

What's the matter with San Francisco? Redistribution and Support for Housing Growth

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


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

“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?”

What's the Matter With San Francisco?

The city's devastating affordability crisis has an unlikely villain—its famed progressive politics.

GABRIEL METCALF | Jul 23, 2015 |  1070 Comments

In San Francisco's case, many tenants came to vote against new development... **to show their disdain for monied interests.** ... As the city got more and more expensive, progressive housing policy shifted gradually to a sad, rearguard movement **to protect the people already here from being displaced.**

Inequity aversion

- Inequity averse voters oppose housing growth if benefits of growth are (perceived to be) inequitably distributed.
- How do we know? Ask voters:
 - Recent work: Hankinson (2016), Nall and Marble (2017)
 - My research
- Why do we care about what voters think?

Outline

1. Motivation
2. San Francisco ballot measures
3. Survey experiment
4. Discussion

For discussion

- Are results consistent with your experiences engaging with local voters?
- Do results generalize to contexts outside of San Francisco?
- What research on public opinion would you like to see?

Preview of results

- Voters support or oppose new residential developments in line with their redistribution bias.
- However, in cities experiencing the highest home price increases, new developments are less ideologically divisive.

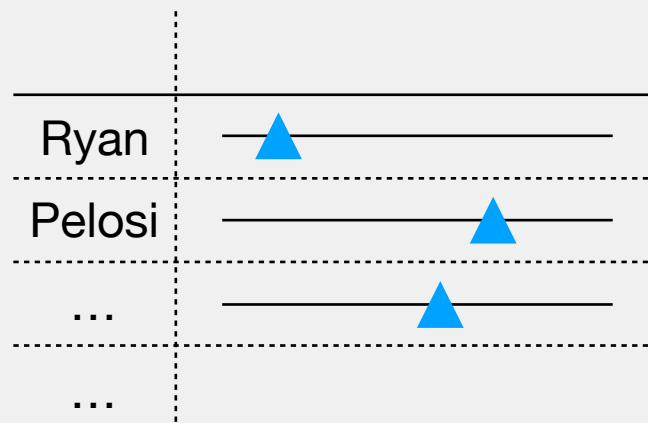
Local Ballot Measures

- San Francisco
- 29 housing-related local ballot measures, 2000 - 2016
 - Affordable housing bonds, rental conversions, parking, inclusionary zoning...
- Data on vote counts in each precinct

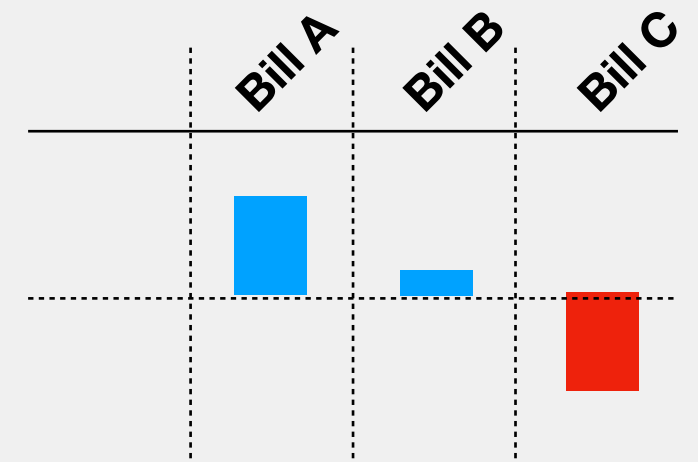
Item Response Model

	Bill A	Bill B	Bill C
Ryan	Aye	Aye	Nay
Pelosi	Nay	Aye	Aye
...	Nay	Aye	Nay
...			

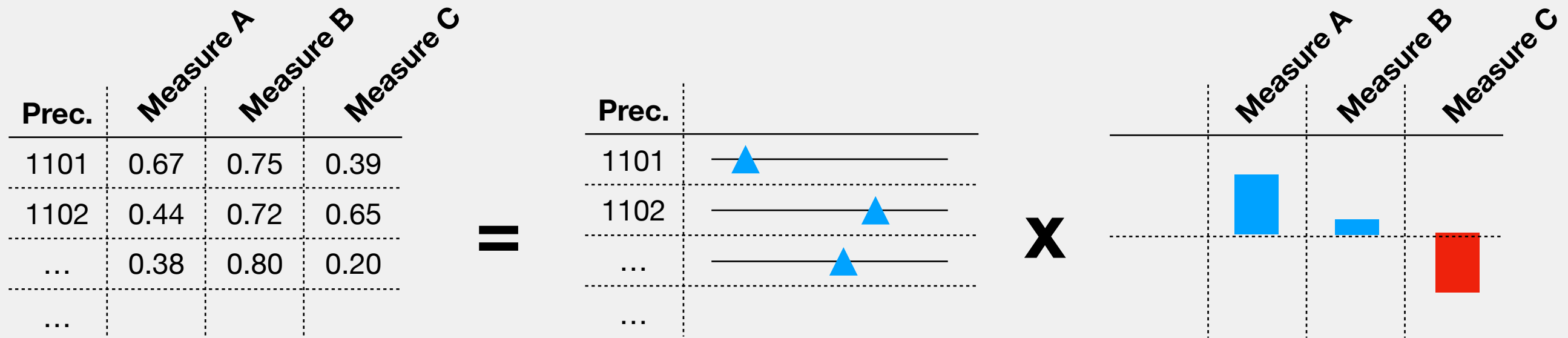
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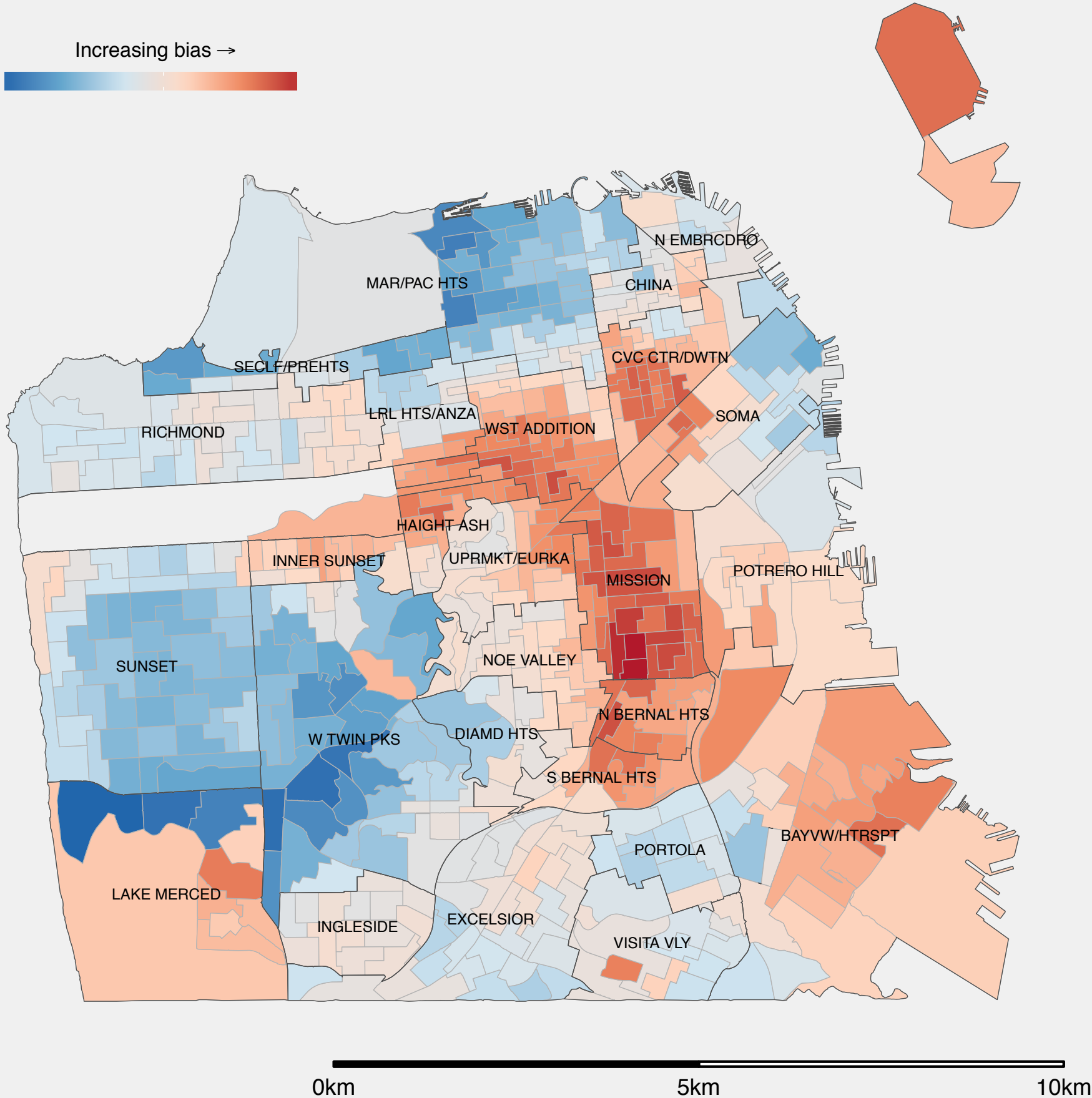
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Item Response Model



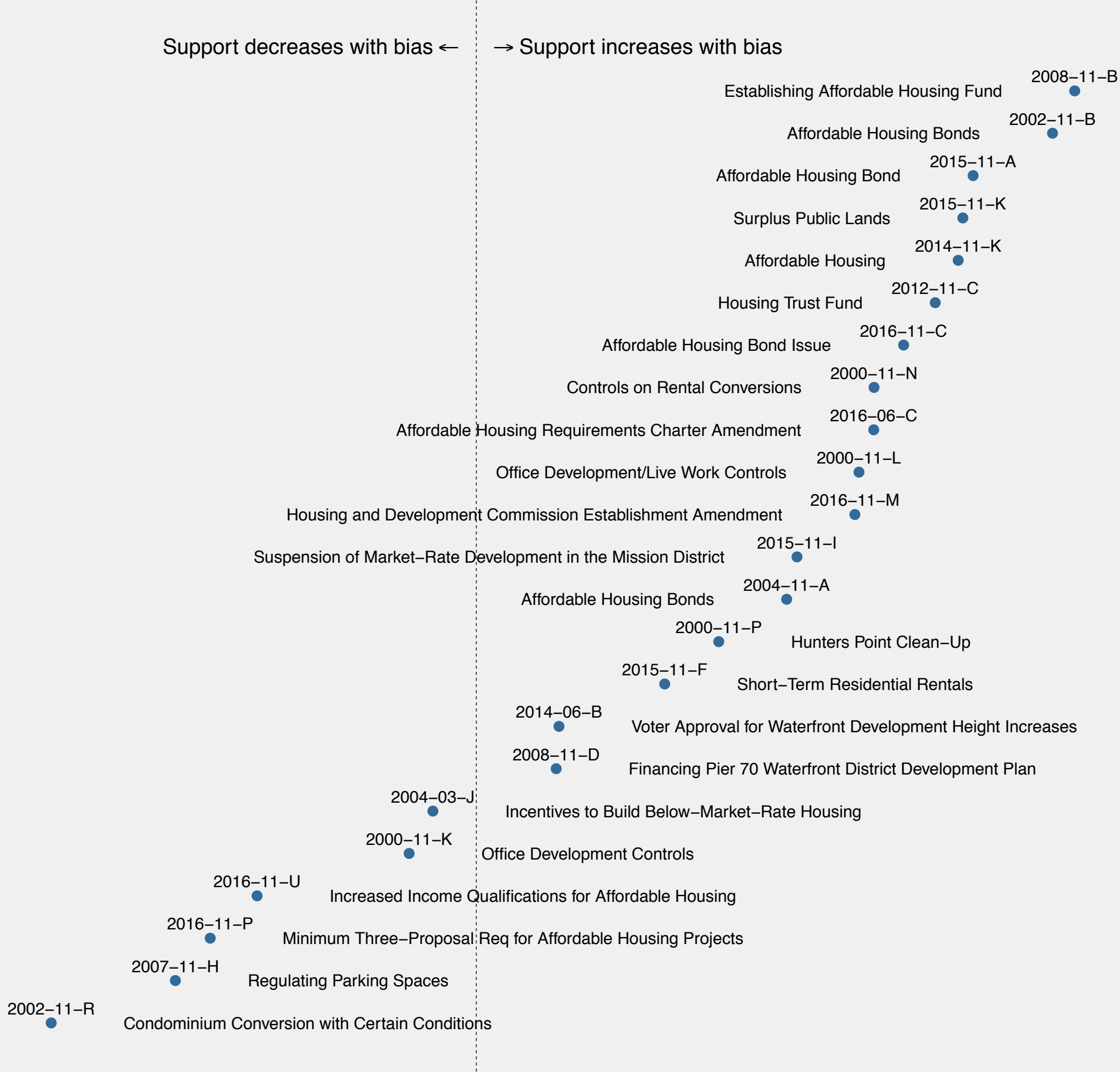
Precinct-level Latent Bias



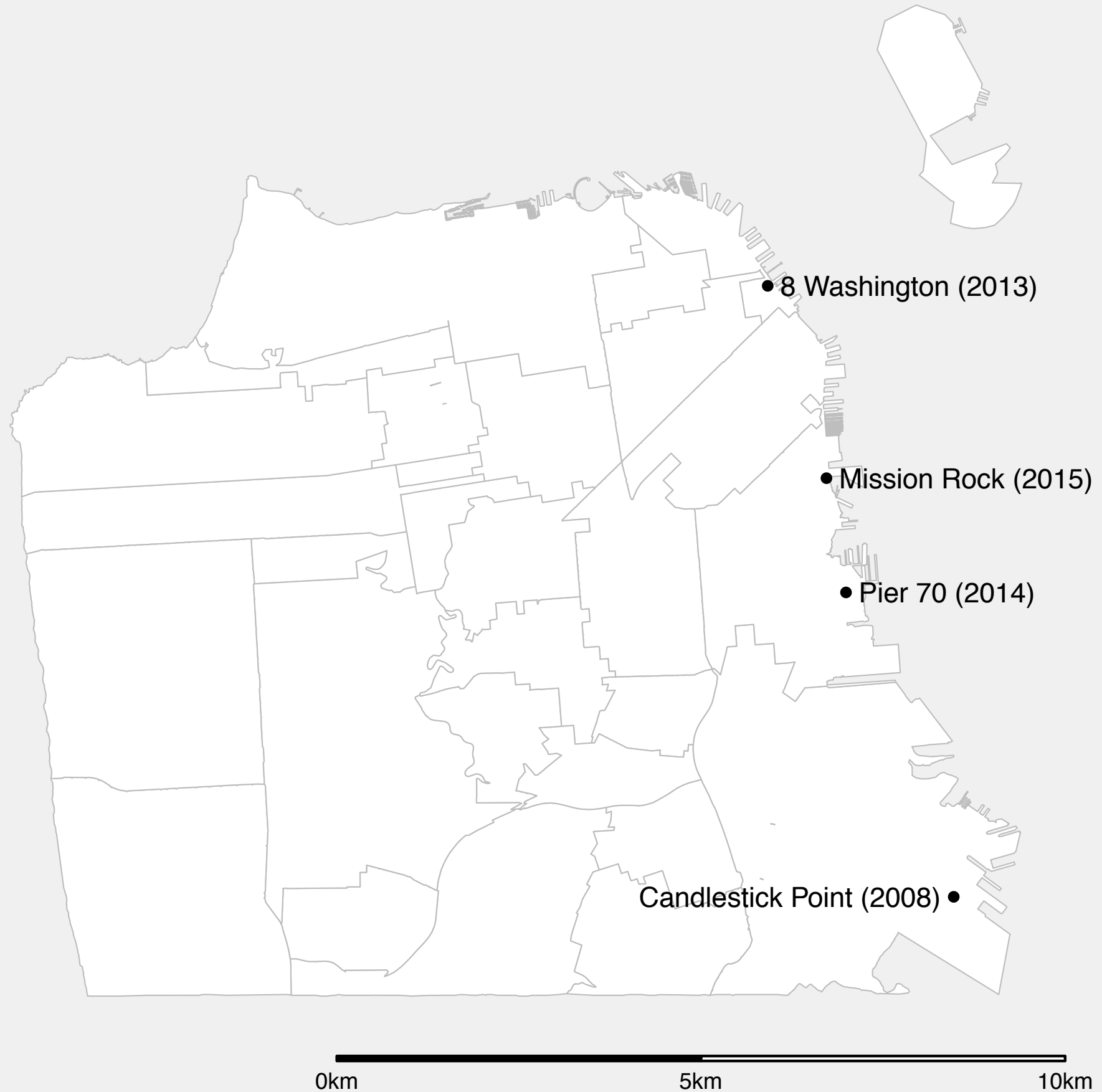
Two Measures with Different Elasticities



Sensitivity of Measure Support to Bias



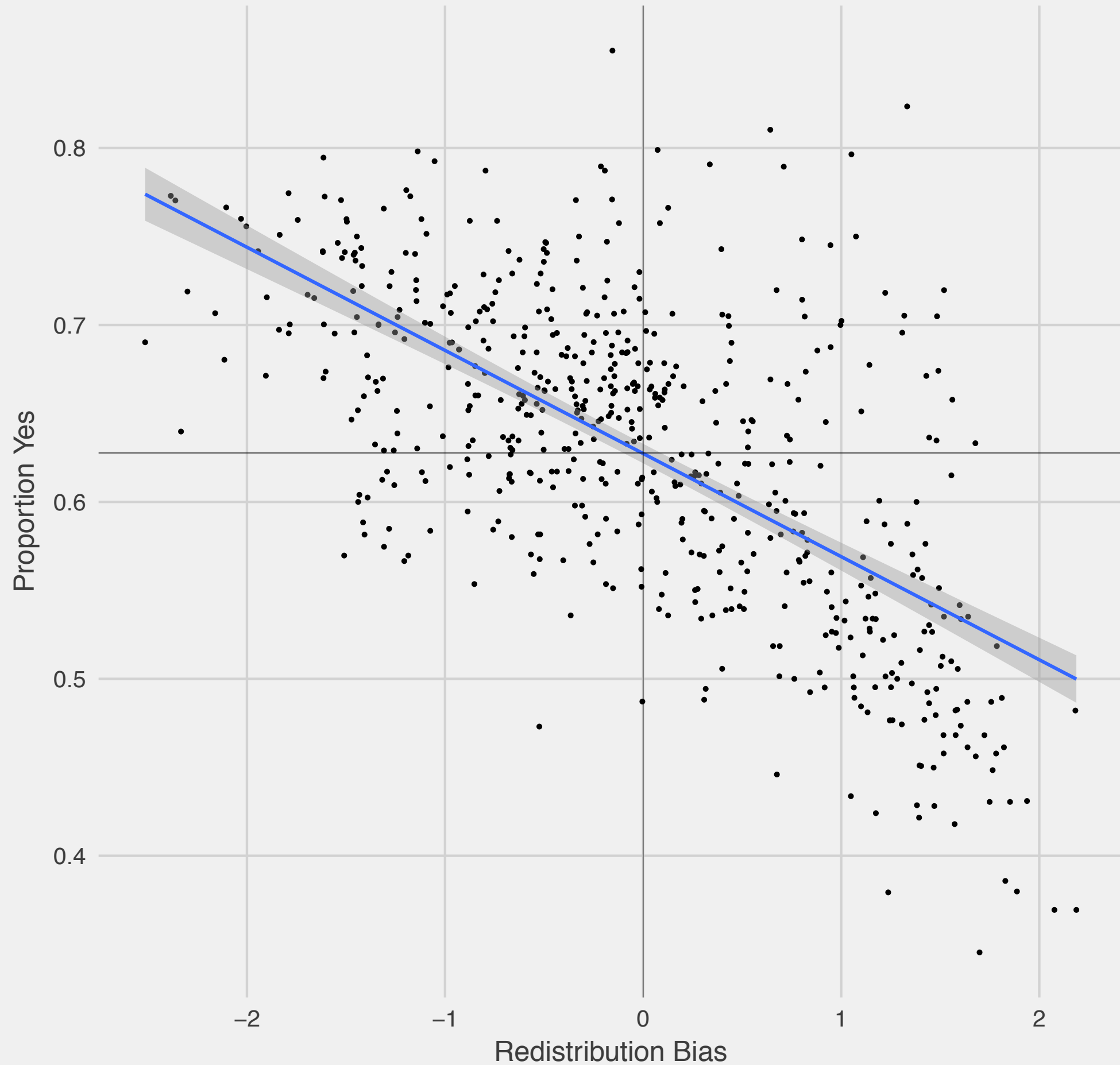
Project-specific Ballot Measures



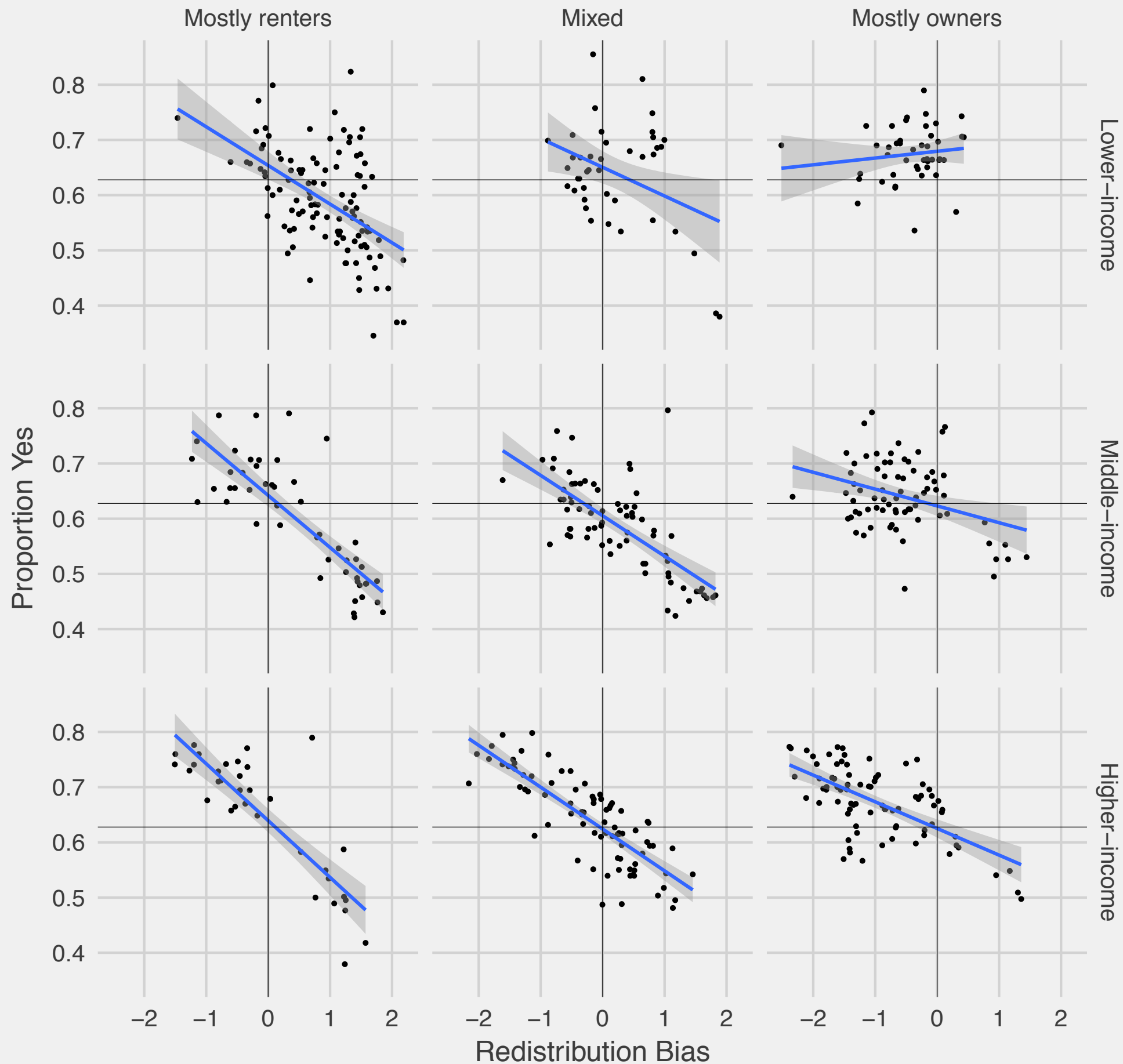
Bayview Hunters Point (2008)

- 8,500 to 10,000 new housing units
- Proposed at least 25% affordable
- Opponents criticized proposal for absence of firm commitment to affordability mix
- Doesn't guarantee affordable housing, “Sweetheart deal” for Lennar, investments in infrastructure will benefit “luxury condo owners”
- Put competing measure on the ballot mandating at least 50% affordable, benchmarked to AMI

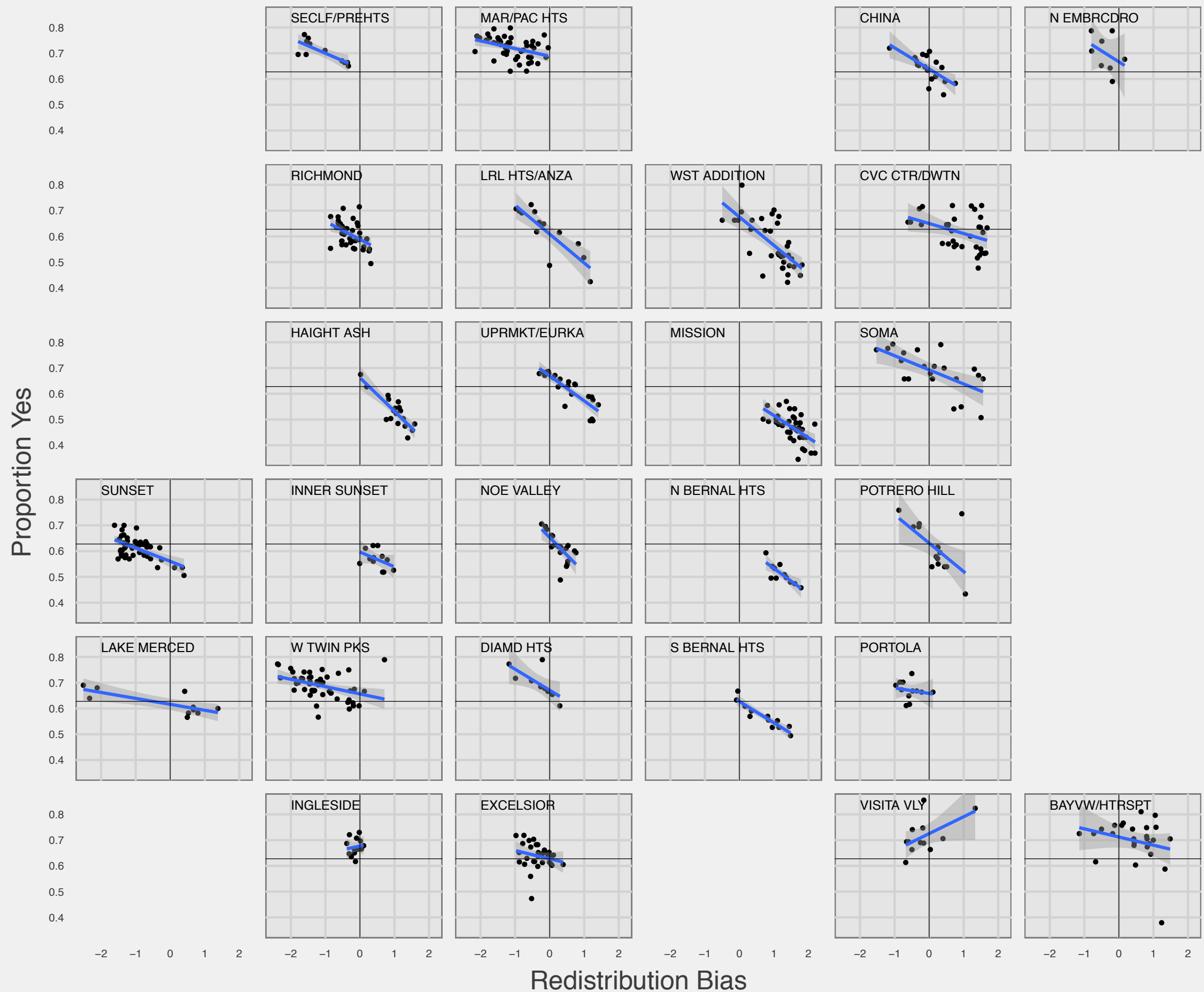
Support for Bayview Hunters Point (2008)



Support for Bayview Hunters Point 'G' (2008)



Support for Bayview Hunters Point 'G' (2008)

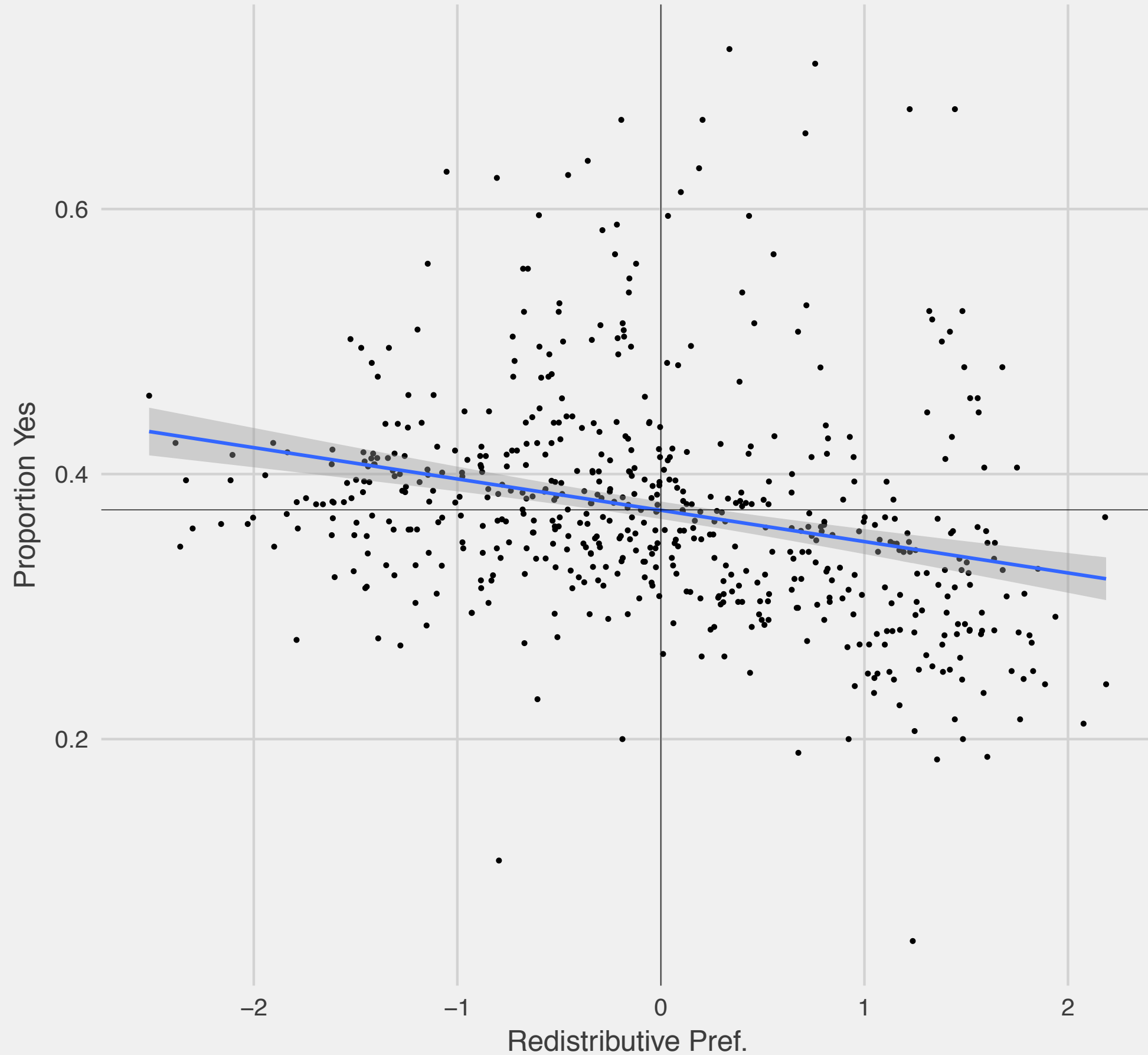


8 Washington (2013)



Support for 8 Washington (2013)

Precinct-level ideology and proportion voting yes

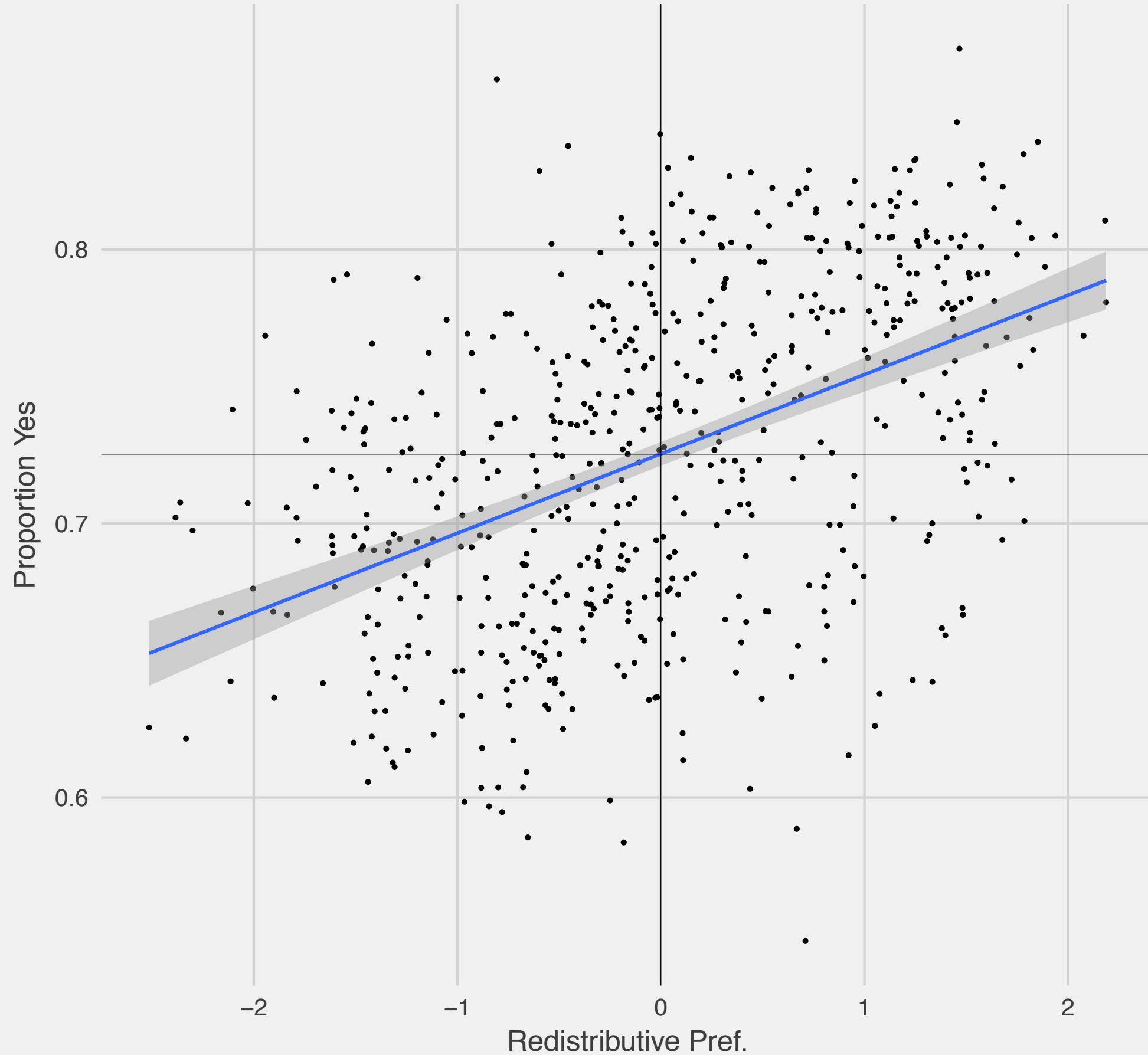


Pier 70 (2014), Mission Rock (2015)



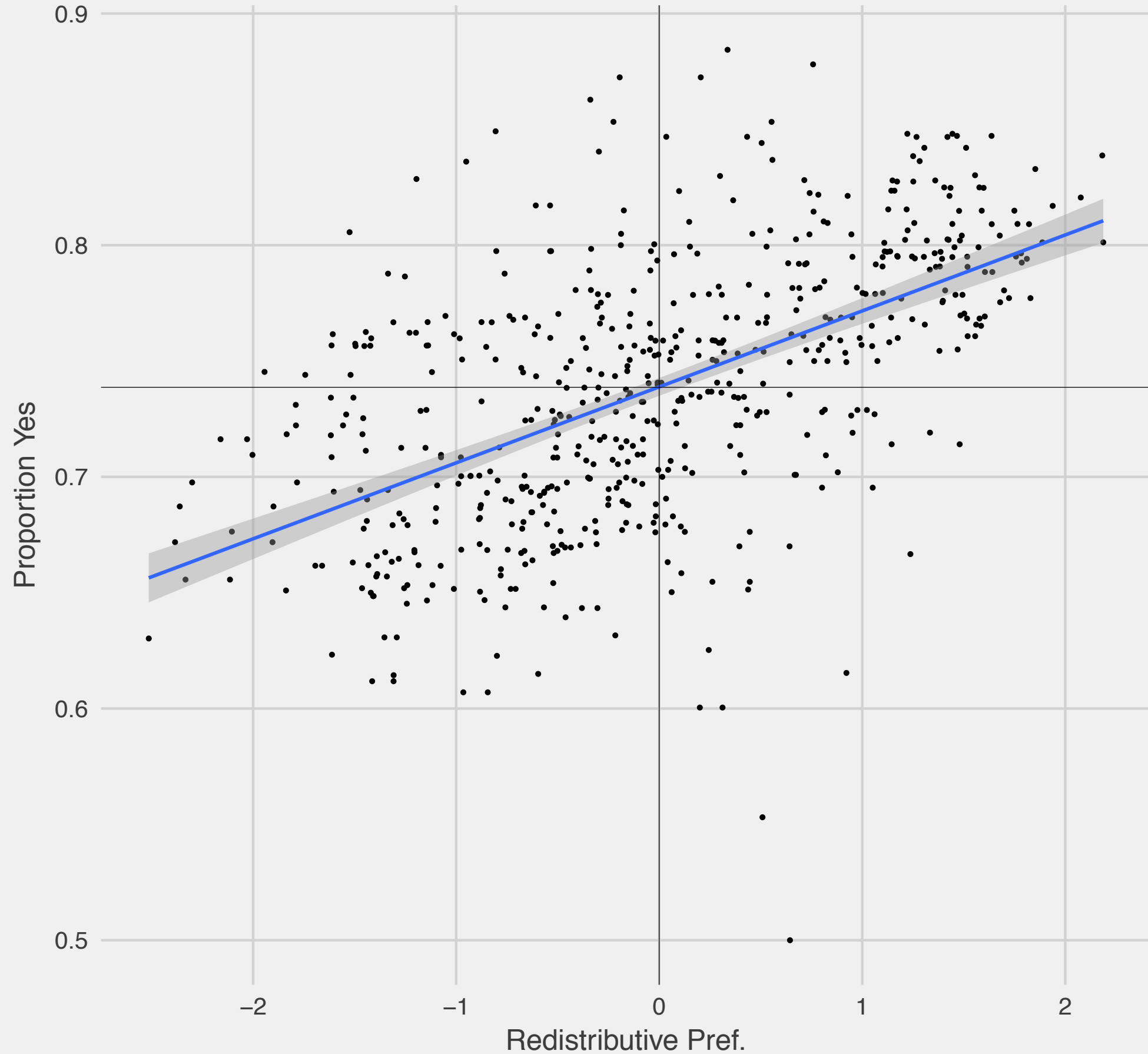
Support for Pier 70 (2014)

Precinct-level ideology and proportion voting yes



Support for Mission Rock (2015)

Precinct-level ideology and proportion voting yes



Two unanswered questions

- Why did the slope flip?
 - Commitment to mixed-income housing
 - Community engagement (Kuwada 2015)
 - Deterioration of housing affordability over time?
- Why is the slope so flat?

Survey experiment

- Are voters more supportive of mixed-income housing than 100% market rate housing?
- If so, by how much? Which residents? Under what conditions?

Mixed-use project with different number of affordable units

DP Daily Press | Local News
local Yesterday at 09:30 · 🌐

Local residents will vote this Saturday to approve redevelopment of a low-rise office park. Developers plan to build 500 apartments, which will come with high-end finishes and appliances. The project will also include office and retail space. Local opinion is divided on the project.




Local residents to vote on office park redevelopment project
Daily Press | Local News

👍 20 56 Comments 31 Shares

👍 Like 💬 Comment ➦ Share

DP Daily Press | Local News
local Yesterday at 09:30 · 🌐

Local residents will vote this Saturday to approve redevelopment of a low-rise office park. Developers plan to build 500 apartments, including 100 units set aside for low-income households. The project will also include office and retail space. Local opinion is divided on the project.



Local residents to vote on office park redevelopment project
Daily Press | Local News

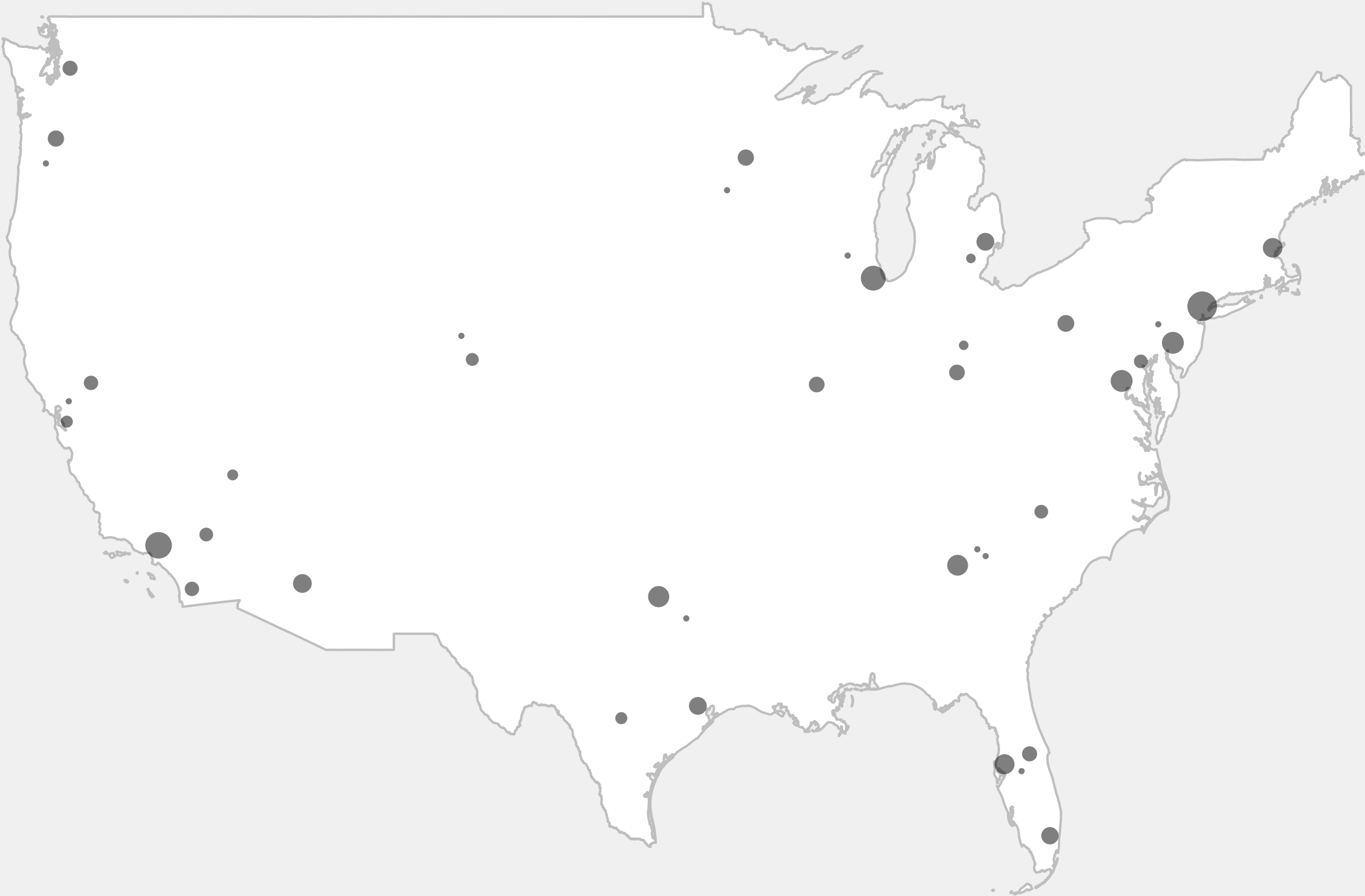
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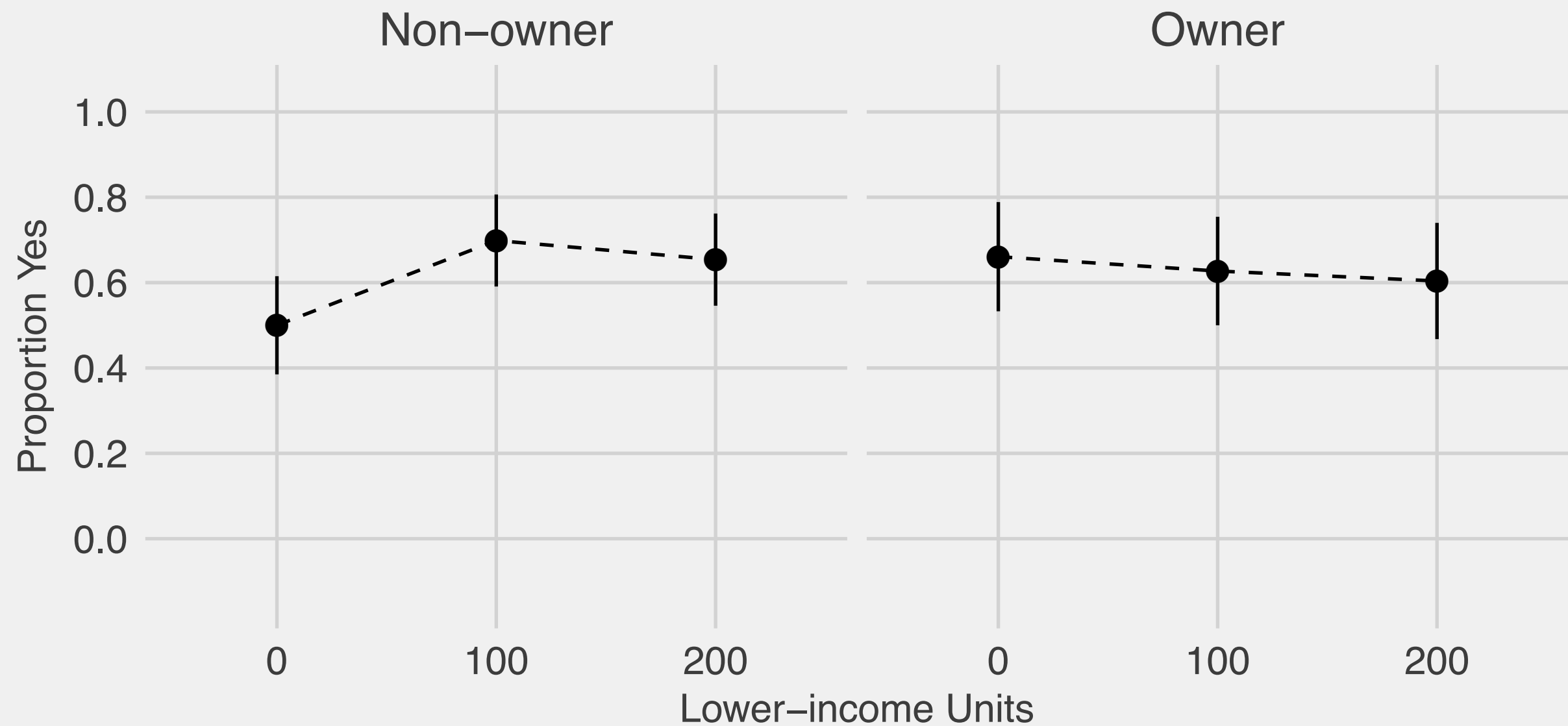
Pilot

- May/June 2017
- Respondents recruited from Amazon Mechanical Turk
- 30 largest MSAs
- ~ 400 respondents

Distribution of respondents

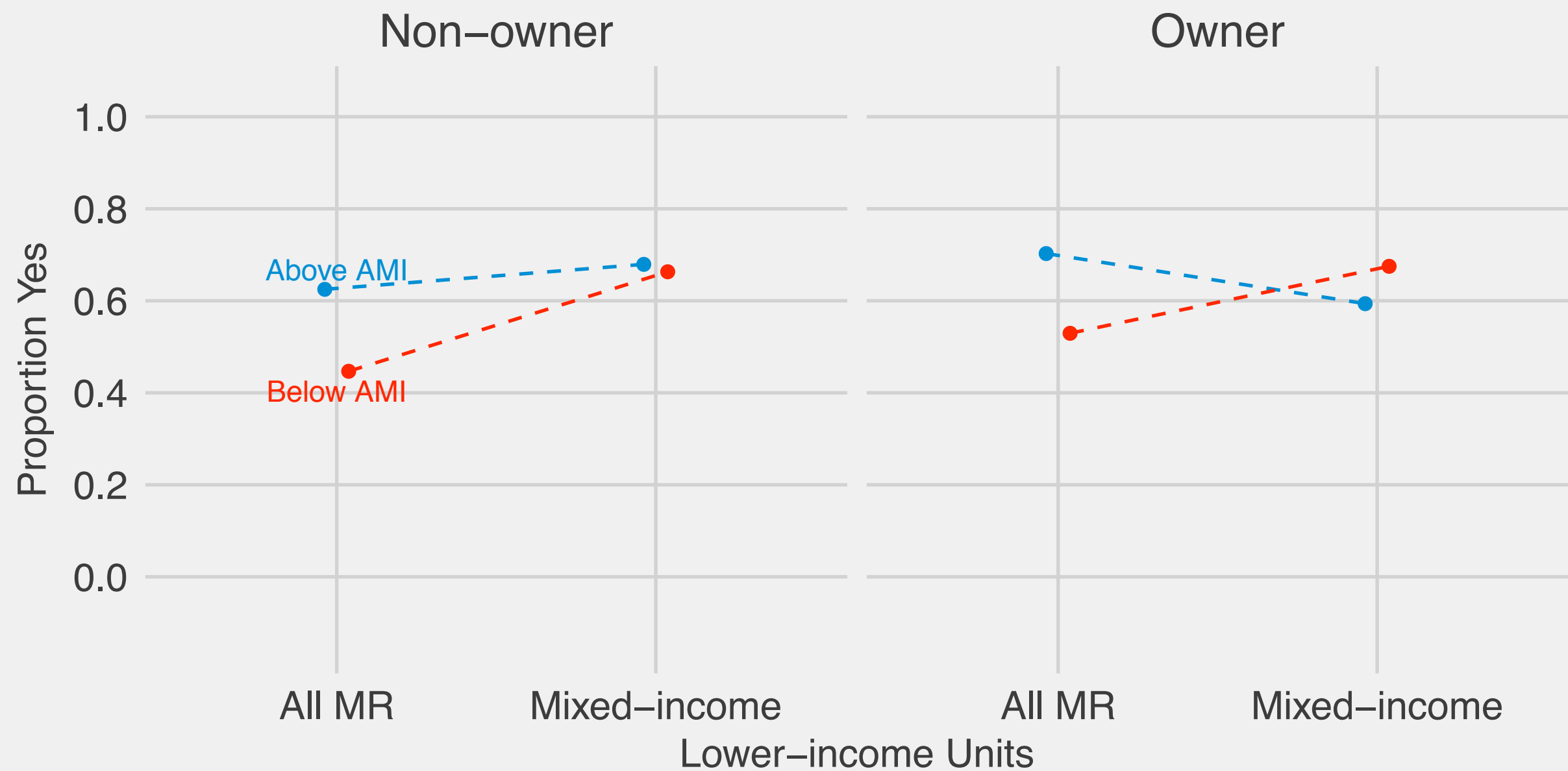


Support for Mixed-use Project



Note: Solid lines indicate 95% confidence interval.

Support for Mixed-use Project

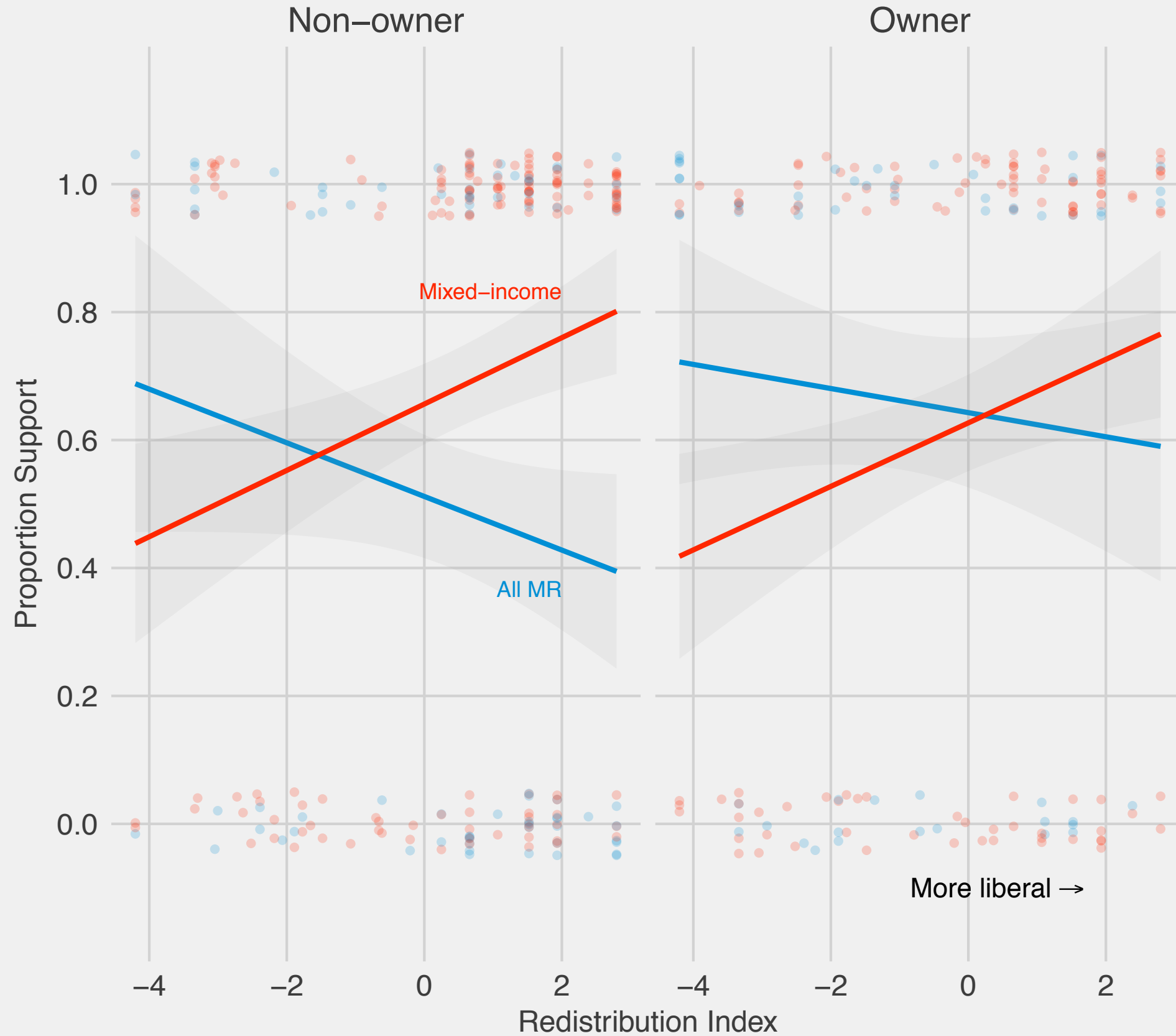


Redistribution bias

- Three questions, combine responses to produce redistribution index
 - Some people think the federal government ought to reduce income differences between the rich and the poor. ... Others think that the government should not concern itself with reducing the income difference between the rich and the poor. [Where would you place yourself?]
 - Do you feel that the distribution of money and wealth in this country today is fair, or do you feel that the money and wealth in this country should be more evenly distributed among a larger percentage of the people?
 - [Tell us if you agree or disagree that...] Our government should redistribute wealth through heavy taxes on the rich.

Redistribution Bias and Support for Housing

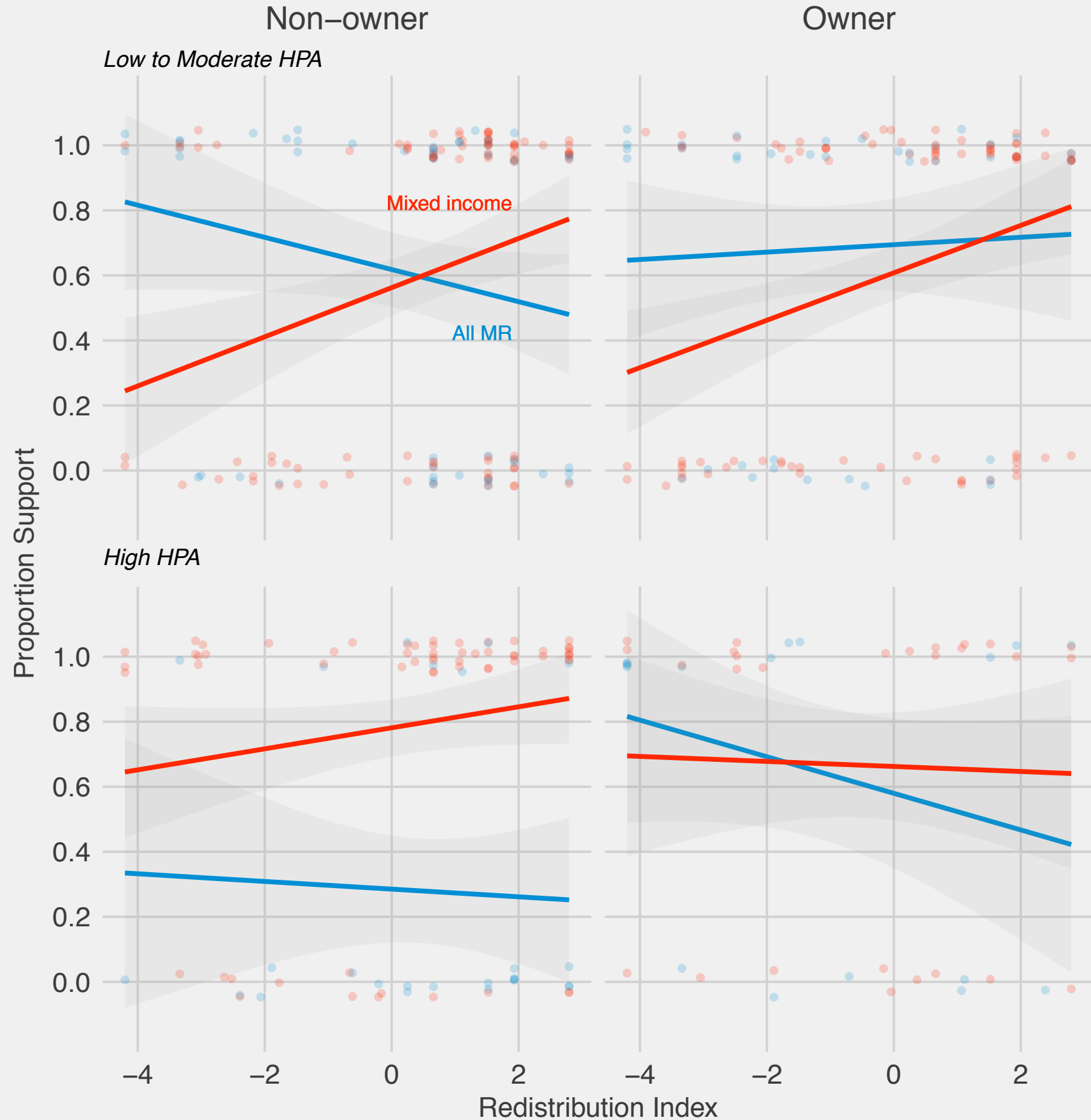
All respondents



Note: Shaded areas indicate 90% confidence bands.

Redistribution Bias and Support for Housing

Faceted by local 5-year cumulative home price appreciation (HPA)



Note: Shaded areas indicate 90% confidence bands.

Voters care about distributional consequences

- Nall and Marble (2017):

“In generating support for more local housing, **messaging focused on the economic virtues** of housing markets and development may be **less effective than appealing to voters’ redistributive preferences.**”

- Advocates for specific projects can command broad-based support, with commitment to equitable affordability mix