

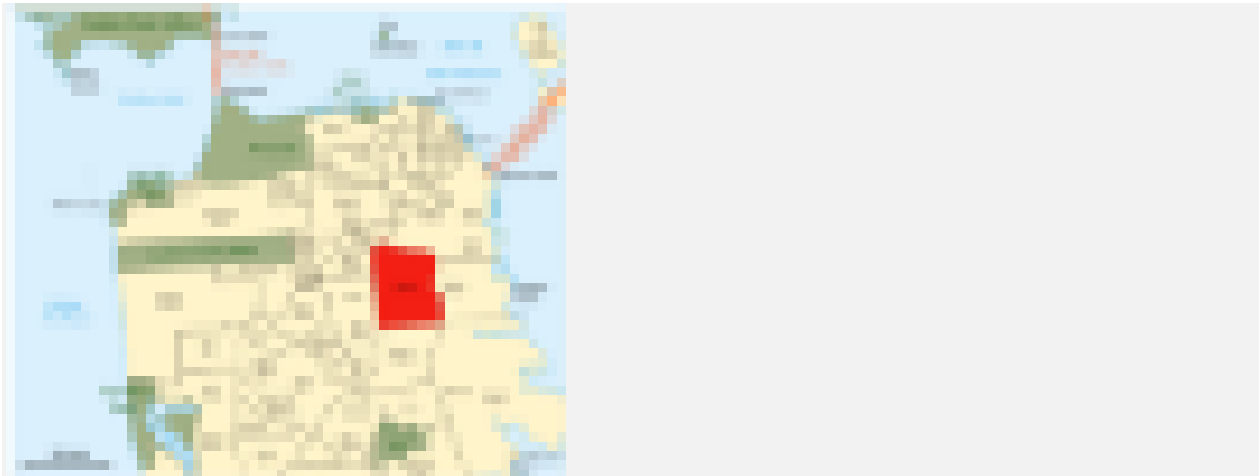
# More Affordable Housing — Not a Housing Moratorium — Is What We Need in San Francisco



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Recently, five of my colleagues on the San Francisco Board of Supervisors proposed a moratorium on privately produced housing in the Mission District, as a response to the undeniable housing crisis confronting our entire city and impacting the Mission with particular intensity. Under the moratorium, no housing development of 5 units or more would be permitted. The only exception would be developments with 100% below market rate subsidized units. Even projects in which half the units are affordable to low or moderate income residents would be banned.





The Mission, San Francisco (source: Wikimedia)

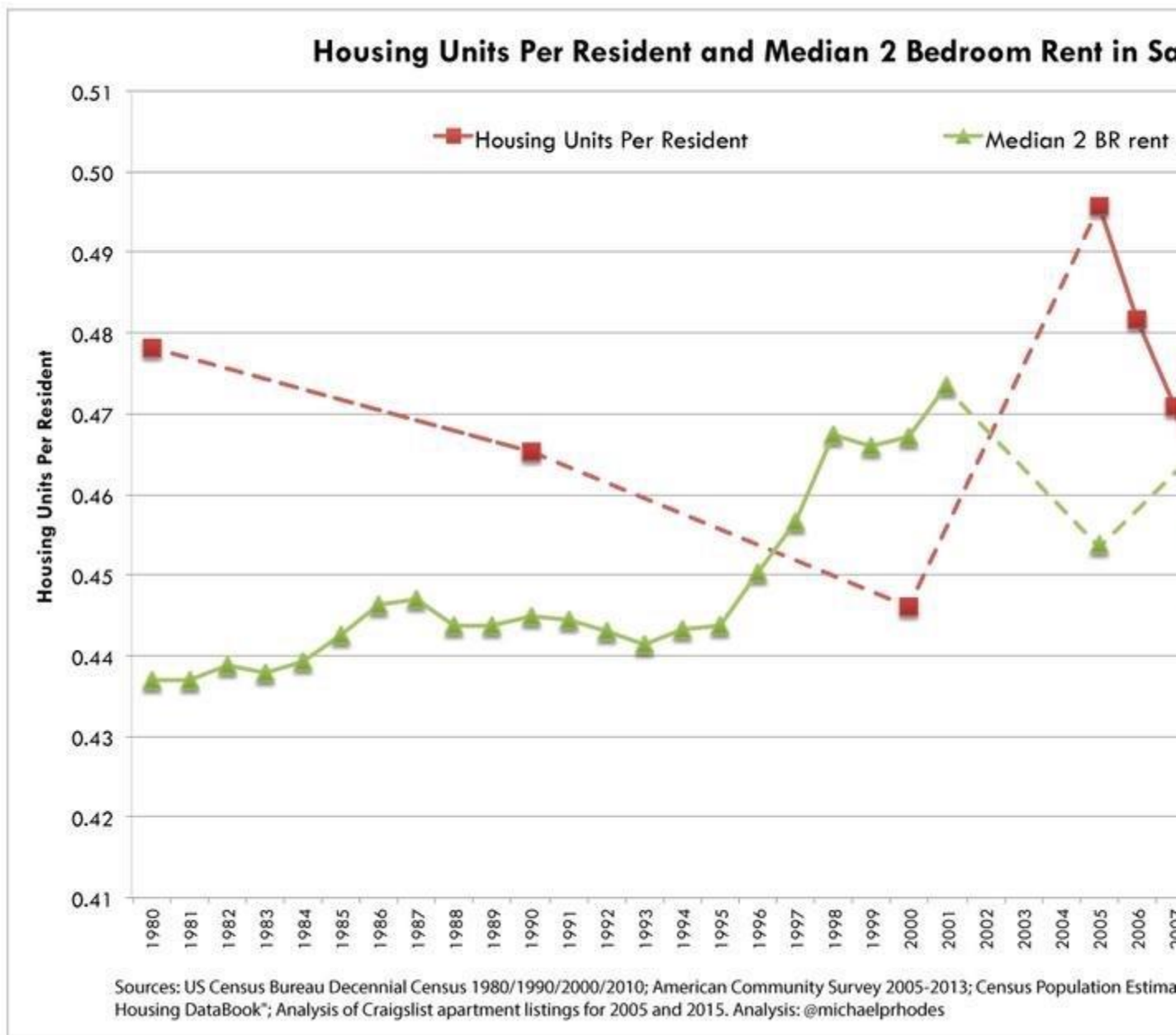
Proponents spin the moratorium as a mere “[pause on luxury housing](#),” but it’s much more than that. It will stop pretty much all housing production, including projects with a significant percentage of affordable units, group housing, single room occupancy buildings (SROs), and student housing. Moreover, if this “pause” passes, there will undoubtedly be intense pressure to make it permanent and extend it to other neighborhoods. Sadly, some of the moratorium proponents have taken to labeling anyone who opposes it, even those of us with long track records working to increase affordable housing, as mere advocates of “luxury housing.”

While the moratorium has provided a significant rallying point for some people by tapping into our shared frustration with the insane cost of housing, the moratorium isn’t the answer to our housing crisis, and it won’t do what its proponents claim it will do. Rather, the moratorium gives people a false sense of hope. The moratorium won’t stop a single eviction. It won’t slow the pace of displacement. It won’t make housing cheaper. And, it won’t generate a dime to accelerate funding and construction of affordable housing.

Indeed, a moratorium is likely to have precisely the opposite effect by increasing the housing pressure cooker that’s triggering displacement and reducing the resources available to build affordable housing. New residents

aren't moving to the Mission because of new development; rather, they're moving to the Mission because of the Mission, amazing as it is. People who want to move to the Mission will move there with or without new development. And, without additional housing, they will put more and more pressure on the existing housing stock. Evictions and displacement are the inevitable result of that pressure.





San Francisco housing stock and population over time (source: Michael Rhodes)

A moratorium will also reduce production of affordable housing at precisely the time when we need to accelerate production. Privately built housing is a primary source of funding for the creation of affordable housing in San Francisco, via our “inclusionary housing” program. Private developers of ten or more units either pay an affordable housing fee, build affordable units as part

of mixed income developments, or build affordable units within a short distance of the projects. This inclusionary housing program has produced nearly 1,800 affordable units as part of mixed income developments, with thousands more in the pipeline, and more than \$100 million in fees dedicated to building affordable housing. Heightened development activity in San Francisco has increased affordable housing development fees from \$2 million in the 2011–12 fiscal year to about \$23 million in the 2013–14 fiscal year.

Take away privately produced housing, and you take away a very significant source of affordable housing production, both mixed income developments and fees dedicated to building affordable housing.

Moratorium proponents' core argument appears to be that building new privately created housing has raised housing prices and increased displacement in the Mission. This argument, however, ignores a crucial piece of data, namely, that the Mission has been at the low end of housing production, ranking #10 among San Francisco neighborhoods. In 2014, a grand total of 75 new units were produced in the Mission, out of nearly 4,000 citywide — approximately 2% of San Francisco's total housing production. [Compare this to 1,193 in South of Market, 800 in Mission Bay, 188 in Hayes Valley, 164 in Potrero Hill, and 117 in Upper Market.](#)

Analysis Neighborhood	"New Units Completed"	Rank	Units Demolished	Rank	Units Altered	Rank	Net Gain Housing Units
South of Market	1,193	1	-	35	111	1	1,304
Mission Bay	800	2	-	25	2	15	802
Financial District/ South Beach	394	3	-	14	(10)	30	384
Hayes Valley	188	4	1	8	2	13	189
Potrero Hill	164	5	-	30	4	8	168
Nob Hill	130	6	-	26	3	10	133
Castro/Upper Market	117	7	2	3	4	7	119
Tenderloin	90	8	-	37	5	6	95
Bayview Hunters Point	154	9	62	1	(2)	26	90
Mission	75	10	1	9	11	2	85
Rest of the City	149		29		25		145
<b>TOTAL</b>	<b>3,454</b>		<b>95</b>		<b>155</b>		<b>3,514</b>

2014 Housing Production in San Francisco, by neighborhood (source: Socketsite)

In other words, we've seen significant and unacceptable displacement and explosive rent increases in the Mission with very little "luxury housing" being built in the neighborhood. If the housing situation is this dire with a mere 75 units built last year, can anyone seriously argue that reducing that number from 75 to zero is the magic fix that will reduce displacement and stabilize or

reduce rents? No way. Housing development isn't what's causing the highly problematic housing situation in the Mission. And, eliminating that housing production isn't going to help anyone, other than existing property owners whose property will become more valuable.

During my tenure on the Board of Supervisors I've advocated aggressively to fund affordable housing. I campaigned for the Affordable Housing Trust Fund, which will generate \$1.5 billion for affordable housing over time. I'm a co-sponsor of the proposed Affordable Housing Bond. I've obtained funding for affordable housing in the budget as well as funding to help counsel people [how to navigate the affordable housing system](#). I've now authored [three pieces of legislation](#) allowing for the creation of new in-law units, which are the most affordable type of non-subsidized housing. And, I've [authored](#) multiple [pieces of legislation](#) to [help tenants remain stable](#) in their housing.

To address this housing crisis — one that threatens our city's cultural fabric — we need actual solutions, not slogans. The San Francisco Planning and Urban Research Association (SPUR) [recently issued a report outlining the steps we need to take](#). According to SPUR — and I agree — we need to protect rent control, double our supply of subsidized affordable units, stabilize our existing public housing, allow for different types of housing, such as in-law units and “[collaborative housing](#),” and increase the overall supply of housing.

And, yes, in addition to the need for affordable housing, the overall supply of housing matters. If your population grows by nearly 100,000 people over a decade (as it has in San Francisco) and you add a bit more than 20,000 units of housing (as we have), housing prices are going to go up. Earlier this year, I [authored a piece](#) positing that the law of supply and demand applies to housing in San Francisco. While some [melodramatically attacked me](#) as channeling the ghost of Ronald Reagan for making that basic point, it really isn't controversial. New York City Mayor Bill DiBlasio recently proposed a

housing plan to add huge amounts of both market-rate and affordable housing units, [based on his belief that housing supply at all income levels will stabilize and reduce prices](#). Cities that have produced significant new housing — even cities with growing populations — [have seen reductions in rents](#). Locally, students at John O’Connell High School in the Mission [argued against the proposed Mission housing moratorium](#) as counter-productive and won a contest for their analysis.

I was fortunate to move to the Castro in 1997, back when a young guy could come here and rent a relatively affordable place. I would struggle if I were to move to the Castro today. I know too many people who’ve been evicted or are at risk of being pushed out. And, I know too many people who have given up finding new housing. When it comes to housing, we’re at a crossroads in San Francisco. Let’s focus on actual solutions. The proposed housing moratorium is not a solution.