

Universal Housing Authority: A Single-Payer Model for California's Rental Housing System

A White Paper by California Vision

Executive Summary

California's housing crisis demands a systemic solution. Millions of residents face unaffordable rents, while landlords face market instability and vacancy risks. Existing programs like Section 8 are fragmented, stigmatized, and insufficient.

This white paper proposes the creation of a **Universal Housing Authority (UHA)**: a publicly operated, single-payer rental system that ensures all Californians have access to affordable, secure housing. Under the UHA, tenants pay 30% of their income, landlords receive full market rent, and the Housing Authority handles matching, payment, and oversight. The system is **open to all income levels**—with subsidies automatically applied for eligible tenants, and full participation available to higher earners at market rate.

A phased rollout begins with a pilot targeting the most vulnerable households and gradually expands to cover all renters earning under \$80,000 per year, creating a unified and dignified public rental system.

1. The Problem: A Broken Rental Market

1.1 The Affordability Crisis

- Over 5.6 million households in California earn less than \$80,000/year.
- More than half of low-income renters are severely cost-burdened.
- Evictions, overcrowding, and housing insecurity burden schools, hospitals, and public safety systems.

1.2 Failures of the Current System

- Section 8 vouchers serve fewer than 1 in 4 eligible households.
- Landlords can reject voucher holders, leading to long delays or homelessness.
- Stigma, discrimination, and administrative burdens prevent equitable access.

2. The Proposed Solution: A Universal Housing Authority

2.1 Core Features

- **Single-Payer Structure:** Tenants pay 30% of income to the UHA; landlords receive full market rent.
- **Universal Access:** Open to **all income levels**—with subsidies phased out at \$80,000/year.
- **Tenant–Unit Matching:** Centralized system ensures efficient, fair placement.
- **Guaranteed Rent:** Landlords enroll their properties and receive timely payments.
- **No Stigma or Discretion:** Income and subsidy levels are invisible to landlords.

2.2 Open to All

Unlike traditional welfare programs, the UHA is **inclusive**:

- **Low-income tenants** pay based on income and receive subsidies.
- **Middle- and higher-income tenants** pay full rent but benefit from centralized placement and consumer protections.
- This creates **mixed-income communities** and sustainable political support.

3. How It Works

3.1 For Tenants

- Enroll online or in-person.
- Pay 30% of verified income.
- Matched to available housing based on need, location, and household size.
- Never see the subsidy; rent is paid to UHA.

3.2 For Landlords

- Enroll units into the system.
- Agree to inspection and quality standards.
- Receive full rent directly from UHA—no subsidy handling, no rent collection risk.

3.3 For the Housing Authority

- Collects rent, calculates subsidies, disburses payments.
 - Maintains housing database and matching system.
 - Oversees compliance, maintenance standards, and appeals.
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4. Pilot Program and Phased Rollout

4.1 Phase 1: Pilot Program (Years 1–2)

Target:

- Households earning **under \$30,000/year**
- Focus on **5 regions**: Los Angeles, Bay Area, Central Valley, Inland Empire, and North Coast

Scale:

- ~250,000 households
- Matched to enrolled landlords offering ~250,000 units

Funding:

- ~\$3.8 billion annually
- Covered by existing housing budget

Goals:

- Test matching algorithm, payment system, landlord engagement, and inspection logistics
 - Collect data on tenant outcomes, landlord retention, and administrative costs
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4.2 Phase 2: Expansion to <\$50K (Years 3–5)

Target:

- All households earning **under \$50,000/year**
- Expand to all regions statewide

Scale:

- ~2.4 million households
- Moderate landlord participation (~60%)

Funding:

- ~\$29 billion/year

Features:

- Begin building long-term landlord partnerships
 - Launch public awareness campaign
 - Implement maintenance and dispute resolution mechanisms
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4.3 Phase 3: Moderate-Income Rollout (Years 6–8)

Target:

- Households earning **\$50K–\$80K/year**
- Prioritized by housing burden or family size

Scale:

- Add ~3.2 million households
- Voluntary participation for high-income renters paying market rates

Funding:

- ~\$58 billion/year total (tenant + public subsidy mix)

Features:

- Adaptive rent caps by region
 - Full digital and mobile access system
 - Expand new construction partnerships for UHA-aligned units
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4.4 Phase 4: Universal Access (Years 9–10)

Goal:

- Make the UHA the **default rental system** for all Californians

- Ensure every eligible household under \$80K is covered
- Open participation to all residents, regardless of income

System maturity:

- Reliable operations, seamless integration with tax and social service data
 - Dedicated funding stream (e.g., housing payroll tax or real estate surcharge)
 - Long-term rent and unit quality stability
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5. Benefits of the UHA Model

5.1 For Tenants

- No more “voucher hunting”
- Rent tied to income, not market volatility
- Seamless enrollment, no stigma
- Greater housing stability and dignity

5.2 For Landlords

- Guaranteed rent, reduced vacancies
- No need for tenant screening based on income or credit
- Access to a broader pool of reliable renters

5.3 For Communities

- Mixed-income neighborhoods
- Less displacement and segregation
- Better public health, education, and employment outcomes

5.4 For Government

- Consolidated oversight of housing subsidies
 - Streamlined spending, fraud prevention, and tenant tracking
 - More effective use of public funds
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6. Conclusion: A New Social Contract on Housing

The Universal Housing Authority represents a transformative opportunity for California. It blends the efficiency of centralized systems with the equity of income-based support—and does so in a way that protects landlord interests, integrates diverse communities, and restores public confidence in the right to housing.

Just as single-payer healthcare reimagined access to medicine, this system can reimagine housing—not as a privilege, but as a shared public commitment.

Appendix A: Integration with California’s Homelessness Reduction Strategy

The Universal Housing Authority (UHA) is designed not only to solve housing affordability for working families, but also to serve as the **foundation of a permanent, systemic solution to homelessness**. Rather than relying on fragmented or siloed programs, the UHA enables California to integrate its homelessness response directly into a universal, dignified public rental system.

A.1 Permanent Exit Path

- Individuals experiencing homelessness can enroll in the UHA just like any other tenant.
- If they have no income, their **rent is \$0**, with the UHA covering 100% of the cost.
- This eliminates the need for complex eligibility tests or temporary programs—**housing comes first**.

A.2 Prioritization Within the Matching System

- The UHA uses a **priority scoring system** to ensure that unhoused individuals—especially those who are chronically homeless, disabled, or exiting shelters—receive **first offers** for available units.
- This prioritization can be managed regionally in coordination with local Continuums of Care (CoCs) and county governments.

A.3 Alignment with Housing First

- The model fully supports the **Housing First approach**:
 - No preconditions like sobriety or employment
 - Focus on rapid placement into permanent housing

- Supportive services offered after housing, not before
- Tenants maintain housing as long as they comply with standard lease terms—**not program rules.**

A.4 Coordinated Case Management

- Outreach workers, shelter staff, and county service providers are authorized to help enroll people into the UHA.
- Once housed, tenants can be supported by:
 - County mental health or behavioral health programs
 - Medicaid case managers
 - Employment specialists or peer navigators
- The UHA serves as the **housing backbone**, while existing public health systems provide care.

A.5 Reduces Reliance on Crisis Infrastructure

- The UHA reduces long-term pressure on:
 - Emergency shelters
 - Jail systems
 - Emergency rooms
 - Psychiatric facilities
- Housing someone through the UHA is far more cost-effective and humane than cycling them through emergency systems.

A.6 New Construction for Supportive Housing

- With predictable UHA rental payments, public and nonprofit developers can:
 - Secure financing for new construction
 - Dedicate a fixed percentage of units to unhoused tenants
 - Develop **mixed-income and supportive housing communities** without financial risk
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Conclusion

The Universal Housing Authority transforms the fight against homelessness from a crisis-driven patchwork into a **permanent, integrated system of care**. By combining housing access, income-based rent, and universal enrollment, the UHA becomes the foundation for ending homelessness in California—not as a charity, but as a right.

Appendix B: Safeguarding Against Wage Suppression

A universal, income-based housing subsidy system like the UHA must be carefully structured to avoid becoming a **subsidy for low-wage business models**. Without safeguards, employers may allow wages to stagnate under the assumption that workers can rely on public housing assistance to meet basic needs. This would reproduce the very market failures the UHA is meant to solve.

B.1 The Risk: Public Subsidy as Private Employer Relief

- Some industries—especially low-wage service sectors—already rely on public programs like SNAP, Medicaid, and Section 8 to fill gaps in worker compensation.
- If housing becomes fully subsidized, employers may feel **less pressure to offer competitive wages**, especially in high-cost regions.
- Over time, this could entrench **publicly funded low-wage labor markets**, contrary to California’s long-term goals.

B.2 Safeguards Against Wage Suppression

1. Transparent Employer Reporting

- Require the Housing Authority to collect **non-personalized employer data** for all working-age tenants.
- Publicly report which employers have large numbers of workers relying on housing subsidies.
- This creates transparency and public accountability without targeting individuals.

2. Low-Wage Employer Responsibility Fee

- Establish a modest fee for employers with large numbers of full-time workers enrolled in the UHA.

- Revenue would be directed into the Housing Fund to offset public subsidy costs.
- Similar to Medicaid offset fees used in other states.

3. Public Contracting Standards

- Any employer bidding for state contracts must:
 - Disclose the share of employees receiving public assistance, and
 - Meet or exceed **regionally adjusted wage floors**.
- Encourages responsible compensation practices in state-supported industries.

4. Phase-Out Model Reinforces Work Incentives

- Subsidies decrease gradually as wages rise, preserving a **strong financial incentive to earn more**.
- This ensures that the UHA doesn't make poverty more comfortable—it makes upward mobility more achievable.

5. Policy Integration with Labor Standards

- Coordinate UHA policy with:
 - Living wage initiatives
 - Worker protections and union rights
 - Industry-specific wage enforcement (e.g., fast food, caregiving, logistics)

B.3 Messaging and Intent

The UHA is a housing stabilizer—not a business model enabler for low-wage employers.

Public communication must reinforce that:

- Employers still bear the primary responsibility for fair compensation.
 - The UHA exists to ensure housing access—not to relieve labor cost burdens on private businesses.
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Conclusion

California can protect the integrity of its housing system by proactively addressing wage suppression risks. With smart safeguards, the Universal Housing Authority will **support workers, reinforce labor equity, and create long-term economic sustainability**—without becoming a public subsidy for corporate payrolls.