

INTRODUCTION

San Francisco has some of the strongest tenant protections in the country, yet, during the pandemic, when unemployment soared to 14.8%¹ and even more people lost at least part of their income, landlords were harassing tenants, and filing formally to evict.² The courts shut down for a time, and moratoria were enacted at various levels of government to protect tenants from being evicted for non-payment during this time of crisis. Landlords have been able to access various forms of financial relief³, but they still continued to try to get their tenants out⁴.

Both the Anti-Eviction Mapping Project⁵ and [people. power. media]⁶ could see these forces- evictions motivated by speculation- at work long before the pandemic⁷ revealed them even more clearly. As we investigated the motivations for these evictions, and the market forces behind such speculative maneuverings, we found a network of venture capital funded information technology platforms that profit from what the industry calls "the arbitrage model."⁸ Arbitrage is generally understood to be a fundamental principle behind speculation. If someone's able to make a certain amount of money from an activity today, then they work to alter that activity in some way to make more money tomorrow than they can make today. The increase in profit is positive arbitrage.

In the case of real estate, landlords and developers have long known that shorter term uses such as hotels generate more revenue⁹ per night than long term residential rentals. The question for a landlord or a developer who is not motivated by a sincere business model of providing high quality housing for its residents, but is motivated instead by extracting the greatest amount of profit from the housing units they control, is how to bring that arbitrage model to their business practice. This generally means converting long term residential units into shorter term uses with greater turnover and dynamic pricing. Technically, this violates the use conditions for the building. Units that are permitted for housing are supposed to be used as housing, but these platform technology businesses use residential units as long as they're able to get away with it.

The numbers are compelling¹⁰. A San Franciscan working in a service sector job might be able to afford a monthly rent of \$1,500. If the landlord is able to get them out and replace them with someone working in tech which has much higher starting and average salaries than any service sector job, the landlord could probably charge that person \$3,000 a month. Replacing the tech

¹ <https://sgp.fas.org/crs/misc/R46554.pdf>

² <https://www.sfchronicle.com/sf/article/Here-is-what-data-says-about-eviction-trends-in-16456612.php>

³ <https://theappeal.org/corporate-landlords-evictions-ppp-loans/>

⁴ <https://www.sfchronicle.com/sf/article/Here-is-what-data-says-about-eviction-trends-in-16456612.php>

⁵ <https://antievictionmappingproject.github.io/landlordtech/>

⁶ <https://www.peoplepowermedia.org/solutions/exclusive-expose-wild-west-landlord-technology>

⁷ <https://www.peoplepowermedia.org/awareness/sros-being-converted-luxury-dorms>

⁸ <https://www.naahq.org/news-publications/units/may-2019/article/disruptors-short-term-rental-space>

⁹ <https://www.landlordstudio.com/blog/renting-your-property-as-corporate-housing/>

¹⁰ <https://www.landlordstudio.com/blog/renting-your-property-as-corporate-housing/>

worker, a long term residential tenant, with a short term use, if the unit is occupied for nearly the entire month, would bring in even more than \$3,000 a month. Short term rentals have lost a bit of their sheen in the past few years as platforms have attempted to work around new STR regulations, and the costs associated with turnover of short stays- constantly finding new occupants and getting the units ready for the new people coming in. Enter the Intermediate Length Occupancy (ILO) which guarantees revenue for more than 30 days, has less costs associated with turnover, and gets around the STR regulations.

The real estate industry¹¹ has professionals who train practitioners to understand that traditional, long term housing is the least profitable way to run a landlord business. In order to operate a landlord business, the landlord needs tools. They need systems for marketing and filling units; for complying with state and local laws, etc. To run a business that has constant turnover, responds to changing tastes, and adjusts pricing to stay competitive in a dynamic marketplace, you need to have information technology systems and access to massive repositories of data that have only been available in recent years. In recent years, the Intermediate Length Occupancy has gained momentum¹² in the real estate industry due to regulations on Short Term Rentals and less costs associated with there being less turnover.

The reason this report is so important, and the reason investigation into this growing segment of the real estate sector is so critical is that it is affecting real people's lives every day. While people's lives are being disrupted, operators of these disruptive businesses are operating largely anonymously and with impunity. As this report shows¹³, just during the week of September 17, 2021, \$520 million "was invested in real estate technology companies." Besides Airbnb which has expanded into the ILO business model, companies such as PlaceMe, HubHaus, Sonder, Bungalow, entera.ai, Badi, Nesterly, Zumper, Instarent, Naborly, Rhino, Jetty, HelloRented, MainStreet, Domuso, Till, Tokeet, Doorstead, Civl, Outpost, PodShare, PadSplit, WhyHotel, Vornado Realty Trust, StayAlfred, Lyric, The Guild, Vacasa, AllTheRooms, Ollie, PeerSpace, Globe Living, Key Housing, Roost, AKA, Anyplace, and Blueground just to list a very few.

This report also dives into the related world of property surveillance technologies. These are not just devices that invade our privacy without our consent. These technologies provide landlords with the evidence they need to pursue petty, nuisance evictions, threaten and intimidate tenants. These devices and systems facilitate turnover, then they are used to implement tech based property management services and STR/ ILO uses.

This is an extremely lucrative network that is taking over our housing stock. Just because these companies are clever at finding loopholes, and thrive where there's no active enforcement of residential uses, this growing industry is able to hide their operations. Our city is facing an ever worsening crisis of housing affordability. The city needs to take a lead role to investigate the

¹¹ <https://www.sbs.ox.ac.uk/sites/default/files/2020-02/proptech2020.pdf>

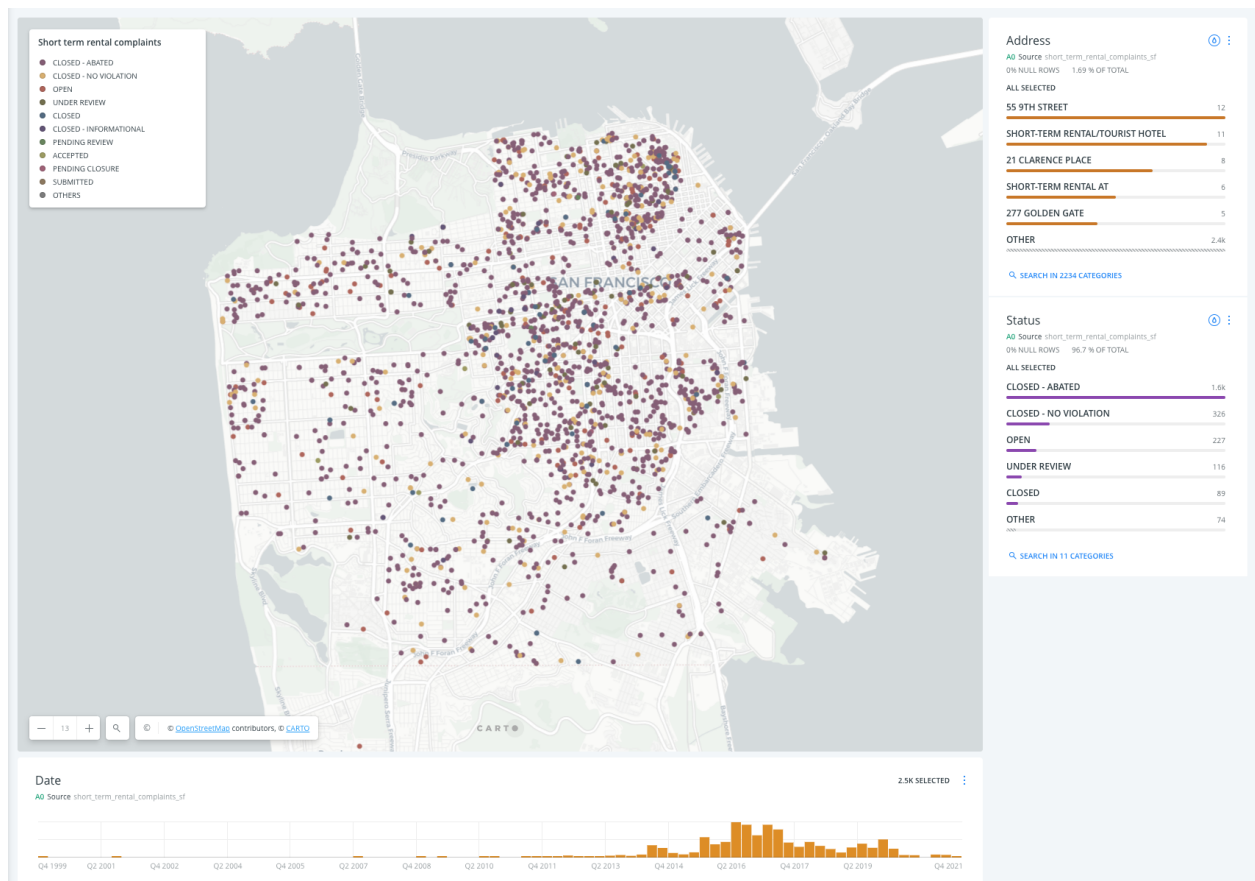
¹² <https://www.2ndaddress.com/research/short-term-vs-month-to-month-vs-long-term-rentals/>

¹³ <https://creti.org/weeklyproptech>

extent to which these platform businesses are being deployed and contracted throughout San Francisco so we can understand their impacts.

Short Term Rental Complaints, San Francisco August 2021

The Anti-Eviction Mapping Project has mapped complaints related to short term rentals in San Francisco below, using data obtained from the Planning Department. This map was updated in August 2021, and shows that the city does maintain a system for tracking complaints and violations related to short term rentals.



Map available at:

<https://ampitup.carto.com/builder/8bdde090-829f-442a-a767-228a40663ab1/embed>

STARCITY / COMMON

The consolidation of real estate, big tech, and venture capital has only gotten worse in recent years, and marginalized communities have continued to be disproportionately impacted by these “ventures” that erode existing low rent housing and put tenants in increased precarity.

Many real estate tech start-ups, funded by venture capital, have actively taken low rent housing, including single room occupancy (SRO) hotels, off the market for the sake of profit, in violation of their permitted use which is to provide residential housing. These companies may vary in name but employ many of the same techniques: they buy up low-rent housing, evict existing tenants (often through unethical and illegal means), and convert blocks of units or entire buildings into uses that attract higher-paying tenants, often through short-term rentals and master leasing units. Unfortunately, the Bay Area’s lucrative housing market means that this type of speculation is increasing.

Starcity is one such company that has utilized this business model.¹⁴ Founded and based in San Francisco in 2016, real estate startup Starcity quickly became one of the largest developers and operators of group housing developments, which they’ve coined as “coliving communities.” Much like SRO units, Starcity coliving buildings offer small private rooms and shared use of spaces including kitchens, bathrooms, living rooms, and other common spaces. Backed by venture capital funds, Starcity’s CEO Jon Dishotsky described Starcity as “a tech-enabled urban housing brand” that integrates the latest technology into their developments and “aims to make cities more accessible to all.”

Despite purported goals of creating accessible and low rent housing, Starcity’s rise to prominence in San Francisco has its roots in the destruction and loss of long-term low-rent housing. In the rapidly gentrifying Mission neighborhood of San Francisco, the Yug Hotel, a 16-unit SRO hotel, was sold in 2015 to Starcity. Though three original tenants were able to stay in their units at the same cost of under \$500 a month, after renovations, the remaining units were priced between \$1,900 to \$2,100 a month.¹⁵

These luxury group housing units have only continued to proliferate throughout the Bay Area, with Starcity in particular becoming a major player. Though these housing developments are often marketed as providing accessible and affordable “middle income” and “workforce” housing, their structures and business models often purposely obfuscate the landlord/tenant relationship, leaving tenants vulnerable with little to no protections. For Starcity, their model includes classifying tenants as “members,” and rent as “membership fees.” Term lengths may vary depending on which co-living development tenants apply to and live in; term lengths that

¹⁴ See more at <https://starcity.com>.

¹⁵ Saux, Frances. 2017. “SF Mission Residential Hotels Renovated for Wealthier Tenants.” *Mission Local*, August 10, 2017. <https://missionlocal.org/2017/08/sf-mission-residential-hotels-renovated-for-wealthier-tenants>.

range from short (3-5 months), mid (6-10 months), or long (11-15 months) are available to tenants. Regarding tenants' security deposits, they vary by city, co-living development, and according to Starcity, may change "depending on qualifications," without clarity on what these qualifications are.

Though Starcity was acquired in June 2021 by [Common](#), its top competitor in the coliving industry, it had built itself into an extremely lucrative business as both developer and operator of co-living units. As of April 2020, Starcity had close to 500 units in operation in San Francisco, Oakland, and Los Angeles. They also boasted a committed development pipeline of approximately 2,000 units, with another 10,000 units across the country and internationally in the process of negotiation.¹⁶ In early 2020, they also received Series B funding totaling \$30 million. In San Francisco, Starcity's coliving communities were, according to Starcity, "focused on the best zip codes," including neighborhoods already bearing the brunt of development and displacement such as the South of Market and the Mission District. With the recent acquisition, Common will take over and manage the bulk of Starcity's portfolio, which includes over 7,000 units that are both in operation and in the pipeline around the world.¹⁷ Common's acquisition is also coming on the heels of Starcity's acquisition of Ollie, another co-living startup in 2020.

Prior to its acquisition, Starcity shifted towards ground-up, newly constructed development. In the Bay Area, Starcity was developing a fully-entitled 16-story development with 270 coliving units in San Francisco's South of Market neighborhood (with each unit sized at 230 square feet) as well as an 18-story development with 803 coliving units in downtown San Jose. Coinciding with these new developments, cities have begun to orient their policies and planning codes to accommodate companies like Starcity, buying into the storyline that these buildings will provide housing that is "naturally affordable". To a developer like Starcity, these micro group housing units generate a higher return per square foot, and also are attractive for more lucrative membership housing and other non-long-term residential uses. In 2019, the city of San Jose passed legislation to create a special zoning category specifically for coliving— exempting requirements regarding parking, affordable housing, and densities— in response to Starcity's proposed development.

Starcity is but one example of the rise of the landlord/ developer that profits from the convergence of platform technologies, venture capital, and real estate that operates in a manner that is antithetical to the goal of providing stable, long-term housing for our communities.

¹⁶ Truong, Kevin. 2020. "Local CEO sees mainstream potential in co-living developments." *San Francisco Business Times*, June 19, 2020. <https://www.bizjournals.com/sanfrancisco/news/2020/06/19/jon-dishotsky-ceo-covid-starcity-coliving-fourder.html>.

¹⁷ Matsuda, Akiko. 2021. "Common takes over Starcity's co-living portfolio." *The Real Deal*, June 9, 2021. <https://therealdeal.com/2021/06/09/common-takes-over-starcitys-co-living-portfolio/>.

VERITAS

Veritas Investments Incorporated is the largest residential landlord in San Francisco and most prolific evictor. Owned by CEO Yat-Pang Au, it currently owns 228 properties in San Francisco, all through unique limited partnerships (LPs) and limited liability companies (LLCs). It encompasses 501 of these in its portfolio. Through them, it has issued 262 evictions over the last decade in San Francisco. Veritas tenants have been organizing against evictions and landlord abuse, and have formed the multi-building Veritas Tenants Association to support their organizing. Much of this has also been supported by the Housing Rights Committee of San Francisco. Here we explore how it was that an investment company became the largest landlord in San Francisco, as well as the new technologies that it and similar large landlords are employing to surveil and oftentimes evict tenants in Covid-19 times.

In the midst of the pandemic, Veritas and also Mosser and Ballast (other large corporate landlords), threatened tenants with eviction, harassment, and more while tenants have been struggling with job loss and inability to pay rent (as has been the case across the country). Yet Veritas and Mosser managed to receive \$3.6 million in Paycheck Protection Program loans that had been intended to support small businesses and retain workers during the pandemic.¹⁸ The financial absurdity of this loan (which was contested in a Board of Supervisors resolution) shows how companies such as Veritas employ disaster capitalist logics to accrue capital and exploit those most vulnerable to dispossession in times of crisis. This has been common enough throughout the pandemic amongst technology companies and landlords alike.¹⁹

But Veritas has been accumulating more than just money in Covid-19 times; data has also been capitalized upon. Veritas, Mosser, and other corporate landlords have created their own applications to collect information about tenants in advance of the state application for rent relief. These surveys collect more information about tenants than the state requires, raising red flags for organizers and those worried about tenant screening. Tenant screening has been alive and well in the US since the mid-1970s, with 9 out of 10 landlords using tenant screening companies today to blacklist “bad” or “delinquent” tenants from renting housing, often through algorithmic systems known to reproduce racism.²⁰ As an industry, tenant screening grew rapidly after 9/11 under the racist auspices of the War on Terror while taking advantage of new

¹⁸ Vaziri, Aidin. 2020. “SF Landlord Veritas to Repay, Not Return, Big Loan after Pelosi Demand.” *San Francisco Chronicle*, May 18, 2020. <https://www.sfchronicle.com/business/article/SF-landlord-Veritas-responds-to-Pelosi-s-demand-15276352.php>.

¹⁹ Institute for Policy Studies. 2021. “Cashing in on Our Homes.” Institute for Policy Studies. <https://ips-dc.org/cashing-in-on-our-homes/>; Klein, Naomi. 2020. “Screen New Deal: Under Cover of Mass Death, Andrew Cuomo Calls in the Billionaires to Build a High-Tech Dystopia.” *The Intercept*, May 8, 2020. <https://theintercept.com/2020/05/08/andrew-cuomo-eric-schmidt-coronavirus-tech-shock-doctrine>.

²⁰ Kirchner, Laura, and Matthew Goldstein. 2020. “Access Denied: Faulty Automated Background Checks Freeze Out Renters.” *The Markup*, May 28, 2020. <https://themarkup.org/locked-out/2020/05/28/access-denied-faulty-automated-background-checks-freeze-out-renters>.

advances in digital filing.²¹ Today, amidst a new crisis, it is growing once more with companies such as Naborly creating databases of tenants unable to pay rent due to Covid-19.²² While California's SB-91 is aimed to protect tenants from future eviction or housing denial due to pandemic related rental nonpayment, there is concern about how new data being collected by landlord companies will be used. Many tenant organizers think that this data will also allow big landlords to access even more public funding that would otherwise go to tenants.

Prior to the pandemic, Veritas, Mosser, and other large landlords in the city were already using an array of technologies to administer their buildings. Both Veritas and Mosser were using RentLytics, for instance, a back-end software owned by RealPage that markets itself as providing "cloud-based business solutions to drive better performance." This software is used to track construction projects and rent increases, and results in the maximization of rental income of a building.

Veritas also uses RUBS (the Ratio Utility Billing System), as a way to charge new tenants for utilities. This system spreads utility costs across all tenants. Tenants have raised concerns about these bills being dramatically higher than expected, and that they include not just utility costs but also other administration fees. Tenants have tried to get breakdowns about the costs or overall utility usage in their buildings from Veritas as well as YES, the company that handles the utility charges. Yet they have not been given access to this information. While Veritas's use of these systems continues, it has been in the wake of the pandemic that large landlords have increased their reliance upon them, while also integrating new systems.

Veritas, for instance, has also cited the pandemic as justification for moving to exclusively online rental payments systems through the landlord tech company, Yardi. While they gave tenants the option of using ClickPay to pay rent before, the option to pay outside of digital platforms had existed. By removing in-person payment options and closing their management office, tenants are now effectively forced to use Yardi's services. This move makes paying rent by money order significantly more challenging, and often frustrating for tenants. Tenants have also reported increased screening demands with the switch to Yardi as well. For instance, a Veritas tenant recently reported that in order to move to another vacant unit within their same building, they were told that they could not transfer unless producing proof consisting of: consistent income of 2.5 times the rent, a 1099 showing that they make 4 times the rent, and a bank account that has more than \$37,000 sitting in it for more than a year or a co-signer. These requirements are far beyond normal renter requirements, raising red flags for housing organizers.

Meanwhile, other Veritas tenants have reported multiple attempts of the landlord installing a facial recognition intercom system known as a "digital doorman" in their buildings made by a New York City landlord tech company Carson. Carson is a building management and access

²¹ Oyama, Rebecca. 2009. "Do Not (Re)Enter: The Rise of Criminal Background Tenant Screening as a Violation of the Fair Housing Act." *Michigan Journal of Race and Law* 15, 1 (2009): 181–222.

²² Rankovic, Didi. 2020. "Naborly Asks Landlords to Report If Tenants Are 'Delinquent' on April Rent, to Build a Profile on Them." *Reclaim The Net*, April 4, 2020. <https://reclaimthenet.org/naborly-rent-coronavirus-april/>.

system, which was acquired by RealPage but which now sits within a broader system owned by BuildingLink. It is used in buildings across the US and abroad. Its digital building access app-based system is used to administer building access, and integrates with tenants' smart phones and smart home app-based building systems. This essentially creates a "one-size fits all" landlord technology suite that can be integrated into other services like virtual management and utility monitoring. While Veritas secured the deal with Carson prior to Covid-19, things escalated during the pandemic. Before, tenants were not required to sign up for the service, as many voiced concerns about providing the personal information required to use it. Yet since then, Veritas has gone as far as to tear out existing intercom systems in some buildings and replace them with Carson's digital doorman system, leaving tenants no choice.²³ Tenants are now voicing concerns about the costs of installing and implementing these technologies being passed on to renters (a common Veritas strategy), resulting in increased rental costs.

Of further concern is that tenants are not given information about where the data being collected about them goes, or options of consenting into the program. This is troubling for an array of reasons, for instance the long history of facial recognition algorithms reproducing racial and gender bias and racist profiling.²⁴ Also troubling are ongoing cases of law enforcement gaining access to private camera data in order to target Black Lives Matter protestors,²⁵ as well as increased neighborhood surveillance of unhoused tenants through app-based systems and complaint-oriented policing.²⁶ There have also been cases in cities such as New York of landlord tech digital doorman services such as GateGuard advertising how their systems have been used to "catch" tenants for lease violations, resulting in evictions, fines, and rental increases.²⁷ There are additional concerns about what other information Carson might access in integrating with their smart phones and other smart home devices. Carson meanwhile has suggested to us that they have taken security concerns into account in the design of their technology, which they claim is routed to the building management and not to them. Yet this doesn't help tenants who already have tenuous relationships with Veritas and its GreenTree property management system, well known to harass tenants.²⁸

²³ Instagram posts by Carson of their new installations of digital doormen in Veritas buildings can be found here <https://www.instagram.com/p/B63UyfRnEsF> and here <https://www.instagram.com/p/B5vsg9PnK1v>.

²⁴ Buolamwini, Joy, and Timnit Gebru. 2018. "Gender Shades: Intersectional Accuracy Disparities in Commercial Gender Classification." In *Conference on Fairness, Accountability and Transparency*, 77–91. PMLR Press. <http://proceedings.mlr.press/v81/buolamwini18a.html>.

²⁵ Electronic Frontier Foundation. 2020. "Activists Sue San Francisco for Wide-Ranging Surveillance of Black-Led Protests Against Police Violence." Press release, October 7, 2020. <https://www.eff.org/press/releases/activists-sue-san-francisco-wide-ranging-surveillance-black-led-protest-s-against>.

²⁶ "Herring, Chris. 2019. "Complaint-Oriented Policing: Regulating Homelessness in Public Space." *American Sociological Review* 84, 5 (October 1, 2019): 769–800. <https://doi.org/10.1177/0003122419872671>.

²⁷ Teman, Ari. 2018. "5 Ways to Maximize Evictions (NYC Multifamily)." *LinkedIn Pulse*, November 9, 2018. Accessed April 27, 2021. <https://www.linkedin.com/pulse/5-ways-maximize-evictions-nyc-multifamily-ari-teman>.

²⁸ Dineen, J. K. 2018. "Big SF Landlord Veritas Sued by Long-Term Renters Claiming Harassment to Drive Them Out." *San Francisco Chronicle*, October 12, 2018. <https://www.sfchronicle.com/bayarea/article/Big-SF-landlord-Veritas-sued-by-long-term-renters-13300906.php>.

Prior to Covid-19, Veritas had already begun to get into the business of utilizing surveillance camera systems to catch and target tenants. The company often installs regular security cameras in newly acquired buildings. Frequently these surveillance cameras are from the company A-E-C Alarms, a company owned by Veritas CEO Yat-Pang Au's brother, Yat-Cheong Au.²⁹ Today these cameras are installed throughout Veritas' buildings and are connected to a bank of monitors in the manager's unit. Despite these cameras being marketed to tenants as a benefit, tenants have found little value. Even when tenants filed a police report to get access to the footage to see what it includes, it was rendered unavailable. While some tenants want the cameras to decrease package theft and "porch pirates,"³⁰ there are many who still do not want the security cameras installed or their lives being monitored. There have also been reports of these cameras not even working.

There are also examples of cases where the cameras have been used to target tenants for lease violations. In one case, Veritas hired a private investigator and used camera footage to monitor footage of common areas to detect if a certain tenant still lived in the building. The company had alleged that the tenants had moved but remained on the lease, and thought that by using surveillance footage, Veritas could successfully win a case against them. While Veritas ultimately lost the case, the tenant in question has since moved out because of the harassment that they faced during the case.

When tenants move out of Veritas buildings, the units get upgraded so that the company can rent them at higher rates. These upgrades usually include new integrations of smart technologies and appliances. We anticipate Amazon's Alexa soon being integrated with existing smart appliances in Veritas buildings, as it is currently being marketed as a landlord tech solution for multifamily properties. The "Alexa for Residential" product, which debuted mid-pandemic in September 2020, sells itself as a one time cost for landlords to gain a desirable amenity that renters want and are willing to pay for.³¹ This could potentially result in higher pass-through costs for tenants.

²⁹ AEC Alarms was founded by the father of Yat-Cheong Au and Yat-Pang Au, Sik-Kee Au. See https://www.sfaa.org/Public/Magazine/08_2019/Safety_First.aspx for background on the AEC Alarms and the Au family. Although not mentioned in the SFAA article, Yat-Pang Au references being CEO of AEC Alarms until 2007 in his own bio: <https://yatpangau.wordpress.com/home/>. According to his LinkedIn profile, Yat-Cheong Au is the President of AEC Alarms as of May 2021: <https://www.linkedin.com/in/yat-cheong-au-8194b0b#:~:text=Yat%2DCheong%20Au%20%2D%20President%20%2D%20AEC%20Alarms%20%7C%20LinkedIn>.

³⁰ Smiley, Lauren. 2019. "The Porch Pirate of Potrero Hill Can't Believe It Came to This." *The Atlantic*, November 1, 2019. <https://www.theatlantic.com/technology/archive/2019/11/stealing-amazon-packages-age-nextdoor/598156>

³¹ Amazon Staff. "A New, Easy Way for Properties to Add Alexa to Residential Buildings." *About Amazon*, September 3, 2020. Accessed May 12, 2021. <https://www.aboutamazon.com/news/devices/a-new-easy-way-for-properties-to-add-alexa-to-residential-buildings>; "What is Alexa for Residential?" Amazon Developer. Accessed May 12, 2021. <https://developer.amazon.com/en-US/alexa/alexa-for-residential>.

TRINITY AND 1177 MARKET STREET

Angelo Sangiacomo (1924 - 2015) established Trinity Properties in 1949 to purchase and develop properties, particularly in the northern part of the city, from the Outer Richmond to Nob Hill. Sangiacomo was notorious for steep rent increases in the 1970s - one of the factors leading to the passage of San Francisco's rent control ordinance in 1979. By the early 2000s, Trinity Properties owned thousands of units and was considered one of the largest landowners in the city. In 2015, as San Francisco was at a high point for Airbnb conversions, the city sued Trinity Properties for illegally converting rent-controlled units into short-term rentals in a partnership with Lumi Worldwide. Over the decades, Trinity Properties has acquired apartments, hotels, and motels, operating the buildings with in-house property management, and then forcing considerable capital improvements costs onto tenants. Tenants and allies have organized to contest evictions and rent gauging in high profile campaigns such as the Central City S.R.O. Collaborative, Trinity Plaza Tenants Association, and other community groups in the mid-2000s. Trinity currently owns 152 apartments, has been behind up to 420 eviction filings, and operates at least 98 LLCs through its network.

One of Trinity's most recent developments is located at 1177 Market Street, right across from Civic Center. The towering building's presence would strike anyone the moment they step out of the Civic Center Bart station. Trinity promotes its "contemporary new build", describing a luxurious modern design aesthetic which attracts residents able to support the high rents.

The Anti-Eviction Mapping Project & People Power and Media discovered that there are constantly five or six employees monitoring live video feeds of the building's many cameras. Trinity markets this as "24-hour Front Desk Associates" and "24-hour Courtesy Patrol."³² In our research, we were able to identify six smaller cameras at the main entrance alone and several in the lobby; however, the size of the building suggests that the surveillance network is more extensive.

³² <https://www.1177marketapts.com/>



Figure 1



Figures 2.1 (left) and 2.2 (right)

Notably, one of the surveillance companies Trinity has partnered with is Axis Communications, as seen in Figure 1. Based in Massachusetts, Axis products can be found in spaces that range from government, educational and retail buildings to prisons.³³ In discussing their role in prisons, Axis states the following: their “tough and resilient devices, coupled with intelligent analytics

³³ <https://www.axis.com/solutions/prisons-and-correctional-facilities>

software, provide live views and enable mitigation of security risks and increase safety for inmates and staff.”³⁴ This language around safety of inmates is eerily similar to rhetoric around protecting tenants. Not only that, but they also cater specifically to law enforcement. On their website, the company states that their products use “data to empower your police force.”³⁵ This brings into question how this data might be used and by whom. Also noteworthy is the throughline in Axis’ descriptions of the products they use across various industries: systems integrations and streamlining surveillance processes. Ultimately, what is perhaps most worrisome about this mission is its evocation of normalizing systematic surveillance of folks.

This form of landlord surveillance indexes who is considered a normative tenant of the building: an individual who does not need to worry about this surveillance, how that footage may be used and whether they might be misidentified. Since the rise of landlord tech surveillance systems, there has been systematic misidentification and punishment of people of color, for instance in several large scale multiunit affordable housing complexes in New York City.³⁶

In addition to these security systems, it is also worth noting that the security guards staffing the building are employed by a company called G4S that is well known for its role in the prison industrial complex. It is no coincidence that G4S also directly employs the language of “systems integration.” In her recent book *Freedom is a Constant Struggle*, Angela Davis notes that G4S runs and owns private prisons all over the world, it provides militaries and police forces with weapons and it even operates in schools.³⁷ Moreover, this megacorporation is the largest employer in the entire continent of Africa and the third largest private corporation in the world. “G4S represents,” Davis explains, “the growing insistence on what is called ‘security’ under the neoliberal state and ideologies of security that bolster not only the privatization of security but the privatization of imprisonment, the privatization of warfare, as well as the privatization of health care and education.”³⁸

³⁴ <https://www.axis.com/solutions/prisons-and-correctional-facilities>

³⁵ <https://www.axis.com/en-us/industry/law-enforcement>

³⁶ McElroy, Erin. 2019. “Disruption at the Doorstep.” *Urban Omnibus* (blog). November 6, 2019. <https://urbanomnibus.net/2019/11/disruption-at-the-doorstep>.

³⁷ Davis, Angela Y. 2016. *Freedom Is a Constant Struggle: Ferguson, Palestine, and the Foundations of a Movement*. Haymarket Books.

³⁸ Angela Y. Davis, *Freedom Is a Constant Struggle: Ferguson, Palestine, and the Foundations of a Movement* (Chicago, Illinois: Haymarket Books, 2016), 55.

MOSSER AND 1700 CALIFORNIA STREET

Neveo Mosser is the head of Mosser Companies, based in SF but also operating in Oakland. Mosser has been a longtime commissioner for the San Francisco Rent Board, first appointed in 1996 by then-Mayor Willie Brown.³⁹ The city of San Francisco filed a lawsuit against him in 2002 due to tenant disputes, and since then, there have been numerous complaints against him. In 2018, before terming out of his rent board position, a group of 60 Tenderloin tenants protested against tenant harassment, slumlord behavior such as failure to mitigate mold, and rent increases of up to 70 percent. As Fred Sherburn-Zimmer, executive director of the Housing Rights Committee of San Francisco, contextualized, “[Mosser] is creating new ways to raise rents on tenants because he has this inside knowledge.”⁴⁰ Mosser has exhibited this kind of behavior in Oakland as well. In May 2021, five lawsuits were filed against Mosser Companies by tenants, most of whom are Algerian immigrants, and who cited cases of harassment, failure to maintain livable conditions, and the imposition of various fees used to force tenants out. Mosser staff also allegedly entered tenant homes under false pretenses.⁴¹ The Anti-Eviction Mapping Project has found Mosser to operate 88 properties in San Francisco, having issued 72 eviction notices, and using up to 204 shell companies. It, like many large landlord companies including Veritas, uses the landlord tech company Yardi’s RENTCafé online platform to manage its properties.

When it comes to Mosser’s use of landlord tech, an essential note is that the corporate landlord weaponizes the technology differently in low income and high income housing. Generally speaking, Mosser uses it both to harass low income tenants of color as well as to attract wealthier white tenants at the expense of adjacent communities (of color). It is not unlikely that Mosser will diverge from Veritas who, as we have discussed, uses certain surveillance tech to catch tenants for lease violations and evict them.

In fact, in conversation with Mosser tenant organizers, the Anti-Eviction Mapping Project and People, Power and Media discovered that Mosser is, in fact, likely headed down that road. The individual noted that, when tenants requested camera data, building managers denied the existence of any footage. Yet, Mosser later used surveillance it had collected against tenants.

³⁹ Waxmann, Laura. 2018. “Rally Calls for Ouster of SF Rent Board Commissioner over Tenant Disputes.” *The San Francisco Examiner*, February 28, 2018. <https://www.sfexaminer.com/news/rally-calls-for-ouster-of-sf-rent-board-commissioner-over-tenant-dispute-s/>.

⁴⁰ Waxmann, Laura. “Rally Calls for Ouster of SF Rent Board Commissioner over Tenant Disputes.”

⁴¹ Rodriguez, Joe Fitzgerald. 2021. “Tenants Group Sues Property Firm Mosser in Test of Oakland Pandemic Protections.” *KQED*, May 26, 2021. <https://www.kqed.org/news/11875215/tenants-group-sues-property-firm-mosser-in-test-of-oakland-pandemic-protections>.

More specifically, when an elevator broke down earlier this year (2021), tenant organizers camera footage. This time, the manager admitted it existed; however, they said that, because administrators were able to identify the person who damaged the elevator as a tenant, they couldn't offer rent credit to anybody affected. Evidently, while this footage exists, Mosser weaponizes it to its own financial benefit at the expense of tenants.

The Mosser tenant organizer also noted that there is often surveillance tech used at entryways to individual units. They suggest that tenants are unlikely to install this tech themselves for a variety of reasons. The significance of these cameras is perhaps how widespread their use is. This points to a more systematic effort to surveil tenants, either on the part of Mosser itself or potentially Airbnb owners who have rented out their units. While we have not gotten direct confirmation on why this is so common, the clues support our hypotheses.

On the other hand, Mosser mobilizes landlord tech which it labels as “amenities” to attract wealthy white tenants. Much like Trinity’s marketing of their 1177 Market St building, Mosser bills 1700 California as “a gorgeous building where classic architecture mixes with sleek modern updates.”⁴² One of the most notable amenities that comprise these “modern updates” is what Mosser labels as “controlled access/gated.” According to our research, this refers to the digital doorman tech from a New York based company ButterflyMX. Mosser’s turn to ButterflyMX is notable since, like many other tech companies, Butterfly advertises their products as being able to raise rents through catching tenants for lease violations and evictions.



ButterflyMX offers several smart video intercom products that operate on 5,000+ properties worldwide, including multifamily, commercial, student housing, and gated communities. They describe their platform as the following:

⁴² <https://www.1700californiastreet.com/>

⁴³ *Ibid.*

ButterflyMX transforms any smartphone into a mobile video intercom system. Once the intercom has been installed in the building and the app has been downloaded, visitor calls from the intercom will come through the app as a video call wherever you are, so you can view the visitor before granting access to the building.”⁴⁴ “ButterflyMX’s system also provides for virtual keys, messaging options, and digital timestamps. These systems cost between \$5,000 and about \$7,000 to install, depending on specifications, building size, and other variables.”⁴⁵

During the pandemic, Butterfly conducted a study suggesting we, as prospective tenants, have shifted from wanting convenience-based amenities to safety-based features, especially in multi-family housing.⁴⁶ More specifically, the note the following:

A year for the books, 2020 has dramatically reshaped the real estate landscape — especially multifamily housing. COVID-19 introduced social distancing, new security concerns, and a push for contactless solutions. As a result, renters’ priorities have shifted. Before the global events of 2020, highly-amenitized living focused primarily on convenience. Now, safety-focused features are the key to high rental rates and lower turnover.”

NEW YORK CITY - SAN FRANCISCO CONNECTION

For well over a decade, New York City has been considered the center of the global landlord tech industry—a place where the industry receives funding and investment, but also where new technologies are being tested and rapidly deployed amongst the city’s buildings and neighborhoods.⁴⁷ NYC is home to a proliferation of landlord tech venture capital firms, conferences, and real estate tech products deployed globally, including in San Francisco where NYC-based companies Carson and ButterflyMX are being deployed by large corporate landlords such as Veritas and Mosser.

Because landlord tech has been developing in New York City over the last several decades, and because new landlord tech surveillance and building-access systems are being deployed in tenant housing regularly (both in high-end luxury units and rent stabilized and affordable housing units), it is worth noting here associated harms that we will likely see extending into San Francisco unless landlord tech be regulated.

While companies like Carson, Latch, and ButterflyMX list their products as perks for high-paying NYC tenants (with Carson even posting images of its new deployments on Instagram to attract

⁴⁴ IT Risk Managers. “ButterflyMX Intercom Systems are Taking Chicago by Storm,” *IT Risk Managers*, September 16, 2018, <https://www.itriskmgrs.com/blog/butterflymx-intercom-system>.

⁴⁵ A. J. Sidransky, “Virtual Doormen: Deliveries in the Age of Virtual Staff,” *Cooperator News NYC*, September 13, 2018, <https://cooperatornews.com/article/virtual-doormen>.

⁴⁶ ButterflyMX, “From Amenity to Necessity: How 2020 Has Changed Multi-Family Housing,” Report, 2020, <https://butterflymx.com/resources/ebooks/from-amenity-to-necessity>.

⁴⁷ Erin McElroy, Manon Vergerio, and Paula Garcia-Salazar. 2021. *Automating Gentrification and Digitizing Carcerality: Surveillance in New York City Homes*. New York City: AI Now Institute.

new potential high end residents), FST21, Reliant Safety, MVI Systems, and Teman's GateGuard deploy their systems without such fanfare, and without tenant consent. In these less high-wealth contexts, tenants rightly interpret the deployment of such systems as intended to "catch" them for minor lease violations, and to squeeze them out, making way for higher-paying tenants and gentrification.

GateGuard was founded in 2014 by Ari Teman and has since deployed their technology in 1,000 buildings across NYC. Teman has specifically advertised GateGuard to landlords under the auspices of catching tenants for illegal sublets and lease violations, evicting them, and raising rents.⁴⁸ Reliant Safety too advertises its cameras for illegal sublet detection.⁴⁹

Meanwhile, MVI Systems is a smart video access company that has been piloting facial recognition and AI products in the tri-state area since 2018. During this time they have also acquired 16,000 live users and partnered with major corporate landlords in New York to deploy their products, including E&M Management, the Parkoff Organization, and the Pinnacle Group, three companies named as "top evictors" in NYC's Worst Evictor list.⁵⁰

The use of building-access landlord tech in both high-end units and low-income/affordable ones is worrying as these systems migrate to San Francisco. The former is not only a sign of gentrification but also instantiates systems only accessible to tenants with smartphones and/or who are comfortable submitting their biometric data to proprietary databases administered by tech companies and landlords. The latter meanwhile serves as a technology of eviction, and has been administered in thousands of units in New York City without tenant consent.

For instance, in 2018, many of the rent-stabilized tenants at the two-building, 718-unit Atlantic Plaza Towers received notice from their landlord, Nelson Management, that their wireless key-fob entrance system would be replaced with biometric facial recognition technology. Even though they had been required to submit photos of themselves in order to obtain fobs in the first place — and despite the presence of other surveillance systems throughout the complex, including multiple CCTV cameras — tenants were informed that this new system would ensure their safety by keeping keys out of the hands of "the wrong people."⁵¹ Marketed as the True Frictionless™ Solution, this new facial recognition system was developed by the Kansas-based company StoneLock, which serves up to 40 percent of Fortune 100 companies, along with several government entities. This was the first publicly known instance of StoneLock endeavoring to deploy its facial recognition product in a New York City housing complex, though

⁴⁸ Alfred Ng. "Smart Home Tech Can Help Evict Renters, Surveillance Company Tells Landlords." CNET, October 25, 2019.

<https://www.cnet.com/home/smart-home/install-smart-home-tech-evict-renters-surveillance-company-tells-landlords/>

⁴⁹ Reliant Safety. 2021. "Illegal Sublet Detection."

<https://www.reliantsafe.com/solutions/illegal-sublet-detection>

⁵⁰ JustFixNYC, Anti-Eviction Mapping Project, Right to Counsel. NYC's Worst Evictors, accessed May 13, 2021, <https://www.worstevictorsnyc.org>.

⁵¹ Erin McElroy. 2019. "Disruption at the Doorstep." *Urban Omnibus*. November 6, 2019. <https://urbanomnibus.net/2019/11/disruption-at-the-doorstep/>.

biometric technology, developed by other companies, has already been installed in residences throughout the city, such as the Knickerbocker Village affordable housing complex in the Lower East Side where FST21 motion detection systems were deployed in the aftermaths of Hurricane Sandy without tenant consent.

Atlantic Plaza Towers is predominantly Black, and Knickerbocker Village is largely Asian. In both cases, tenants have expressed outrage that algorithmic surveillance systems known to discriminate against and reproduce bias of people of color would be deployed in buildings where the majority of tenants are people of color.⁵²

In April 2021, the New York City Council passed a smattering of tenant protection bills including one of the few bills that directly addresses the growing issue of landlord tech and how it interfaces with issues of access and housing justice. Int. 1760-A requires that landlords who use smart access systems, such as GateGuard or StoneLock, provide their tenants with data retention and privacy policies, as well as limits the ability of data retention from these systems by requiring consent, restricting sharing of information with third parties, and giving specific data retention limits.⁵³ After the successful organizing by tenants at Atlantic Plaza towers, New York City became one of a few localities that even proposed legislation regulating high-tech accessed systems, although this legislation did not become law. The KEYS (Keep Entry To Your Home Surveillance-Free) Act required physical keys, which would go further than the current legislation which only regulates data management.⁵⁴ The proposed bill came on the heels of a tenant winning the right to a physical key in settlement after filing suit in 2018.⁵⁵ In addition, New York has passed the Housing Stability and Tenant Protection Act (HSTPA) of 2019, which introduced a slate of rent regulation laws that transformed the eviction landscape by abolishing many of the incentives that landlords had for evicting rent-stabilized tenants. Tenant advocates believe that this will help prevent evictions due to new camera and facial-recognition building-access data.

⁵² Joy Buolamwini and Timnit Gebru, “Gender Shades: Intersectional Accuracy Disparities in Commercial Gender Classification,” *Conference on Fairness, Accountability and Transparency*, 2018, 77–91, <http://proceedings.mlr.press/v81/buolamwini18a.html>.

⁵³ Cordilia James, “NYC Council Passes Tenant Data Privacy Act,” *The Real Deal*, April 29, 2021, <https://therealdeal.com/2021/04/29/nyc-council-passes-tenant-data-privacy-act>.

⁵⁴ Kathryn Brenzel, “NYC Seeks to Rein in Keyless Technology in Apartment Buildings,” *The Real Deal*, October 7, 2019, <https://therealdeal.com/2019/10/07/nyc-seeks-to-rein-in-keyless-technology-in-apartment-buildings>.

⁵⁵ Elizabeth Kim, “Hell's Kitchen Landlord Sued For Keyless Entry System Agrees To Provide Keys,” *Gothamist*, May 8, 2019, <https://gothamist.com/news/hells-kitchen-landlord-sued-for-keyless-entry-system-agrees-to-provide-keys>.