In Cramped and Costly Bay Area, Cries to Build, Baby, Build

http://www.nytimes.com/2016/04/17/business/economy/san-francisco-housing-tech-boom-sf-barf.html?_r=0

An activist who calls her group BARF is pushing for more housing, pitting cranky homeowners and the political establishment against newcomers who want the region to make room for them, too.

By CONOR DOUGHERTY APRIL 16, 2016

San Francisco does not have enough places to live. Sonja Trauss, a local activist, thinks the city should tackle this problem by building more housing.

This may not sound like a controversial idea. But this is San Francisco.

Ms. Trauss is a self-described anarchist and the head of the SF Bay Area Renters' Federation, an upstart political group that is pushing for more development. Its platform is simple: Members want San Francisco and its suburbs to build more of every kind of housing. More subsidized affordable housing, more market-rate rentals, more high-end condominiums.

Ms. Trauss supports all of it so long as it is built tall, and soon. "You have to support building, even when it's a type of building you hate," she said. "Is it ugly? Get over yourself. Is it low-income housing? Get over yourself. Is it luxury housing? Get over yourself. We really need everything right now."

Her group consists of a 500-person mailing list and a few dozen hard-core members — most of them young professionals who work in the technology industry — who speak out at government meetings and protest against the protesters who fight new development. While only two years old, Ms. Trauss's Renters' Federation has blazed onto the political scene with youth and bombast and by employing guerrilla tactics that others are too polite to try. In January, for instance, she hired a lawyer to go around <u>suing suburbs</u> for not building enough.



Sonja Trauss

Founder, SF Bay Area Renters' Federation

Andrew Burton for The New York Times

"It's very easy to get people to agree we need more building. ... But when it comes to someone actually building housing — on your block or on a block near you — people don't want it."

The organization also inflamed Sierra Club volunteers in San Francisco by trying to elect its own prodevelopment candidate to the environmental group's executive committee. That effort failed, and last week her candidate, Donald Dewsnup, was arrested and charged with voter fraud — a move that Ms. Trauss claims is political retaliation. "There's no other explanation for why the district attorney of a major city would investigate and charge one person for registering at an inaccurate address," she said.

In an interview, Mr. Dewsnup said he was homeless and simply used an address near the place where he was sleeping at the time.

Across the country, a reversal in urban flight has ignited debates over gentrification, wealth, generational change and the definition of the modern city. It's a familiar battle in suburbs, where not-in-my-backyard homeowners are an American archetype.

In San Francisco, though, things get weird. Here the tech boom is clashing with tough development laws and resentment from established residents who want to choke off growth to prevent further change.

Ms. Trauss is the result: a new generation of activist whose pro-market bent is the opposite of the San Francisco stereotypes — the lefties, the aging hippies and tolerance all around.

Ms. Trauss's cause, more or less, is to make life easier for real estate developers by rolling back zoning regulations and environmental rules. Her opponents are a generally older group of progressives who worry that an influx of corporate techies is turning a city that nurtured the Beat Generation into a gilded resort for the rich.

Those groups oppose almost every new development except those reserved for subsidized affordable housing. But for many young professionals who are too rich to qualify for affordable housing, but not rich enough to afford \$5,000-a-month rents, this is the problem.

Adding to the strangeness is that the typical San Francisco progressive and the typical mid-20s-to-early-30s member of Ms. Trauss's group are likely to have identical positions on every liberal touchstone, like same-sex marriage and climate change, and yet they have become bitter enemies on one very big issue: housing.

"We have liberal Democrats, and very liberal Democrats, and yet we are as polarized as the rest of the country," said Tim Colen, executive director of the San Francisco Housing Action Coalition.

Birth of an Acronym

Ms. Trauss is smart and energetic and unpolished. She called her group the Bay Area Renters' Federation because "federation" reminds her of "Star Trek" and because her roommate thought it would be funny if her group's acronym spelled "BARF."

Jennifer Fieber, policy director at the San Francisco Tenants Union, likened the group to the Tea Party, because it lacks nuance ("Just build!") and can be rude. BARF's public <u>message board</u> does in fact veer into strident libertarianism and juvenile ribbings, like pictures that equate its opponents to Adolf Hitler.



Jennifer Fieber

Policy director, San Francisco Tenants Union

Andrew Burton for The New York Times

"You'll never be able to keep up with the amount of investment and people who want to live here and the people who are just barely clinging on, trying to live here."

This might make it tempting to dismiss Ms. Trauss as just another colorful activist in a place where activism is a local sport. But the anger she has tapped into is real, reflecting a generational break that pits cranky homeowners and the San Francisco political establishment against a cast of newcomers who are demanding the region make room for them, too.

To befriend a certain kind of techie on social media is to be bombarded with angry Facebook posts and retweeted news articles about how San Francisco <u>doesn't build enough</u> housing or how it is also <u>the suburbs'</u> <u>fault</u> and isn't Seattle <u>great</u>?

Every few weeks, when a company like Zillow puts out a new price report, both sides hold up the numbers as an example of how San Francisco has failed the middle class. Zillow puts the city's median home price at \$1.1 million, neck and neck with Manhattan. The region's rent, at \$3,500 a month for an average apartment, is the highest in the nation.

Today Ms. Trauss's group is one of several pro-housing organizations (GrowSF and East Bay Forward are others) that represent a kind of "Yimby" party, built on the frustrations of young professionals who feel priced out of the Bay Area. BARF has won the backing of technology millionaires — Jeremy Stoppelman, co-founder and chief executive of Yelp, is the group's largest individual donor — and the encouragement of local politicians.



Scott Wiener

Member, San Francisco Board of Supervisors

Andrew Burton for The New York Times "We've produced very little housing. That is the heart of our housing crisis."

"BARF is an important voice in this housing debate, and that is the voice of young people who are asking the question: 'What is my future in this city?'" said Scott Wiener, a member of the San Francisco Board of Supervisors. "And you can agree or disagree with them, but they have activated a new generation of prohousing activists."

The group's build-more platform may be politically contentious, but economically speaking, it is anything but controversial. The Bay Area was expensive even before the tech boom. And the supply of new projects, while increasing, remains decades behind population growth.

This extends from Silicon Valley suburbs like Palo Alto, whose ratio of jobs to housing units is triple the median level in the Bay Area, to San Francisco, which despite an increase in new housing has lagged behind job growth, according to the Association of Bay Area Governments.

Much of San Francisco's progressive establishment feels the city is building too much market-rate housing. Some go so far as to argue that the appetite for real estate here is so high that supply-and-demand rules don't really apply.

To get prices down, "You'd have to, like, build another city on top of the city," said David Campos, a progressive-wing member of the San Francisco Board of Supervisors. He thinks the city should focus the vast

majority of future development on affordable housing limited to people making well below the city's median income.



David Campos

Member, San Francisco Board of Supervisors

Andrew Burton for The New York Times

"If we want to keep the middle class in San Francisco, we actually have to build housing for the middle class."

This thinking is at odds with a February <u>report on housing prices</u> from the California Legislative Analyst's Office, which said underdevelopment was the primary cause of the high prices that afflicted cities throughout the coastal part of the state, especially in the Bay Area.

"Many housing programs — vouchers, rent control and inclusionary housing — attempt to make housing more affordable without increasing the overall supply," the report said. "This approach does very little to address the underlying cause of California's high housing costs: a housing shortage."

Ms. Trauss, 34, is a born activist from Philadelphia whose father is a lawyer who defends low-income homeowners against foreclosure. She moved to the Bay Area in 2011, shortly after getting her master's degree in economics from Washington University in St. Louis, and taught math at local community colleges. She intended to live in San Francisco, but settled across the bay in Oakland.

Like nearly everyone who moves to the Bay Area, Ms. Trauss spent an inordinate amount of time complaining about rent. In 2014, after reading a <u>13,000-word history</u> of Bay Area housing politics written by

Kim-Mai Cutler, a reporter at the TechCrunch news site who has gone on to help found a communal-living start-up called <u>Roam</u>, Ms. Trauss started writing letters to the San Francisco Planning Commission in support of any new project with more than 30 units.

She graduated from writing letters to attending planning meetings, and, after registering the SFBARF <u>website</u>, started recruiting members by finding pro-housing voices on sites like Reddit and the comments sections of local news articles. "People say testifying doesn't do anything — but guess what definitely doesn't do anything: giving a dumb speech to your friend at the bar," she said.

Today BARF is her full-time job, allowing her the financial wherewithal to become one of those strangely persistent people who speak regularly at City Hall. To an outside observer, this can feel like watching an obscure and slow-moving sport.

This is a town with an app for everything and where people get fussy when an Uber driver takes more than five minutes to arrive. City Hall, with its Beaux-Arts architecture and government-grade wait times, can feel like an anachronism.



Kevin Starr

Historian

Andrew Burton for The New York Times

"San Francisco is not just an alternative, as attractive as that might be. San Francisco is a real working city and it has business to do."

Ms. Trauss may be a plugged-in millennial, but she loves it. "Even in this modern era of, whatever, the Internet and people like interacting in a place that's no place at all, City Hall is still a center," she said.

One recent afternoon, she spent an hour on the hard wooden benches in the chamber of the Board of Supervisors. She was there to make a two-minute public comment in favor of a dull-but-important proposal to streamline the permitting process for some affordable-housing projects.

Three days later she was back, this time to support a "density bonus" — a proposal to let developers build taller buildings in exchange for including more affordable housing as well. When she arrived, Mr. Campos, from the Board of Supervisors, was blasting the proposal from the City Hall steps, surrounded by 70 or so supporters.

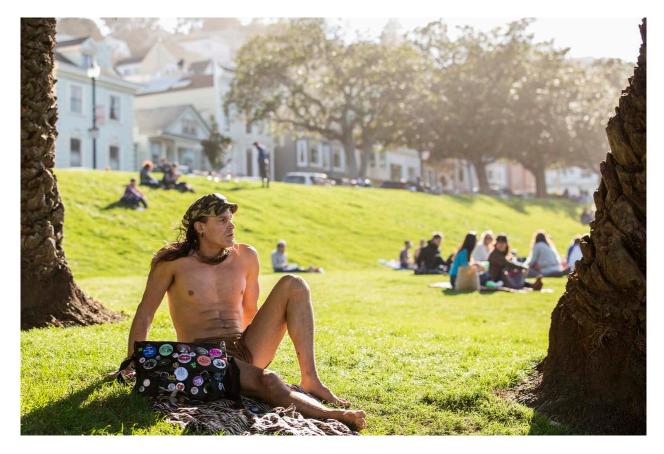
Ms. Trauss and another member of her group stood opposite and held up signs that said "Stop Affordable Housing." This was meant to be ironic. Their point was that Mr. Campos was opposing legislation that would create more market-rate housing — but also more affordable housing.

Nobody seemed to get it, so Ms. Trauss went inside City Hall to add her name to a list of people making public comments before the planning commission. Her chance to speak would be hours away, so she trekked around City Hall, past bronze busts and wedding parties, in search of a quiet place to take a lunch break. She was joined by a man whose legal name is Starchild.

Starchild is the sort of only-in-San Francisco character you end up making friends with if you spend enough time at City Hall. He works nights as an "erotic service provider." Asked if this meant he was a prostitute, he said, "'Prostitute' is O.K. as long as it's said in a respectful way." Starchild spends his days campaigning for libertarian causes and running doomed campaigns for office.

The two ate on a marble ledge and discussed police brutality, pretrial detention and whether it was possible for an anarchist to be in favor of soda taxes. A short while later, Ms. Trauss headed back to a waiting room, where she took a selfie for the <u>@SFyimby</u> Twitter account and began a two-and-a-half-hour wait for a few more minutes at the public-comment microphone.

"This is my life," she whispered. "It's ridiculous."



Starchild

"Erotic service provider"

Andrew Burton for The New York Times "I'm one of the fortunate ones, I actually live in a rent-controlled place."

Problems With 'Progressive'

Many longtime San Franciscans view groups like BARF as yet another example of how the technology industry is robbing San Francisco of its San Francisco-ness. Far from the hippies of the 1960s, many of today's migrants lean libertarian — drawn by start-up dreams or to work for the likes of Google or Apple, two of the world's most valuable companies. They tend to share a belief, either idealistically or naïvely, depending on who is judging, that corporations can be a force for social good and change.

But BARF members are so single-minded about housing that they can be hard to label politically. They view San Francisco progressives as, in fact, fundamentally conservative. That is because, to the group members at least, progressive positions on housing seem less about building the city and more about keeping people like them out.

On a drizzly Sunday in December, Ms. Trauss hosted the SF YIMBYParty Congress, a gathering of prohousing groups held at a Market Street co-working space full of start-up touches like mismatched furniture, a foosball table and lots of white men. Toward the beginning, a debate broke out about whether they should call themselves moderates to distinguish themselves from progressives.

Ms. Trauss joked that she liked moderate because you can shorten it to mod, and mod sounds cool. Mr. Wiener, the supervisor, disagreed, noting that in San Francisco, a moderate Democrat "might have a Bernie Sanders sticker on their car."

One man, who seemed exasperated by the discussion and the idea of using his Sunday to talk about politics, said, with more colorful language, that he did not give a hoot about progressives versus moderates — he just wanted some darn housing.

The tech boom takes much of the blame for soaring housing prices. But the pro-development movement has less to do with tech as an industry, and everything to do with newcomers as a class.



Jeremy Stoppelman

Chief executive, Yelp

Andrew Burton for The New York Times

"When I think about all those college grads signing up to work for companies like Yelp, I think it's a very difficult place to live and get started."

Brian Hanlon, a federation member who regularly attends Board of Supervisors meetings with Ms. Trauss, has a day job doing administrative work for the United States Forest Service. Two years ago, when he started worrying that his claim to an \$835-a-month room in a rent-controlled apartment might be in jeopardy, he reacted in classic San Francisco fashion. He started marching in anti-eviction protests next to people beating drums and signs that said things like "Tech = Death."

But he quickly broke ranks. Many of his fellow protesters also opposed building new apartments — putting him at odds with them.

"They want to be on the side of tenants, but they don't have any real plan for how do we become a welcoming metropolitan area for new people who don't have money," Mr. Hanlon said. "Their plans are only

to allow current incumbent renters to stay in their place, presumably until they die and some rich person comes along."

Reaching the Renters

The progressive movement has played a guiding role in creating the quirky and picturesque San Francisco that many people love today. Progressives battled plans to crisscross the city with freeways and opposed urban renewal programs that destroyed black neighborhoods. They have fought for, and won, rent-control protections and funding for affordable housing, along with various open-space amenities that many newcomers take for granted.

The question is how to handle a long-run demographic reversal in which cities across the country have regained population following years of "white flight" to the suburbs. After losing population for two decades through the 1970s, San Francisco resumed growth in the '80s and has only accelerated from there.

"There's that book, 'What's the Matter With Kansas?" said Gabriel Metcalf, executive director of SPUR, an urban policy research organization. "What's the matter with San Francisco? Why is it that in a city that's two-thirds renters we have adopted a housing policy that is horrible for renters?"

The challenge for groups like BARF is that, politically speaking, they have a lot of persuading to do. The free-market talk might sound great to a recent Stanford graduate, but San Francisco is in a moment when <u>corporate buses</u> are regarded as instruments of a tech invasion bent on turning people who can't code into a food-delivering underclass. The idea that everything would be better if only the city threw up more tall buildings is a hard sell.



Steven Falk

City manager, Lafayette, Calif.

Andrew Burton for The New York Times

"SF BARF seems to promote an ideology of build everything, anywhere. And that threatens this value that the Bay Area has promoted for a long time of preserving the wild spaces."

Of the 11 propositions on San Francisco's ballot in November, seven were either directly or indirectly related to high home prices and the influence of the technology industry. Michael Hankinson, a Harvard Ph.D. candidate who is studying land-use and housing prices, surveyed voters for his dissertation and found renters skeptical that new development would do anything other than raise prices.

For instance, a recent proposal to temporarily stop market-rate development in the city's Mission District, a gentrifying neighborhood popular with technology workers, failed citywide. But Mr. Hankinson found that a majority of renters favored it because they did not think that new development would do anything for them — and feared that it might, somehow, get them evicted.

"BARF has to convince renters that neighborhood change will benefit them in the long run," he said. Today, when eviction is a hot party topic, most renters are unwilling to take that gamble.

So Ms. Trauss is taking her campaign to the courts. In December she sued the city of Lafayette, Calif., an East Bay bedroom community, after it took a parcel that had been set aside for higher-density apartments and office buildings and rezoned it for single-family homes instead.

She wrote the petition herself, saying the move violated the California Housing Accountability Act, a 1980s law and "anti-Nimby" statute that limits cities' ability to downsize housing developments. Recently, she hired a lawyer to litigate the case.

Asked about Ms. Trauss's lawsuit, Steven Falk, Lafayette's city manager, said the city actually faced another lawsuit over the same development. The second group is suing, he said, because they think it is too big.