

Ronald Reagan socialized cheese, In this housing crisis, why can't we do the same for homes?

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Ronald Reagan socialized cheese, In this housing crisis, why can't we do the same for homes?

READ THE REPORT: [AMERICA'S HOUSING CRISIS - OBSERVATIONS AND SOLUTIONS 2.1](#)

James L. Kraft of Illinois patented a manufacturing process in 1916 that allowed for mass production of his famous orange cheese "product". Containing a mixture of colby and cheddar with curds and emulsifiers, the Kraft company's almost-cheese became enormously popular during the first half of the 20th century. It was cheap, shipped easily, and had a ridiculously long shelf life. Processed cheese—which eventually came to be called, simply, 'American' cheese—became a staple of the 20th century American diet.

Meanwhile, as part of price support programs for farmers enacted in the 30s, the United States government began to stockpile dairy products. By the 80s, the stockpiles were so large that merely storing them became prohibitively expensive. The government even [paid dairy farmers](#) not to produce any dairy for five years, buying the farmers' cattle herds. The cheese would have eventually spoiled without any outlets, and there was no more space to store it. In 1981, the Reagan administration decided to [distribute free processed cheese](#) to America's poor under the Temporary Emergency Food Assistance Program.

During the 80s and early 90s, mysterious and powerful goo seemed to be all the rage—think the ectoplasmic fluid in *Ghostbusters* and the Jheri curl chemicals. But "government cheese" might have been the era's most popular viscous substance. Because of the wide reach of the Temporary Emergency Food Assistance Program, a significant proportion of the country's low-income population was eating cheese packaged and distributed by Uncle Sam. The goods were delivered from the federal government to each state, where it was sent to various warehouses and community centers for free pick-up. Less frequently, it was reserved for victims of natural disasters.

In the 90s, when the herd buyouts ended and the dairy market stabilized, there was little need for the government to continue its cheese hoarding. According to Ken Vortegert, chief of the Dairy Grading Branch of the USDA's Agricultural Marketing Service, the donation programs dwindled once the government no longer had its cheap reserves.

We've all eaten and loved Kraft American Singles. But there's a special *je ne sais quoi* that accompanies the fact that your food is being made by Uncle Sam—often contempt, or associations with hard times. For many, recollections of the food transcend its gustatory characteristics; government cheese represents times of poverty, when its consumers were forced to rely on federal handouts to fill the dinner table. Some rappers reference government cheese in their lyrics to recall the lean times. In "F.U.T.W.," Jay-Z flaunts his rags-to-riches story: "*After that government cheese, we eating steak/After the projects, we on estates.*" Kendrick Lamar similarly recalls a destitute and cheesy youth in "Money Trees." "*Pots with cocaine residue, every day I'm hustling/ What else is a thug to do when you eating cheese from the government?*"

There were other issues that set government cheese apart from standard processed cheese. Because the quantities involved were so large, storage difficulties often led to moldiness. My uncle, Kirk Meyer, was involved with the [Boston Food Bank](#) when TEFAP went into effect. He recalled the logistical nightmare of storing and refrigerating the huge amounts of cheese, which often spoiled. "We're talking 40-foot semi tractor trailers with 20 pallets of cheese in each truckload," he said.

Perhaps more importantly, any type of cheese can be problematic for the digestive systems of millions of Americans. According to the [University of Georgia](#), 75 percent of African-Americans, 51 percent of Latinos, and 80 percent of Asian-Americans are lactose-intolerant, versus the 21 percent of Caucasians. And because minorities historically have been heavily represented in welfare programs, the government wasn't really doing Americans' butts a favor. A choice excerpt from the Wayans brothers' early 90s sketch comedy show, *In Living Color*, reimagines archetypal television family the Bunkers as black:

**Archie:** Edith! What's for dinner?

**Edith:** Oh, Archie, it's your favorite! Macaroni and the government cheese!

**Archie:** Aw, geez, Edith! You know what the government cheese does to me! I spend more time on the throne than Queen Latifah!

But not everyone hated government cheese. According to the USDA document "[PCD5 Pasteurized Process American Cheese for Use in Domestic Programs](#)," the cheese must slice and melt easily. In fact, "The cheese shall have been tested for meltability in accordance with AMS Methods of Laboratory Analysis, and shall be at Number 3 or higher." AMS scale meltability Number 3—or as gourmets prefer, *Numéro trois*—apparently lends itself perfectly to grilled cheese sandwiches, nachos, and similar melty cheese foods. The popular [Chico's Tacos](#) in El Paso, Texas serves government tacos, a re-appropriation or perhaps even a celebration of a food that many poor immigrants in the largely Latino region likely ate regularly during the 80s and 90s. Online forums are rife with fond memories of government cheese omelets, cheese sauces, and sandwiches.

Like anything you grow up with and then lose subsequently access to, government cheese is parked in a prominent spot in the memories of its former consumers. It is more than a food that millions of people ate; it is a historical poverty symbol that has vanished from the pantry. Societally, recollections of government cheese are ambivalent—but hey, that's representative democracy. Hail to the cheese.

In 2022, government cheese is distributed to anyone that is low income. When the USDA buys dairy goods from farmers to give to low-income people, it helps to save farms.

The government cheese log is a federally created nutritionally 'perfect' BASIC log of cheese that is inspected, certified, optimized and produced to stringent standards to be 'ideal'. The government gives these out to anybody that wants them. They taste like hell but they are just a base that any household can slice up, flavor, customize, melt, slice, dice or do other things with.

We would like to see the government do the same thing with a basic house. It will be mass produced, have all the basic stuff and you can customize it to be fancy or not. HUD says it can be done but needs others to do the prep because the government cannot do anything 'creative', like this. There is not just a single factory that makes all of the cheese logs in America. All of the builders could build the 'basic government free house' if they meet the construction manual just like the cheese factories have to meet the cheese log criteria.

Thousands of architects have designs and engineering for such homes.

HUD just needs to STEP UP!

SEE MORE PROOF, EVIDENCE AND THIRD PARTY VALIDATION OF THESE ILLICIT, CORRUPT, DIRTY DEEDS AT:

- <http://www.federal-report.com>
- <http://the-elon-musk-problem.com>
- <http://www.the-truth-about-the-dept-of-energy.com>
- <https://case-xyz2020a.com>
- <http://www.report-corruption.com>
- <http://scotts-news.com>
- [Financial Crimes Enforcement Network - FinCEN.gov](#)

How San Francisco Makes It Insanely Hard to Build Housing

Written by Sarah Wright

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[Capital Public Radio: LGBTQ seniors can struggle to find affordable housing. A Sacramento development is trying to help.](#)

By Felicia Alvarez [9-20-22] // "I kind of don't have a life right now," Francesca Dixon said earlier this year. "My world is a 10-foot-by-11-foot room. It would be nice to have my own place."

[Bakersfield.com: City of Bakersfield on a mission to develop more affordable housing](#)

By Steven Mayer [9-19-22] // By the end of a City Council Budget and Finance Committee meeting on Monday, it appeared that Bakersfield could add more than 500 housing units if a trust fund designed to spark new construction works as planned.

[The San Francisco Standard: How San Francisco Makes It Insanely Hard to Build Housing](#)

By Sarah Wright [9-13-22] // Bob Tillman owned a laundromat in San Francisco's Mission District and wanted to replace it with apartments. In a city desperate for new housing, it seemed logical enough. But eight years later...

HOUSING DEVELOPMENT

[NCSHA: Report: Filling Funding Gaps — How State Agencies Are Moving to Meet a Growing Threat to Affordable Housing](#)

[9-20-22] // Key themes of this new report: "State agencies' strategies for helping developers close unexpected funding gaps include reducing costs through administrative flexibility, allocating future-year LIHTCs, increasing financing from tax-exempt bonds, using Coronavirus State and Local Fiscal Recovery Funds (recovery funds), and working with developers to identify project cost savings."

PODCASTS / MULTIMEDIA

[National Housing Conference Webinar: The State of Native Housing: Programs, Policy, and Practices on Tribal Lands](#)

Thursday, Sept. 29, 10:30 a.m. – 12:00 p.m. PDT.

[Fifth & Mission Podcast: Who owns all the housing in the Bay Area?](#)

[9-20-22] // Property ownership and management in the Bay Area have become more corporatized, making it difficult for some tenants to figure out [who exactly is their landlord](#). (30 min.)

LAND USE / PLANNING / REGULATION

[Sacramento Business Journal: Placer County rescinds approvals for Martis Valley West project near Lake Tahoe](#)

By Ben van der Meer [9-19-22] // The future of a plan to develop part of the Martis Valley north of Lake Tahoe is unclear, after a court ruling compelled Placer County supervisors to rescind approvals for the Martis Valley West project on Sept. 13.

[Governing: Berkeley to Vote on \\$650M Housing, Infrastructure, Climate Bond](#)

By Katie Lauer [9-19-22] // The most expensive item on the November ballot will be a general obligation bond measure that could end up being the largest revenue stream in the city's history, increasing property taxes by \$40.91 per every \$100,000 in value.

HOUSING MARKETS / REAL ESTATE

[S.F. Chronicle: One company operates thousands of San Francisco apartments. But who's the landlord?](#)

By L. Hepler, E. Stiefel, & S. Neilson [9-20-22] // In the years since Veritas super-sized its operation, tenants have [repeatedly accused](#) the company and its affiliates of maltreatment, [sparking protests](#) and [in some instances lawsuits](#). The company denies all wrongdoing, and has argued for the lawsuits to be dismissed.

[S.F. Chronicle: These are the secret power players shaping the Bay Area housing market](#)

By S. Neilson, E. Stiefel, J.K. Dineen, & L. Hepler [9-20-22] // California doesn't have hard-and-fast rules on how property owners identify themselves; large corporations, hedge funds and even wealthy families often purchase multiple homes through shell companies or trusts, shielding their names from ownership records. ...We believe this is an unprecedented effort to uncover rental ownership and management networks across all nine counties in the San Francisco Bay region.

[S.F. Chronicle: This map reveals who owns every property in the S.F. Bay Area](#)

By Emma Stefel and Susie Neilson [9-20-22] // This tool will help you investigate your landlord or anyone else's.

[L.A. Times: The Southern California median home price remained unchanged in August from the previous month as rising mortgage rates made houses even less affordable for many people.](#)

By Andrew Khouri [9-20-22] // Sales of new and existing houses, condos and townhomes dropped 28.3% from a year earlier, while the median cost held steady for the fourth month in a row at \$740,000. Mortgage rates have more than doubled in the last year.

[Reuters: U.S. homebuilding buoyed by multi-family projects; falling permits signal weakness](#)

By Lucia Mutukani [9-20-22] // The report from the Commerce Department on Tuesday showed permits for future homebuilding plunged to levels last seen during the first wave of the COVID-19 pandemic in the spring of 2020.

[Business Journals: Housing inventory may not rebound for some time, despite slowing market](#)

By Ashley Fahy [9-19-22] // "I think there are a significant number of homeowners who are locked into very, very low mortgage rates, and we've seen people who are staying put, living in their homes longer, renovating instead of moving," said economist Lisa Sturtevant. See also housing starts in [August's U.S. New Residential Construction Report](#), released today.

#### HOMELESSNESS

[S.F. Chronicle: S.F. had bold plan to cut chronic homelessness in half in 5 years. The numbers only got worse](#)

By Mallory Moench & Kevin Fagan [9-20-22] // "Housing will fix homelessness, not more plans," said Paul Boden, director of the antipoverty nonprofit Western Regional Advocacy Project.

[Santa Cruz Sentinel: Second wave of Santa Cruz homeless camp closure enforced](#)

By Jessica A. York [9-19-22] // Of the 54 individuals counted last week in "Zone 2," the section being closed yesterday, only 15 accepted offers to move to the city's Overlook tent encampment on leased land at the National Guard Armory in DeLaveaga Park.

[Oakland Auditor: Performance Audit of the City of Oakland's Homelessness Services: Better strategy and data are needed for more effective and accountable service delivery and positive outcomes for Oakland's homeless residents](#)

By Courtney Ruby [9-19-22] // The report reveals the City's had mixed results in placing the homeless into permanent housing and better information is needed to determine whether they remain housed...

[Mercury News: New audit finds critical flaws in Oakland's management of homeless housing](#)

By Marisa Kendall [9-20-22] // Oakland failed to track basic outcome data, according to report.

[San Jose Spotlight: San Jose homeless sweep creates new dangers](#)

By Tran Nguyen [9-20-22] // More than 60 RVs and cars have squeezed into the empty baseball field at the corner of Asbury and Irene streets after the city began clearing the sprawling encampment near the Mineta San Jose International Airport a few weeks ago.

[L.A. Times: Column: At tiny-home villages in Eagle Rock and Highland Park, the report card is mixed](#)

By Steve Lopez [9-17-22] // Providing housing isn't enough for many people who have been surviving without permanent—or any—shelter. They need mental health treatment, drug abuse treatment, and other services.

#### ECONOMY / EMPLOYMENT

[Washington Post: Worker shortages are fueling America's biggest labor crises](#)

By Abha Bhattarai [9-16-22] // Exhausted workers in education, healthcare and the railroad industry are pushing back after months of staffing shortfalls.

[Next City: The Devaluation of Entire Black Neighborhoods, Not Just Homes](#)

By Oscar Perry Abello [9-20-22] // Black retail spaces across the country are worth an aggregated \$171 billion less than they should be worth, simply because they are located in majority-Black neighborhoods, says a new report. What does that actually mean?

[Axios: Study: Medical debt threatens people's health, housing](#)

By Sabrina Moreno [9-10-22] // Soaring [medical debt](#) is setting U.S. adults up for higher risks of eviction, food insecurity and bad health outcomes regardless of insurance or income, [a new study found](#).

#### TRANSPORTATION / TRANSIT-ORIENTED DEVELOPMENT

[Washington Center for Equitable Growth: New research shows that 1 in 4 adults in the United States suffers from transportation insecurity](#)

By Alix Gould-Werth [9-14-22] // Modeled after the [Food Security Index](#), the Transportation Security Index identifies those experiencing transportation insecurity by looking at their symptoms, such as feeling stuck at home because of a lack of access to transportation or arriving early or late somewhere due to transportation scheduling issues.

[CityLab: Traffic Deaths in the US Decline for the First Time Since 2020](#)

By Keith Liang [9-19-22] // "Although it is heartening to see a projected decline in roadway deaths in recent months, the number of people dying on roads in this country remains a crisis," Ann Carlson, NHTSA's acting administrator, said in a statement.

#### REDEVELOPMENT / INFILL / PRESERVATION

[S.F. Chronicle: S.F. just rejected another plan to turn an empty parking lot into apartments](#)

By J.K. Dineen [9-16-22] // On Thursday, a short-handed Planning Commission rejected the project at 1010 Mission St. after an 11th-hour blitz from a half dozen South of Market nonprofit workers, who argued that the mostly market-rate housing — eight of the 57 condos would be below market rate — would be unaffordable and too small to accommodate local families.

[Los Angeles Daily News: 50-unit affordable housing units will rise up on South LA church's parking lot](#)

By Chris Haire [9-20-22] // Officials broke ground on the project, called Serenity, on Monday morning, Sept. 19.

#### NATIONAL HOUSING NEWS

[Politico: Success eludes New York's plan to convert hotels into affordable housing](#)

By Janaki Chadha [9-19-22] // After a year and \$200 million committed, New York hasn't created a single apartment, thanks in part to piecemeal policy and a powerful union.

#### FAIR HOUSING / EVICTION

[Shelterforce: How Tax Assessments in a Supposedly Progressive County Are Reinforcing Racism](#)

By Amanda Abrams [9-16-22] // Buncombe County in North Carolina was one of the first places in the U.S. to support reparations for Black residents. So why is the county not doing a better job of addressing property tax inequities that directly impact residents of color?

[Shelterforce: Press 'Record' to Catch Fair Housing Violators—if You Can](#)

By Fred Freiberg [9-6-22] // Fair housing testers often go undercover to expose discriminatory housing practices, but laws prohibiting recording conversations hamper investigations

#### ENVIRONMENT / CLIMATE CHANGE / NATURAL DISASTERS

[New York Times: A Key to Controlling Emissions: More Buildings in a City's Unused Spaces](#)

By Peter Wilson [9-19-22] // Constructing more condensed communities in existing neighborhoods has been found to go a long way toward fighting climate change.

The TransAmerica Pyramid peeks out behind wooden walls as workers continue construction on two affordable housing developments. | Jessica Christian/SF Chronicle via Getty Images

Bob Tillman owned a laundromat in San Francisco's Mission District and wanted to replace it with apartments. In a city desperate for new housing, it seemed logical enough.

But eight years later and after countless community meetings, hearings, appeals, studies, a legal challenge and a court settlement—the site of the former laundromat at 2918 Mission St. still sits empty.

Tillman, who owned 10 laundromat businesses in the Bay Area, made out just fine: He bought the laundromat property in 2005 and 2006 for a total of \$1.75 million, and after finally obtaining initial permits, he sold it in 2019 for \$13.5 million to Lawrence Lui of Cresleigh Homes.

But his story, and the continued absence of housing at the site, reveals the massive hurdles developers face in the city and helps to explain why new housing permits this year cratered to about [half of the 10-year average](#).



Bob Tillman stands outside the site of the former laundromat he owned at 2918 Mission St. in San Francisco on Monday, Sept. 12, 2022. | Paul Kuroda for The Standard

San Francisco is on pace to build an anemic 3,000 new units this year, and the lull in construction couldn't come at a worse time. State law demands the city have a plan to build 82,000 new units over the next decade, and state officials led by Attorney General Rob Bonta are now investigating the city's land-use practices and holding up the city as a poster child for housing dysfunction.

Indeed, the city represents an extreme version of a national housing crisis that is especially severe in big coastal cities. Costs are spinning out of control as builders face soaring pricing for materials and labor and a gauntlet of not-in-my-backyard activism, bureaucracy and cutthroat politics.

"It's basically mafia government," Tillman said. "People doing shakedowns of various sorts."

"Nineteen times out of 20, they get away with it," Tillman added. "And the 20th example, which is me, they cut a deal quietly, sweep it under the rug, and keep on doing what they're doing."

Higher Costs, Lower Rents

From the beginning, Tillman realized he would have trouble financing a big housing project. When he first applied for permits in 2014, the estimated average cost of \$700,000 for each of the 75 planned units seemed exorbitant. Today, the per-door cost of housing, a common metric for developers, is closer to \$1 million in the city.

Even in the best of times, San Francisco is an extremely expensive place to build. Space is limited, the land itself is expensive, and the city's high cost of living means higher cost labor, too.

Type of Project Cost by Percent Share

Construction comprises the largest share of project costs in an average multi-floor apartment complex in SF.

CHART: LIZ LINDQWISTER • SOURCE: ESTIMATES PROVIDED BY DEVELOPER SOURCE



That makes San Francisco's average building cost—at about \$440 per square foot—the highest in the world, according to [data research group CBRE](#). A combination of rising materials costs, a labor shortage and supply chain disruptions are pushing costs even higher: In the Bay Area, construction bids have [surged 17% over the past year](#), according to consulting group TBD Consultants.

Costs are rising in tandem with an unusual market pullback in the city, with rents still below pre-pandemic levels, [home prices receding](#) and low demand for office space.

"It's really hard to make a project work in San Francisco right now," said Brynn McKiernan, an associate at Emerald Fund, a local developer. "The type 1 construction, the towers, just aren't financially feasible."

But market conditions aren't what's driving many developers away. Instead, it's the city's political climate, which poses a host of challenges that don't exist in friendlier pastures like Oakland and San Jose.



Developer Eric Tao shows a corner condo construction taking place on the sixth floor of 950 Market St., a hotel/condo development, seen on Friday, March 13, 2020, in San Francisco, Calif. | Liz Hafalia/The San Francisco Chronicle via Getty Images

Three trends, in fact, worry local builders the most: The city's multitude of fees that layer dollar after dollar onto every new project, its costly labor mandates—both tacit and explicit—and its tortuously slow permitting process. The capper is that even if the years-long permitting process goes well, there is the threat of arbitrary project denial at the [Board of Supervisors](#).

Death by a Thousand Fees

The city's ["inclusionary housing" fee](#) is where Tillman began his long odyssey to try and get permission to build. Unlike many other cities, where new development is allowed without a special process if a project fits zoning and other rules, San Francisco gives much greater power to commissions and politicians to decide on individual projects.

When he began the process in 2013, Tillman sought to build as many housing units on the site as he could, 14.5% of which were required to be below market-rate under the city's so-called inclusionary housing rules. But after doing some legal research, Tillman discovered a loophole: If he used the state's "density bonus" law, he could increase his planned 55 units to 75 without adding additional below market-rate units.

And if his project was fully up to code but still denied—which would likely be illegal under another state law that bars arbitrary housing denials—he could sue all the way to a state judge and set a precedent.

Adopted in 2002 and twice amended since then, the city's inclusionary housing fee now requires developments larger than 10 units to include anywhere from 20% to 33% below market-rate units or pay a hefty fee equivalent to about \$230 per square foot of the building's residential area.

Affordable housing activists say the fee is a linchpin of efforts to prevent displacement and assure that the city remains a place for everyone. Bad-mouthing by developers, they say, is just that, and affordability requirements remain a point of heated debate.

Jeremy Lui, a development manager at Cresleigh, described the fees as an example of good intentions with unintended consequences. The current inclusionary housing framework can kill projects, he said, because requiring a high percentage of low-rent units can outstrip any profitability.

"If I were a policymaker, it's like saying 'I only get 4 out of 5 votes sent in the mail,'" Lui said. "At some point, it just doesn't make sense."

The inclusionary housing fee is the 800-pound gorilla of San Francisco development fees, but is one of dozens of fees currently on the books. The city charges a [boalload of neighborhood-specific impact fees](#), imposed in areas like [Balboa Park](#) and [the Mission District](#), purportedly to help to offset the strain of new developments on existing neighborhoods.

SF Annual Impact Fees for 2022

The city's Development Impact Fees are adjusted annually, effective on January 1st of each year.

GSF INDICATES "GROSS SQUARE FEET" OF PROPERTY.  
TABLE: LIZ LINDQWISTER • SOURCE: [SAN FRANCISCO PLANNING DEPARTMENT](#)



Other fees are imposed citywide, like the \$600 the city charges per bicycle parking space eliminated for new housing and the \$2,302 per tree that cannot be planted. When piled onto a project, the [city's fees](#) can amount to as much as a quarter of a project's total "soft costs"—a term for the costs of architects, consulting, insurance, permit fees and other non-construction costs.

The Controller's Office raises development impact fees every year alongside inflation. And 10 new fees have been added since 2014.

Other rules, like the city's definition of a "high rise" and its building code requirements have evolved over the years to the point where Tillman says his project, if proposed today and therefore beholden to higher fees, would no longer be feasible.

"If someone ... just gave me that lot [today], I don't know that I could afford to build and design a project that would be economically viable," Tillman said. "The city has done everything possible to increase the costs."

Unfriendly Neighbors

Tillman's development plan met stiff resistance from the Mission District group Calle 24, which set in motion multiple appeals that wound up stalling the project for years.

Calle 24 wanted the site to be converted to 100% affordable housing and objected that the laundromat had been a site of activism in the 1970s, sending it to the Historic Preservation Commission for a study. Four months and \$23,000 later, that commission did not find that the site had historic value.

Tensions boiled over at a January 2016 community meeting, when an irascible crowd hurled insults and homophobic remarks over concerns that the housing would displace existing residents. One attendee [reportedly told Tillman](#) that he wished his daughter, who lived in Boston, had been blown up in the recent marathon bombing.

At this point, Tillman says he saw the writing on the wall: There was little chance he'd get his project approved over neighborhood opposition. So he set out to get the project denied at the Board of Supervisors so he could settle out his building rights in court, allowing him to sell the site with entitlements, at a tidy profit, in a neighborhood where few new properties were getting the go-ahead to build new units.

Tillman's housing plan—a 75-unit, eight-story housing project with 14.5% below market-rate units—eventually obtained a [conditional use permit](#) from the [Planning Commission](#) in 2017, three years after it was introduced.

That timeline is far from unusual in San Francisco, where it takes more than two years on average to permit housing projects—an unusually slow pace compared to peer cities, according to a [draft study](#) published last year.

**CA Housing Development  
Average Permitting Timeline**

San Francisco reports the highest average number of days to submit, entitle and then permit a housing project in California.

AVERAGES MEASURED FROM JULY 2020 TO DECEMBER 2021.  
CHART: LEO UNDOUBTER + SOURCE: PLANNING DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



The longer a project languishes in the city's byzantine permitting process, the more expensive it gets for the eventual builder. Joe Ollá, vice president of business development and marketing at Nibbi Brothers General Contractors, estimated that for every six months of permitting purgatory, overall costs tick up by around 3 to 4%.

"If it gets delayed two years, that can destroy a job," Ollá said. "It's just this kind of neverending battle to try to catch up to the dollars."

Knowing he was likely headed to court, Tillman refused to jump through the hoops normally required for getting a housing project off the ground in San Francisco. He didn't cater his plans to the neighborhood and political groups and didn't sign a voluntary agreement promising to use union labor.

That's one of the unwritten rules for local builders, and it's a double-edged sword: Those labor agreements tend to yield higher quality work, say builders, but also ratchet up costs.

Perhaps most importantly, not signing a labor agreement can make your project a political non-starter.

By the time he got that far, Tillman knew he was selling and didn't want to tie a buyer up in a labor agreement. It wouldn't have done any good anyway; The so-called "historic laundromat" had become a cause célèbre on both sides of the city's housing debate, with Mission District activists saying it would further gentrify the neighborhood and pro-housing groups countering that building housing at an old laundromat couldn't possibly displace anybody.

"I was going to get opposed by Mission activists whether I had the unions or not," Tillman said.

Sure enough, Calle 24 appealed Tillman's conditional use permit, sending the matter to the Board of Supervisors.

**Chilling Effect**

San Francisco's system of housing review, which gives both the Planning Commission and the Board of Supervisors discretion over housing approvals, is ripe for abuse.

In San Francisco, anyone—even non-residents—can ask the commission to take a second look at a development. It takes just a few hundred dollars and a claim of historical significance or environmental impact to stall a project.

There are opportunities for public input and appeals at almost every stage of the process. Within two weeks of filing a pre-application for permits, applicants on bigger housing projects must notify everyone who owns property within 300 feet of the project of their initial plans and then hold a community meeting. Some buildings, like Tillman's, require additional notifications before a hearing and can be subject to "postponement" to give the opposition time to organize.

Even once permits are approved, project opponents then have 30 days to appeal the permit to the Board of Supervisors. And that's all just for the entitlement process—opponents have additional opportunities during the building permit phase to send projects to the city's Board of Appeals.

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*An archival photo of the former laundromat at 2318 Mission St. in January 2016 (top) and a drone photo of the same lot (bottom) which remains empty on Monday, September 12, 2022. A housing development at the site has been delayed. | Michael Macor/The San Francisco Chronicle via Getty Images ; Paul Kuroda for The Standard*

The most common weapon of choice for anyone trying to stop a project is the [California Environmental Quality Act \(CEQA\)](#), a state law that requires most housing projects to undergo an environmental review. "Environmental impacts" can be interpreted broadly, and the Board of Supervisors [has been accused of using CEQA as cover to tank projects for political reasons](#). That was the case in the much-publicized delay of 469 Stevenson, a proposed 500-unit development on a downtown parking lot, which led to a state investigation of SF's housing policies.

"That just has a chilling effect," said Jonathan Fearn, a builder with Greystar who sits on the Oakland Planning Commission, of the denial of projects like 469 Stevenson. "Why would I move forward?"

Likewise, the board cited CEQA in denying Tillman's project in 2018, saying it could cast shadows over a nearby playground. Tillman sued, spurring the [planning department](#) to launch an independent "shadow study" and ultimately re-approve his project. That was five years after he first proposed it.

"If you're on the political playing field, they can do anything to you," Tillman said. "But once they turn you down...then you can go into the courts and that's a different playing field. They don't have control over it."





A drone photo of the lot at 2918 Mission St., formerly the site of a laundromat (left) and the former owner of the property Bob Tillman (right) outside the location on Monday September 12, 2022. | Paul Kuroda for The Standard

Greystar, which manages more than two dozen apartment buildings in San Francisco, cleared planning hurdles on its last construction project in the city in 2014 and hasn't done one since, said Fearn.

The pullback wasn't calculated, but the South Bay, with its ample tech jobs to support rents—and more importantly, its simplified approach to approving housing compared to San Francisco—has proved a much more reliable market.

Cresleigh Homes, which purchased the 2918 Mission St. site from Tillman in 2019, demolished the old laundromat but still hasn't secured final approval from the city's building department to build beyond a foundation. Lui said it's no surprise that builders decide that San Francisco is not worth the hassle.

"There's a whole ecosystem of would-be builders that go elsewhere," said Lui.

**'We Go to Oakland'**

Pro-housing groups say the city's "solutions" to the housing crisis are only making matters worse.

Local politicians are [launching a yearlong process](#) to redesign an existing state law to avoid relinquishing their role in project approvals. The Board of Supervisors approved a ["streamlining" ballot measure](#) with affordability and labor requirements so strict it's unlikely to be utilized by developers at all.

Efforts at the state level to tear down barriers to housing may force San Francisco to change its ways, or set the stage for a legal showdown with local policymakers unwilling to cede local control of housing.

But for many of the city's top builders, it's too little, too late. They're already spooked by projects like Tillman's and 469 Stevenson that leave hundreds of units dead in the water for reasons they call arbitrary.

When asked what keeps builders in the city, McKiernan had a simple answer: "We go to Oakland."