

CIVIL GRAND JURY | 2017-2018

CITY AND COUNTY OF SAN FRANCISCO



FOR IMMEDIATE RELEASE

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*****PRESS RELEASE*****

SOLVING SAN FRANCISCO'S HOUSING CRISIS: ALTERNATIVES TO THE EXISTING HOUSING PARADIGM

SAN FRANCISCO (July 5, 2018) San Francisco's population soared in the early years of the new millennium, precipitating a housing crisis. The late Mayor Ed Lee pledged in 2014 to add 5,000 new units to the housing stock every year, for a total of 30,000 units by 2020. However, year after year, more than enough market rate units are built, but not enough below market rate or low-income ones. The 2017-2018 San Francisco Civil Grand Jury investigated what the city was doing to meet the shortfall of affordable housing, and found two specific programs in place, one for Accessory Dwelling Units (ADUs), and another exploring the feasibility of modular housing.

The ADU program encourages single-family homeowners and multi-family building owners to construct ADUs (Accessory Dwelling Units) on their properties, additions that were previously illegal. This program, launched in 2014, shows increasing interest every year, particularly from owners of multi-family buildings, since they can add more than one unit in empty ground floor spaces. ADUs are considered "naturally affordable" for renters, since they are typically small and they increase density without changing neighborhood character.

Another program pursues the use of modular construction, beginning with one project for homeless housing at 1068 Mission, and possibly another in Mission Bay. The city is slow to try modular construction, which experts say is both less expensive and much faster to build, as the building trades have opposed factory built housing to protect union workers and existing union contracts. Some unions have agreed to work on the first homeless housing project, as the need to get people off the streets is increasingly dire. The City is considering building a factory for modular housing in San Francisco, in conjunction with local construction trade unions.

For many years, San Francisco has relied on private developers and nonprofit partners to build new housing in the city. As the cost of land, materials, and labor have skyrocketed here, as fewer funds are available, and the labor pool shrinks, it becomes harder to build affordable below-market-rate housing. The need for alternatives to the existing housing construction paradigm motivated the jury to examine alternative City programs now in place, evaluate their efficiency, and recommend changes to the current process that offer benefits to all concerned.

The public may view the reports online at <http://civilgrandjury.sfgov.org/report.html>

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