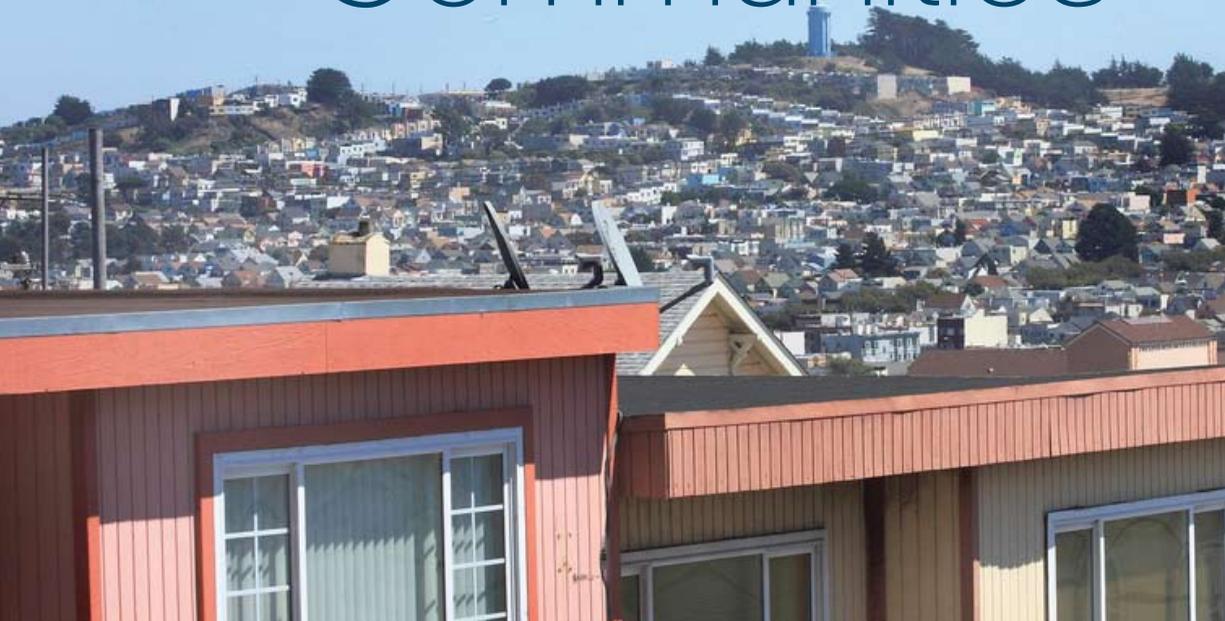


Our Hidden Communities



Secondary Unit Households in the Excelsior Neighborhood of San Francisco



A **REPORT** BY THE **ASIAN LAW CAUCUS**

MARCH 22, 2013



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Preface

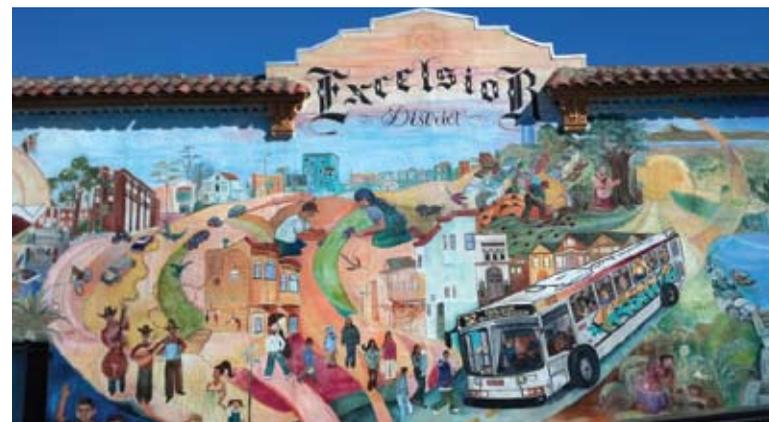
Founded in 1972, the Asian Law Caucus is the nation's first legal and civil rights organization serving low income Asian Pacific American communities. ALC focuses on housing rights, immigration and immigrants' rights, labor and employment issues, student advocacy (ASPIRE), civil rights and hate violence, national security, and criminal justice reform. As a founding affiliate of the Asian American Center for Advancing Justice, ALC also helps to set national policies in affirmative action, voting rights, Census and language rights.

Since the vast majority of Asians and Pacific Islanders in America are immigrants and refugees, ALC strives to create informed and educated communities empowered to assert their rights and to participate actively in American society. This perspective is reflected in our broad strategy which integrates the provision of legal services, educational programs, community organizing initiatives and advocacy.

ACKNOWLEDGMENTS

The team for "Our Hidden Communities" included Omar Calimbas, Senior Staff Attorney, Asian Law Caucus (writing and research); Christina Dang, Community Advocate, Asian Law Caucus (community survey implementation and research); and Elaine Joe (graphic design).

A special thanks from the Asian Law Caucus to the many volunteers, staff, clerks, contributors and others with whom we consulted and without which this report would not have been realized, particularly: Adrienne Tran, Anna Fong, Belle Yan, Salina Yu, Joel Chan, Marcus Tang, Mikhael Bunda, Brenda Li, Jasper Guan, Stella Lu, Joseph Nguyen, Bliia Moua (Director, Excelsior Family Connections), Miriam Dolin (Coordinator, Excelsior Community Food Pantry), Billy Lam, Alex Yu, Maiko Ibay, Vincent Chan, Tommy Quach, Juliana Wu, Jasper Guan, Salene Yuan, Wayne Li (iGurut), Saba Waheed and Jay Donahue (DataCenter), and Sarah Karlinsky (SPUR).



Executive Summary

Secondary units are home to tens of thousands of San Francisco residents. This is largely conjecture, though, for reasons owing to the nature of this type of housing and its historical significance in the city. These dwellings, otherwise known as in-law units, tend to be hidden from street view, as they are constructed within or in the back lot of single family properties. Most secondary units have not been approved by the city's permitting agencies, and there is no mechanism for tracking them. Moreover, unpermitted secondary units are prone to falling under the Census radar.

San Francisco maintains an awkward stance on secondary units. The city's Housing Element has consistently acknowledged unpermitted secondary units as an effective and important source of affordable housing in the city, and the Department of Building Inspection (DBI) does not affirmatively investigate them.¹ However, DBI removes an estimated 50-100 unpermitted units every year through code enforcement as they are brought to the agency's attention by the public.² The city is left waiting for community resolve to shape a coherent policy for "legalizing" and promoting what already is substantially part of the lives of many homeowners and tenants. The impasse reflects an uneasy tension of competing perspectives on the city's affordable housing shortage, density and congestion concerns.

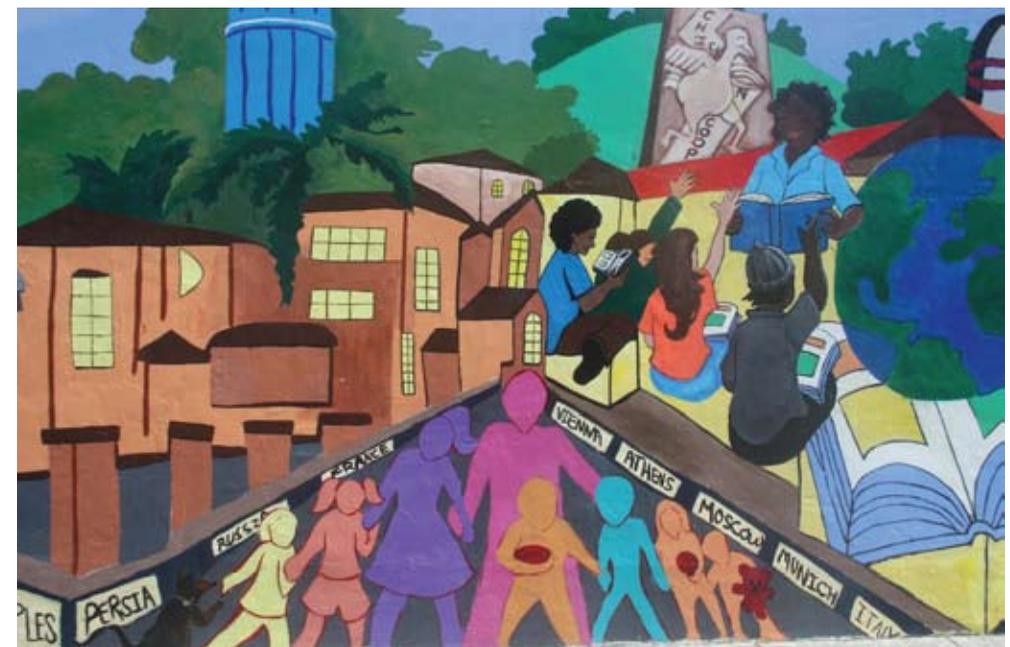


The consequences of maintaining this shadow housing market are tremendous. Many tenants are subject to substandard housing conditions and safety hazards. Census undercounting results in losses in federal, state and local funding. This translates to fewer resources for social services, economic development and education. In addition, we are left with an incomplete narrative of the communities that contribute to and make the city their home.

The goal of this study is to shed light on the households that live in secondary units. If there is to be proper community planning to address the situation, then it follows that we ought to be familiar with the communities most affected by this form of housing to ensure that they may contribute meaningfully to the process.

We conducted two community surveys in the Excelsior neighborhood of District 11 (D11), which has the highest proportion of single family housing in the city. Family-oriented and less affluent, D11 has a broad immigrant base and is the most ethnically diverse district in the city.

Our findings reveal a critical mass of tenants living within the rows of single family homes in what has been traditionally considered a homeowner neighborhood. A proliferation of secondary units in the rental market has primarily targeted very low to extremely low income immigrant families of Asian and Latino descent. The policy implications are clear: secondary units are a robust source of affordable housing to an unaccounted-for tenant community exhibiting distinct cultural, social and economic characteristics.



Key Findings and Policy Recommendations

The study culminated in key findings that revealed a residential neighborhood with very special characteristics. These findings inform our policy recommendations that address the affordable housing needs of an economically and culturally diverse San Francisco population.



- **The Excelsior, a tenant neighborhood:** Survey results showed an Excelsior population comprised mainly of tenants (69.8%), which is incompatible with Census data that support the view of Excelsior as primarily owner-occupied.
- **Where do tenants reside?** Half of all tenants surveyed live in single family housing with secondary units.
- **What does a secondary unit look like?** It will most likely be a two-bedroom, one-bathroom unit located on the bottom floor of a house. 28.3% of these units lack proper heating facilities and fire extinguishers while 15.2% do not have smoke detectors.
- **Family-oriented:** Half of all secondary unit households include children. This is considerably higher than the city average (18%). Also, 25.9% include seniors.
- **Lower income strata:** 86.6% of secondary unit households are very low income (earning no more than 50% of area median income (AMI)). 57.3% are extremely low income (earning no more than 30% AMI).
- **Racially and ethnically diverse:** Secondary unit households are 65.3% Asian and 18.7% Latino (compared to 51% and 27% in District 11, and 33% and 14% citywide, respectively). The three largest Asian groups are Chinese (68%), Filipino (22%) and Vietnamese (10%), which more or less resemble D11 levels (65.6%, 25.6% and 3.8%, respectively).



- **Foreign born, limited English proficient (LEP):** An extraordinarily high proportion of secondary unit households are foreign born (82.5%), which far exceeds the district-wide level (51%) and citywide level (34%). Only 19% of these tenants speak English at home, which represents a much lower proportion compared to the Excelsior as a whole (29%), D11 (33%) and the city (56%). Secondary unit tenants are predominately LEP, with 61.8% indicating that they don't speak English well or not at all.
- **Long-time residents:** 45.2% of the tenants moved into their unit in 2004 or earlier. Tenants tended to move to the Excelsior to find more affordable housing or live closer to family and friends.
- **Transportation:** Public transit is by far the dominant mode of transportation for secondary unit tenant respondents. 80.6% of these tenants use public transit to go to work or school, while only 14.5% commute by car.
- **Informal landlord-tenant relationships:** 39.1% of the landlords are either related to or a friend of their tenants. 45% of tenants in Excelsior secondary units do not have a written rental agreement with their landlord.
- **Landlords:** A high rate of Asian homeowners rent out their secondary units (75%). Among these Asian homeowners, 76.6% are Chinese, 10.6% are Filipino and 8.5% are Vietnamese. Latinos comprise 10.9% of secondary unit landlords. 13.6% of owners without secondary units expressed an interest in renovating their home to include one.
- **Robust source of affordable housing:** One out of every three homes in the Excelsior may include a secondary unit. Rent gravitates in the \$1,000-\$1,249 range, which represents a considerable discount compared with HUD's fair market estimate of \$1,905 per month for a two-bedroom unit in San Francisco. Secondary units are rarely found over the \$2,000 monthly rent level.



POLICY RECOMMENDATIONS

Given the implications of these findings, we have formulated a set of recommendations based on the Asian Law Caucus's principles of protecting the community and human right to affordable, decent and secure housing. For any proposal to bring existing secondary unit housing into regulation or promote new development, such reform must be premised on the following:

1. Preserving and creating affordable housing and preventing resident displacement through the full application of tenant protections under the San Francisco Rent Ordinance;
2. A balanced approach of ensuring healthy and safe housing while broadening housing code and land use regulations to incorporate secondary unit housing stock;
3. Homeowner stabilization to include effective incentives for owner participation; and
4. Community-driven support and principles to lay the foundation for a genuine and sustainable policy.

Issues and Context

A 1996 San Francisco Planning Department sampling study estimated that unpermitted secondary units in the city totaled 28,100. No other survey has been performed since then. No survey has yet been conducted to take us inside these units to provide a glimpse of who lives in them.



San Francisco's Housing Element, the primary source for the city's housing policy, cites secondary units as a "simple and cost-effective method of expanding housing supply," but acknowledges neighborhood buy-in as essential to successfully fashioning a policy to develop this form of housing.³ Historically, certain neighborhood associations opposed to various proposed measures promoting secondary units have cited the ills of increasing density in a city that has already reached its limits.

A question remains, however, whether all the communities' voices have been heard. A 2011 San Francisco State University study of social capital needs in District 11 found that neighborhood and business stakeholders identified the legalization of "in-law units to provide better protection to low-income families" as the prevailing housing need along with affordable housing for families and seniors.⁴

One of the consequences of this policy impasse is that a significant slice of San Francisco's narrative landscape is missing. If we cannot verify the scale of secondary units in the city, much less so can we identify the communities that make these spaces their home. Institutional data are vulnerable to undercounting secondary units.⁵ Yet researchers acknowledge that a "surprisingly large share" of affordable housing comes from this "shadow housing stock."⁶



IN-LAW INFILL

Secondary units are self-contained dwelling units which are usually found in addition to a single family residence, whether built within the property or as a detached structure in the rear portion of the lot (i.e., cottage). Also known as in-law or accessory dwelling units, these living spaces are smaller and subordinate in design to the primary residence.

Urban planners and policymakers have broadly viewed secondary units as an effective model to help meet low income housing needs in cities with high density and congestion issues. San Francisco's Housing Element, in outlining the city's housing policy and objectives, reaffirms secondary units as an "effective and inexpensive way to realize greater housing potential."⁷ Think tanks such as the Center for Community Innovation at UC-Berkeley⁸ and SPUR⁹ (San Francisco Planning + Urban Research Association) include secondary unit development as a necessary component of any genuine housing strategy for San Francisco and the Bay Area as a whole.



RECENT RESPONSES TO THE HOUSING CRISIS

The affordable housing gap in San Francisco remains an ongoing challenge. 53,650 households—mostly very low income households—are severely cost-burdened with housing costs consuming over half of their income.¹⁰ Housing production continues to fall significantly short of demand from low income as well as moderate income households.¹¹ As a consequence, families are left searching elsewhere for the American Dream, leaving San Francisco with the lowest percentage of children (13.4%) of any major city in the country.¹²



In November 2012, San Francisco voters approved a city charter amendment to create the Housing Trust Fund, filling the fiscal vacuum caused by the abrupt end to the state's development agencies. The fund will dedicate \$1.2 billion over 30 years towards construction of new affordable housing, along with homeownership down payment assistance and stabilization. To develop the policy behind the fund, San Francisco Mayor Ed Lee convened a taskforce of various players, ranging from developers to community advocates.

The trust fund exemplifies the ongoing evolution of the city's affordable housing policy. As analyzed by the Poverty & Race Research Action Council and the National Housing Law Project, the historical dynamic has been informed by four key factors: "dedicated community advocacy and strong coalitions; development of and access to substantial funding sources; a holistic vision of building 'not just housing, but communities'; and constantly evolving housing programs that meet new challenges and opportunities."¹³ A January 2012 performance audit of the city's affordable housing policies and programs requested by the Board of Supervisors may be signaling an interest to explore and rethink housing needs and strategies anew.

SECONDARY UNITS: A POLICY IMPASSE

In the Bay Area, secondary units have historically played a role in housing blue collar households. Beginning in the early twentieth century, Progressive Era thinking emphasized nuclear family dwellings in areas exclusively zoned for lower density residential districts.¹⁴ Where low

income housing needs were unmet, secondary units developed in those neighborhoods, notwithstanding land use restrictions.¹⁵ Because these units were typically constructed outside the city’s regulatory scheme, they were branded as “illegal” and never approved by city permitting agencies.

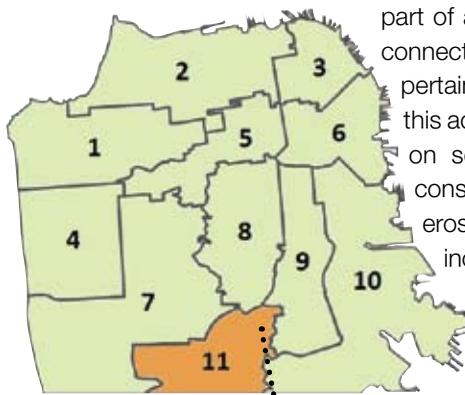
During World War II, San Francisco witnessed a proliferation of unpermitted secondary units to house an expanding workforce for the booming defense industry.¹⁶ By 1960, an estimated 20,000 to 30,000 secondary units existed in San Francisco, 90% of which were unpermitted.¹⁷ In 1996, survey sampling by the city’s Planning Department yielded a conservative estimate of 28,100 unpermitted secondary units, equivalent to 8% of the city’s accounted-for housing stock.¹⁸

Numerous attempts in the past four decades to amend San Francisco’s land use law to incorporate secondary unit development have been unsuccessful. State legislation enacted in 1982 directing local agencies to promote secondary units¹⁹ achieved some momentum in San Francisco but with no appreciable effect.²⁰ In response to the state directive, the San Francisco Board of Supervisors found that, while secondary units were a valuable mode of affordable housing, such needs were overridden by high density concerns.²¹ Proposed legislation in 1992 and 1996 to establish amnesty programs for unpermitted secondary units failed to reach the supervisors for a vote. In 2003, then-Supervisor Aaron Peskin introduced an upzoning ordinance designed for transit-oriented new development. The idea was to allow for new non-rent controlled secondary units less than 750 sq. ft. within a quarter mile of major transit hubs. Despite the limitations placed on the targeted development, the plan was unable to gain traction due to resistance from certain neighborhood associations. Upzoning, as argued by those resistant to secondary unit development, would adversely affect the neighborhood character due to increased population density, congestion and the resulting overextension and deterioration of services, especially with respect to education. Currently, zoning law provides for only 55 secondary units spread out citywide.

The Department of Building Inspection will eliminate an estimated 50-100 unpermitted secondary units every year.²² DBI’s efforts are not part of an affirmative investigation policy, but rather are undertaken in connection with a property complaint from the public, not necessarily pertaining to issues with the secondary unit. SPUR has characterized this ad hoc agency protocol as the city’s “Don’t Ask Don’t Tell” policy²³ on secondary units which reflects an impasse with unfortunate consequences. The steady loss of secondary units represents an erosion of affordable housing and an ongoing displacement of low income households.

DISTRICT 11 AND THE EXCELSIOR

Situated in the middle of the southern border of San Francisco, District 11 represents several neighborhoods, including Ocean View, the Outer Mission and the Excelsior. Interstate 280 defines part of the western and northern sides of the district, and the eastern side is set against John McLaren Park. Residences and businesses are connected by a number of major corridors, including Mission Street, Geneva Avenue and Alemany Boulevard.



San Francisco Districts



District 11

The district added 8% to its population in the past decade and remains the most ethnically diverse with the highest combined proportion of Asians and Latinos in the city (51% and 28%, respectively). Half of D11 residents were born outside the U.S. (well above the citywide proportion of 35%). Most D11 residents do not speak English at home.

Single-family homes permeate the D11 landscape. With 69% of residences housed by their owners, the district has historically distinguished itself from San Francisco’s reputation as a city of renters who represent 62% of households.

District 11 households are about families (71% compared to 44% citywide). Youth and senior populations are well represented in the district, and families tend to be larger in size (4.7 family members compared to the city average of 3.5 family members).

More blue-collar workers are found in D11. Median family income in the district is below average, and per capita income is the city’s lowest at \$25,490.

D11 residents are more likely to own a car and drive to work. A household in D11 on average will own 1.69 vehicles, representing about one-half a car more than the city average (1.09).

The Excelsior neighborhood is the largest in D11 based on population (37,960) and housing units (10,080).²⁴ Bounded by Geneva Avenue to the south, Mission Street to the west, I-280 to the north and John McLaren Park to the east, the Excelsior is patterned mostly by streets in grid-like formation that are named after European countries and cities.

The neighborhood has historically served as a melting pot for immigrants, initially having drawn in the Irish, Italian and Swiss. In the last four decades, Asians and Latinos of varying income levels have come to define the Excelsior’s ethnic make-up. Overall, the Excelsior typifies the character of District 11 as an ethnically diverse, family-oriented, homeowner residential neighborhood.



Purpose, Focus and Methodology

The purpose of this study is to provide an outline of the residential character of secondary unit households in a specific San Francisco neighborhood. We hope the report may serve as a resource for community-based organizations as they evaluate the needs of their constituents and stakeholders.

Initially, our goal was internal and part of the Asian Law Caucus's ongoing assessment of housing needs in underserved communities. We focused entirely on the Excelsior neighborhood in District 11 for a number of reasons. District 11 represents the most ethnically-diverse population in the city with a high concentration of Asian Americans, immigrants and linguistically isolated households. D11 households tend to be less affluent and hold more blue-collar jobs than elsewhere in the city. Single family housing predominates in D11, which is historically known for being well represented by homeowners, an anomaly in a city of renters. The Excelsior neighborhood epitomizes these demographic, social and economic characteristics.

Anecdotally, many understand the Excelsior as home to a vibrant tenant community. However, the institutional data do not bear this out. We felt the need to explore this inconsistency.

METHODOLOGY

In this study, the Asian Law Caucus utilized various research methods to identify secondary unit households within the bounds of the Excelsior neighborhood. We implemented a community survey in two parts. For the first part, during the summer of 2011, we conducted interviews at various sites (public transit points, the library, service agencies) and through a limited number of door-to-door canvassing. We derived our findings from 295 respondents identified as Excelsior residents.

The second part of the community survey involved observational data capturing. In the latter part of 2011, we surveyed the exterior aspects of 300 single family homes in the Excelsior to estimate what proportion of them appeared to contain secondary units. Homes with at least one primary indicator (resident confirmation or more than one address visibly displayed) or three subordinate indicators (e.g., additional separate entrance with doorbell and mail slot) were deemed to contain a secondary unit.

We also reviewed a variety of institutional data, including the 2010 Census, American Community Surveys, and reports from local agencies and non-profit organizations.



Findings

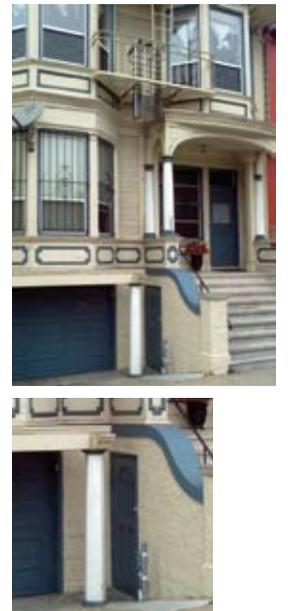
Perhaps the most notable findings arose from discrepancies between the survey results and institutional data. These inconsistencies suggest a pronounced undercount of tenants residing in secondary units. What emerges from the survey results is a sub-group of tenants resembling a community with a distinctive social, economic and demographic character. Moreover, the high concentration of secondary units means that a strong bond exists between homeowners and tenants that adds another layer to what defines our communities.

THE EXCELSIOR: A TENANT NEIGHBORHOOD

Survey results of 295 Excelsior residents yielded a population mainly of tenants (69.8%) at a slightly higher concentration than the citywide level (64.2%).²⁵ Remarkably, the finding stands diametrically opposed to the 73% figure of Excelsior housing as owner-occupied.²⁶

What could partially account for the deviation may lie in the pool of residents interviewed: almost three quarters of the interviews were conducted at bus stops and near train stations. If this were to mean that a majority of respondents rely on public transit, then institutional data on the tenure of public transit users ought to better reflect survey results. However, this is not the case. According to the American Community Survey 2007-11, Excelsior residents who use public transit to go to work constitute an almost 50/50 mix of tenants and owners.²⁷ The 70/30 ratio of tenants to owners obtained from the survey results remain incompatible with the portrayal of the Excelsior as a homeowner neighborhood.

Most of the Excelsior tenants surveyed live in single family housing (152 of 206). The majority of these tenants (106) indicated that the properties contain more than one dwelling unit. This group, which accounts for one-third of all residents (35.9%) and half of all tenants (51.5%) surveyed, is where we find Excelsior's secondary unit households. Given the RH-1 zoning (primarily one dwelling per lot) that dominates the neighborhood, secondary units reported by tenants would have been constructed without city permitting for the most part.



WHAT DOES A SECONDARY UNIT LOOK LIKE?

Based on the survey results, a secondary unit will most likely be a two-bedroom, one-bathroom dwelling located on the bottom floor of the house. The vast majority of single family properties will contain only one secondary unit, although almost one quarter of these properties will have more. 19.3% of secondary units will not include a living room, and 9.1% will not have a kitchen.

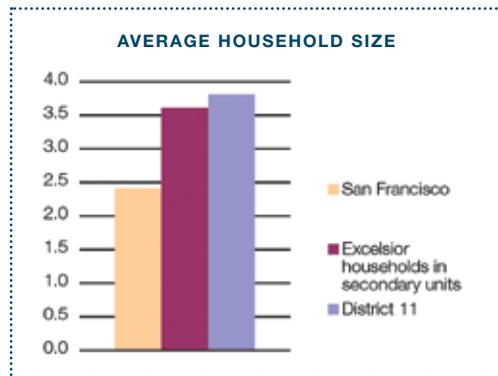


28.3% of the tenants in houses with secondary units reported the lack of proper heating facilities. At the same time, only 5.3% of these tenants complained about their unit needing to be repaired for heating. Other concerns over housing conditions included water leaks, rodent and insect infestation, and structural damage. Overall, 68.4% of these tenants reported no repairs needed.

A sizeable proportion of houses with secondary units do not have fire extinguishers accessible to the tenants (38.9%). Fewer units were reported to have no smoke detectors (15.2%), but these numbers represent a noteworthy segment of households, considering that the risk of death from a home fire doubles in homes without smoke detectors.²⁸

WHO LIVES IN SECONDARY UNITS?

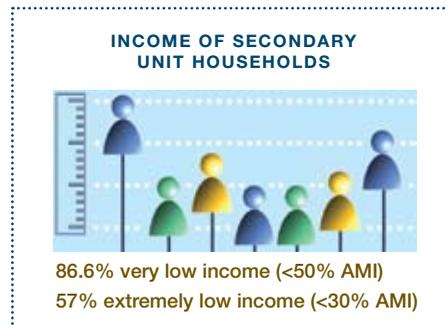
Secondary units in the Excelsior tend to house families with children and are smaller than their district neighbors. Half of all secondary unit households in the Excelsior include children (50.6%), a proportion



substantially higher than found in the entire Excelsior neighborhood (35%), D11 (34%) and the city (18%). The average size of an Excelsior household residing in a secondary unit is 3.6, which is smaller than D11 households (3.8 for all households and 4.7 for family households) and slightly larger than city averages (2.4 for all households and 3.5 for family households). 25.9% of

secondary unit households include seniors, which is lower than D11 (34%) but in line with the city (23.5%).

Income levels for secondary unit households are predominately at the low end. 86.6% of secondary unit households are very low income (earning no more than 50% of area median income (AMI)); 57.3% are extremely low income (30% of AMI).

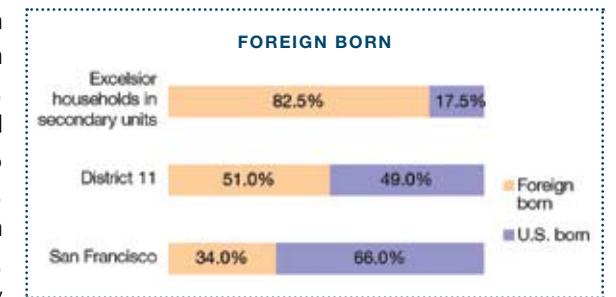


Secondary unit households reflect the racial and ethnic diversity of District 11 in varying ways. 65.3% are Asian and 18.7% are Latino (compared to 51% and 27% in D11, respectively). Among the Asians counted, the



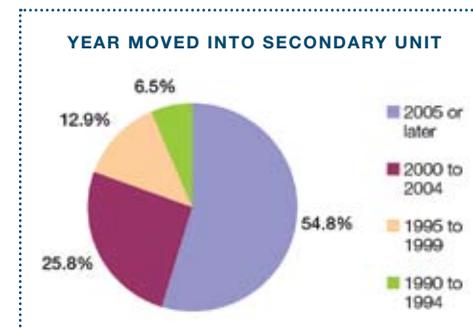
three largest groups are Chinese (68%), Filipino (22%) and Vietnamese (10%), which more or less resemble D11 levels (65.6%, 25.6% and 3.8%, respectively).²⁹

An extraordinarily high proportion of Excelsior tenants in housing with secondary units are foreign born (82.5%), which far exceeds the district-wide level (51%) and citywide level (34%). Only 19% of these tenants speak English at home, which represents a much lower proportion compared to the Excelsior as a whole (29%), D11 (33%) and the city (56%). Secondary unit tenants are predominantly limited English proficient, with 61.8% indicating that they speak English not well or not at all.



Many Excelsior secondary units house long-time residents. 45.2% of the tenants moved into their unit in 2004 or earlier. 19.4% moved

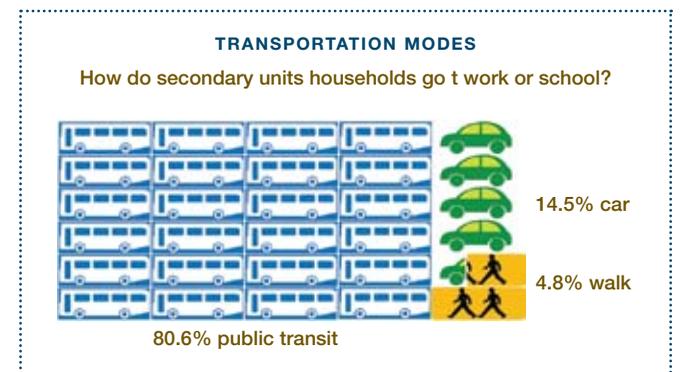
into their unit in 1999 or earlier. Tenants tended to move to the Excelsior to find more affordable housing or live closer to family and friends. Most of these tenants found their home through a relative or a friend.



SECONDARY UNIT TENANTS RELY ON PUBLIC TRANSIT

Public transit is by far the dominant mode of transportation for secondary unit tenant respondents. 80.6% of these tenants use public transit to go to work or school, while only 14.5% commute by car.

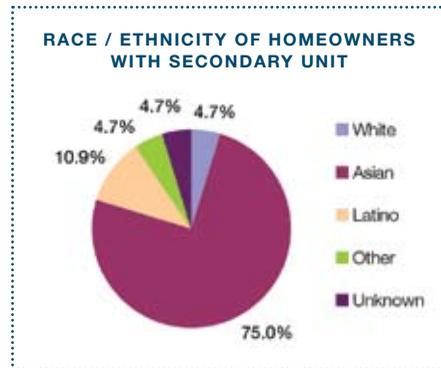
To be sure, these high proportions may be due in part to the fact that three quarters of all respondents were surveyed at public transit points. However, survey results suggest that secondary unit tenants increase the pool of total tenants who use public transit. As explained earlier, American



Community Survey estimates a 50/50 proportion of Excelsior tenants to homeowners who use public transit. Our survey results produced a much higher proportion of commuters who are tenants (69.8%), with the increased numbers coming from tenants living in secondary unit housing.

INFORMAL LANDLORD-TENANT RELATIONSHIPS

Survey results confirmed the informal character of secondary unit tenancies in the Excelsior. 39.1% of the landlords are either related to or a friend of their tenants. 45% of tenants do not have a written rental agreement with their landlord. Most tenants indicated that there is only one PG&E account under which utility expenses are shared, presumably due to the single metering of these properties.



Tenant respondents reported a high rate of Asian homeowners renting out their secondary units (75%). Among them, 76.6% are Chinese, 10.6% are Filipino and 8.5% are Vietnamese. Latinos comprise 10.9% of secondary unit landlords.

Of the homeowners interviewed, almost one quarter of them have a secondary unit for rent (24.1%). Most of these units were in the owner's residence. 13.6% of owners without secondary units expressed an interest in

renovating their home to include one. Results from the rest of the owner surveys were inconclusive due to the nominal number of responses.

UNPERMITTED SECONDARY UNITS: A ROBUST SOURCE OF AFFORDABLE HOUSING

Observational survey results point to a remarkably high concentration of secondary units in the Excelsior. One out of every three homes surveyed appeared to contain secondary units. Because the assessor blocks surveyed were almost entirely RH-1 zoned (one dwelling per lot), it would be reasonable to conclude that most of these secondary units are unpermitted.



With respect to rental value, secondary units fall below the city's going rate for apartments. Based on the survey results, rent for secondary units—many of which are two-bedroom dwellings—gravitates in the \$1,000-\$1,249 range. This represents a 34.4% discount in comparison with HUD's fair market rate estimate of \$1,905 per month for a two-bedroom apartment in San Francisco.

Secondary units in the Excelsior are less available at the very low end of the rental market. 15.1% are being rented below \$750, which is in keeping with the Excelsior as a whole (16%) but below levels found in D11 (21.2%) and the city (22.5%). This may be attributable to the finding that this form of housing primarily serves small families and less so to single individuals.



At the higher end of the rental market, secondary units have almost no presence. Only 3% of Excelsior secondary units are being rented at \$2,000 per month or higher. Apartments being rented out at these levels are found much more frequently in the Excelsior as a whole (18.4%), D11 (14.4%) and the city (18.9%).

The reduced rental rate of secondary units clearly fits the needs of the city's lower income strata. As previously explained, households living in secondary units expect to earn no more than 50% of the area median income with over half of them falling under the extremely low income bracket (30% of area median income). Thus, the survey results substantiate the critical role secondary units play in meeting affordable housing needs.



CONCLUDING COMMENT

This report is intended only as prefatory investigation. A fuller inquiry into the residential character of secondary unit households throughout San Francisco is necessary. Such an inquiry would be incomplete without a better understanding of the homeowner's needs and perspectives. This is because the survey results challenge our understanding of single family residencies in the city and suggest a critical symbiotic relationship between homeowners and tenants. It is this bond that needs to be understood as it defines our communities. In that sense, a community-centric approach may offer a productive way to overcome the city's policy impasse in promoting secondary unit housing.



Footnotes



1. *Part I: Data and Needs Analysis, 2009 Housing Element*, City and County of San Francisco (adopted March 2011) at p. I.59.
2. Id.
3. *Part II: Objectives and Policies, 2009 Housing Element*, City and County of San Francisco (adopted March 2011) at p. I.59.
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5. Timothy L. Kennel, Xijian Liu, *Is Housing Unit Undercoverage Random?*, American Statistical Assoc., Session (2011), p. 3698.
6. Jake Wegmann and Alison Nemirow, *Secondary Units and Urban Infill: A Literature Review*, Institute for Urban & Regional Development, UC-Berkeley, February 2011, p. 2.
7. Appendix A: Evaluation of the 2004 Housing Element, *Part I: Data and Needs Analysis, 2009 Housing Element*, City and County of San Francisco (adopted March 2011) at p. A.7.
8. *Yes in My Backyard: Mobilizing the Market for Secondary Units*, Center for Community Innovation, Institute for Urban & Regional Development, UC-Berkeley, September 2011.
9. *Secondary Units: A Painless Way to Increase the Supply of Housing*, SPUR, April 8, 2001.
10. *San Francisco's Affordable Housing Policies and Programs – Response to Performance Audit Findings*, San Francisco Mayor's Office of Housing, April 9, 2012 at p. 4.
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