



ACCE



CALIFORNIANS
STILL WANT RENT
CONTROL

DECODING THE
NO ON PROP 21
MISINFORMATION
CAMPAIGN

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THE NO ON 21 CAMPAIGN HIGHLIGHTED CALIFORNIAN VALUES

In the 2020 election, 59.6% of voters rejected Proposition 21, a ballot measure that would have expanded municipalities' right to enact rent control. While such a devastating loss might lead one to believe that Californians oppose rent-control, the No campaigns' rhetoric makes it clear that nothing could be further from the truth.



To defeat Proposition 21, the No campaigns engaged in a ruthless disinformation campaign to deceive California voters on Proposition 21's substance. This report briefly looks at who was behind this unethical campaign of disinformation. It then looks at the No campaigns rhetoric, which, while frustratingly effective, highlights the tenant movement's progress in California. The No campaigns' rhetoric proves that Californians want rent control, eviction protections, more affordable housing, racial justice and support for senior citizens, veterans, and the unhoused.

WHO OPPOSED PROP 21?

The two most significant Political Action Committees opposing Proposition 21 were "No on Prop 21: Californians for Responsible Housing, a Coalition of Seniors, Veterans, Affordable Housing Advocates, Labor & Social Justice Organizations, sponsored by California Apartment Association" and "No on Prop 21 - Californians to Protect Affordable Housing - A Coalition of Housing Advocates, Renters, Businesses, Taxpayers, and Veterans." The Two PACs received \$49,791,980 with an average contribution of \$26,175 and \$8,484,442 with an average contribution of \$17,212 respectively. These average contribution figures do not account for millions of dollars of campaign loans and are likely artificially low due to certain entities breaking large contributions into several smaller ones.

The largest contributors to these campaigns included, Essex Property Trust (6.68M contributions + 5M loans), Equity Residential (5.54 M contribution + 5.54 M loan), California Business Roundtable Issue PAC (6.15 M contributions), and, Avalon Bay Communities (4.39M contributions + 4.38M loan). As their PAC names suggest, these corporate interests utilized deception to exploit Californians’ progressive values.

1421884	<u>No on Prop 21: Californians for Responsible Housing, a Coalition of Seniors, Veterans, Affordable Housing Advocates, Labor & Social Justice Organizations, sponsored by California Apartment Association</u>	\$49,791,980
1426377	<u>No on Prop 21 - Californians to Protect Affordable Housing - A Coalition of Housing Advocates, Renters, Businesses, Taxpayers, and Veterans</u>	\$8,484,442

CALIFORNIANS SUPPORT RENT REGULATION

Under California law, cities or counties cannot pass rent control laws that place any restriction on rent increases following for-cause evictions or tenants moving out voluntarily. In rent-controlled jurisdictions, this has created a massive profit incentive both in evictions and unlawful harassment tactics. If a landlord wants to raise rents to the “market rate,” they can do so by evicting a tenant or by pressuring them to “voluntarily vacate.”

Proposition 21 would have allowed California cities and counties to regulate rents between tenancies. However, Proposition 21 would have ensured that landlords could raise the rent at least 15% between past and future tenants. The

No Campaigns misrepresented this provision as a provision that allowed landlords to raise rent 15% on their current rent-controlled tenants.

While this was an egregious misrepresentation, the No campaigns’ heavy reliance on this lie is a sign of victory for the tenant movement. For the No Campaigns to prevail, they were forced to trick voters. The No campaigns’ deceiving advertisements signal an inspiring consensus – Californians support restrictions on rent increases.



**CALIFORNIANS SUPPORT
EVICTION PROTECTIONS**

While Proposition 21 allowed cities and counties to pass stricter forms of rent control, it did not alter city or state law on eviction. The No campaigns exploited the fact that evictions were not within the scope of Proposition 21 to suggest that tenants could face eviction if Proposition 21 passed.

These claims were almost entirely baseless. While on some occasions, the No campaigns highlighted that landlords (such as the ones funding the No campaigns) could seek to push out tenants to avoid restrictions on rent, in most situations, the No campaigns simply asserted that proposition had “no eviction protections.”

While this claim was not an outright lie, it was equally applicable to every ballot proposition this election cycle.



Another tactic suggested that Proposition 21 would “undermine” or even “repeal” existing tenant protections. One televised advertisement even highlighted the passage of AB-1482 (a statewide anti-rent gouging and eviction protection law) and seconds later claimed that proposition 21 would “repeal portions of California’s rent law with no solution.” While Proposition 21 would not have repealed AB-1482, it would have repealed portions of California’s “rent law” restricting cities from enacting stricter rent-control.

While these tactics are abhorrent, they once again show the progress of the tenant movement. The No campaigns were forced to abandon rhetoric surrounding alleged infringements on property rights and the “mom and pop landlord.” Instead, they were forced to masquerade as tenant advocates. This charade illustrates the true support that Californians have for eviction protections.



**CALIFORNIANS
DEMAND RACIAL JUSTICE
AND SUPPORT FOR SENIORS,
PEOPLE WITH DISABILITIES,
VETERANS, AND THE
HOUSELESS**

In addition to masquerading as tenant activists, the No Campaigns took great liberties to portray themselves as advocates for all marginalized communities. Usually, this took the form of accurately citing that Proposition 21 had no protections for a particular group of people.



Speaking on behalf of marginalized communities was not the extent of the corporate cooptation of progressive values. In one op-ed, Steven Maviglio, a landlord and highly-paid spokesperson, even claimed that the Yes on 21 Campaign supported the “Trump War Machine.” Maviglio allegedly took issue with the Yes campaign’s business with advertisement agencies with many republican clients. Maviglio did not object to the sizable contributions made by “No on Proposition 21 – Californians to Protect Affordable Housing” directly to Republican parties.

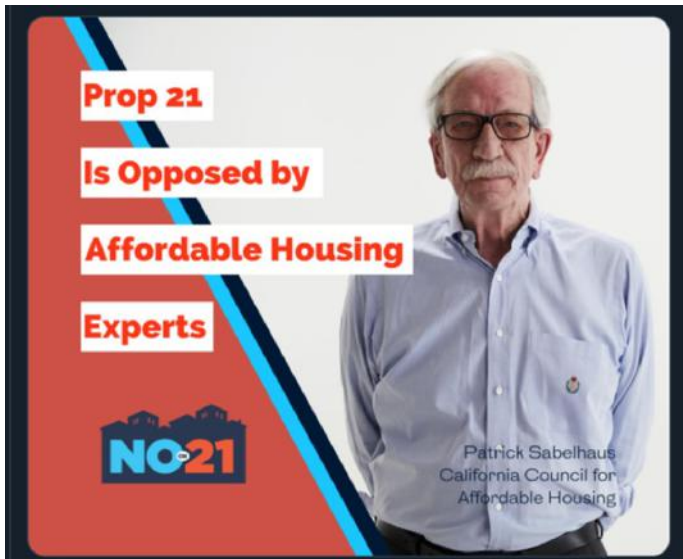


Surely, most California voters did not intentionally vote against proposition 21 because they feared that the ballot measure would not adequately protect our society’s most vulnerable from increased rent-control.

DATE	PAYEE	CONTEST	POSITION	PAYMENT TYPE	AMOUNT
09/15/2020	CALIFORNIA REPUBLICAN PARTY		SUPPORT	MONETARY	\$1,200,000.00
09/23/2020	REPUBLICAN PARTY OF ORANGE COUNTY		SUPPORT	MONETARY	\$45,000.00

While particularly distasteful, these opposition tactics reaffirm that a majority of Californians vote to protect the interest of the most vulnerable in our society. These deceptions show that movements for tenants’ rights and social, racial, economic, and disability justice are making an impact, so much so that corporate interests must pretend to be leaders within them.

CALIFORNIANS SUPPORT AFFORDABLE HOUSING



While some economists and other academics contend that restrictive rent-control disincentivizes housing construction, this theory is contested by many housing advocates who assert that this view of housing relies on over-simplified notions of supply and demand economics. The claim is exceptionally specious, considering Proposition 21 would not have allowed localities to enact rent control on newly constructed properties for fifteen years following construction.

While the validity of the claims surrounding affordable housing and housing supply are suspect, they strike at one of the most critical issues for Californians – Californians, by and large, recognize the need for more affordable housing.

Perhaps the No on 21 Campaigns’ most repeated contention was that Proposition 21 would “make the housing crisis worse” as it would hinder affordable housing production. This was a particularly odd claim from the No campaigns, as generally, their funders have shown little to no interest in the production, preservation, or rental of affordable housing.

For example, Essex Property Trust, the opposition’s biggest funder, is a luxury apartment landlord. Of Essex’s 84 Northern California listings (as viewed on Nov. 24, 2020), the cheapest is a \$1553, 450 square foot studio apartment.

No On Prop 21 @NoOnProp21 · Sep 28
 How will Prop 21 make California’s housing crisis worse?

Prop 21 will:

- Reduce the supply of housing
- Discourage new construction
- Increase evictions
- Repeal existing renter protections

Is that enough, or should we keep going? We have a long list of reasons to vote

#NOonProp21

**VOTE NO ON PROP 21:
 THE FLAWED RENTAL HOUSING PROPOSITION**



Prop 21 will reduce the housing supply, discourage new construction, increase evictions and repeal renter protections.

[Learn More](#)

**CONCLUSION: CALIFORNIANS STILL
WANT RENT CONTROL**

Housing advocates failed to pass Proposition 21. However, the No campaigns' disinformation makes one thing clear: housing advocates have won much of the debate. To prevail, anti-rent control advocates must now claim to oppose the various social conditions they spend tens of millions of dollars to preserve.

Housing advocates no longer need to convince a majority of Californians that a landlord should not be able to issue a 15% rent increase or evict a family without cause. We no longer need to persuade most Californians to vote to protect communities of color, senior citizens, people with disabilities, veterans, and the houseless. While our fights will undoubtedly continue and surpass the realm of electoral politics, we stand on fertile ground to win future ballot propositions.

Going forward, our challenge will be to combat disinformation from extremely well-funded adversaries. We can do this through community organizing and other creative tactics that clarify who the real tenant advocates are.

The Alliance of Californians for Community Empowerment (ACCE) Action is a grassroots, member-led, statewide community organization working with more than 15,000 members across California. ACCE is dedicated to raising the voices of everyday Californians, neighborhood by neighborhood, to fight for the policies and programs we need to improve our communities and create a brighter future.

