

Sacramento Report

A Not So Astonishing Result

by Greg McConnell, Legislative Advocate

The city of San Francisco prides itself on being a very progressive city. Over the last few decades, it has developed a plethora of regulatory laws designed to promote and maintain diversity. This includes rent control, just cause for eviction, inclusionary zoning, restrictions on Condo and TIC conversions and much, much, more.

Despite these laws, or maybe because of them, according to a report in the San Francisco Chronicle, the number of African Americans living in San Francisco has dropped from 96,000 in the 1970's to 47,000 today. That means that on any given Sunday afternoon in the Fall there are more people attending a football game at Candlestick Park (or whatever it is called these days) than there are African Americans living in the city. "The decline is phenomenal," says Hans Johnson, who works as a demographer with the Public Policy Institute of California.

While these declining numbers are no surprise to regular folks in San Francisco, it has "shocked" and embarrassed city leaders. The Mayor convened a task force to find out why blacks are leaving the city and what can be done to stop this trend. However, this was not enough for San Francisco Supervisor Ross Mirkarimi, who the Chronicle reported as saying, "the exodus has been 40 years in the making -- and the task force may be too little too late."

"There has been no plan to fix this, and any talk of a roundtable is bothersome because we are well beyond documenting the obvious," Mirkarimi said. "This exodus completely belies our credentials as a progressive city. We need to spend time organizing in the community."

San Francisco is not the only city to experience major declines in the African American population. According to the Census Bureau, Oakland's African American population went from a high of 46.9% in 1980 to somewhere between 29% and 33.2 % in mid-2005. In Berkeley, one need only remember the infamous report that stated that the whitest census tracts in the Bay Area are in Berkeley.

So what is behind these trends? Are they the result of secret gentrification plans? Are racists conspiring to drive blacks out of their communities? Is Supervisor Mirkarimi right when he says we need to organize the community?

No, No, No!

African Americans want what everyone else wants – a chance to buy their homes and build a future. However, like most people, they cannot afford the high cost of housing in San Francisco (or Oakland, Berkeley and many other California cities). Therefore, they do what any other reasonably intelligent people with a choice would do – they move to cities where they can afford to buy a home!

Think not? Consider this. On the same day that the Chronicle article ran, the Los Angeles Times ran an Op-Ed by Bernard Parks, the former chief of police for the city of Los Angeles and a current member of the City Council. Councilmember Parks represents the 8th District which is one of the poorest in the city.

In his unequivocally pro-condominium conversion article, Mr. Parks took issue with his colleagues on the City Council who wanted to restrict conversions of condominiums in Los Angeles. Wrote Mr. Parks, “The City Council’s recent debate over whether (and how) to allow condominium conversions in Los Angeles may seem complicated, but actually, the answer is obvious: As long as there are tenant protections built into the process, condo conversions shouldn’t be restricted.”

He went on to say, “The 8th District, which I represent, is actually saturated with rent-controlled housing and “affordable” apartments. The real problem in the 8th District is a shortage of single-family homes or other asset-building opportunities. Hundreds of government workers and young African American and Latino professionals would like to live in South Los Angeles, but because the quality of the rentals does not meet their expectations and needs, they choose to live elsewhere. They can find the quality they want and the option to buy in the more affordable areas such as Riverside and the Antelope Valley. Purchasing a converted condominium may be the best option to allow the upcoming generation to have a stake in Los Angeles. “

In Mr. Parks view, one of the reasons that his district is so run down is because people who live there are not invested in it. “In my district, and in other parts of South Los Angeles, condo conversions . . . are an important and effective way to upgrade the aging housing stock and to encourage homeownership. Like other forms of asset building, homeownership is key to revitalizing South Los Angeles and the city as a whole.”

Mr. Parks is not the only minority legislator to advance condominium conversions as a way to give young minorities a chance to live the American dream and build assets for their families. Oakland Councilmembers Henry Chang, Desley Brooks, and Council President Ignacio De La Fuente have introduced a plan to remove barriers to condominium conversions and cite the very same reasons.

It is so ironic. San Francisco developed rent control, inclusionary zoning, strict laws against conversion and a host of related regulations under the pretext that they were maintaining diversity. The resounding impact has been a disaster. African Americans have left at a “phenomenal” pace.

I hope people are following this. Now that we know the impact these regulations have – that they hurt the intended beneficiary – it would be unconscionable to keep these barriers in place.

Housing providers are often maligned as greedy people who care not about diversity. But, let's be candid about this, property owners did not chase African Americans away from their cities of origin. Credit for that goes to ill-conceived housing policies.

If San Francisco truly wants to be a progressive city that promotes diversity, it should take a sober look at the failure of its housing policies over the past two or three decades and take a new direction that promotes housing opportunities for all. One of the first things it should do is remove barriers to condominium conversion.

By the way, the same applies to Berkeley, Oakland and cities in Southern California.

Greg McConnell is the principal consultant at The McConnell Group, a consulting and advocacy firm that specializes in housing issues and advises apartment and housing associations, property management companies, and individual owners throughout California. For more information please visit www.themcconnellgroup.com. © This article is copyrighted and cannot be republished without the consent of the author.