

With such a high number of uninsured residents and the certainty of an earthquake in the near future, the economic losses of a major event will be staggering. For those who choose to go uninsured, or for those whose coverage will not be enough, this presents a monstrous challenge for reconstruction. To fill the gap, many will have to look to the government.

¹⁰¹ Comerio, Landis, and Rofé, “Post-Disaster Residential Rebuilding.”

¹⁰² California Department of Insurance, “Earthquake Premium and Policy Count Data Call: Summary of 2017 Residential Market Totals” (California Department of Insurance, July 24, 2018), <http://www.insurance.ca.gov/0400-news/0200-studies-reports/0300-earthquake-study/upload/EQEXP2017Summary.pdf>.

¹⁰³ Comerio, Landis, and Rofé, “Post-Disaster Residential Rebuilding.”

¹⁰⁴ Jones, *The Big Ones: How Natural Disaster Have Shaped Us (and What We Can Do About Them)*, 10.

¹⁰⁵ California Department of Insurance, “Earthquake Premium and Policy Count Data Call: Summary of 2017 Residential Market Totals.”

¹⁰⁶ Thomas Fuller, “In Quake-Prone California, Alarm at Scant Insurance Coverage,” *The New York Times*, September 1, 2018, sec. U.S., <https://www.nytimes.com/2018/08/31/us/california-earthquake-insurance.html>.

Government Programs to Lessen the Blow

Over the course of the response and recovery period, federal and state governments provide a series of grants and loans to help individuals and businesses (including apartment owners) recover from disaster. Once a disaster occurs, and it is determined that the scope of response and recovery is beyond the capacity and resources of the state alone, the state governor formally requests a federal disaster declaration. Once the President officially declares the disaster, they activate the Stafford Act which delegates Federal Emergency Management Agency (FEMA) and other agencies to respond. FEMA conducts a preliminary disaster assessment (PDA) with local and state officials to determine the scope of the casualties in order to plan for the deployment of resources and aid. As the process shifts from response to recovery, other agencies such as the Department of Housing and Urban Development (HUD) and the Small Business Administration (SBA) step in to further the process of recovery. States also have funds to help with response and recovery. Below are a few highlighted programs in California and the federal level to assist homeowners, renters, and apartment owners (including non-profits).

Individuals and Households Program, and State Supplemental Grant Program

In order to help with the immediate chaos of a disaster, FEMA provides flexible disaster grants to renters and homeowners through the Individuals and Households Program (IHP). These funds are meant to help those who are uninsured or underinsured meet basic needs and jumpstart their process of recovery. The program primarily aids families in rental assistance, home repair, and home reconstruction. It can also be put towards emergency issues that arise out of the disaster, such as funeral costs, medical and dental assistance, and childcare.¹⁰⁷ However, the maximum FEMA will pay out is \$34,000, though this will vary case-by-case and usually does not meet the maximum. Once IHP funds are tapped out, the California State Supplemental Grant Program (SSGP) provides additional aid up to \$10,000, though grants commonly range from \$200 to \$2,000.¹⁰⁸

SBA Disaster Loan Assistance for Homeowners & Renters

The Small Business Administration provides low interest loans (no more than 8%) to homeowners of up to \$200,000 for replacement or repair of homes damaged or destroyed by a disaster. These funds can also be used to refinance a mortgage. Any loan over \$25,000 required some type of collateral, usually a first or second mortgage. Additionally, both renters and homeowners may apply for loans up to \$40,000 to repair or replace personal property.¹⁰⁹

SBA Small Business and Non-Profit Loans

SBA also provides loans up to \$2 million for non-profits and small businesses, including rental apartments, which can be used to repair or replace real property, leasehold improvements, and other

¹⁰⁷ FEMA, “Fact Sheet: Individuals and Households Program” (FEMA, May 2018), <https://www.fema.gov/media-library-data/1528984381358-6f256cab09bfce6747510c215445560/IndividualsHouseholdsPrograms.pdf>.

¹⁰⁸ “Main Types of Disaster Recovery Assistance,” Legislative Analyst’s Office, January 10, 2019, <https://lao.ca.gov/Publications/Report/3917>.

¹⁰⁹ U.S. Small Business Administration, “Disaster Loan Assistance: Fact Sheet for Homeowners and Renters,” U.S. Small Business Administration, accessed May 10, 2019, <https://disasterloan.sba.gov/ela/Information/FactSheetHomeownersRenters>.

business expenses. Similar to the loans to individuals, this program has an interest rate of no more than 8% and can be for as long as 30 years.¹¹⁰

Tax Relief

Both the IRS and the California Franchise Tax Board allow residents to deduct the difference between the pre-disaster fair market value and the post-disaster fair market value as a loss, minus expected insurance and other reimbursements.¹¹¹ This type of aid favors upper and middle income taxpayers who can reasonably expect to pay more taxes and thus receive more relief. Low- and moderate-income residents who pay little to no taxes, on the other hand benefit less. California also allows property owners to lower their property taxes by reassessing the property at its post-disaster value while repair and reconstruction are happening. Once the repairs and construction are complete, the assessment goes back to the previous post-disaster value assuming it is substantially equivalent to the property prior to the damage or destruction.”¹¹²

Community Development Block Grants Disaster Relief

HUD deploys Community Development Block Grants (CDBG) annually to support a variety of economic development and housing projects. Funds are allocated to the states and distributed to local initiatives. After disasters, Congress allocates CDBG Disaster Relief (CDBG-DR) funds to aid in the recovery process. States must submit a plan for how these funds will be used. For example, after the 2017 fires, the California Department of Housing and Community Development received \$124 million in CDBG-DR funds. Of that, 38% will go towards single family home repair and reconstruction, and 53.79% will go to building new multi-family apartments and mixed-use buildings. CDBG-DR requires that 70% of the funds directly benefit people making less than 80% AMI.¹¹³ More will be discussed about CDBG in the next section.

Unfortunately, for many, support available does not translate to support received. After a disaster there is a flood of applications for aid, creating an administrative backup that increases the time it takes to deliver funds. This prolongs the crisis for those who do not have the funds to front their own response and recovery. Some programs also require a reimbursement system, rather than a cash advance, eclipsing the participation of many lower income disaster victims. In addition, programs like the SBA individual loans require at least \$25,000 in collateral to qualify.¹¹⁴ Residents who do not have that kind of collateral are unable to access these crucial funds. And while earthquake-insurance in earthquake prone areas is not mandatory, it is for people in federally established flood zones. This flood insurance is an expensive prerequisite for FEMA assistance, which means that many low-income families cannot afford it or do not know about it in the first place. The number of different programs with varied qualifications and requirement “leaves low-income victims confused and frustrated at

¹¹⁰ U.S. Small Business Administration, “Disaster Loan Assistance: Business Physical Disaster Loans,” U.S. Small Business Administration, accessed May 10, 2019, <https://disasterloan.sba.gov/ela/Information/BusinessPhysicalLoans>.

¹¹¹ Internal Revenue Service, “Disaster Resource Guide for Individuals and Businesses” (Internal Revenue Service, July 2018), <https://www.irs.gov/pub/irs-pdf/p2194.pdf>.

¹¹² “Main Types of Disaster Recovery Assistance.”

¹¹³ California Department of Housing and Community Development, “State of California 2018 CDGB-DR Action Plan” (California Department of Housing and Community Development, March 2019), <http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr/docs/2018-State-CDBG-Disaster-Recovery-Action-Plan-Summary.pdf>.

¹¹⁴ U.S. Small Business Administration, “Disaster Loan Assistance: Fact Sheet for Homeowners and Renters.”

some of the most challenging moments of their lives. Unlike middle- and upper-income homeowners, they often have little experience with government bureaucracy and don't have the resources or capacity to figure it out."¹¹⁵

Even if people are able to qualify for funds, the amount doled out is usually insufficient to recover. Given the scale of large-scale disasters, under-staffed local and FEMA workers go out to do claims assessments, which are subjective and based on fair market value. For low-income residents who have lower quality personal property or older housing stock, this translates to less aid. After the 2017 hurricane season in Texas, half of the 741,000 FEMA aid applicants were rejected from receiving any aid, and the average grant was \$4,300, which amounts to less than 13% of the maximum. Many residents do not know that they can appeal their applications, but doing so requires legal representation, time, and money. For this reason, low-income homeowners and renters struggle to gain access to the aid they need to rebuild.

Residents who are able to hold out may be saved by CDBG-DR direct assistance, but this takes a long time to be distributed and that is time that many do not have. CDBG-DR funds amount to much more than what FEMA provides, but because there is no HUD disaster fund, disaster victims must wait for deliberation and appropriation from Congress on a case-by-case basis. The politics of funding in Washington often make this contentious, holding up funding at a critical time when people need aid. This can leave families stranded for months or even years, putting even more stress on people looking to rebuild their lives, but left waiting for the means to do so. As Craig Fugate, the head of FEMA under President Obama, concedes, "It's not a safety net. The system is really designed for the middle class. It's not designed to take care of the pre-existing conditions."¹¹⁶

Disaster Capitalists Make Their Move

This opens the door for scammers who are able to find opportunity in the desperation, confusion and frustration that accompanies a disaster. For example, construction contractor fraud complaints went up from 150 before Katrina to over 44,000 in the two years after Katrina. Other fraudulent services offered to help win insurance claims, to navigate the application bureaucracy, or even posed as government agencies. Unsuspecting residents ended up paying for services they never received.¹¹⁷ The likelihood of this happening increases when recovery aid recipients face government-imposed reconstruction deadlines, thus increasing the household's urgency and decreasing their capacity for deliberation. Scams like these drain already limited resources and move people further from being able to recover.

All of this – the lack of insurance, the slow and difficult process to acquire government funds, the scams, and the structural inequities that existed before the disaster – make the ability to recover impossible for many families. Some may elect to leave the area in order to avoid future disaster. Those who cannot hang on until aid comes, or who are just tired and ready to move on, are left with few options but to leave. For struggling homeowners, a family's land may become their only asset to cash

¹¹⁵ Danny Vinik, "People Just Give up": Low-Income Hurricane Victims Slam Federal Relief Programs," *POLITICO*, May 29, 2018, <https://politi.co/2kvLXTy>.

¹¹⁶ Vinik.

¹¹⁷ Kate Titford and Rutledge Simmons, "Wolf at the Door: Protecting Homeowners from Predatory Housing Activities in the Wake of a Disaster," in *Building Community Resilience Post-Disaster: A Guide for Affordable Housing and Community Economic Development Practitioners*, Forum on Affordable Housing and Community Development Law (Chicago: American Bar Association, 2013), 303–18.

in on to rebuild their lives. Families who want to stay in the city may be forced to sell their land and move far away to areas that are more affordable, but less connected to their jobs and community ties. Desperate to access capital with a damaged home, disasters prompt homeowners to sell the property quickly at a discounted rate, or abandon the property altogether.

Cumulatively, the inefficiency of disaster recovery support for lower income communities lowers the cost of land by damaging or destroying the structures, and then pushing struggling homeowners to sell at a loss. In cities that are growing and already facing gentrification pressures, such as Houston or the Bay Area, this process of fatigue and poverty-induced displacement manifests as an opportunity for investors and speculators to cheaply acquire land. By betting on the recovery of the area, these speculators can expect to see an eventual return on their investment. In some cities, investors are expecting very big payoffs. According to the *Houston Chronicle*:

The \$4.6 billion Tricon Capital Group, of Toronto, wants to spend \$600 million in Texas before the end of next year, according to area brokers trying to persuade the company to buy flooded homes in Houston. A \$30 billion New York City private equity firm, Cerberus Capital Management, has picked up at least a dozen flooded homes among 980 it purchased after Harvey. A California firm, B&P Investment Group, is looking to spend \$400 million, targeting homes flooded by the release of water from northwest Houston's Addicks and Barker reservoirs.¹¹⁸

The same problem happened in New Orleans, and many other urban areas hit by disaster.¹¹⁹ The argument could be made that these investors are helping families by giving them an out from a terrible situation, and this is a valid point. After all, these investors are taking on new risk by purchasing homes that will likely be damaged again. But in doing so they are betting on a recovery that the previous owner could not partake in. The system failed these previous owners, and it is this system that then makes these investors rich. In flood plains, like Houston, these speculators are taking advantage of the National Flood Insurance Program, which is taxpayer subsidized and already \$20 billion in debt. Because these are mostly investments that will be flipped or rented, the incentive to invest in flood mitigation measures to avoid future damage is minimal. Further, landlords are not required to tell their renters that they are in the flood zone, exposing them to future risk. The influx of speculation is also undermining Harris County's buyout program by driving up acquisition costs and inhibiting the county's goal of moving people out of the flood plain. Investors can pay in cash, whereas the county takes time.¹²⁰

This in many ways is the epitome of disaster capitalism, to take the shock of a disaster and to utilize it to make a profit. It is also reminiscent of the foreclosure crisis, where people were dispossessed of their homes due to a disaster unmet by an adequate federal response, only for those homes to be turned over to speculators at discounted prices. The familiar "We buy homes for cash" signs are an ever-present reminder that someone is willing to take a bet on someone else's problem.

¹¹⁸ David Hunn and Matt Dempsey, "In Houston's Flooded Neighborhoods, Real Estate Investors See an Opportunity," *Houston Chronicle*, May 10, 2018, <https://www.houstonchronicle.com/news/houston-texas/houston/article/houston-harvey-flood-homes-real-estate-investor-12901718.php>.

¹¹⁹ David Streitfeld, "Speculators Rushing In as the Water Recedes," *Los Angeles Times*, September 15, 2005, <https://www.latimes.com/archives/la-xpm-2005-sep-15-fi-nohouses15-story.html>.

¹²⁰ Hunn and Dempsey, "In Houston's Flooded Neighborhoods, Real Estate Investors See an Opportunity."

This process raises concerns about the continued ability of low- and moderate-income families' ability to stay in the city. Property values rise from the presence of hyper-capitalized investors, while at the same time homeowners are struggling to bounce back from the storm. While cities like Houston may have once been affordable, recent disasters have expedited the process of displacement and gentrification, threatening the right to the city. With billions in global capital set to scoop up distressed properties in post-disaster cities, how can communities compete?

A Flood of Funding

While investment capital flows into cities post-disaster, significant financial support from governments and philanthropies can help to rebuild. Government funding is slow, but represents a massive investment much further beyond the scope of normal federal community development funding. On the other hand, philanthropic dollars play a much smaller role, but can be deployed more quickly. Opportunity Zones represent a new frontier for harnessing private investment, but with limited mechanisms to enforce equitable gains for communities.

Long-Term Recovery Funding through CDBG-DR

As the previous section outlined, several government programs exist to help aid in recovery, though as was also discussed, these programs are often insufficient for many lower-income families. The total destructive cost of a disaster is never re-matched with government funds, but CDBG-DR funds represent an opportunity to provide a large sum of money that, if used strategically, can help to accomplish longer-term development goals.

The Community Development Block Grant (CDBG) Program was started in 1974 as a flexible means for HUD to allocate funding to states and certain cities and counties in order to accomplish local housing and economic development goals. The program is administered by HUD's Office of Community Planning and Development (CPD), which administers several other programs including the Section 108 Loan Guarantee and HOME programs. Activities for CDBG can include acquisition and infrastructure costs for housing, technical assistance, building public facilities, supporting planning and administration, job training programs, and small business investment, as long as they meet the goals of having at least 70% of the funds benefit people making under 80% AMI, eliminate or prevent blight, or "address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available."¹²¹ CDBG provides a consistent but limited source of funding for areas seeking to advance community development goals.

When disaster strikes, Congress bolsters the CDBG program with CDBG-DR funds. The structure is the same, making it familiar for local governments and states to administer, but some requirements are allowed to be waived to streamline finding. However, the volume of funding for disaster recovery is much higher than normal CDBG, and targeted to specific disaster areas. In 2018, nearly \$3.3 billion was allocated to CDBG. The same year, the allocation for the CDBG-DR was \$28 billion, over 8 times more. About half of that was to address federally declared disasters in California, Florida, Georgia, Missouri, Puerto Rico, Texas, and the U.S. Virgin Islands, and the other half went to those states and

¹²¹ Office of Community Planning and Development, "Community Development Block Grant Program - CDBG," U.S. Department of Housing and Urban Development, accessed May 10, 2019, https://www.hud.gov/program_offices/comm_planning/communitydevelopment/programs.

others for investment in mitigation. As a whole, disaster funding constituted 78% of CPD's total budget for the year.¹²² Though every disaster situation has incredible need, the influx of DR funds provides an opportunity to prioritize projects that help keep at-risk communities rooted while advancing longer-term strategic development goals, such as more affordable homeownership and rental options. When paired with other sources of funding, such as philanthropy, this provides an opportunity to rebuild in a way that benefits residents long-term by rebuilding better than before.¹²³

Philanthropy's Role in Recovery

Philanthropic donations play an important role in the process of responding to and recovering from disaster. Funds help to mobilize critical resources to support immediate response efforts such as search and rescue, shelter, medical care. Philanthropic organizations are more flexible than the government in what they fund, and their funds can be mobilized quickly. In the course of disasters, "philanthropic dollars have been essential in helping fund programs for community advocacy to ensure government acts properly, to fill the holes in the social service delivery system, to help community members provide input into the redevelopment planning process and countless other efforts that government often can't or won't do."¹²⁴

For example, after Hurricane Sandy in New York and New Jersey, 593 corporations and foundations gave a total of \$328 million in donations, compared to \$18.8 billion from private insurance and \$60.4 billion from federal aid. Almost half of that total funding went to the American Red Cross. Just over \$37 million (11%) went to housing and shelter services, though that figure includes both funding for emergency housing assistance and reconstruction. After Katrina, 871 foundations and corporations gave \$906.3 million to response and recovery, \$56.6 million of which went to housing and shelter.¹²⁵ If put to strategic ends, philanthropy could help fill in government funding gaps and support rebuilding in a way that is smarter and addresses long-term housing needs.

However, philanthropic giving post-disaster tends to focus on the immediate response rather than the recovery. An analysis by the Conrad N. Hilton Foundation found that "[m]ore than one-third of private giving is typically done within the first four weeks of a rapid-onset disaster, and close to two thirds within the first two months. Within five or six months, almost all of this giving stops."¹²⁶ Without a focus on recovery, philanthropic dollars miss an opportunity to truly impact the scope of the disaster. Within the recovery space, foundations provide the majority of long-term funding for projects and are a convenient central entity through which many donations can be compounded to maximize impact.

Though foundational support is critical to supplement government response and recovery, it is not without complication. While there are legal guidelines for how foundational money is spent, there is

¹²² Office of Community Planning and Development, "CPD Appropriations Budget," U.S. Department of Housing and Urban Development, 2019, https://www.hud.gov/program_offices/comm_planning/about/budget.

¹²³ Of course, CDBG-DR funds are used at the discretion of the state and local government. Who benefits from funding and how they benefit is still a function of power.

¹²⁴ Lawrence, "Philanthropy & Hurricane Sandy: A Report on the Foundation & Corporate Response," 3.

¹²⁵ Lawrence, "Philanthropy & Hurricane Sandy: A Report on the Foundation & Corporate Response."

¹²⁶ Rockefeller Philanthropy Advisors, "Giving Strategically After Disaster: Ten Points to Consider" (Rockefeller Philanthropy Advisors, 2011), https://www.rockpa.org/wp-content/uploads/2017/08/RPA.3747_Giving_Strategically_After_Disaster_digital.pdf.

little oversight and accountability for how that money is being used and who it is being used for. In his analysis of post-Katrina foundational activity, BondGraham argues that:

By their design and implementation, foundation commitments have been about shaping state policies and facilitating new forms of capitalist accumulation around newly enclosed land, both by generating higher rents and drawing in desired industries...by privatizing housing, and previously public spheres such as education; and creating private-parallel governance methods to serve business interests.¹²⁷

By this reading, foundations are tools to advance elite interests under the guise of charity. They are a method for wealthy people and corporations to avoid paying taxes, either undercutting government capacity to adequately fund disaster mitigation, response, and recovery, or being actively encouraged by governments “to create new opportunities for capitalist accumulation in previously public sectors of the regions political economy.”¹²⁸ In essence, foundations can be a driver of disaster capitalism.¹²⁹ Of course, not all philanthropies are the same and the fact remains that philanthropy is a part of the current post-disaster ecosystem. It can and should be used to advance work towards justice and equity. In moments of extreme change and opportunity, philanthropy could be leveraged to act quickly, purchase properties that are being sold, and use them to support long-term affordable housing construction.

Opportunity Zones: Whose Opportunity?

Another source of funding that will unequivocally play a role in future disaster-reconstruction are Opportunity Zones (OZs). Enshrined in the 2017 tax reform, OZs incentivize private investment in specially designated “low-income” census tracts. Investors are able to defer capital gains taxes by investing in self-certifying Opportunity Funds, which then invest their capital pools in local businesses and/or property.¹³⁰ If investors want to make an impact in the lives of low-income communities, OZs could be an avenue to do so, and some funds have been created with the express intent of building more affordable housing and investing in local businesses.

However, OZs present more of a cause for concern than celebration. Because funds are self-certifying, anyone can make a fund and use it as they see fit, with few limitations. There are currently no metrics for reporting the types of impacts that these funds have to create, making it unlikely that funds will actually benefit the communities that they are meant to. Further, the location of many urban OZs are in areas that are already seeing unprecedented investment driving gentrification.¹³¹ For example, most of Oakland is designated as an OZ. These funds will likely exacerbate the influence of investors in the future, and disasters will be an even bigger opportunity to mobilize private investment and drive

¹²⁷ Darwin BondGraham, “Building the New New Orleans: Foundation and NGO Power,” *The Review of Black Political Economy* 38, no. 4 (December 1, 2011): 282, <https://doi.org/10.1007/s12114-010-9081-z>.

¹²⁸ BondGraham, “Building the New New Orleans,” 281.

¹²⁹ The system of philanthropic giving is inherently based on wealthy donors extracting value and redistributing a small amount back to communities and the environment impacted by the exploitation of capitalism. There is an argument to be made that wealthy donors and corporations would do better to pay higher taxes, pay their workers more, and invest in more sustainable practices, rather than doing it indirectly through philanthropy, but that is not the focus of this thesis.

¹³⁰ “Opportunity Zones Frequently Asked Questions,” Internal Revenue Service, April 17, 2019, <https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions>.

¹³¹ Samantha Jacoby, “Potential Flaws of Opportunity Zones Loom, as Do Risks of Large-Scale Tax Avoidance” (Washington, D.C.: Center on Budget and Policy Priorities, January 11, 2019).

disaster capitalism. The Oakland OZs are located within the areas projected to sustain the most damage in a future rupture of the Hayward Fault. In March of 2019, Senator Mark Meadows (R-NC) introduced the Disaster Recovery and Opportunity Act of 2019, which would allow governors in states hit by a federally declared disaster to expand OZs into disaster areas.¹³² This presents an opportunity for funds that are truly committed to recovery, but also for those who seek to exploit it.

These three funding sources – CDBG, philanthropy, and OZs – represent important opportunities to fund disaster recovery. But whose recovery? Each one of these could be used to advance equity or drive displacement. These outcomes are determined by power, but also the amount preparation put in before disasters. Those that plan for disaster are best suited to harness funding in moments of critical change.

A Reverse Shock Doctrine?

Given the development opportunities that come in the wake of disaster – the land clearance to build new structures, the people clearance that comes from an insufficient response and recovery apparatus, and the sudden influx of capital from both public and private entities – the post-disaster city can be expected to look very different than the one that stood before it. Who gets to stay and who gets to participate in that process of recovering depends largely on who has power and how they harness it in these moments of creative destruction. The current system of disaster recovery favors the middle and upper class who can navigate the system, and the developers, investors and profit seekers who have the capital to quickly take advantage of it. However, these points of opportunity are not exclusive to those with means. How can communities move quickly to drive inclusive change? Knowing that this is how they will react in the wake of a disaster, such as an earthquake along the Hayward Fault, means that communities and the non-profits and affordable housing developers that serve them, should prepare for and counter these moves.

Investment in pre-disaster community planning is critical for harnessing the post-disaster opportunities discussed above to build a more equitable recovery. It is important to recognize that communities are not monoliths, and the process of reconstruction will be filled with differing visions of how the city should rebuild. Since there is a need to move quickly, spending time before a disaster to deliberate amongst various interests can help localities to ease this tension “by providing a vetted vision and rationale for strategies, policies, and programs.”¹³³ City planning processes around resilience must then move beyond mitigation and response to consider the realities and opportunities of recovery.

These processes must be done at the community level as well. Communities and the organizations that support them are constantly fighting for changes and investments that uplift but do not uproot them. It is rare that an opportunity presents itself to so completely rethink what a city or a neighborhood will look like, and understanding this will help communities to shape the city more in their own image rather than the image of a developer or investor. By dedicating energy to adaptable pre-disaster planning, communities are able to organize to create plans for how they want to rebuild and how to prevent displacement. By having a process before a catastrophic event, communities might be able to develop visions for substantive change, and then move more quickly towards them. By

¹³² Mark Meadows, “Disaster Recovery and Opportunity Act of 2019,” Pub. L. No. H.R. 1851, 1 (2019), <https://www.congress.gov/bill/116th-congress/house-bill/1851/text>.

¹³³ Johnson and Olshansky, *After Great Disasters: An in-Depth Analysis of How Six Countries Managed Community Recovery*, 14.

having plans in place, communities are able to better leverage resources from government and philanthropy.

To re-quote Friedman, when “crisis occurs, the actions that are taken depend on the ideas that are lying around. That, I believe, is our basic function: to develop alternatives to existing policies, to keep them alive and available until the politically impossible becomes politically inevitable.”¹³⁴ Developing the ideas for a larger vision for the right to the city before a disaster will better situate communities to turn these alternatives into inevitabilities.

This process itself will be difficult, but since disasters are inevitable, urban reconstruction is inevitable, and disaster opportunism is inevitable, communities should be organizing and preparing to seize these moments for themselves. As this thesis has shown so far, though, disasters are tragic and these opportunities largely hinge on vacating land through disaster- and financial-induced displacement. Given the ways in which recovery provides uneven benefits to lower-income communities and itself drives dispossession, how can vulnerable communities both stay rooted in place and fight for their right to shape the post-disaster city? While any model and organization that does affordable housing development should be preparing for these opportunities, Community Land Trusts, such as the one in Oakland that saved Norma and Ambrocio’s home, are uniquely suited to prevent displacement while developing and maintaining long-term affordable housing. If sufficiently planned for and executed, a land trust could be the best means to build a renewed right to the post-disaster city.

¹³⁴ Qtd. In Klein, 7.

Chapter 3. Community Land Trusts as a Collective Right to the City

Community Land Trusts (CLT) are a popular model for housing affordability rooted in collective ownership, community empowerment, wealth building, and resilience. Organized as a non-profit, CLTs ensure long-term affordability by taking land out of the real estate market and stewarding it for community purposes.

The first community land trust, New Communities, Inc, was started in 1967 in rural Georgia by civil rights activists Robert Swann, Slater King, and Charles Sherrod, among others. The project was built out of the understanding that “part of the oppression and insecurity of African Americans was due to their limited access to land on which to farm, to build houses, or to start new businesses of their own.”¹³⁵ However, the CLT model comes from a rich history of experimentation and reimagination of the relationship between communities and land. In the 1980s the model began to urbanize in response to both gentrification and neighborhood decline, building a movement to challenge existing models of community development.¹³⁶ CLTs became a means for communities, disempowered by systems of economic and racial oppression, to build power through the exercise of control over land. While CLTs grew out of community movements, they have increasingly built support within local governments, with some CLTs being started and sustained by the city.¹³⁷

Central to the CLT model is the understanding that land value is a function of the uses upon it and surrounding it, and that the private property system incentives land-grabbing as a means of capital accumulation. As the previous chapters have shown, once they acquire the land, they are free to use it as the market and government permit. This centralization of decision-making power excludes the possibility of other uses that may not be as valuable for the landholder, but are valuable for the community.

In contrast, CLTs have a Board made up of different community interests. While governance structures vary, most have a board with representatives from community organizations, their tenants, and other local stakeholders like business owners and elected officials. This ensures local accountability to the larger community needs. In doing so, they are able to decentralize control of the land, making it unlikely that the CLT will be used to benefit anyone outside of the broadly defined community’s interest. Therefore, CLTs can provide for flexible community uses, including apartments, businesses, and gardens, though they are most associated with clusters of single-family homes.

CLTs are able to provide affordable housing in perpetuity by separating the land from the structures on top of them. The structures are purchased by individuals (though sometimes they continue to be stewarded by the CLT, as is the case with Norma and Ambrocio), who have a 99-year ground lease with the CLT. The building owners pay a small leasing fee, similar to renters. But unlike renters, building owners are able to draw equity from the property to maintain it, as well as to build personal

¹³⁵ For a comprehensive history of CLTs see John Emmeus Davis, “Origins and Evolution of the Community Land Trust in the United States” (Lincoln Institute of Land Policy, 2014).

¹³⁶ DeFilippis, Stromberg, and Williams, “W(h)ither the Community in Community Land Trusts?”

¹³⁷ Champlain Housing Trust in Burlington, Vermont is probably the best example of the symbiotic CLT-city relationship. The Houston CLT, which will be discussed in the following pages, was founded by the city.

wealth. Once they sell, the property owner is able to acquire some of the appreciation in value while keeping the property affordable to future buyers. By taking the land out of the speculative market, the CLT keeps the resale price affordable to future owners, and since they are only purchasing the structure, the cost is significantly lower than in the traditional housing market. This opens up the possibility of ownership to populations previously unable to purchase. In contrast to other models of affordable housing, CLTs need only one initial investment in property acquisition to keep the housing affordable forever.¹³⁸

Because the CLT acts as a steward of the land, homes in CLTs are also more resilient to economic crises. A survey of CLTs during the foreclosure crisis in 2010 found that only 1.3% of mortgages held by homeowners in a CLT were delinquent, and only .46% were in foreclosure proceedings. This is compared to 8.57% and 4.63% of home mortgage holders in the conventional market, respectively. Since CLT homeowners are mostly low- and moderate- income and the conventional market includes income across the board, the disparity between low- and moderate income CLT and conventional mortgage holders is even more stark. This has to do partially with the lower mortgages associated with CLTs, since they exclude the land. However, the lease structure also gives the CLT oversight of loan acquisition, and CLTs intervened to help struggling homeowners with the process. CLTs also require their new members to go through housing counseling.¹³⁹ In this way, CLTs are able to protect their residents from exploitation and possible displacement in a way that stand-alone fee simple housing does not.

In many ways the ideal of the CLT is an embodiment of the right to the city. At the heart of the model is not just access to the city, through affordability, but the ability to collectively control the land and the uses upon it. When communities are truly able to control what happens within them, they are better suited to define and execute their needs and desires to increase the quality of city life for themselves. As city life shapes us, having a means of collectively controlling land use and development is the highest means of gaining the right to the city as it is construed by Lefebvre, Harvey, and Marcuse. In the context of a disaster, CLTs present the opportunity to bring about more community control while keeping people in place.

“Buying-In” to CLTs to Prevent Post-Disaster Displacement

The CLT arrangement of separating the land from the structure presents a critical opportunity to prevent displacement after a disaster. Recall that disasters bear deeper consequences for marginalized communities, and the inadequacy of insurance and government aid may force a family to sell their home if it is damaged or destroyed. This creates an opportunity for another purchaser to come in and take control of the land. That purchaser could be the city or a more traditional affordable housing developer, in which case the community utility of that land would be increased. The chances are more likely, however, that it is purchased by an investor. Regardless, the original owner is excluded from the benefits of ownership on that site, in that community. They may be forced into the rental market, or have to move far away. A CLT can change this dynamic by purchasing the land and allowing the residents to stay and rebuild. This CLT “buy-in” has the potential to disrupt the recovery status quo

¹³⁸ For example, the Low-Income Housing Tax Credit Program (LIHTC) builds affordable housing and maintains it only through the life of the tax credits, usually only 15 or 30 years, after which building owners can convert it to market-rate. Inclusionary housing policies vary, but often have expiration dates. They also rely on private real estate construction for market-rate and luxury development, creating further development pressures in communities at risk of displacement.

¹³⁹ Thaden, “Stable Home Ownership in a Turbulent Economy- Delinquencies and Foreclosures Remain Low in Community Land Trusts.”

and reshape the right to the post-disaster city. Consider three different scenarios where a homeowner does not have the funds to rebuild their property after a disaster:

Scenario 1. Homeowner wants to stay and rebuild what was

In this scenario, the CLT could buy the land from underneath the homeowner. This transaction would increase the homeowner’s capital, thereby giving them more funds to repair or rebuild the structure. Once a home is repaired or reconstructed, it would then automatically be incorporated into the CLT and remain affordable forever. The homeowner maintains their ownership, and is able to stay in the community while building some equity. The landowner, since they get to stay, may even be willing to sell the home at a lower price than they would to an investor because they get the added value of not being displaced.

Scenario 2. Homeowner wants to stay and is flexible about rebuilding

In this scenario, the CLT could also buy the land underneath the homeowner. Instead of rebuilding a single-family home, the CLT utilizes the blank-canvas-opportunity and builds affordable condominiums, apartments, or a mixed-use development. The CLT and the former landowner come to some sort of an agreement whereby the former owner is able to live for free or at a discount in one of the new units. The former owner gets an affordable option to stay, the building is put into the CLT forever, and more affordable units are created. This helps to address the immediate need for housing those displaced by the disaster, but also addresses the long-term need to build more affordable housing.

Scenario 3. Homeowner wants to leave

The CLT buys the full property and uses the blank slate to rebuild a new structure for new residents, ideally a multi-unit or mixed-use building to address the larger lack of affordable housing stock. The CLT has given the former owner capital to restart their life elsewhere. This is better than it being purchased by a speculator, as the land stays in the community forever.

The result of these scenarios is a more affordable community that has more control over the land in their city. Once the owner sells, that home maintains its affordability for the next family. By building mixed-uses, communities are able to better define their needs beyond housing to include space for arts, culture, non-profits, agriculture, worker co-ops, community space, and more. If multiple homes on a block participate in this buy-in, the CLT could combine lots to maximize space. Were a CLT to bring this to scale, it would allow communities to participate more in their own local planning, and shape their piece of the city to meet their needs. This would ensure not only access, but agency over the process of city building. In the context of disasters, both human-made and natural, CLTs are “in and of themselves a strategy of economic resilience.”¹⁴⁰

These scenarios of course hinge on the CLT’s ability to acquire the capital to purchase the land in the first place. This is where the influx of post-disaster funds – from government, philanthropy, or mission-driven OZs – is required. Since the CLTs would have to move quickly to out-manuever disaster capitalists, and to do it at scale, significant work would have to be done to secure the support of these institutions before the disaster. Scenarios 2 & 3 would also likely require a variance or zoning change. This is yet another argument for pre-disaster planning and visioning to be done both at the city and community level.

¹⁴⁰ King, Director, Oakland Community Land Trust.

It bears repeating here that this strategy is not meant to be exploitative. Rather, it is meant to take this understanding of disaster reconstruction opportunities and the limits of recovery, and use them to expand opportunities for affordability while preventing displacement. To be clear, all possible avenues should be explored to rehouse struggling homeowners. At the end of the day, participation in this model of a post-disaster property buy-in is a choice that will be made by individual disaster victims. However, the reality of disasters and the slow process of recovery means that residents will inevitably be displaced. Until the whole system of emergency management is reconfigured to empower those most vulnerable to disaster, CLTs are the best defense against displacement and speculation. If this model is able to manifest, then the future city will be one that is more inclusive, and one in which communities have more power to control the land that surrounds them.

CLT Limitations

This hypothetical model for CLTs utilizes the three disaster opportunities explored in Chapter 2 in an attempt to prevent disaster capitalists from using the same opportunities. The CLT structure is uniquely suited to do this. However, CLTs are by no means perfect, and not all CLTs build community control in the same way. As they grow, CLTs have been critiqued for becoming increasingly institutionalized and technocratic, rather than a radical movement-led project.¹⁴¹ As CLTs have become more and more enmeshed in the traditional community development field, so too have they become more reliant on government and foundational support. These sources of funding have been critical for CLTs to expand, but again, there is concern about how radical an organization can be when it relies on institutional funding to continue. If CLTs are more of a unique affordable housing strategy than a community control strategy, then are they still *community* land trusts?¹⁴²

While a fair critique, the issue of urban affordability remains paramount to the issue of community control and the right to the city. Community control cannot happen without first acquiring land. At a time when housing prices in places like the Bay Area are so wildly unattainable and already limited capital struggles to compete in a rising speculative market, any urban CLT will have to rely on institutional support not just for control, but for mere access to the city. For this reason, CLTs may not be able to hold community control as central as the model initially intended. This does not diminish the value of the model, since having affordable access to the city is by itself a deeply desirable goal for housing. From there, CLTs should be working to build more control through community organization and power building. Even if they may not always meet their ideal, CLTs play an important role in building affordability for communities in and out of disaster.

Cases of CLT Post-Disaster Expansion

As was discussed in Chapter 2, disasters reveal opportunities for redevelopment through land clearance, ownership change, and an inflow of capital. How well CLTs are able to take advantage of these opportunities remains a question. The following cases in Houston and the Florida Keys examine how disasters created opportunities for CLTs to expand. Both places were hit by hurricanes, and neither had a fully established CLT before the storm. They are also fairly recent, and so a full analysis of their successes and challenges at this point may be unclear. Regardless, both were able to expand in the wake of disaster.

¹⁴¹ DeFilippis, Stromberg, and Williams, “W(h)ither the Community in Community Land Trusts?”

¹⁴² DeFilippis, Stromberg, and Williams, “W(h)ither the Community in Community Land Trusts?”

The Houston Community Land Trust

Before the Storm

The movement to build a land trust in Houston began about 10 years ago in response to a wave of real estate investment which has increased land values and rents.¹⁴³ This has created increasing anxiety around gentrification and displacement, as well as a desire to have more community control over the development process. This desire has been particularly acute in middle-class Black neighborhoods near downtown like the Third Ward – where the median home price has risen 176% since 2000 – and Independence Heights. The increase in land values has put increasing pressures on residents, 75% of whom are renters and many of whom are low-income.¹⁴⁴ Homeowners throughout the city are facing property tax increases that are also threatening to displace long-term residents. Houstonians in neighborhoods with weaker markets further from the center of the city, on the other hand, are more affordable but buildings need significant rehabilitation. The prospect of revitalization raised concerns about attracting too much private investment and ultimately causing gentrification. Residents of Houston’s neighborhoods organized to pressure the City into supporting a CLT.¹⁴⁵

At the same time, the City was concerned about the efficiency of its own affordable housing investment. The City of Houston’s Housing and Community Development Department (HCDD) provides significant support to help individuals purchase homes through down payment assistance grants ranging from \$15,000 to \$248,000 per home. Because they act as grants to the homeowner, they have been unsuccessful in creating long-term affordability. New homeowners are able to purchase the home and then resell it at market price within five to ten years.¹⁴⁶ Thus, the support of the City has historically helped to build individual wealth without investing in the creation of a larger stock of affordable housing.

In 2016 the City began studying the feasibility of a Houston CLT (HCLT), ultimately deciding to pursue it with a city-wide and city-supported model. The plan put forth by the Grounded Solutions Network was incredibly ambitious, with a goal of creating 2,300 owner occupied homes and 110 rental homes by 2021. If implemented, the HCLT would have been the largest and fastest-growing CLT in the United States. Tom McCasland, Director of HCDD, said of the plan, “If we’re going to have a chance of getting ahead of the crisis we’re facing, we’ve got to be using techniques where we don’t continually have units falling out of the affordable market as fast as we’re putting them in, and the CLT is one of the few models that allows for that.”¹⁴⁷ However, this ambitious plan was put on hold by Hurricane Harvey.

The Storm

On August 25, 2017, Hurricane Harvey made landfall in Texas. The category 4 storm killed 88 people and caused \$125 billion in damage, making it the second most expensive hurricane in US history after

¹⁴³ Ashley Allen, Executive Director, Houston Community Land Trust, Phone Interview, April 23, 2019.

¹⁴⁴ Brianna Williams, “Houston’s Third Ward Turns to Community Land Trust Model,” *Next City* (blog), June 8, 2018, <https://nextcity.org/daily/entry/houstons-third-ward-exploring-a-community-land-trust>.

¹⁴⁵ Allen, Executive Director, Houston Community Land Trust.

¹⁴⁶ Grounded Solutions Network, “Community Land Trust Business Plan” (Houston, TX: City of Houston Housing and Community Development Department, December 2016).

¹⁴⁷ Morris, “City Plan to Expand Affordable Housing Will Rely on Land Trust, Subsidies.”

Katrina.¹⁴⁸ The historic rainfall and flooding left 25% to 30% of Harris County underwater and forced 35,000 people into shelters.¹⁴⁹ In Houston, \$10.3 billion worth of building damage impacting over 208,000 households.¹⁵⁰ In February of 2018, the state of Texas received \$4.7 billion in CDBG-DR funding.¹⁵¹ Of that, \$1.27 billion has been allocated to the City of Houston. The federal government has also allocated an additional \$99 million in supplemental funding to the City for flooding that occurred in 2015 and 2016.¹⁵²

Building Back After the Storm

Hurricane Harvey took Houston's housing crisis and exacerbated it by destroying homes and increasing the demand for rental housing. In its Draft 2019 Annual Action Plan, Houston's Housing and Community Development Department explains that: "Because of the vast extent of devastation to homes and infrastructure from Hurricane Harvey and recent flood events, HCDD is prioritizing the affordable housing needs of low- and moderate-income households to help them recover from the recent flood events and help create safe, quality, and affordable housing for the long-term."¹⁵³ To do this, the City has developed an aggressive plan to expand its stock of affordable housing through acquisition, rehabilitation, and new construction of single- and multifamily homes. Among other things, CDBG-DR funds will be used for homebuyer assistance, and single-family and multi-family rehabilitation and development. Part of these single-family home investments will also be used to build the HCLT.

While, the storm delayed the implementation of the HCLT plan, but the City has since rebounded with the construction of new homes, with a readjusted goal of 700 homes for the CLT by 2023. HCLT was officially incorporated on May 2, 2018 by the Houston Home Finance Corporation, a public nonprofit, with a \$1 million initial grant funding allocated by the City Council. The CLT acquired staff to run the organization in November of 2018.¹⁵⁴

HCLT is one piece of the City's larger housing initiative, but it also has a special relationship to the city's home development process. The City's Land Bank acquires properties from tax lien foreclosures or direct purchases through allocated funds. To date, the Land Bank has acquired 300 properties for its portfolio. The City then sends out requests for proposals for single-family home development, with a cap for construction costs at \$180,000. HCLT is then tasked with finding a household making under 80% AMI who will buy the property for about \$75,000.¹⁵⁵

¹⁴⁸ "Hurricane Costs," National Oceanic and Atmospheric Administration Office for Coastal Management, accessed May 14, 2019, <https://coast.noaa.gov/states/fast-facts/hurricane-costs.html>.

¹⁴⁹ Todd C. Frankel, Avi Selk, and David A. Fahrenthold, "Residents Warned to 'Get out or Die' as Harvey Unleashes New Waves of Punishing Rains and Flooding," *Washington Post*, August 30, 2017, <https://www.washingtonpost.com/news/post-nation/wp/2017/08/30/harvey-again-makes-landfall-this-time-as-a-tropical-storm-near-cameron-la/>.

¹⁵⁰ "City of Houston Local Housing Needs Assessment: Hurricane Harvey Housing Recovery."

¹⁵¹ "HUD Awards Record \$28 Billion to Help Hard-Hit Areas in Nine States, Puerto Rico and U.S. Virgin Islands Recover from Major Disasters."

¹⁵² Housing and Community Development Department, "2019 Annual Action Plan" (City of Houston, May 2019), http://houstontx.gov/housing/Draft_2019_Annual_Action_Plan.pdf.

¹⁵³ Housing and Community Development Department, 4.

¹⁵⁴ Allen, Executive Director, Houston Community Land Trust.

¹⁵⁵ Allen.

After a prospective buyer is found, they acquire a mortgage through a trusted servicer and enroll in HUD and CLT training courses. When the new homeowner signs for the Land Bank's property, the CLT is given ownership of the land in the agreement. Each home is therefore subsidized by \$105,000, but the capital is absorbed into the land value and remains there in perpetuity; the City does not need to repeat the investment to ensure affordability. At the time of writing, 17 homes have been built for the CLT to sell to low-income homebuyers.¹⁵⁶



Two homes that will become part of HCLT once they are sold to new homeowners. The City uses different developers, providing for different architectures. Credit: HCLT

Recovery Opportunities and Challenges

Post-Disaster Funding

Although plans for the Houston Community Land Trust have been scaled back since Hurricane Harvey, the development of the Houston CLT will be a dramatic step forward for the stock of affordable housing in the city. Such a large scaling of the organization would not have been possible without the visionary planning and support of the city. Disaster dollars are currently financing rehabilitation but have yet to contribute to the expansion of the HCLT. Future acquisition of properties and growth in the HCLT's housing stock will be facilitated by the inflow of disaster funding. Additionally, because HCLT is new, it has yet to acquire significant private funds, and is at this point completely reliant on the City.

Land Clearance and Ownership Change

Chapter 2 discussed the challenges of land speculation after Harvey. The storm has been a big opportunity for investors, who have been further incentivized by Houston's Opportunity Zones. This is seen as one of the biggest challenges to stabilizing neighborhoods for low- and moderate-income families.¹⁵⁷ However, the city is also acquiring these properties through the Houston Land Bank, which acquires property directly through its own sources of funding as well as through tax liens. While it is unclear how many of these tax liens and acquired properties are the result of damage and displacement due to Harvey, it is reasonable to assume that the storm has facilitated this process to a significant degree.

At the same time, Houston's New Home Development Program Guidelines provide that "The City may also fund the development of lots where eligible owners of damaged homes wish to exchange

¹⁵⁶ Allen.

¹⁵⁷ Allen.

their damaged real property for a new home developed by the City on another lot. The damaged home would either be repaired, or demolished and rebuilt, or converted into green space or other public use.”¹⁵⁸ This means that homeowners may be able to negotiate a post-disaster property exchange and that the newly acquired properties could be put into HCLT, resembling something like the CLT buy-in outlines above. One significant barrier is that homeowners who are behind on their property taxes cannot benefit from the city’s New Development Program, and thus cannot be a part of the CLT. This creates the potential for struggling homeowners to be removed from their land, only for it to be given to another potentially struggling homeowner.

Even so, HCLT and the City’s Land Bank acquisition approach is an opportunity for the city to take vacant, damaged, and underdeveloped parcels and build new homes, and therefore create a more valuable use. Elsewhere, the City is subsidizing multifamily affordable housing development, but plans for these developments to become part of HCLT have yet to manifest, despite their inclusion in the initial CLT projections. This focus on single-family homes foregoes the opportunity to build for higher density for the CLT. This is likely attributable to the tensions on time and change: single-family homes are less controversial and can be built more rapidly.

Despite this, more than anything, Hurricane Harvey has been an opportunity to expose the nature of Houston’s existing housing crisis and moved the City to push even more aggressively to create innovative solutions. Houston’s decision to pursue a CLT strategy and bolster it in the wake of disaster is an inspiring achievement in and of itself. However, this reliance on the city creates its own set of challenges. Because the city is acquiring and developing the land, the CLT does not have much agency in where or what gets built. And though it is fundraising, the CLT is new and still developing, and therefore does not have much foundational support to pursue its own development plan.¹⁵⁹ This also means that the CLT does not yet have the capacity to save struggling homeowners by buying them into the land trust.

Further, the city-wide strategy means that there is no unified place for which to cultivate the community within the CLT. At this early stage, HCLT does not have any properties in its portfolio and is acting more as an affordable housing steward with a special relationship to the City, rather than a community land trust. But CLTs need to start somewhere, and HCLT is engaged in a campaign to build visibility and community support. According to Ashley Allen, HCLT’s Executive Director:

The community knows about the CLT but we are working tirelessly to get the community to understand the CLT. We hold information sessions 2-3 times a month for the community to come learn more... Those who oppose our program because they don't understand it or because it is impeding on their ability to capitalize on a gentrifying market would say it's not empowering if they don't own the land. However, giving someone a chance for quality, affordable housing that allows them to build equity at a price that is comfortable for them in addition to allowing current residents to remain in their community is in my opinion empowering.¹⁶⁰

¹⁵⁸ “New Home Development Program Guidelines” (Houston Housing and Community Development Department, July 2018), 3, https://houstontx.gov/housing/NHDP_Guidelines_071718_FINAL.pdf.

¹⁵⁹ Allen, Executive Director, Houston Community Land Trust.

¹⁶⁰ Ashley Allen, “Houston CLT,” May 14, 2019.

As the City develops the CLT, it will build greater membership and empower members through accessible and stable homeownership. Moreover, if the City is able to get scale the HCLT to the level of its plans, then the HCLT very well could redefine community control and the right to the city in Houston, guaranteeing a place for low- and moderate-income communities of color who might otherwise lack stability and agency in Houston.

The Florida Keys Community Land Trust

Turning to the Island of Big Pine Key, the Florida Keys Community Land Trust offers a very different perspective on CLT expansion after disasters, especially in the role of philanthropy.

Before the Storm

The famously beautiful Florida Keys, known for their resorts and wealthy second-home communities, are part of Monroe County and have strict development rules to both protect the environment and control density. This is partially to preserve the character of the chain of islands, but also to prevent bottlenecks during hurricane evacuations. These controls and primary uses of the Keys drive up land costs, especially given the scarcity of land on these small islands. At the same time, the resorts and wealthy residents require a low-wage service sector workforce to sustain the local economy. However, because the Keys are so far from the mainland, housing options for these workers are scarce and expensive. A 2015 study from Florida State University found that 51% of residents of Monroe County, both renters and owners, are cost-burdened¹⁶¹ Prior to Hurricane Irma, the Keys had no plans for a CLT.

The Storm

Prior to Hurricane Irma, the Florida Keys had no plans for a CLT. On September 10, 2017, Hurricane Irma made landfall on the Florida Keys. The storm killed 14 people and injured over 40 more. An estimated 1,179 homes were destroyed in the County, and another 2,977 homes experienced major damage. The housing types most affected by the storm were mobile homes, manufactured homes, and RVs—the most affordable housing options—and further complicating the existing struggle for affordable housing on the Keys. In response, HUD has allocated \$616 million to the state of Florida in CDBG-DR funding, \$90 million of has been allocated to Monroe County. This includes money for land acquisition, buyouts, and reconstruction of affordable rental housing. Recovery money will also be allocated to fund repairs, mitigation retrofitting, property elevation, and property relocation.¹⁶²

Building Back After the Storm

The development of the Florida Keys CLT (FKCLT) has been relatively unorthodox. Generally speaking, community land trusts are advocated and pushed for by a community and developed over time with the support of government or philanthropy. FKCLT, on the other hand, was started by one woman, Maggie Whitcomb, a part-time resident of Big Pine Key who owns a bait and tackle shop with her husband. Whitcomb felt called to do something about the devastation after the storm, but only learned of the CLT model in the course of her post-Irma research. She reached out to the Florida

¹⁶¹ Robert Jones, “Monroe County Workforce Housing and Stakeholder Assessment Report” (FCRC Consensus Center, Florida State University, 2015), https://consensus.fsu.edu/Workforce-Housing-Assessment/pdfs2/Monroe_County_Workforce_Housing_Report_April_2015.pdf.

¹⁶² “Hurricane Irma Recovery,” Monroe County, FL, accessed May 18, 2019, <https://www.monroecounty-fl.gov/726/Hurricane-Irma-Recovery>.

Housing Coalition, which has extensive experience in assisting CLT creation. Whitcomb committed \$1 million of her own capital to acquire four damaged properties just over two months after Irma hit. She also purchased a destroyed trailer park with plans to build 28 affordable homes on the land.¹⁶³

Monroe County has also supported the CLT through its financial support. The County repurchased the four initial sites from the FKCLT and financed the construction of FKCLT's first four houses. FKCLT is now the only non-profit housing developer in the Keys besides Habitat for Humanity, which makes it an important conduit for future affordable housing funding from the county.¹⁶⁴

Recovery Opportunities and Challenges

Post-Disaster Funding

The FKCLT would not have been possible without the foresight and dedication of Maggie Whitcomb's philanthropy. She has not only paid for the initial property acquisition, but has also paid for the up-front costs of running the organization. Other philanthropies have since stepped in to support the CLT's operations, though to a limited degree. Current and future development is supported by the county's allocation of CDBG-DR funding, although this funding has been limited.¹⁶⁵

However, the location of the Keys makes construction expensive. Following the storm, there has been a labor shortage, and materials have to be driven in from the mainland, which is over two hours away from Big Pine. This puts the cost of construction for new affordable cottages at around \$375,000, or \$375 per square foot. Because of this, the county is requiring that funds be tied to affordable rental housing, rather than affordable homeownership within the CLT.¹⁶⁶



One of the first four homes to be completed by FKCLT. This site was purchased by a resident eager to leave after the storm. The new homes are raised to protect from future flooding and built to resist windspeeds of 200 mph. Credit: FKCLT

Land Clearance and Ownership Change

The formation of the FKCLT was made with the explicit intent to prevent land speculation. According to Whitcomb: "I knew that it was a crisis situation and...I knew I could move swiftly with private funds and that for-profit developers could do the same thing...I was so afraid that [they were] going to come in and grab all this land and then it would be forever lost. It would just be more over-priced housing, but it would never be available to the workforce again."¹⁶⁷ By purchasing early, she was able to take land off of the speculative market. In the process, she was able to buyout residents who were desperate to leave. One man in the trailer park was looking to close when he was unable to get around the disaster area with his damaged electric wheelchair. Another family was able to take the funds they received from

¹⁶³ Margaret Whitcomb, Founder, Florida Keys Community Land Trust, Phone, April 26, 2019.

¹⁶⁴ Gladys Cook, Disaster Housing Recovery Director, Florida Housing Coalition, Phone Interview, May 17, 2019.

¹⁶⁵ Whitcomb, Founder, Florida Keys Community Land Trust.

¹⁶⁶ Cook, Disaster Housing Recovery Director, Florida Housing Coalition.

¹⁶⁷ Whitcomb, Founder, Florida Keys Community Land Trust.

Whitcomb's purchase to buy a home further inland. There doesn't seem to be a plan to rehouse those that have left, but the hurricane did present the opportunity to take the land and make it permanently affordable for future residents.¹⁶⁸

The FKCLT case highlights some other important tensions in post-disaster CLT expansion. It can be difficult to overcome cultural differences in an area that has both poverty and extreme wealth. Whitcomb describes discomfort among wealthier conservative residents who perceive the CLT as a form of "socialism," and maintain a pull-yourself-up-by-your-bootstraps mentality about low-income residents' ability to stay in the islands. This of course is disconnected from the realities of an economy that survives on service labor. There is also a tension between what the CLT is trying to do and the perception of the Keys as a vacation and resort destination. FKCLT has faced opposition from the Florida Tourist Development Council because they do not want vacationers to know that there is an affordable housing shortage in paradise.¹⁶⁹

The relationship with the county also creates challenges. County rules restrict both the number of housing units allowed on the Keys and density. This means that the CLT has to compete not just to acquire land, but to also acquire housing construction credits. The restrictions also mean that the CLT cannot build multi-family structures and instead must focus on dense detached units. And even though FKCLT wants to provide homeownership opportunities, the county will only support rental housing. Further, much of the land that the CLT is developing on is now owned by the county, which the county has leased to FKCLT for 99 years. Consequently, FKCLT is more like a community land trust within a county land trust. This provides important opportunities for the development of affordable rental housing, but not much prospect for real community control. In its present stage and in its foreseeable future, FKCLT is an innovative real estate structure rather than a true community land trust.¹⁷⁰

Finally, the FKCLT also has the challenge of being a start-up, formed as a reaction to the disaster. Most of the work of the organization has fallen on Maggie, and it has been difficult to pull a functioning board and management team together as the rest of the Keys are also working on their own personal recovery. There is the challenge of not only having to find development partners, but to also manage properties while building and maintaining the organization. This has all been a learning process, wrought with mistakes. However, given the circumstances, the creation of the FKCLT in the wake of Irma is a remarkable accomplishment for the construction of affordable housing in the Florida Keys going forward.

Lessons Learned

These two cases present important learning opportunities for communities in disaster-prone areas seeking to plan for a more equitable recovery through a CLT.

CLTs created post-disaster are less equipped to address recovery opportunities

Both HCLT and FKCLT were not fully formed when hurricanes hit their respective areas. Houston had the advantage of already being in the process of formation, but because it was not operational it was unable to take full advantage of the land clearance in the direct aftermath of the disaster and has

¹⁶⁸ Whitcomb.

¹⁶⁹ Whitcomb.

¹⁷⁰ Cook, Disaster Housing Recovery Director, Florida Housing Coalition.

been unable to compete with land speculators. In the Keys, the FKCLT was able to mobilize quickly because someone was willing and able to put in the work and capital, but the organization is struggling with the normal difficulties of an affordable housing non-profit without having a non-profit's structures and processes fully in place. This suggests that having a CLT up and running and therefore, capable of responding to disaster, is more advantageous than waiting for a disaster to strike and then building a CLT. After disasters, residents are displaced quickly, while capital also flows in quickly. Without having the organizational structures and institutional support in place before a disaster, CLTs are likely to miss opportunities.

Local government plays a key role in facilitating CLT expansion

In Houston, the City was the impetus for forming the land trust and continues to fuel its expansion. HCLT would not exist, at least not as the ambitious plan that it is, were it not for the city's commitment to this affordability strategy. In the Keys, Monroe County is also playing a supportive role, though it is not quite as dedicated to the model as Houston. It is important to recognize that both locations are also very different places, as Houston is one of the largest cities in the country, and Big Pine Key is a small community. This may be indicative of different capacities at different scales, but Houston's plan was already in place before the storm. Rather, this suggests that the local government's familiarity with the CLT model and its willingness to invest in the model seem to be crucial for CLT's ability to expand and take advantage of these post-disaster opportunities.

Overreliance on government support undermines CLT autonomy

However, these cases also show how local governments can dominate CLT strategy. For example, HCLT has expressed a desire to acquire properties from struggling owners to do something like the buy-in described above, but it is currently too reliant on the city to branch out from the city's plan. The City has also decided for the CLT that it will not build apartments, which is something HCLT has expressed interest in. Because both HCLT and FKCLT are reliant on their respective local governments to contribute to their growth, their current structures, especially in this startup phase, make them more like unique affordable housing organizations rather than the original CLT ideal of community control. Both CLTs require a diversity of funding sources to build autonomy in order to take advantage of acquisition and development strategies that fit community needs post-disaster.

Philanthropy can and should be mobilized quickly to jumpstart recovery

The case of FKCLT shows the critical role that philanthropy can play when it moves fast and with purpose. While cities and counties take time to assess damage and receive funding, philanthropic aid can reach a disaster site quickly. Since most disaster philanthropy goes towards immediate response, rather than to long-term recovery, shifting philanthropic dollars to recovery requires either pre-disaster planning and coordination, or philanthropists with adequate foresight. These dollars provide CLTs funding in the most critical moments when families are immediately displaced, and can provide the up-front capital once they are ready or forced to sell. Though philanthropic funding comes with strings attached as well, seeking it in addition to government support will help CLTs to be more independent and responsive to the needs of the community it serves.

Pre-disaster planning and mobilization would help to combat displacement

These previous lessons also point to the need for pre-disaster planning for CLTs. Both cases show areas that were unprepared for the impacts of a natural disaster, and thus were unable to fully respond to the opportunities of land clearance. To this day, neither Houston nor Monroe County have a plan

to specifically compete with speculators in the process of recovery, though both local governments now have funding for land acquisition. Building a resiliency plan in neighborhoods, with local governments, and with philanthropy would help to streamline funds to better recover more inclusively after a disaster.

Where's the Community in Community Land Trust?

Finally, both HCLT and FKCLT are reliant on their government and philanthropic support as an affordable housing strategy. They are both a real estate structure to meet a government end, but have yet to become means for communities to exert more control over the areas that they call home. Both HCLT and FKCLT are also experiencing skepticism from surrounding communities who are either unfamiliar or unsure of the model. Building that community support before the storm would help to dispel concerns about the CLT.

Both HCLT and FKCLT present unique windows into how CLTs can be used as a response to the opportunities created by disaster. They also demonstrate the challenges faced by CLTs, especially those have yet to be fully formed. It is unclear how an existing CLT would react in this moment of creative destruction, but given this understanding of disaster opportunities and challenges faced in the Florida Keys, cities, communities, and existing CLTs should be working to plan for a more equitable disaster recovery. Doing so would help to lessen the impact of future disasters and help to address long-term housing affordability needs. This is perhaps most important to do in the Bay Area. The following section will bring this thesis back to the Bay in order to provide recommendations for Bay Area communities.

Chapter 4. Back to the Bay: Recommendations

The San Francisco Bay Area is in the midst of a housing crisis which is increasingly displacing low-income communities of color. At the same time, the Bay is due for a large-scale earthquake which will likely exacerbate existing inequalities. Such a disaster presents opportunities to reshape the city, though it may be the last push needed to consolidate control on behalf of the rich and investor classes. This thesis has explored these opportunities, and concludes that perhaps the best line of defense for vulnerable communities resisting disaster capitalism is to use the limited window of opportunity disasters present to expand community land trusts, thereby increasing collective control of land and a renewed right to the post-disaster city. Executing this vision of a more equitable future city will require adequate preparation now.

As was noted in Chapter 2, disaster resilience is a matter of power. Efforts to plan for resilience often focus too heavily on mitigation and emergency response, leaving the process of recovery largely uncertain. Cities, communities, and funders must first acknowledge that disasters are inevitable and that they present opportunities to rebuild a different city. In that process of recovery, new lines of power are drawn. As this thesis has shown, disaster recovery presents critical moments of opportunity to reshape the city, and in these moments, CLTs offer a means to build equity and shift power to low- and moderate-income communities at most risk of displacement.

At the same time, the state and local governments in California are working to address the affordable housing crisis through zoning, incentives, and funding allocations. These initiatives are incredibly important, but they fail to recognize the threat that an earthquake would make to these investments. Currently, the realm of disaster planning is too siloed from the project of affordable housing.

Cities and communities must first recognize the inevitabilities and opportunities of disaster. From there, work should be done to more intentionally integrate the spheres of resilience and recovery into current affordable housing investments and policies. This includes acknowledging the role that CLTs could play in ensuring future city access and community control for communities at risk of displacement.

The Bay Area currently has seven CLTs with properties in Marin, Sonoma, San Francisco, Berkeley, Oakland, Emeryville, and East Palo Alto,¹⁷¹ each with different contexts, membership, and portfolios. Each is constrained in this current housing market, but understanding these opportunities that present themselves after major disasters may help them to expand. The following are recommendations for CLTs, cities, and communities to best prepare for disaster-induced growth. Not only that, but they are recommendations that support CLT growth now as a means of preparing for disaster. Recommendations are split into two themes: CLT support and pre-disaster planning. Resilience begins with shifting power in the present to ensure the ability to bounce forward in the future.

¹⁷¹ The seven Bay Area CLTs are the Bay Area CLT, Housing Trust of Sonoma County, the Northern California Land Trust, San Francisco CLT, the Community Land Trust of West Marin, Oakland CLT, and PAHALI, a CLT in its incubation phase in East Palo Alto.

Build supportive infrastructure for CLT creation and expansion

1. Bay Area cities should focus on supporting CLT formation and growth

The case of Houston shows the potential for a symbiotic relationship between CLTs and cities. The city makes a one-time investment in permanent affordable housing to address the local housing crisis, and in exchange the CLT amasses more land under community control for low- and moderate-income residents. Though CLTs in the Bay enjoy support from local governments, Houston presents a model for bringing these benefits at a much larger scale. While Houston is a much cheaper city to develop in, Bay Area cities should work to provide more direct support to grow CLTs. When disaster strikes, cities should acquire land and use CDBG-DR money to direct towards CLTs.

2. Areas without CLTs begin the process of formation now

Where CLTs do not yet exist, communities and community organizations should begin the process of CLT formation immediately. As HCLT and FKCLT demonstrate, taking advantage of post-disaster opportunities is inhibited when the CLT is also simultaneously trying to form. CLTs benefit from being fully organized and functioning when the disaster occurs. Since CLT formation takes time to build resources and capacity, that process should begin now, either by local communities or with city support.

3. Develop Land Banks to bring land into CLTs

Where cities have opportunities to acquire land, they should create land banks to redistribute it for affordable housing purposes. The Houston CLT benefits from properties acquired and developed through the Houston Land Bank. Currently, no land bank exists in the Bay Area. Rather than selling tax deeds to investors at auction, cities should be prioritizing non-profits that work in affordable housing, especially CLTs. When disaster strikes, land banks can be used to acquire and hold property and then transfer it to the CLT. Provisions should be made to prevent owner and tenant displacement by allowing CLT buy-ins when residents fall behind on taxes.

4. Connect existing funding to disasters, develop a Disaster Buy-In Fund

This thesis has argued that the ability to move quickly is key to taking advantage of disaster opportunities. For CLTs, this is impossible without funding. Since government funding through CDBG-DR takes time, other funding sources need to be leveraged to fill the gap. Several local Bay Area funds already exist to help finance affordable housing production, preservation, and acquisition, including for Bay Area CLTs. These include the Bay Area Preservation Pilot (BAPP), the San Francisco Housing Accelerator Fund (SFHAF), One Bay Area Grants (OBAG), and the Bay Area Transit-Oriented Affordable Housing Fund (TOAH).¹⁷² It is unclear how these funds will be used post-disaster, or whether they would be bolstered to meet recovery needs, but CLTs and other affordable housing non-profits should be working with these funds to connect their work to post-earthquake affordable housing recovery. This could mean setting aside funding for earthquake

¹⁷² See “Metropolitan Transportation Commission Approves Creation of Bay Area Preservation Pilot,” Enterprise Community Partners, accessed May 21, 2019, <https://www.enterprisecommunity.org/blog/announcing-bay-area-preservation-pilot>; “SF Housing Accelerator Fund,” SF Housing Accelerator Fund, accessed May 21, 2019, <https://www.sfhaf.org/>; “One Bay Area Grants,” Metropolitan Transportation Commission, accessed May 21, 2019, <https://mtc.ca.gov/our-work/fund-invest/investment-strategies-commitments/focused-growth/one-bay-area-grants>; Metropolitan Transportation Commission, “TOAH-Bay Area Preservation Pilot Brochure 2018” (Metropolitan Transportation Commission, October 20, 2018), https://mtc.ca.gov/sites/default/files/TOAH%20%20BAPP_Brochure_062918%20%28004%29.pdf.

recovery reserves, or even the creation of an entirely new fund. Because disasters bring in millions of dollars from organizations and individual donors to help aid in immediate response but taper during recovery, having an established recovery fund could help to direct donations towards long-term recovery. Finally, it is also worth exploring how mission-aligned OZ funds could leverage private investment capital to acquire property for CLTs both now and post-disaster.

5. Pass local policies to make it easier for CLTs and non-profits to acquire properties

Having access to capital to acquire properties is critical for CLT expansion. However, that capital must still compete with investors and other buyers in the market. To give housing non-profits, including CLTs, an advantage in property acquisition, San Francisco recently passed an ordinance that gives designated housing non-profits the right of first purchase when a building of three or more units goes up for sale.¹⁷³ This means that when a residential landowner wants to sell, a non-profit gets to make the first offer. If that offer is rejected, the non-profit can then match whatever the next potential buyer offers. This policy should be reproduced in other cities, but should be connected to disasters. In the aftermath of a disaster where there is mass confusion and destruction, housing non-profits and CLTs should ensure that this right to purchase is monitored and enforced. Such a policy will help to preempt land speculation and ensure that more affordable housing, including CLT land, is preserved when it is most desperately needed.

Engage in pre-disaster planning, deliberation, and organizing

6. Build Community Recovery Plans at the city-level

This thesis has strongly advocated for using pre-disaster planning to ease the tension between time and deliberation in order to create visions for a more inclusive post-disaster city. Cities already have general plans, which could be adapted or modified in recognition of post-disaster reconstruction opportunities. Planning processes for disaster earthquake recovery would help to clarify goals, processes, and governance structures.¹⁷⁴ Currently, cities in California are required to create general plans that include local hazard and housing plans. These plans should formally recognize the need to prioritize affordable housing construction and develop plans to do so. City plans should also explicitly include support for CLTs. In the process of doing community engagement for the development of neighborhood plans, city planners should work with communities to process the inevitability of disaster, creating alternative visions for the city with a blank canvas.

An innovative model for beginning this conversation is “Place It!” This workshop, developed by planner and activist James Rojas, uses everyday found object and trinkets to facilitate a collective process of model city-building. It is also a means of articulating common interests and values that can help to break down barriers in the process of city design.¹⁷⁵ Using a model like this to catalyze community conversations around disasters and reconstruction would help to get communities thinking about what the future post-disaster city should look like, how it could meet their needs, and what the city could do to actuate this plan. Cities should rely on data to inform plans, make them

¹⁷³ Joshua Sabatini, “New Law Pushes Property Owners to Sell to Nonprofits Not Speculators,” *The San Francisco Examiner*, April 16, 2019, <https://www.sfexaminer.com/the-city/new-law-pushes-property-owners-to-sell-to-nonprofits-not-speculators/>.

¹⁷⁴ For a comprehensive list of recommendations for Bay Area cities to prepare for earthquakes, see Sarah Karlinsky, “On Solid Ground: How Good Land Use Planning Can Prepare the Bay Area for a Strong Disaster Recovery” (San Francisco: SPUR, February 2013), https://www.spur.org/sites/default/files/publications_pdfs/SPUR_On_Solid_Ground.pdf.

¹⁷⁵ For more information on Place It! visit <http://www.placeit.org/about.html>

adaptable to fit post-disaster realities, and also set appropriate expectations about reconstruction. Engaging in this planning process now would increase the speed of recovery once a disaster strikes while also resisting the urge to return to the way things were before.

7. Center Racial equity in pre-disaster planning

This thesis has shown that the impacts of disaster disproportionately impact communities of color. These deeper impacts are the result of centuries of exploitation, and cities have helped to perpetuate racial inequities through their actions, including targeted disinvestment, racial redlining, and exclusionary zoning. The redevelopment of the future post-disaster city should be used not only as an opportunity to make the city a more equitable place, but to use reconstruction as an opportunity to correct past racial injustice. Investing in CLTs and targeting the residents of neighborhoods of color where displacement pressures are the most acute is a means of facilitating more community control of land and building wealth for communities that have historically been excluded from the system of accumulating it.

8. Build Community Recovery Plans at the community-level

At the community level, CLTs and community organizations should work together to build visions for the post-disaster city, creating plans separate from the city. Using plans can help to mobilize funding from governments and philanthropies and make for a smoother process of recovery. This process should be used as a space to articulate what communities want to see in their futures. If the right to the city is the right to shape it after our hearts desire, as Harvey argues, that desire must be articulated, debated, and defended against other visions. CLTs and community organizations could run their own Place It! sessions, in the process facilitate conversations about land, power, and the right to the city in process. In the context of expensive Bay Area prices, speculative investors, and opportunistic developers, these planning sessions would help to advocate for more community control, and ultimately build support for a CLT. In the process of this community planning, CLTs should utilize data to map areas and buildings most likely to be damaged in an earthquake, and use that data to inform pre-disaster planning outreach strategies. By better understanding the areas of highest devastation, CLTs can better facilitate pre-disaster relationship building. This data should be kept in community hands to prevent published data from being used by speculative investors.

9. Integrate disaster preparedness into community organizing

CLTs should also partner with community groups to actively educate residents about the CLT through disaster preparedness. Walking through disaster scenarios would help identify community needs and potential vulnerabilities that could be addressed and further planned for. It would also help to organize community action plans to not only use post-disaster opportunities, but to better facilitate community disaster response. By building visibility, CLTs can build trust and help to plant the seeds for future CLT buy-in. Property transfer after a disaster will likely be a difficult proposition to advocate because of people's normalization bias. It may be hard to think about selling your property to a land trust after an earthquake if you do not think an earthquake will affect you. Once disaster happens, however, people may be more interested in getting help from a CLT if they cannot afford to rebuild. To avoid perception of exploitation before and after disaster, CLTs need to build their visibility in the communities in which they work so that surrounding community members know about the organization, its intentions, and that it is an institution that can help people stay rooted once disaster strikes. Such a process would help put the *trust* in community land trust.

An innovative model to draw from is RAPIDO, out of Brownsville, Texas.¹⁷⁶ Developed by the Community Development Corporation Brownsville, RAPIDO trains community members as “Navigators” who act as case managers for people impacted by disaster, and help steward them through the recovery process. This team of Navigators is trained before disaster strikes and “builds social capital within the community and creates a readymade network of well-informed activists who can be deployed on a multitude of fronts.”¹⁷⁷ Navigators and have been able to mobilize community members around disaster preparedness, but also around other local non-disaster issues like street lighting and infrastructure. Therefore, this form of pre-disaster preparation is a means of building community relationships and community power through education and organizing. This is valuable in of itself, but for CLTs it is a means of gaining visibility, and building trust. If this model were implemented in the Bay, Navigators could serve as a helpful reminder about CLTs in the course of disaster response. Such a model could be replicated by a CLT to spur community planning, educate, and mobilize communities to build the CLT, all while preempting speculative buy-outs and creating a smoother, more equitable recovery process. Cumulatively, these processes of community disaster preparation would build power, increase the potential for community land control, all while building the *community* in community land trust.

Conclusion

Disasters are going to happen. Whether they are human created, such as the foreclosure crisis, or forces of nature, such as a hurricane or earthquake, the destructive power of disaster reshapes, reforms, and redistributes the urban form. Left to its own devices, the forces of inertia and disaster capital will take these destructive moments to claim the city for investors, developers, and the wealthy, replicating and then deepening structural patterns of racial and class exclusion imprinted on the urban fabric of our cities. But knowledge is power. Knowing that disaster will happen births opportunities to seize these moments of creative destruction, to re-envision upon a blank canvas a future city that is more equitable, more accessible, and more empowering for communities that are increasingly at the literal and figurative margins. Community land trusts, by bringing land under community control and stewarding it forever, are the best vehicles for advancing this renewed right to the city.

California’s current housing crisis, the Bay Area at its epicenter, was forged in economic disaster capitalism. City governments in the Bay Area have yet to fully invest in the unique potential that CLTs have for keeping communities in place now and in a catastrophic future. This thesis has made recommendations to initiate support for CLTs and other affordable housing solutions through planning and investment. This should not be construed as a panacea. Getting CLTs to scale is difficult,

¹⁷⁶ RAPIDO has three components: (1) the CORE rapid rehousing modular home that is cheaper than a FEMA trailer, is more permanent, and helps to build individual wealth, (2) a system of pre-disaster local contracting and procurement to fabricate the CORE units, and (3) the Navigators. This model should also be explore further in the context of CLTs, but broader efforts towards a more just recovery. For more on RAPIDO, see Caroline Lauer, “Bounce Forward, Not Back: Leveraging Resiliency to Promote Equity,” Edward M. Gramlich Fellowship in Housing and Community Development (Cambridge, MA: Joint Center for Housing Studies of Harvard University and NeighborWorks America, March 2018),

http://www.neighborworks.org/Documents/AboutUs_Docs/PublicPolicy_Docs/GramlichFellows_Docs/BounceForwardNotBack-LeveragingResiliencytoPromoteEquity.aspx.

¹⁷⁷ Lauer, 14.

and the expectation that CLTs take over a whole city is not a realistic goal. Rather, I have argued for strategies to make these moments of tragedy less painful.

These lessons learned and recommendations presented in this thesis are not limited to CLTs. Affordable housing in any form is desirable in a market that is pushing low- and moderate-income people out of the city, and as this thesis has shown, these opportunities are open to whoever has the capacity to use them. What I present is a case for why these opportunities should be seized for the sake of community resilience, and why the community land trust model is the best line of defense against the inequities enshrined in the process of disasters and their recovery.

All of this cannot happen without extensive community organizing. Current disaster planning largely ignores these opportunities that are forged in disaster. This will likely not change without significant pressure from the public. In the process of this organizing, planning, and visioning, communities are engaging in the process of manifesting the future city. This is itself what Lefebvre, Harvey, and Marcuse argue is the right to the city: an ideal to strive towards and act upon. This process of organizing for the post-disaster city itself is the process of building community power, power that, through this process of city dreaming, will manifest in more community control. Harvey argues that those who seek to build a more just city must “focus sharply on those moments of creative destruction where the economy of wealth-accumulation piggy-backs violently on the economy of dispossession, and there proclaim on behalf of the dispossessed their right to the city-their right to change the world to change life, and to reinvent the city more after their heart’s desire.”¹⁷⁸ By redefining the scope of disaster planning, moments like an earthquake may be the best chance of claiming the right to the post-disaster city.

¹⁷⁸ Harvey, *Rebel Cities: From the Right to the City to the Urban Revolution*, 25.

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