



# Weinstein's Housing Freeze is Bad for Veterans

Two years ago, Michael Weinstein tried to pass a statewide initiative that would have increased prescription drug costs for veterans, putting at risk a benefit veterans earned through their service to our country. Now he is back with an initiative that threatens affordable veterans housing projects, veteran jobs and the nest eggs of senior veterans. Our state needs to do more to address our housing crisis, but Weinstein's Housing Freeze will only make it worse.

**What it does:** The poorly-drafted measure repeals decades-old rent control rules that help ensure continued investment in rental housing construction. Independent experts agree that policies contained in the initiative reduce the availability of affordable and workforce housing, and lead to higher costs and more evictions. Low-income veterans and others who need the most help finding affordable housing will suffer greatly.

## Hurts Affordable Housing for Veterans

Affordable housing projects are already extremely difficult to build due to the limited availability of funding and affordability requirements. The Housing Freeze would put new burdens on affordable housing developers and take away an already limited ability to operate the property. With no protections for affordable housing development and no requirements that it be built, the initiative puts already challenging and tenuous projects further at risk.

- A USC Study found that 40% of veterans were unable to find housing upon military separation, and many that did found themselves in unstable living arrangements. **The Housing Freeze will further discourage construction and exacerbate the crisis.**
- CalVet partners with affordable housing developers on programs like the Veterans Housing and Homeless Prevention Program to build much-needed housing for veterans. **The Housing Freeze will create more barriers for affordable housing developers that jeopardize their ability to build veteran housing.**
- Housing affordability is still a major concern for veterans—34.5% of veterans pay too much for their housing, and 67% of homeless veterans in California are living unsheltered, the highest numbers in the nation. **The Housing Freeze does nothing to help our most vulnerable populations because it fails to target those most in need.**

## Could Reduce Property Values & Result in Loss of Supplemental Income

The Weinstein Initiative changes existing law to open the door for imposing rent control on single family homes, impacting veterans:

- Over 71% of veterans are homeowners. Single-family homes subject to rent control will not be as valuable as homes in jurisdictions that do not impose rent control ordinances. The Housing Freeze could reduce property values on impacted properties by 20 percent, and on all other properties by 14%. This will have a real impact on their economic well-being as homes are most people's single biggest financial investment.

- Almost half of California veterans are 65 and older. Many veterans and seniors choose to rent their single-family homes for supplemental income in their retirement years, or when they are in assisted living facilities. The Weinstein Initiative will threaten their nest eggs and safety-net income.

### **Takes Jobs Away from Veterans in the Construction Industry**

Last year, California veterans held 63,900 jobs in the construction industry. The State's Independent Legislative Analyst has said that expanding rent control or instituting vacancy control would not increase supply and would "likely discourage new construction. These jobs would be threatened if the Housing Freeze were to pass.

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