It's a simple equation…

The Bay Area's Housing Shortage

=

Affordability & Displacement Crisis

…where we all pay the price.

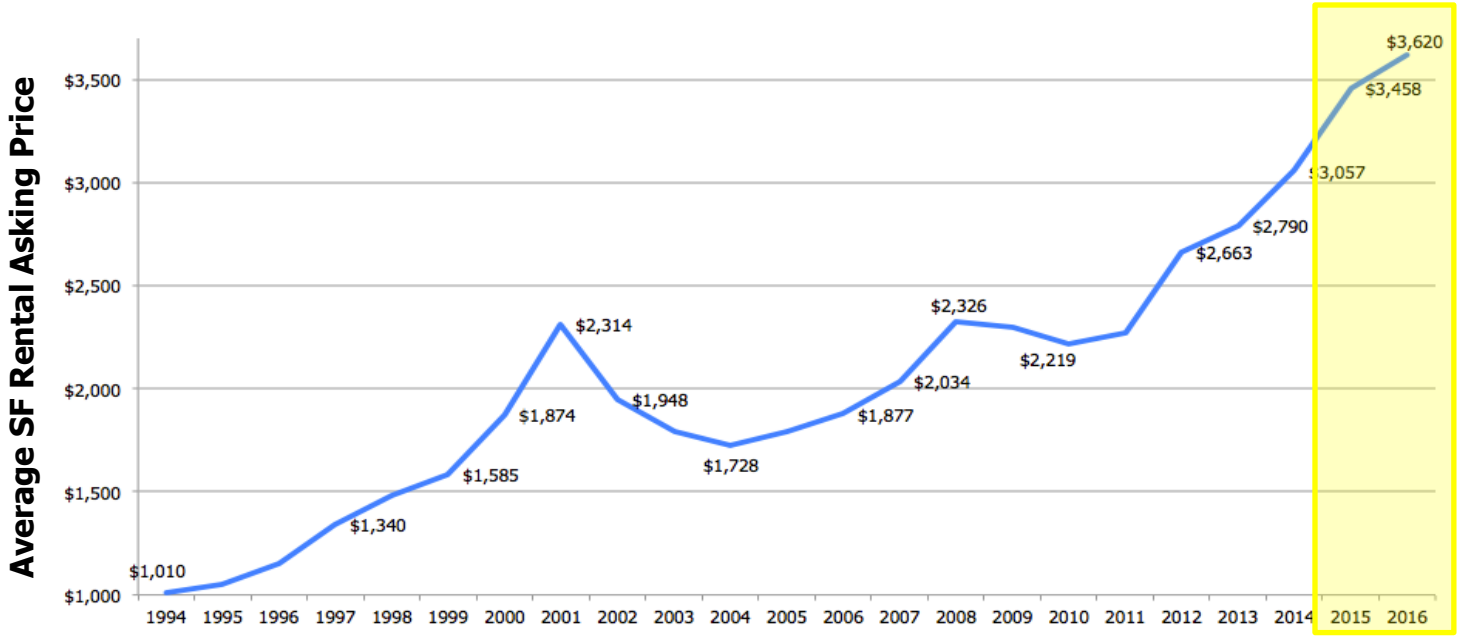
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What we can share…

.Why This Is Important
..Supply and Demand
…How We Got Here
….Solutions
…..SFHAC and You

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Who Can Pay The Rent?

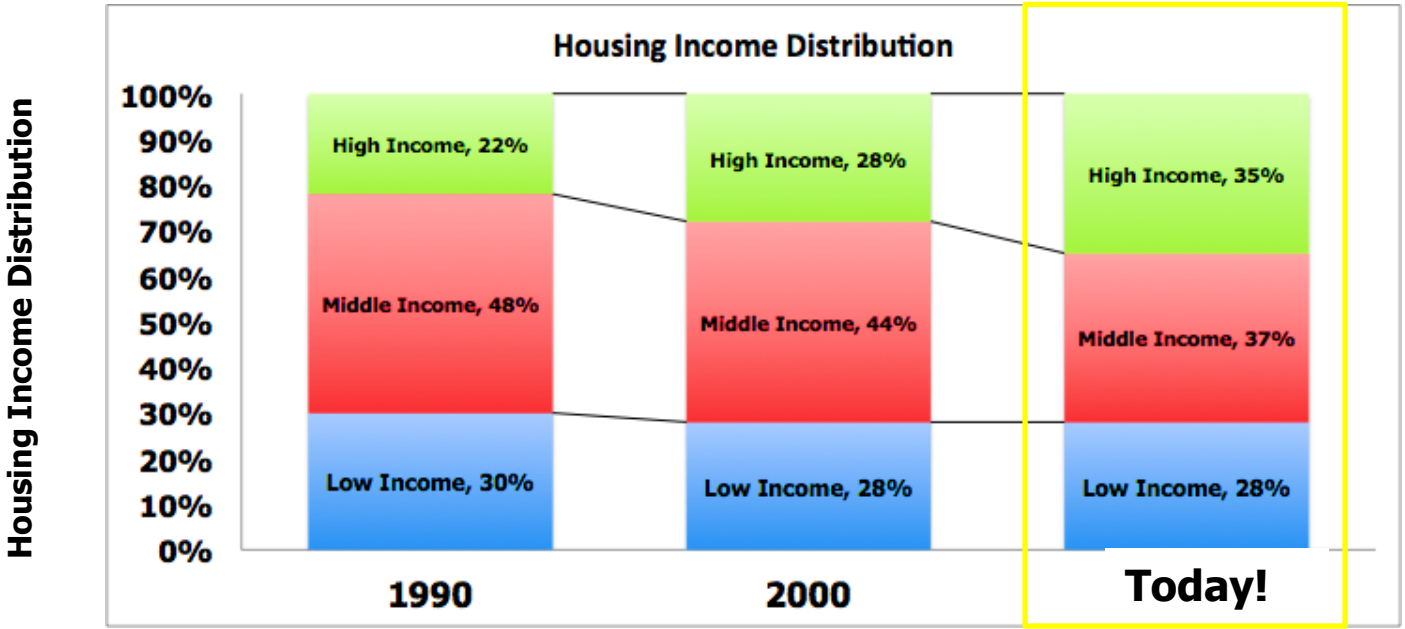


Today!

Source: Paragon Real Estate

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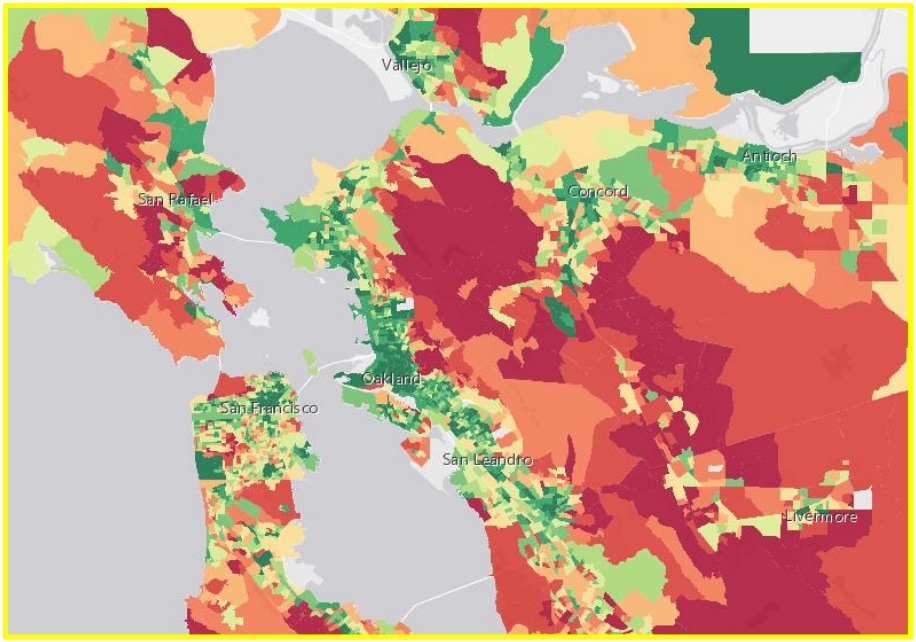
A Shrinking Middle-Class Is Squeezed Out



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Source: Paragon Real Estate

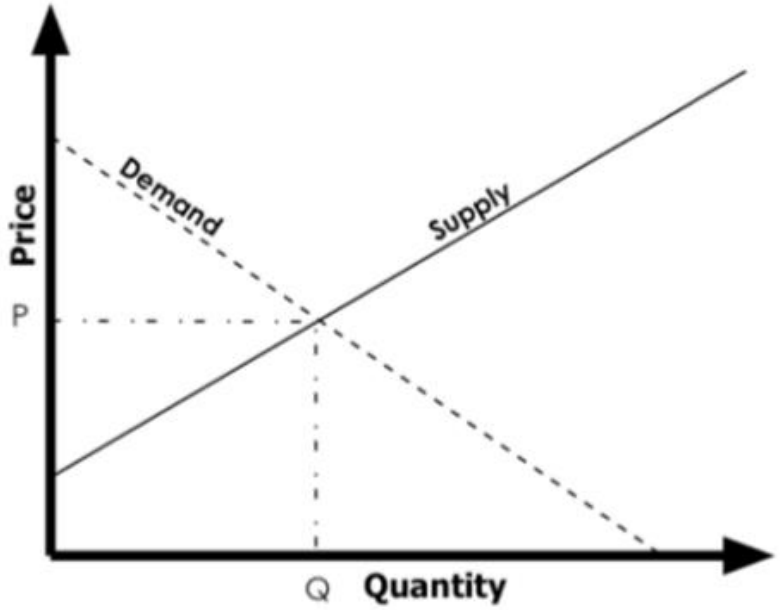
Sprawl Is Bad For The Environment



Source: UC Berkeley and the Bay Area Air Quality Management District.

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The Controversy: "Supply and Demand"



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Seattle Does This Better

	San Francisco	Seattle	
Unit Count Increase	13%	32%	Since 1990!
Population Increase	16%	26%	
1-Bedroom Price	$3,367	$1,980	Today!

INDUSTRY NEWS | COMMERCIAL REAL ESTATE

There are more empty apartments in Seattle than there have been in five years

Mar 21, 2016, 2:14pm PDT

INDUSTRIES & TAGS: Commercial Real Estate, Residential Real Estate, Jobs, Construction

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Source: SF Planning Department / Seattle Office of Housing / US Census

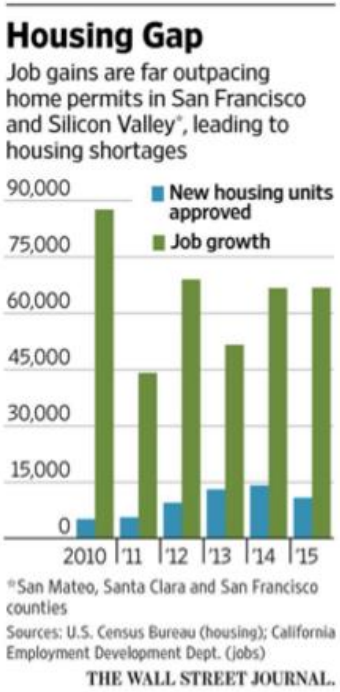
How Did This Happen?

Cumulative Causes of the State, Regional and Local Decisions:

- **Supply** - Decades of under-building = constraint
- **Demand** - Growing economy = imbalance
- **State Level** - Prop 13 & CEQA misuse = disincentives
- **Regional Level** - 101 uncoordinated jurisdictions = confusion
- **Local Level** - Time consuming & expensive process = uncertainty

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Jobs and Housing Imbalance

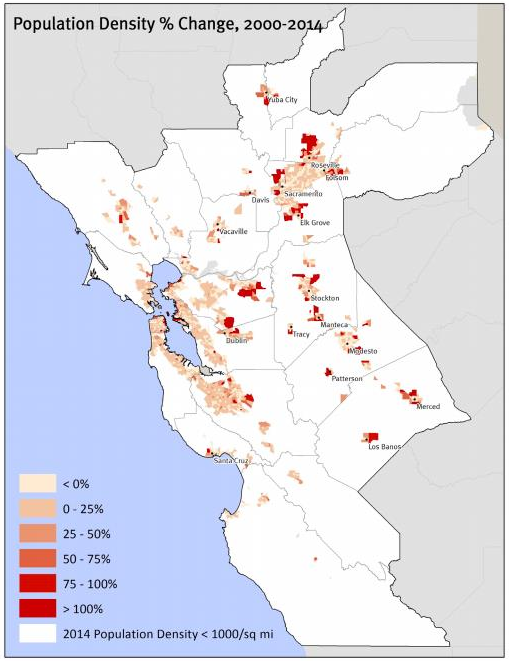


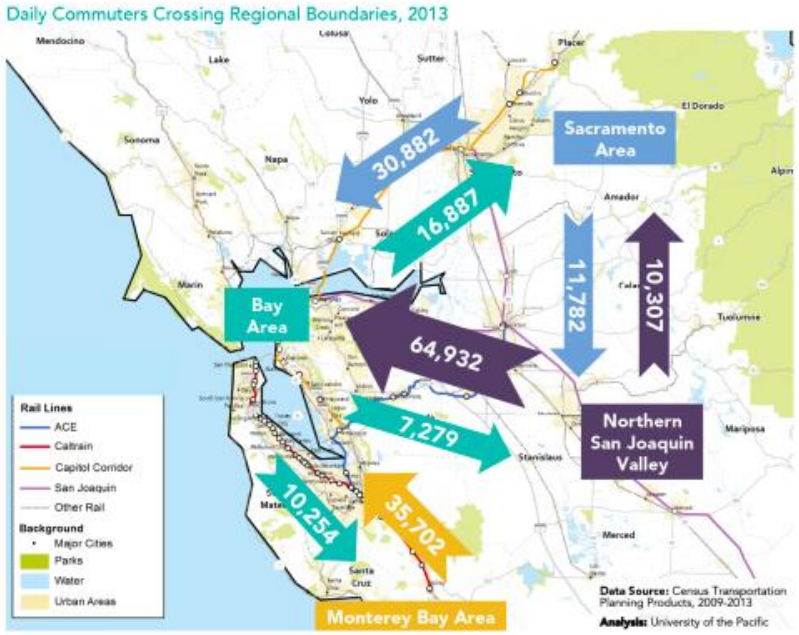
A **Housing Gap** results in increased prices and displacement when new workers can outbid existing residents

Source: Wall Street Journal

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Where Is Population Growing?

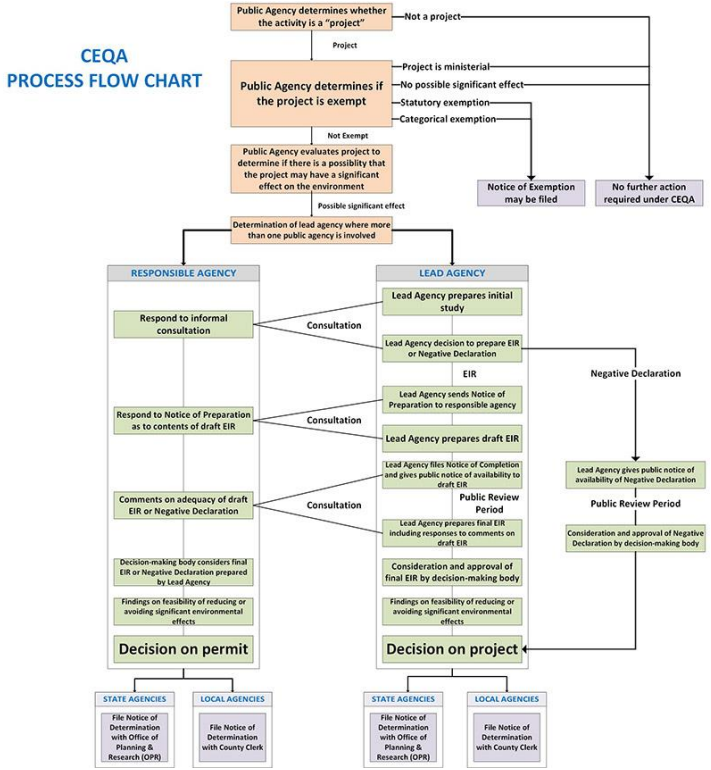




Source: Census, UOP, Bay Area Council

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Excessive Process Kills Needed Progress



Source: SF Planning Department

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There Are No Silver Bullets

NO



(but plenty of solution ammunition)

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Regional Level Solutions

- ✓ **Regional Coordination**
  - Coordinate housing, jobs and transportation across 101 separate jurisdictions
- ✓ **Gather Housing Supports**
  - Influence local jurisdictions to increase housing production

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Local Level Solutions

- ✓ **Incentivize Small Scaleable Housing**
  - Accessory Dwelling Units (ADU's)
  - Modular, Micro-units, Group & Student Housing
- ✓ **Reform Discretionary Approvals**
  - Prioritize along transit corridors
  - Build on under-utilized land

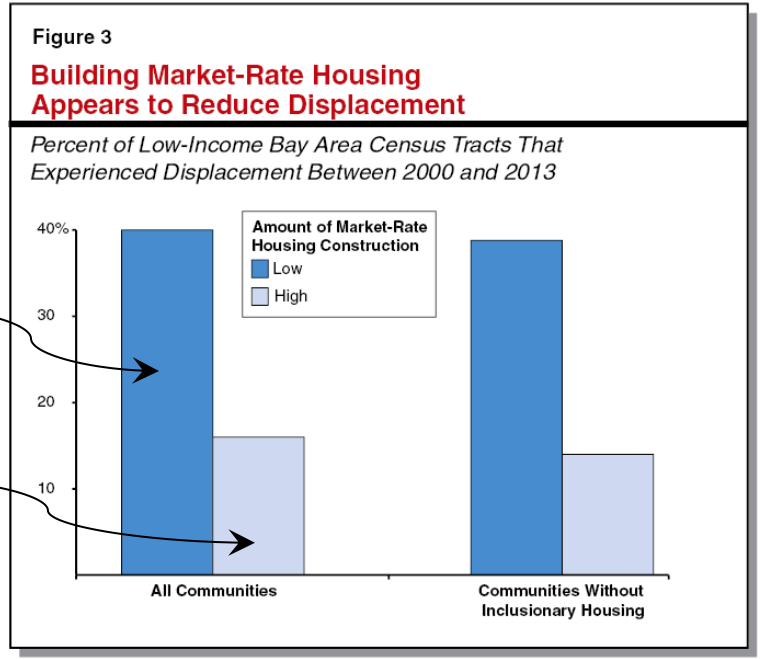
What about displacement?

Building Housing Reduces Displacement

…it alleviates pressure on the housing stock, helping protect existing residents.

LOW CONSTRUCTION = HIGH DISPLACEMENT

HIGH CONSTRUCTION = LOW DISPLACEMENT

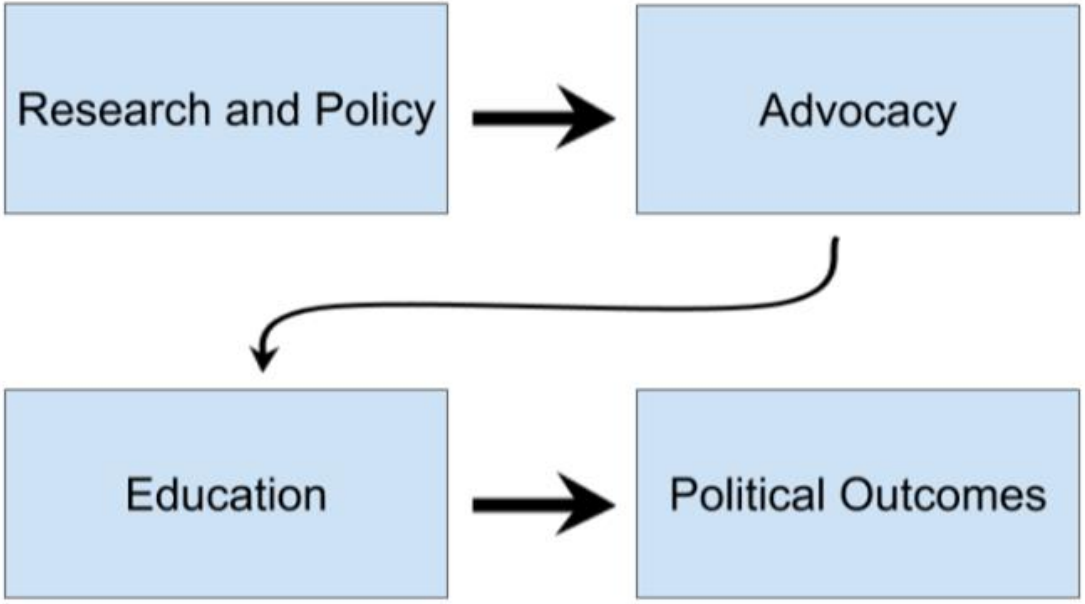


Source: CA Legislative Analyst's Office

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SFHAC Wants To Change Political Outcomes

…to build housing at all levels of affordability for present and future generations.



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Brisbane Baylands Evaluation and Endorsement

- ❑ Land Use
- ❑ Density
- ❑ Affordability
- ❑ Parking and Alternative Transportation
- ❑ Historic Preservation
- ❑ Urban Design
- ❑ Enviornmental Features
- ❑ Community Input

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What You Can Do

- ✓ **Talk** to your peers & experts
- ✓ **Speak** to City leaders & collegues
- ✓ **Reach** out to SFHAC - we want to help
- ✓ **Vote** pro-housing*

*support housing on the Baylands

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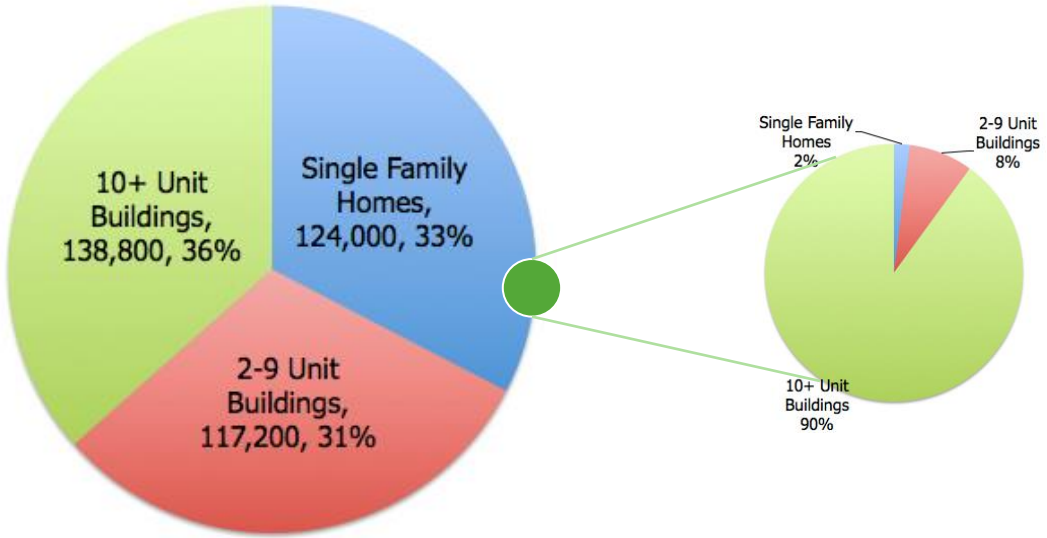
Questions?

APPENDIX

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What We've Built, What We're Building

EXISTING SF HOUSING STOCK
(380,000)



NEW 2015 SF HOUSING STOCK
(7,500)
**scale enlarged*

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Source: SF Housing Inventory Report 2015

City's Housing Stock is ~ 380,000 Units

~237,000 RENTAL
~27,000 Market Rate
~28,000 Subsidized
~172,000* Rent Control*
*New Lease = Market Rate!



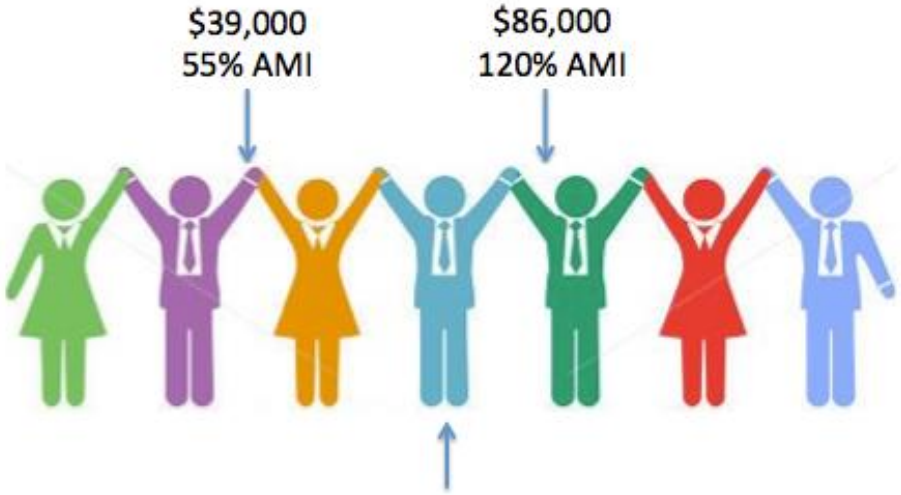
~143,000 OWNER
~139,000 Market Rate
~4,000 Subsidized

Source: SF Housing Inventory Report 2015

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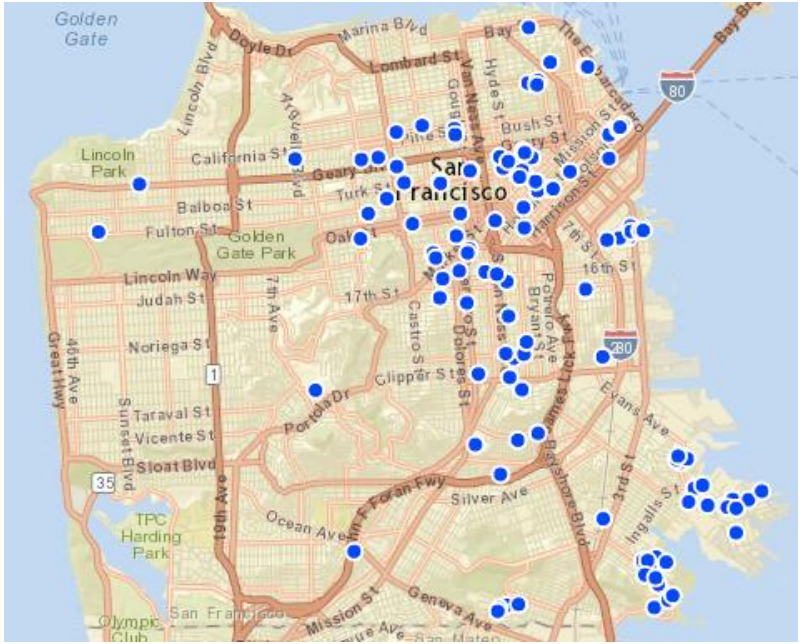
Who Lives In Affordable Housing?

Defined by the Area Median Income or AMI.
Different projects have different AMI ceilings.



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Where Are We Building?



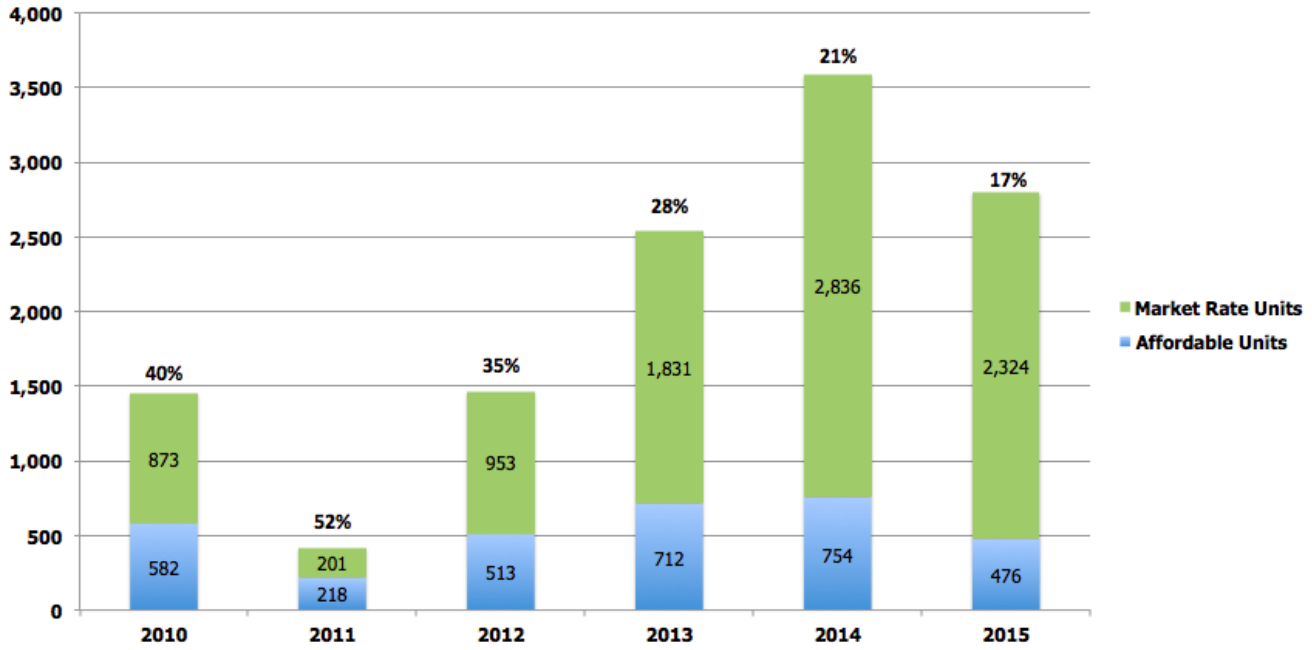
Source: SF Open Data

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Does the percentage of subsidized housing matter?

Yes, but the absolute number matters more!

…25% of 1,000 is more than 50% of 100.



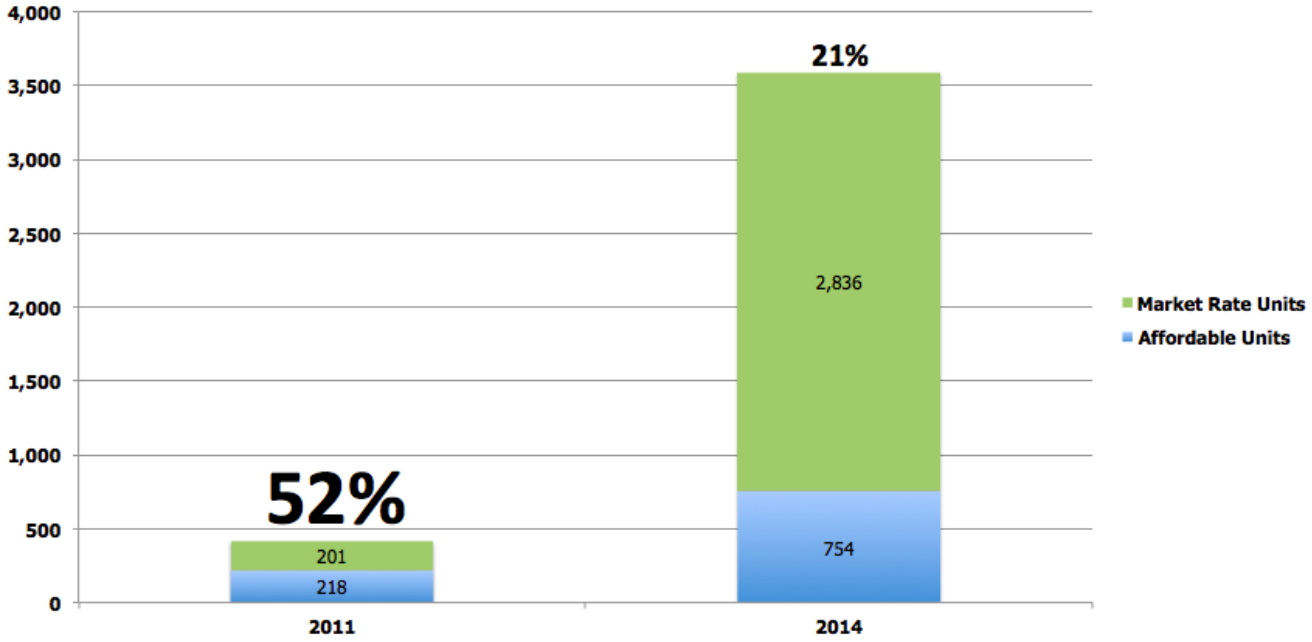
Source: SF Housing Inventory Report 2015

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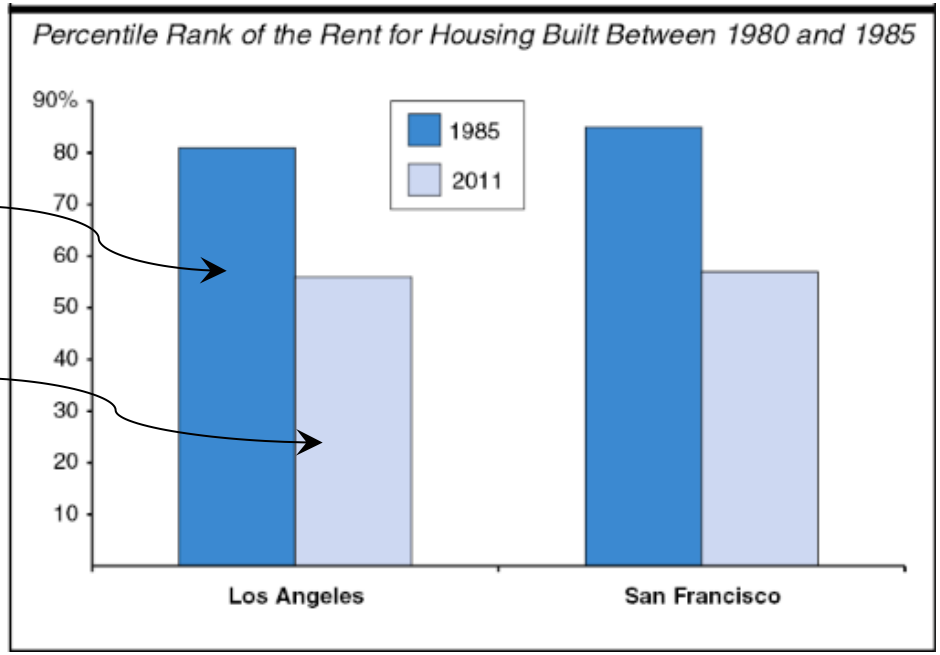
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Housing Becomes Less Expensive As It Ages

…housing that was expensive in 1985 becomes more affordable by 2011.

1985 RENT % FOR NEW UNIT

2011 RENT % FOR SAME UNIT



Source: CA Legislative Analyst's Office

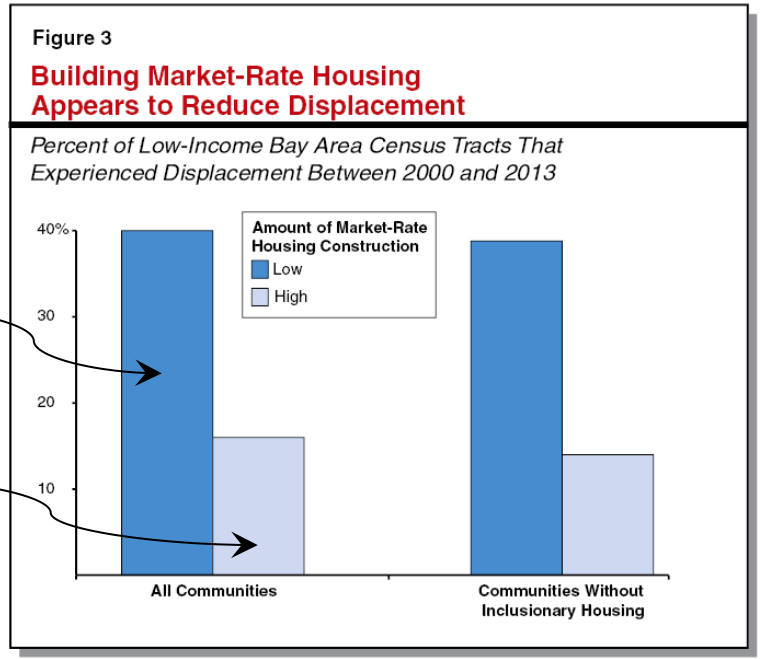
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HIGH CONSTRUCTION = LOW DISPLACEMENT



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Source: CA Legislative Analyst's Office

What about gentrification?

It's Another Word For "increasing prices" and "changing neighborhoods"

… it has positive and negative impacts.

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