

Collectivizing the Platform

Re-imagining Hotel Living as an Affordable Housing
Strategy in San Francisco

by

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Author's Declaration

I hereby declare that I am the sole author of this thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners.

I understand that my thesis may be made electronically available to the public.

Abstract

This thesis proposes to re-evaluate the role of the Single Room Occupancy Hotel (SRO) typology to aid affordable housing production in San Francisco within the context of Californian techno-dominance. In our platform economy, prop-tech platforms enable the accelerated financialization of rental housing leading to gentrification, unaffordability, and eviction while the conditions of SRO hotels, a historically affordable type of housing, declines. The approach explores theoretical Platform Cooperativist ideas as a method of collectivizing the production of housing, drawing from cooperative construction methods on various sites.

By collectivizing the platform and factors of housing production: labour, land, and capital, digital platforms are re-tooled to improve maintenance efforts, mitigate vacancy, and densify existing SRO hotel sites. Through a theoretical un-making of platform technologies and a vernacular study of hotel typologies, drawing, mapping, and urban analysis become tools to explore hotel living as a viable alternative for today's affordability crisis. The proposal intends to increase the availability of affordable units by offering more equitable, socially responsible, living options for the most vulnerable tenants in the city.

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Part 1

CONTEXT

Chapter 1_The Platformization of Housing

Digital platforms have become a ubiquitous factor of daily life. The convenience that platforms offer has been nothing short of revolutionary. Phone-based apps such as Uber connect us with a reliable way to get home, while Airbnb finds us a cheap place to stay on vacation. Platforms are by their most rudimentary definition, digital infrastructures that enable two or more entities to exchange information; digital intermediaries allowing separate uses such as customers, producers, suppliers etc. to interact.¹ Despite the remarkable convenience, the promise of a platform economy has exposed us to the exploitive nature of technological disruption, especially within housing. As platform companies continue their dominance and the quantity of global wealth becomes increasingly concentrated in centralized hub cities, the effects of platformization becomes evident in the built environment. Platformization in the housing sector, highlights unequal access to housing and gentrification caused by changing patterns of employment across many North American cities. This thesis is about housing people against the grain of constant technological innovation and who has the right to live in a city. In San Francisco, the epicenter of the platform-sharing economy, frictions between innovation and social equity, wealthy and homeless, are evidenced by the rows of tent encampments adjacent to the gleaming head offices of the world's most popular smart phone applications.

Rental marketplace platforms such as Airbnb and VRBO have exacerbated the financialization of housing in San Francisco by offering property owners a platform to monetize either their own property or an investment property. Airbnb caused frictions across several North American municipalities by turning residential space into illegal rental units. This created a market for short term rental properties in already overheated areas and led to increased rent, the displacement of long-term residents, gentrification, and the phasing-out of existing affordable housing units in places such as San Francisco's Chinatown.² Disgruntled renters are quick to point fingers at the Bay Area's blooming tech sector.

San Francisco has a tense relationship with technological innovation and gentrification. The city has experienced two periods of technological gentrification:

¹ Nick Srnicek, "Platform Capitalism," in Platform Capitalism (Cambridge, UK: Polity Press, 2017), 43.

² Julia Carrie Wong, "Most Wanted: San Francisco Flyers Name and Shame Airbnb Hosts," the Guardian, July 22, 2016, <http://www.theguardian.com/us-news/2016/jul/22/airbnb-san-francisco-wanted-posters-chinatown>.



Fig. 01_Man Riding One Wheel on Market St.
Source: By Author

The Dotcom Boom (1995-2000) and Tech Boom 2.0 (2011-present). Tech Boom 2.0 is a term initially coined by New York University professor Erin McElroy describing the relation between technocapitalism and displacement. During the Dotcom Boom in the 1990s, live-work loft developments were built from converted ex-industrial spaces in neighborhoods such as the Mission.³ Higher income “yuppies” who worked in the booming web industry displaced artists who were longtime residents in these areas. Tech Boom 2.0, the second renaissance of tech gentrification, widely characterized by the rise of smart phone-based applications and platforms, is the more recent phenomenon shaping the demographics of San Francisco. Tech Boom 2.0 has had two major effects in San Francisco:

1. Direct: Housing platforms enable the accelerated commodification of housing. Platforms such as Airbnb and VBRO enable homeowners to monetize latent space creating a market for short term/long term property rentals.
2. Indirect: The rise of platform-based companies centralizes wealth within downtown areas causing tech gentrification and the regional migration of evicted peoples to elsewhere in the Bay Area.

³ Loretta Lees, Tom Slater, and Elvin Wyly, “The Future of Gentrification?,” in *Gentrification* (New York, NY: Routledge, 2008), 309.

Fig. 02_ “Tent Row in the Mission”
Source: Shannon Badiee / CC
BY-SA 2.0



Direct Effect: The Accelerated Commodification of Rental Property

The commodification of property is not a new concept. Commodification was a byproduct of the industrial revolution where a shift from communal land usage to private land usage transformed the commons into private property. Architecture theorist Pier Vittorio Aureli argues, the basis of owning private property is and has always been a legalized theft perpetrated by landlords with the active support of the state.⁴ The idea of private property is how land is transformed into a commodity. In Capital Volume 1, Karl Marx defines commodification as the general process by which the economic value of a thing comes to dominate its other uses.⁵ In the case of investment properties, housing as a vehicle for

⁴ Pier Vittorio Aureli et al., “Promised Land: Housing from Commodification to Cooperation,” E-Flux, accessed February 8, 2021, <https://www.e-flux.com/architecture/collectivity/304772/promised-land-housing-from-commodification-to-cooperation/>.

⁵ Karl Marx, “The Labour Process and the Valorization Process,” in Capital Volume 1, 26th ed., vol. 1, 3 vols. (London, England: Penguin Books, 1976).

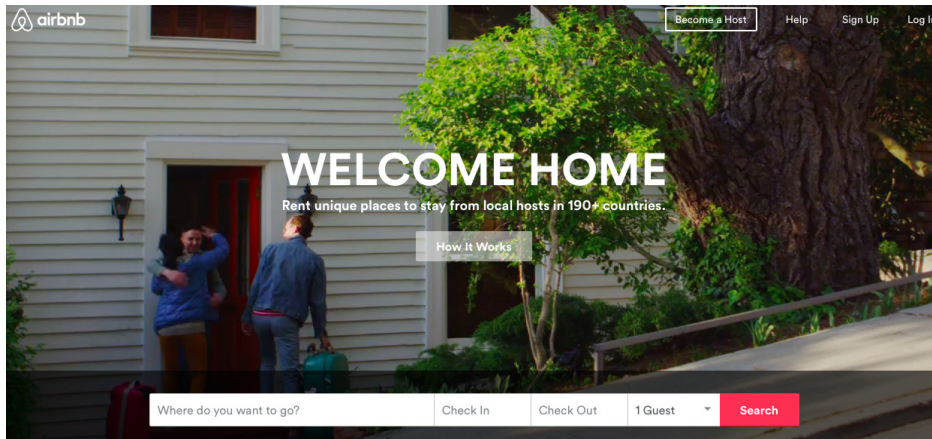


Fig. 03_ “Airbnb Search Interface”

Source: Valeriosophie / CC BY-SA 4.0

financial investment outstrips its use as a primary shelter. In many populous North American cities, vacant rental units as investment properties, and “luxury” condos strip the concept of dwelling in housing from its utilitarian role of providing a home, to a vehicle for capital investment.⁶

The state of Tech Boom 2.0 can be described as the hyper-commodification of housing. This phenomenon is outlined in David Madden and Peter Marcuse’s *In Defense of Housing* where they argue:

In today’s transnational, digitally enhanced market, housing is becoming ever less an infrastructure for living and ever more an instrument for financial accumulation. The extreme ways in which housing is dominated by real estate today can be called hyper-commodification. Under hyper-commodification, all the material and legal structures of housing—buildings, land, labor, property rights—are turned into commodities. In the process, the capacity of a building to function as a home becomes secondary.⁷

Platforms serve to accelerate the commodification of housing in this current state of hyper-commodification. For example, in a single Airbnb rental unit, the platform application enables property owners to commoditize their extra space. These rental units require fewer background checks than traditional housing rentals and are often at odds with the regulations of the city. Since its formation, Airbnb has become the subject of regulatory controversies as many property owners use rental platforms as an excuse to evict existing tenants from their homes and withdraw these properties from the traditional rental market

6 David Madden and Peter Marcuse, “The Residential Is Political,” in *In Defence of Housing* (Brooklyn, NY: Verso, 2016), 30.

7 Madden and Marcuse.

all together.⁸ Although this benefits some consumers such as tourists who are looking for alternative cheap lodging in the city, tensions are heightened by neighbors who must deal with the constant turnover of these transient spaces. Simply put, platforms allow property owners to extract more value out of their properties in turn aggravating the market of available rental units through the accelerated commodification of space.

Communities previously thought to have been insulated from technological change have been feeling the effects of platformization. San Francisco's Chinatown, a neighborhood community with a large concentration of immigrants and low-income residents living in residential hotels, have been historically protected against gentrification through community organization and collective lobbying from tenants.⁹ Since the 1990s, zoning ordinance has been put in place to preserve their residential hotel stock and protect them from re-development but residents of these residential hotels have observed rent increases and point to Airbnb as the culprit for change. According to a study by the Chinatown Community Development Center, the average rent in a residential hotel room has increased from \$610 USD in 2013 to \$970 USD in 2015.¹⁰ During this

8 Donald McNeill, "Governing a City of Unicorns: Technology Capital and t

9 David Robinson, "Airbnb's Racism Problem Is Much Bigger than a Few Racist Hosts.," Medium (blog), September 26, 2016, <https://medium.com/equal-future/airbnbs-racism-problem-is-much-bigger-than-a-few-racist-hosts-a1dea9c77586>.

10 Carrie Wong, "Most Wanted: San Francisco Flyers Name and Shame Airbnb Hosts."

Fig. 04_Political Campaign
Poster in the Mission District
Source: By Author



period, community members reportedly saw their neighboring units listed on Airbnb and Craigslist. The content of the listings on the platform valorized the “authentic” Chinatown experience as a selling point appealing to tourists looking for a vacation stay. Advertising otherwise affordable rental units as authentic tourist lodging is problematic as the stability and access to affordable housing is now in jeopardy because of accelerated commodification.

Indirect Effects: Tech Gentrification and Regional Displacement

Further emblematic of the second tech revolution Tech Boom 2.0, Silicon Valley continues to be a significant influence over San Francisco’s urban geography. Unlike other overheated North American housing markets such as New York, the identity of the San Francisco Bay Area is entangled with the prosperity of the major tech economy in Silicon Valley. According to geographer Donald McNeill, San Francisco is now widely considered to be the most important city in the world for the location of new technology start-up firms and is increasingly seen as both a locational and metaphorical extension of Silicon Valley.¹¹ Directly connected along U.S. Route 101, San Francisco serves as Silicon Valley’s major urban metropole connecting the region to a major urban center for trade and commerce. As of 2016, 40% of all worldwide, high-value unicorns¹² are estimated to reside within the legal boundaries of the city.¹³ Proportionally, many of these companies are hyper-valued tech platforms located near or around the downtown Market St. core creating a demand for more desirable living spaces closer to the company’s offices. The friction between tech companies, employment, and desirable property have become the source of gentrification in long-time cultural neighborhoods.

In the last decade, key downtown neighborhoods have become hotbeds for gentrification. According to U.S. Census data, in the past 5 years, the neighborhoods Lincon Park, Nob Hill, Hayes Valley, Rincon Hill, and the Bernal Heights have been subject to a significant increase in median income suggesting that higher income earners wish to be located closer towards the Market St. corridor, an area with a significant concentration of tech offices and platform headquarters. These neighborhood census tracts have experienced the sharpest increase in median household income suggesting that a much wealthier resident base has moved in. As central property becomes more sought after, gentrification within low-income neighborhoods becomes more evident.

11 McNeill, “Governing a City of Unicorns: Technology Capital and the Urban Politics of San Francisco.”

12 A “unicorn” is a company with an estimated evaluated worth of over \$1billion USD.

13 McNeill, “Governing a City of Unicorns: Technology Capital and the Urban Politics of San Francisco.”

2013-2017

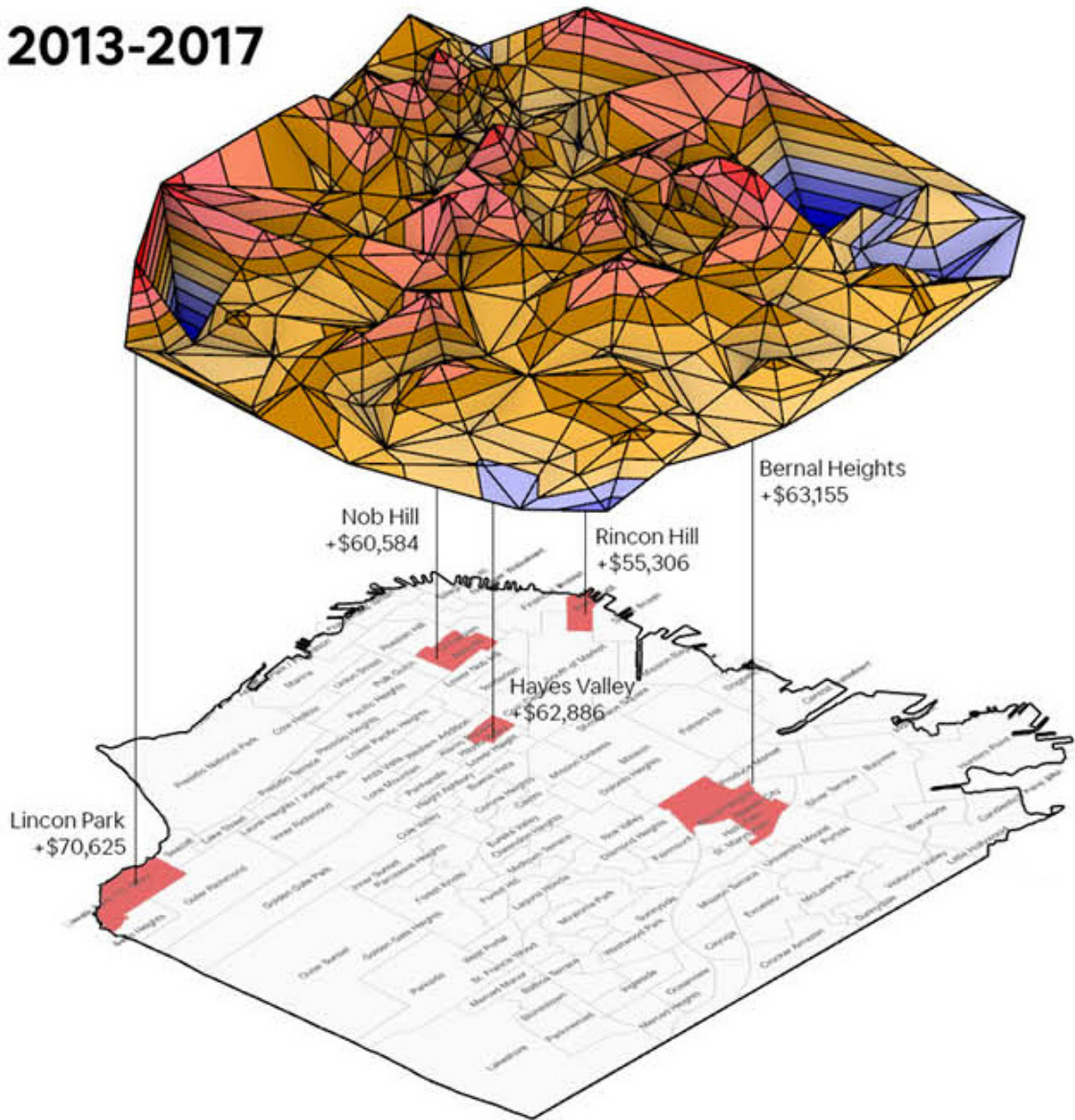


Fig. 05_Top 5 Neighborhood Increases in Median Income from 2013-2017
Source: By Author, Data From US Census Data.



Fig. 06_A “Unicorn” Company, Discord Head Office, 444 De Haro St.

Source: Google Maps

In 2018, protestors obstructed the corner of Valencia and 24th Street with e-scooters to barricade a chartered Google bus. The infamous chartered busses are offered as an employment commuter perk for those who work at the Google campus in Mountainview, Silicon Valley. The busses use public municipal transit infrastructure and often obstruct traffic causing delays within the public transportation system which has become a frustrating commuter experience for those who rely on the BART transit system. At these transit nodes, housing prices have been cited to increase within a 100ft radius of these designated stops.¹⁴

Observing regional trends across the Bay Area outside of the immediate housing market, the displacement and migration of people is evident as new homeless are relocating towards the extremities of the Bay Area. Studies by the Coalition of Homelessness (COH) have revealed that increasing rent leads have led to newer homeless. They found that of 500 homeless interviewees, 35% lost their homes because of eviction and lack of other affordable options causing them to relocate elsewhere in the Bay Area.¹⁵ Housing prices and the diminishment of historically cultural neighborhoods through non-fault evictions have led to the regional dispersion of evictees. Without counter measures, tech gentrification risks San

14 Erin McElroy, “Data, Dispossession, and Facebook: Technoimperialism and Toponymy in Gentrifying San Francisco,” *Urban Geography* 40, no. 6 (2019): 826–45, <https://doi.org/10.1080/02723638.2019.1591143>.

15 Erin McElroy and Andrew Szeto, “The Racial Contours of YIMBY/NIMBY Bay Area Gentrification,” *Berkeley Planning Journal* 29, no. 1 (March 27, 2018), <https://doi.org/10.5070/BP329138432>.

Fig. 07_“Google Bus Waiting for Employees”

Source: Don Barrett / CC BY-NC-ND 2.0



Fig. 08_“Google Bus Protests on Valencia St.”

Source: Chris Martin / CC BY-SA 2.0



Francisco becoming homogeneous, privileging those who can afford housing and disadvantaging those who cannot. This begs the question: who deserves to live in the city and how can we respond to affordability in cities where living is becoming increasingly precarious?

Affordable Housing

Housing in San Francisco is not affordable. On the San Francisco rental platform Zumper, the average rent for a one-bedroom apartment was found to be \$3,550 USD.¹⁶ The median income in San Francisco for households is \$96,265 and \$74,841 for individuals according to data from the U.S. Census Bureau's 2013-2017 American Community Survey 5-Year Estimates.¹⁷ If the median income per individual in San Francisco is \$74,841 and the individual chose to rent within the city, more than half of their designated annual income before tax will be spent on rent. This statistic unfortunately represents the best-case scenario as many demographics do not fit this ideal. For reference, schoolteachers make approximately \$20,000 less than this median income figure potentially causing a struggle for many individuals and families. Outside of this idealized middle-income statistic, as evidenced by the countless tent camps on the streets in the South of Market District (SOMA), San Francisco's notorious homeless situation is exacerbated by an increase in first-time homeless. As of 2013, the official count of San Francisco's homeless was 6,436. Perceptions of homeless according to the city have changed; previously counted by the city were only the unemployed, drug addicts, and mentally ill but now included are those working full time who still cannot afford to live in the city.¹⁸

According to and the U.S. Federal Reserve and the U.S. Department of Housing and Urban Development (HUD), households are considered "rent burdened" if 30% of their income is spent on housing related costs and considered "severely rent" burdened if 50% of their income is spent.¹⁹ Low-income households are disproportionately affected by rent burdens. Affordable housing by city initiatives aim to provide subsidized housing to households based on Area Median Income (AMI) aiming to provide affordable housing below rent burdened levels. The common perception of "affordable housing" usually refers to rental housing that is subsidized by the government. In fact, it is a broad term that can include housing provided by the private, public, and non-profit sectors. It may also include forms of housing tenure via rental, home ownership, co-operative ownership, as well as temporary and permanent housing. The idea of affordability is subjective based on situation and income but in the San Francisco Bay Area, approximately one

16 Erin McElroy and Andrew Szeto, "The Racial Contours of YIMBY/NIMBY Bay Area Gentrification," *Berkeley Planning Journal* 29, no. 1 (March 27, 2018), <https://doi.org/10.5070/BP329138432>.

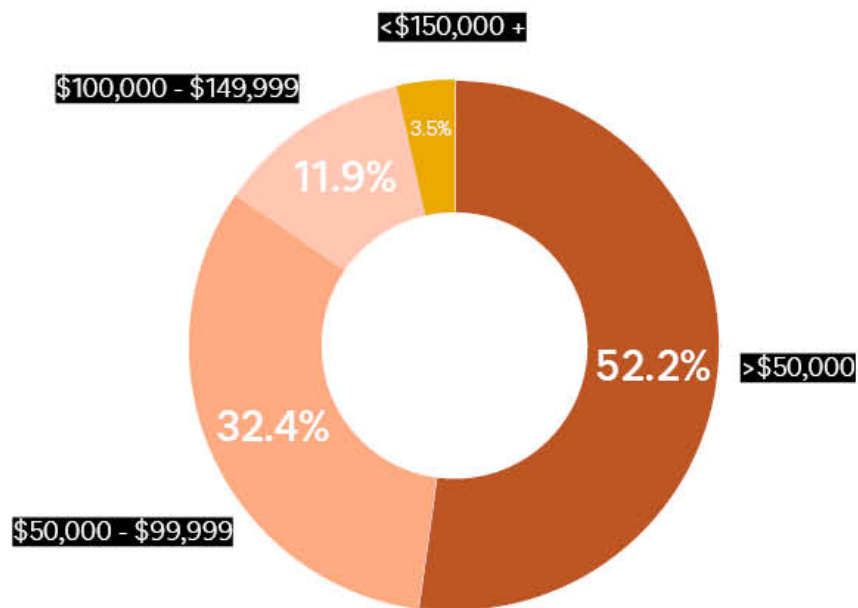
17 Eric Reed, "The Average Salary in San Francisco," *SmartAsset*, March 4, 2019, <https://smartasset.com/retirement/average-salary-in-san-francisco>.

18 Tracey Lien, "Inside San Francisco's Housing Crisis," *Vox.Com* (blog), accessed April 19, 2021, <http://www.vox.com/a/homeless-san-francisco-tech-boom>.

19 Jeff Larrimore and Jenny Schuetz, "Assessing the Severity of Rent Burden on Low-Income Families," *The Federal Reserve*, December 22, 2017, <https://www.federalreserve.gov/econres/notes/feds-notes/assessing-the-severity-of-rent-burden-on-low-income-families-20171222.htm>.

Fig. 09_Percentage of San Francisco Households by Income Levels Burdened by Housing Costs

Source: By Author, Data from Bellisario, Weinberg, and Mena, "Solving the Housing Affordability Crisis: How Policies Change the Number of San Francisco Households Burdened by Housing Costs."



quarter of the over 7 million residents, meet the HUD definition of severely burdened.²⁰ In the context of tech-based gentrification and non-fault evictions, defending affordability is crucial to defending one's ability to live in a city.

Building to Offset the Affordability Crisis

San Francisco is experiencing a housing shortage crisis. The demand to live in San Francisco outstrips the available supply of housing and with limited supply, the remaining stock is priced higher squeezing out low-income earners. The contemporary solution as exhibited in recent years by the San Francisco Planning Department, would be to aim to create a surplus of affordable units to therefore offset the demand. In this case, the effects of housing shortages would be offset through the construction of new units. Access to land remains the largest challenge for this proposition but despite the best intentions of housing planners, the construction of affordable units has historically been met with oppositions.

Building in San Francisco is a complicated process. San Francisco is one of the most expensive places to build in the world because high labour costs inflate the price of construction.²¹ To add further complications from a land use

²⁰ Jeff Bellisario, Micah Weinberg, and Camila Mena, "Solving the Housing Affordability Crisis: How Policies Change the Number of San Francisco Households Burdened by Housing Costs" (Bay Area Council Economic Institute, October 2016).

²¹ Adam Brinklow, "Soaring Construction Prices Killing SF Housing," Curbed SF (blog), February 11, 2020, <https://sf.curbed.com/2020/2/11/21133328/sf-construction-prices-increase-rlb-housing-development>.

perspective, restrictive zoning keeps the cost of developing new housing high as wealthier property owners lobby to block affordable housing with NIMBYist (Not In My Backyard) attitudes. Despite development as a strategy to provide affordable housing, paradoxically, residents of gentrifying neighborhoods view development as a sign of gentrification itself. Most would agree that there is a need for affordable housing, but not everyone wants affordable housing in their back yard. This lose-lose situation is what Sonja Trauss, founder of the San Francisco Bay Area Renters' Federation (SFBARF), discovered while lobbying for pro-building zoning policy for affordable housing construction.²² Besides Nimbyism, policy, zoning, construction costs, and land access are all multi-dimensional factors that complicate building progress.

Affordable Housing Models in San Francisco

There are several commonly recognizable affordable housing models in San Francisco; each with its own varying levels of private and public interference, non-for-profit organization, and government subsidization. For context, the three recognizable types of housing discussed in this thesis that make up the bulk of the affordable housing landscape are federally subsidized below market rate (BMR) unit apartments, community land trust (CLT) organized rentals, and single residential occupancy (SRO) hotels. Each housing provision has its own advantages and disadvantages as models of housing addressing the affordability crisis.

By far the most recognizable model of affordable rental housing are publicly subsidized below market rate units. These are generally large multi-unit apartment projects that are funded through various State and Federal bonds designated for affordable housing production. The apartment units are assigned via public lottery where an applicant must fit an income criterion and are distributed based on available supply. Public lottery based on criteria is theoretically, a fair method of determining who gets housing but inevitably leaves many without. Additionally, the construction of these typical apartment units is often done in partnership with private companies who specialize in efficiently constructing Section 8 federally assisted housing.²³

Often these efficiencies cause poor build quality and lack resilience to wear and

22 Dan Charles and Alex Goldmark, "Yes In My Backyard," Planet Money, accessed April 19, 2021, <https://www.npr.org/sections/money/2018/07/27/633238360/episode-856-yes-in-my-backyard>.

23 "Section 8 is a federal rental assistance program that provides rental payments directly to landlords." San Francisco Planning, "Affordable Housing Funding, Production, and Preservation," Housing Affordability Strategies (San Francisco: San Francisco Planning, n.d.).

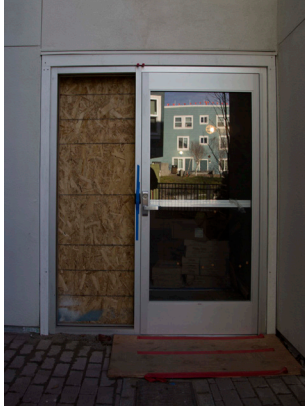


Fig. 11_Broken Door in the Courtyard of the One Church Street Apartments
Source: By Author



Fig. 10_One Church Street Apartment Resident
Source: By Author

tear. In field research conducted in the Fall of 2019, several BMB apartments were investigated. Property management company, Bridge Housing owns and manages 11 properties in San Francisco. According to an anonymous interview with a resident of One Church Street Apartments, it was found that the project initially started with good intentions, but the property management lacked a sense of ownership and agency to care for the properties. Tenants were still expected to pay monthly maintenance fees. Maintenance and cheap construction materials leave some of the properties with broken features as evidenced by the One Church Street Apartments.

Community land trusts such as the San Francisco Community Land Trust Collaborative (SFCLT) are privately-run cooperatives collectively owning and operating a network of properties. Their mission is to provide access to affordable resident-controlled housing through the purchasing of limited equity assets. Prices are offered based on the resident's income level and ability to pay. In the case of the SFCLT, the organization is governed by a board consisting of 33% coop residents, 33% community organizations, and 33% members-at-large.²⁴ In theory, Community Land Trusts remove leasable land from the primary housing market by collectively purchasing the property and controlling the price of rent. However, the model is limited by its scalability as an affordable housing

²⁴ San Francisco Community Land Trust," accessed April 19, 2021, <https://sfclt.org/>.

Community Land Trusts

How does a community land trust work?

Various sources of public and philanthropic capital...



- Private donors
- Federal housing subsidies
- City-owned property
- Community foundations
- Anchor institutions

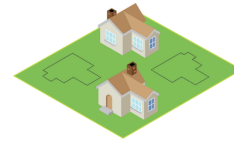


...are used by community land trusts...

CLT



...to acquire homes in a geographic focus area.



Community land trusts tweak the normal process of homebuying...

A new resident buys their house outright...



...but leases the land underneath from the CLT.



They pay an annual fee to the CLT to support its operations...

CLT

...and the CLT retains permanent ownership of the land.

Why CLTs Matter

Although the first community land trust in the US was started in rural Georgia in 1970 by civil rights leaders to help poor black farmers, today, the majority of the country's nearly 250 community land trusts are today located in urban areas.

CLTs create affordable housing while still allowing low-income residents to build equity as homeowners. Moreover, because the CLT retains ownership of the underlying land, this housing remains permanently affordable, even as the original beneficiaries of an affordable home price sell and move on. This long-term, continuing benefit makes CLTs an especially efficient use of affordable housing subsidies.

By locking in permanent access to affordable housing, CLTs can play an important role in countering the market-driven displacement associated with gentrification. And by stewarding neighborhood land for the public good, not speculative profit, CLTs have played an equally important role in stabilizing communities by preventing unnecessary foreclosures.

...to make housing permanently affordable.

Current resident sells their house at a price set by the CLT, earning a portion of the increase in value of their home...



CLT
...while the CLT retains the land.



A new resident buys the house at a price that's been kept affordable...



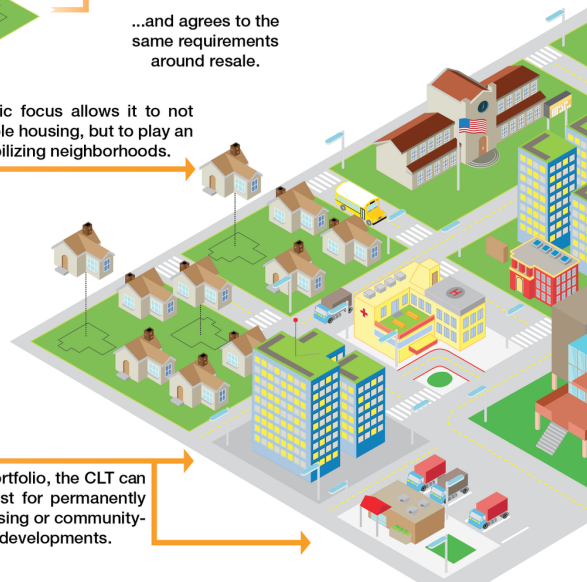
...and agrees to the same requirements around resale.

CLTs are typically governed by:



CLT

The CLT's geographic focus allows it to not only provide affordable housing, but to play an important role in stabilizing neighborhoods.



As it diversifies its portfolio, the CLT can also own land in trust for permanently affordable rental housing or community-focused commercial developments.

Fig. 12_ "Community Land Trusts"
Source: Benzamin Yi / CC BY-SA 4.0

Fig. 13_ “Hotels in the Tenderloin”
Source: Aude / CC BY-SA 3.0



alternative. While collectively owned, the current range of sample properties include only 13 stewarded properties, a limited amount of successfully defended units.

Finally, the residential hotel typology (colloquially know as single room occupancy hotels or SRO) is quantifiably the most available typology on the affordability spectrum. In San Francisco, 19,000 rooms house up to 30,000 people currently housing 2% of San Francisco’s population.²⁵ SROs provide an affordable housing solution to the city’s most vulnerable as a single room can rent for as little as \$500 per month. The typical layout of an SRO hotel consists of private units and shared common amenities such as bathrooms, kitchens, and living spaces. A typical SRO room is roughly 150 square feet in area and usually contains a modest bed and some storage. San Francisco architect John Liu writes that “the single room occupancy residential hotel is perhaps the most controversial, the most neglected, and the least understood of all housing types.”²⁶ Today, residents consist of immigrant families, the elderly, and those living on social assistance and remains one of the last truly affordable housing types available. Despite its relative affordability, SROs are susceptible to many issues such as neglected maintenance, deteriorating conditions, sanitation concerns, and safety concerns. Nevertheless, it is the accessible price that makes the residential hotel the most accessible option for housing San Francisco’s most vulnerable population.

²⁵ csroc.net, “History of S.R.O. Residential Hotels in San Francisco,” accessed February 8, 2021, <https://www.csroc.net/s-r-o-hotels-in-san-francisco/>.

²⁶ Paul Groth, *Living Downtown The History of Residential Hotels in the United States* (Berkeley, Los Angeles, Oxford: University of California Press, 1994).



Fig. 14_ “[The Palace Hotel San Francisco Circa. 1880](#)”

Source: *New York Public Library / Public Domain*

A Case for the Single Room Occupancy Hotel

Although residential hotels exist in other coastal North American cities such as New York City, Los Angeles, Seattle, and Vancouver, the single room occupancy hotel has evolved to become a San Francisco specific, vernacular type of housing. The SRO has a long history of providing housing to migratory workers coming to San Francisco. Historically, San Francisco facilitated the residential infrastructures that serviced the initial Californian Gold Rush of 1858. Hotel living was commonplace in all classes of society. From high society to the working class, many lived fulltime in hotels ranging from opulent Victorian-era palace hotels to modest rooming houses.

Hotel living was prevalent in all social classes in San Francisco. According to Paul Groth in *Living Downtown: A History of Residential Hotels in the United States*, there are 4 primary historical typologies of hotel living in San Francisco catering towards different echelons of the social spectrum:

1. The palace hotels - Palace hotels were reserved for the nation’s wealthiest people. They were luxurious social incubators for the upper class where their presence as a cultural landmark was only superseded by their reputation for excellence. Many examples survive today and make for some of the most luxurious hotel rooms in the city.
2. Mid-priced mansions – Mid-priced mansions were reserved for the intermediate members of society. They were large mansions housing several families at once but existed mostly elsewhere in the Bay Area.

3. Rooming Houses – Rooming houses were temporary hotel living situations for the new working class. This definition of hotel primarily matches the modern SRO definition where hoteliers rented a single room without a kitchen and used the shared communal bathrooms.

4. Lodging Houses – Lodging houses were some of the most destitute living arrangements consisting of the absolute bare minimum of amenities. This type of housing existed on the margins of respectability. In some large-scale lodging houses, residents were crammed into cubicle like rooms on the same level without access to windows or fresh air.²⁷

Many remaining SROs in the modern era consist of the latter rooming houses and lodging houses rather than the palace hotels and mansions. Hotel living was integral to the founding of the first immigrant communities as many families settled in these hotels establishing the first Chinatowns, Manilatowns, Japantowns etc. often fitting 3 or more family members per hotel room. Throughout the city’s history, the SRO has taken on many spatial compositions yet the single living unit rooms and adjoining to auxiliary communal spaces remained unchanged throughout the decades.

However, public attitudes towards hotel living changed during the 1930s through 1970s as the Urban Renewal movement saw the deteriorating hotels as blights and actively targeted the hotels for removal. The hotels were seen as unsanitary hazards and many units were demolished or destroyed by fires. At its peak, there might have been historically close to 90,000 total residential hotel units. By the early 1990’s the number of SRO units in San Francisco had been reduced dramatically, to approximately 20,000.²⁸ Stabilization efforts and amendments to the City of San Francisco Administrative Code have been instilled in efforts to preserve the remaining hotel stock. Today, residential hotels house some of San Francisco’s most vulnerable from the elderly to those on the verge of homelessness.

²⁷ Groth. 25.

²⁸ csroc.net, “History of S.R.O. Residential Hotels in San Francisco,” accessed February 8, 2021, <https://www.csroc.net/s-r-o-hotels-in-san-francisco/>.

DECEMBER 1947

SAN FRANCISCO
PUBLIC LIBRARY

NEW CITY:

SAN FRANCISCO REDEVELOPED

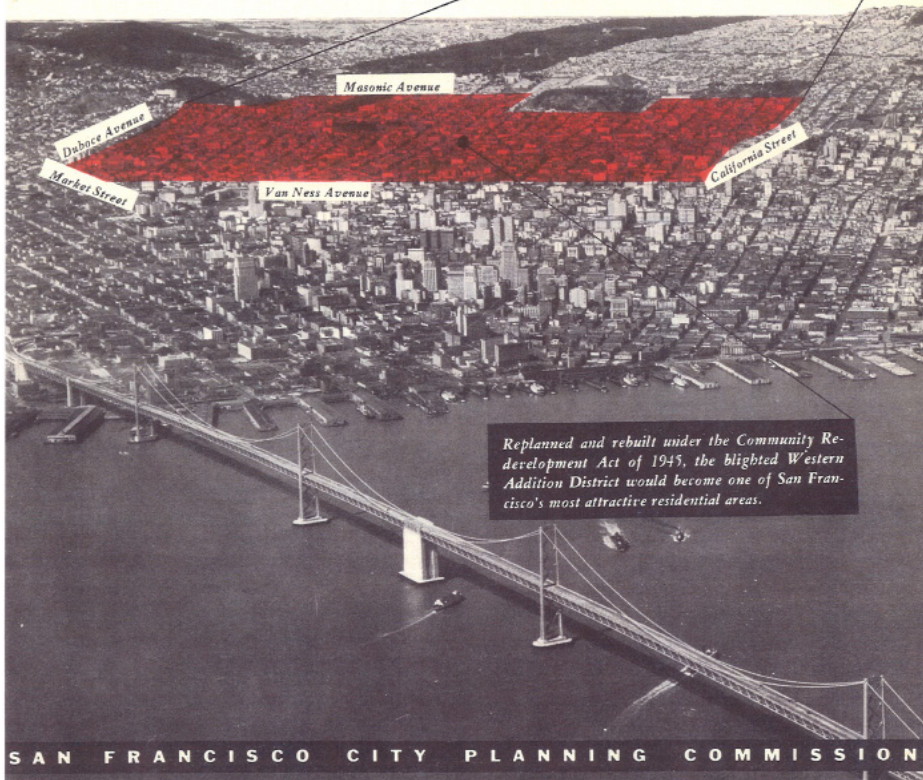
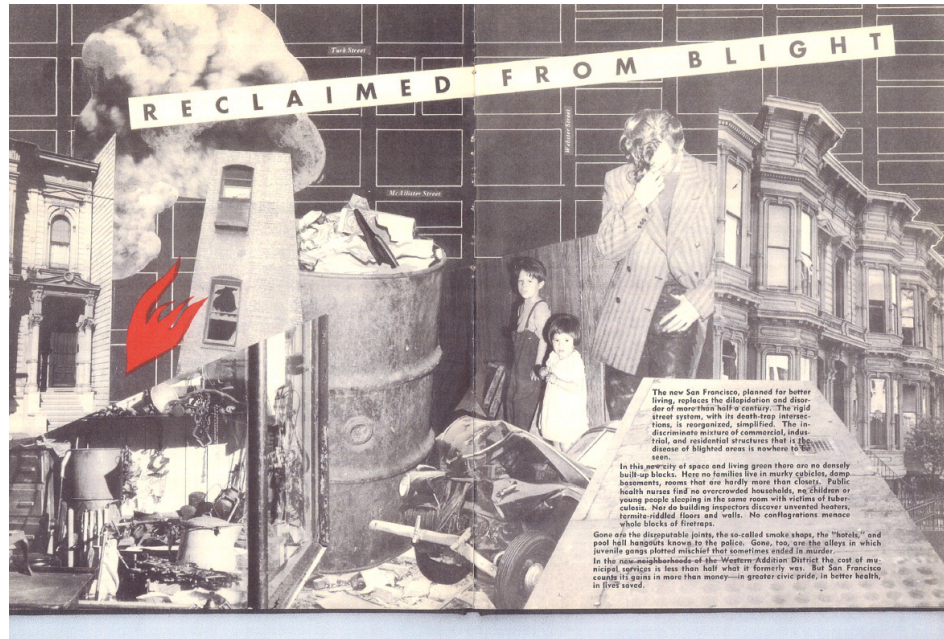


Fig. 15_Cover of New City: San Francisco Redeveloped Book
Source: San Francisco City Planning Commission, New City.

Fig. 16_Hotels Reclaimed from the Blight

Source: San Francisco City Planning Commission, New City.



Despite the diminishing number of SRO hotels, there is a current trend towards more communal types of shared living observed in the past decade because of the increased costs of living. The percentage of people living with roommates in San Francisco has jumped from 23.3% in 2000 to 28.1% in 2014.²⁹ In the platform era, there is a second renaissance of hotel co-living as the allure to work for a major tech company such as Google or Facebook is such a lucrative pursuit, that it has drawn a significant influx of well-paid workers to San Francisco - a similar phenomenon to the Californian Gold Rush. Recent trends have seen some SRO hotels transformed into high-end tech dorms for a much wealthier resident displacing already dwindling hotel stock available to low-income renters.

The SRO was the very infrastructure that was necessary to house the common worker and their families in times of great economic prosperity. However, the role of the SRO has changed since its earliest inception. The role of the SRO hotel has evolved from a convenient source of communal housing in the early days of the Gold Rush to facilitating the most vulnerable demographics in San Francisco. Tech gentrification is threatening its status as the last truly affordable type of housing and with no indication of revitalization or long-term preservation of the housing stock, the role of the SRO hotel must be re-imagined rather than reverting to the golden age of hotel living.

²⁹ Panoramic Interests, "Reinventing the Residential Hotel: One Way to Help Solve the Housing Crisis Affecting San Francisco..." Medium (blog), March 26, 2017, <https://medium.com/panoramic-interests/the-decline-of-residential-hotels-left-a-huge-housing-gap-panoramic-interests-can-help-fill-it-19929eda3808>.

Declining Number of SRO Units

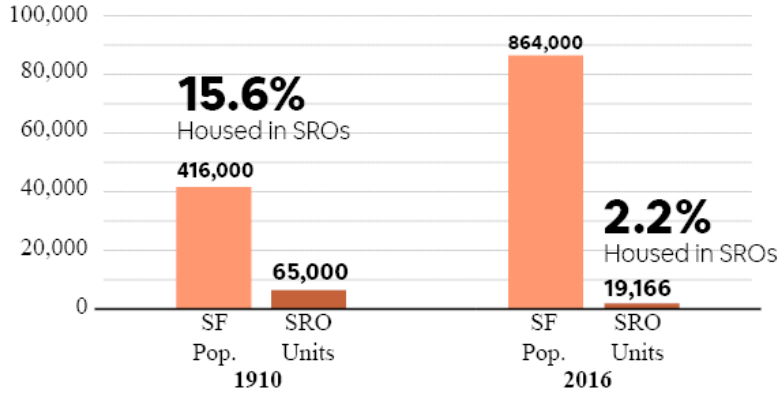


Fig. 17_Declining SRO Hotels, Increasing Roommates in San Francisco

Source: By Author / Data from *Living Downtown*

Increasing Roommates in San Francisco

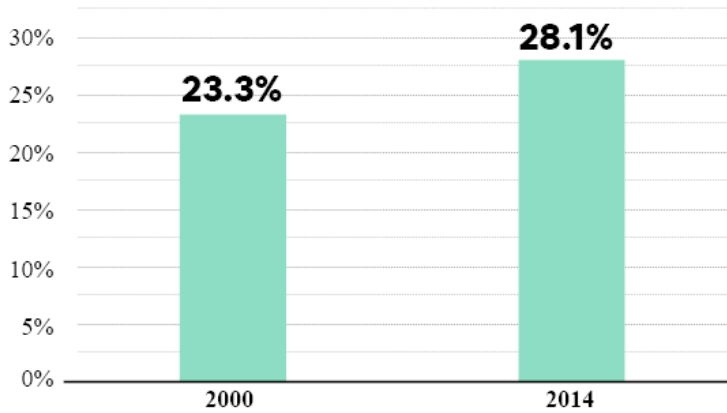


Fig. 18_ “Turk St. Apartments
After a Fire”

Source: Peretz Partensky / CC
BY-SA 2.0)



Single Room Occupancy Hotel Futures

In the platform era, because single room occupancy hotels remain as some of the last truly affordable units available in San Francisco, it is time to re-think hotel living as a strategy for preserving affordable housing. Within the context of Californian techno-dominance, the nature of the platform economy must be criticized to unlock a solution towards re-thinking hotel living. The societal shift away from single-family home ownership towards a co-living model because of affordability, presents us with a tremendous opportunity to re-think the role of the SRO hotel.

The purpose of this thesis is to imagine a future of more equal housing opportunities, especially in the face of advanced neoliberal planning ideals by strategically intervening in the San Francisco vernacular. How can we re-imagine the role of the SRO hotel in the era of Tech Boom 2.0 platforms, pressures of gentrifications, and changing regional work economies? Through the mobilization of theory and urban analysis a new future for hotel living must be envisioned - perhaps not as a revision to the golden age of hotel living, but one that can provide more equitable housing options for all in the city.

Part 2

THEORY

Chapter 2_A Theoretical Alternative to Digital Capitalism

This is a story of housing people against the grain of constant technological innovation. Platformization, the accelerated commodification of housing via digital platforms, is threatening the access to housing as a universal right. The concentration of wealth within San Francisco's downtown core has caused the migration of skilled workers and the emigration of historically ethnic groups from established cultural neighborhoods to the extremities of the Bay Area and beyond. Therefore, I echo Madden and Marcuse's positions on decommodification where they identify a need for an alternative housing development model:

“Alternative, decommodified models of residential development must therefore be created. Far from stopping new construction, cities need more new decommodified dwellings, such as public or cooperative housing. A proper understanding of the housing crisis today requires an account of its commodification. Making real progress on housing problems requires developing concrete alternatives to it.”³⁰

An account of housing commodification is required but in the regional context of Californian techno-dominance, an account of platformization is also necessary. Just as Madden and Marcuse demand decommodification, demanding decommodified housing platforms must be proposed as well. The power that digital technologies wield can benefit non-for profits and community organizations if they are managed equitably. Re-tooling the very platforms that currently shape the housing market can be leveraged to preserve housing – a détournement to the status quo. San Francisco needs more decommodified housing just as much as they need a decommodified platform to connect people with housing. A viable solution to this crisis requires the dissection of platformization – only then can a concrete alternative be proposed.

Tracing the Origins of the Platform Economy

If platforms facilitate the accelerated commodification of housing, a theoretical alternative to platformization must be derived from understanding the genealogy of capitalism. Platformization is not an instant phenomenon, but one that has emerged from the cycles of booms and busts characterizing periods of American economic growth and recession. The evolution of the platform can be traced

³⁰ Madden and Marcuse, “The Residential Is Political.” 30.

back to the Mid-20th Century which created the fertile breeding ground for continuous growth and speculative investment.

After the Second World War, the economic output of America's leading competitors was diminished leaving America as the de facto manufacturing powerhouse in the world. Manufacturing generated much of America's growth in the post war years. Eventually, both Japanese and German manufacturing recovered because of America's reinvestment of \$12 billion (equivalent to over \$128 billion as of 2020) in foreign infrastructure through the Marshall Plan Foreign Assistance Act of 1948. As the rest of the world recovered, outsourcing to foreign competitors challenged America's position as a powerhouse and America's manufacturing sector began to stagnate.³¹

American fiscal policy needed a new way of increasing GDP growth without increasing industrial production. A lower interest rate environment and increases in the private investment sector led to the investment in emerging digital technologies. This investment created the speculative bubble market and subsequent bust of the Dotcom boom in the 1990s to early 2000s. At the end of the 2008 Sub-Prime Mortgage crisis, the implementation of a new centralized monetary policy accompanied by a low-interest-rate environment once again led to the re-investment in major tech corporations. The result was the investing in increasingly risky, sometimes unprofitable, platform tech assets which marked the beginning of Tech Boom 2.0 in the late 2000s. Tech speculation drove up the value of companies, establishing what are called unicorns, shifting the metaphorical center of tech investment from Silicon Valley to San Francisco in the era of Tech Boom 2.0.

Platform Capitalism

Platforms, as stated earlier, are digital infrastructures that enable two or more parties to interact. They position themselves as intermediates that bring together different users: customers, advertisers, service providers, and even physical objects. Platforms survive by intervening in existing marketplaces. Rather than building a brand-new marketplace from the ground up, a platform provides the digital infrastructure necessary to mediate between different groups creating efficiencies between the transactions of the two entities. Generating efficiencies in the transaction of data is how platforms become profitable. By this classification, a platform is a lean business model, one that is developed to extract profits above all else.

³¹ Nick Srnicek, "The Long Downturn," in Platform Capitalism (Cambridge, UK: Polity Press, 2017), 9–35.

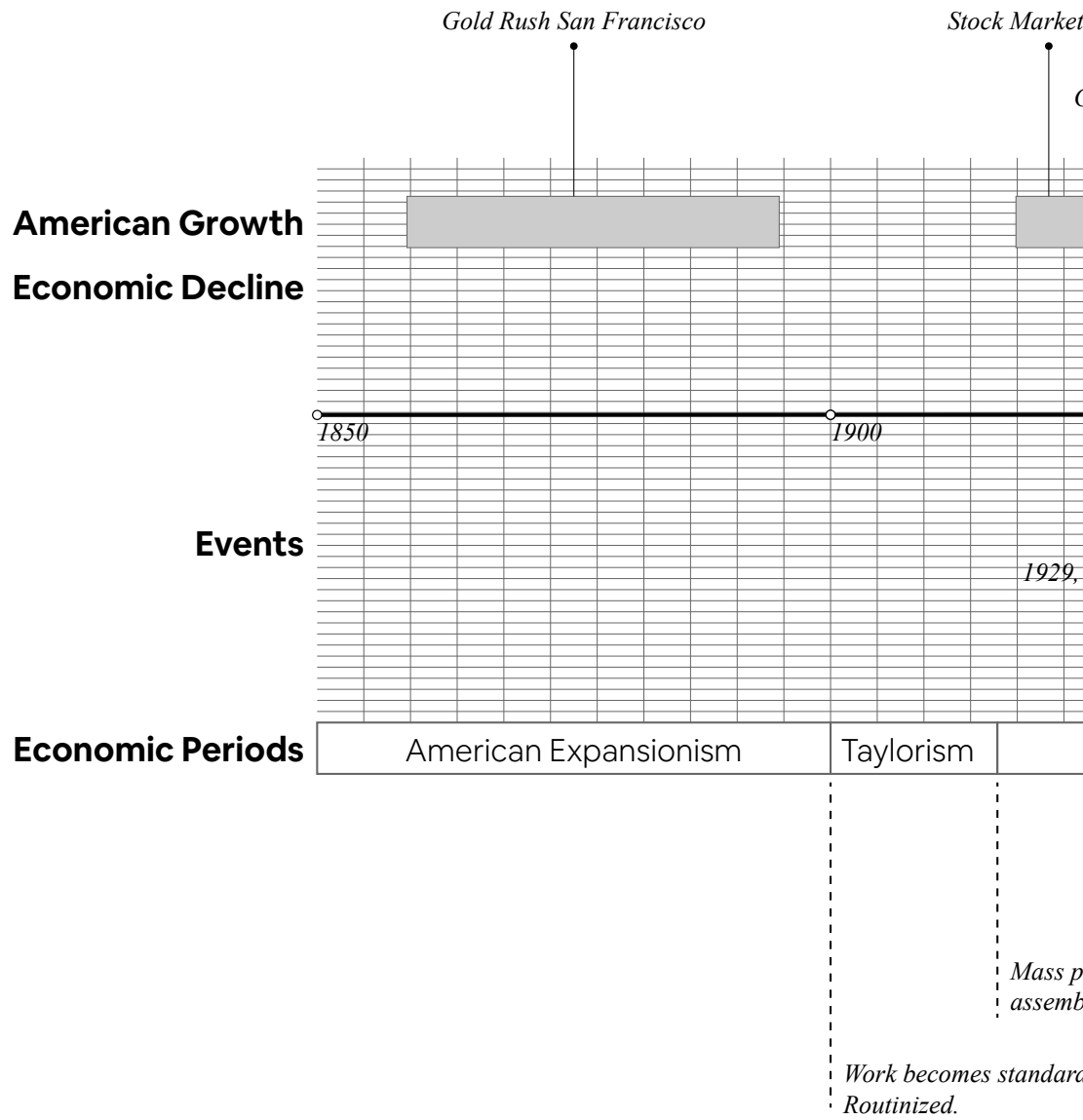
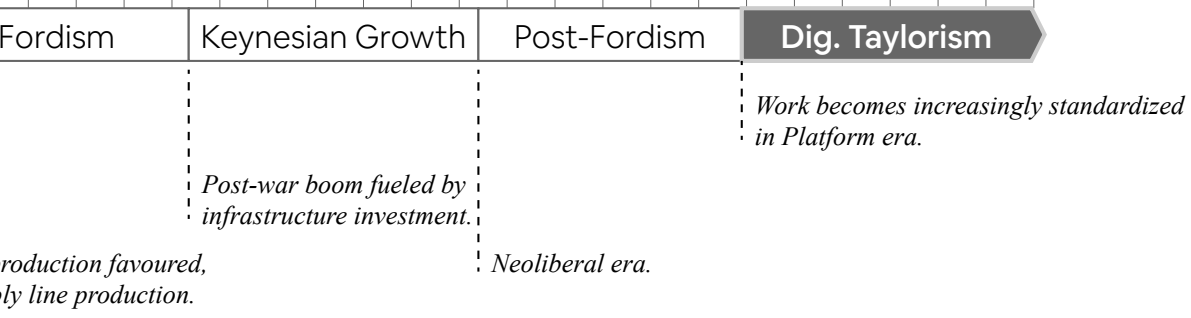
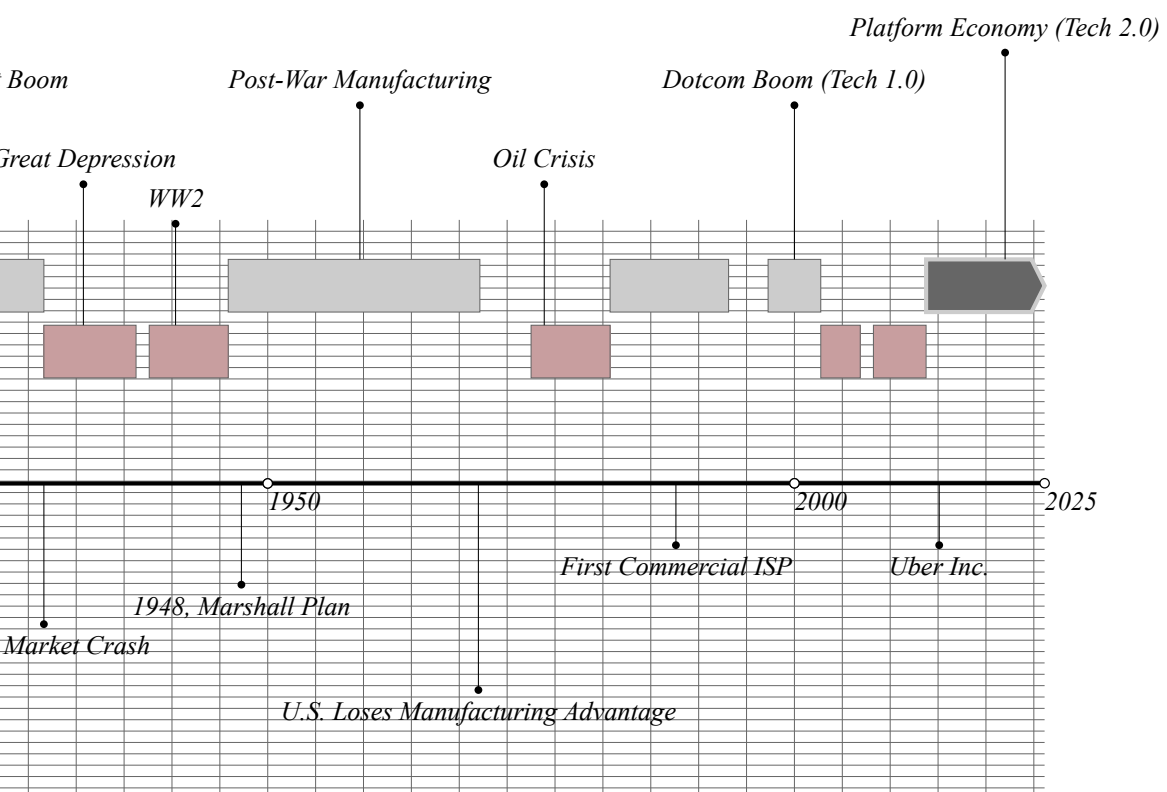


Fig. 19_The History of the Platform Economy
 Source: By Author, Data From Platform Capitalism



alized,

Creating efficiencies for generating profit is essential to the idea of capitalist growth. Platforms efficiently processing data draws parallels to Ronald Coase's theory of the firm. In *The Nature of the Firm*, Coase explores the rationale for the emergence of firms in a specialized exchange economy. He argues that the creation of the firm serves to reduce transaction costs in exchanges.

*“It is true that contracts are not eliminated when there is a firm but they are greatly reduced. A factor of production (or the owner thereof) does not have to make a series of contracts with the factors with whom he is co-operating within the firm, as would be necessary, of course, if this co-operation were as a direct result of the working of the price mechanism.”*³²

The role of the Neoliberal firm is to reduce transactional costs creating efficiencies from transactional exchanges. In the firm, contracted workers “cooperating within the firm” are classified as employees under the entrepreneur, the leader of the firm. This cooperation centralizes the labour necessary for transactional efficiency in the marketplace. For example, an architecture firm might hire an internal account manager to manage company payroll and invoices as opposed to hiring external work. This would allow the firm to economize on transaction costs if the demand for the transaction is frequent enough otherwise, outsourcing this labour might become too expensive.

The platform is the logical evolution of the firm in the platform era. Platforms are extractive firms as they collect and format data to process it as a useful raw material. Like other raw materials, data may be refined, processed, or sold in a different form. The platform enables firms to economize on data processing costs through the usage of specialized algorithms. If the platform era prides itself on convenience, these powerful algorithms are essential to connecting entities in a seamless fashion. Uber for example, would not be able to function if its algorithm for matching drivers to riders in real time was neither reliable nor convenient. The main difference in this example between the platform and the firm is that platforms operate on contracted externalized labour as opposed to internalized labour.

As a byproduct of this externalized labour, the nature of work in the platform era is becoming increasingly standardized and precarious as platforms rely heavily on the labour of external contractors. Just as previous economic periods are characterized by their advancements in production - Taylorism introduced standardized work, Fordism introduced assembly line production -

³² Ronald Coase, “The Nature of the Firm,” *Economica* 4, no. 16 (November 1937): 388–405, <https://doi.org/10.1111/j.1468-0335.1937.tb00002.x>.

platformization is characterized by the digitized standardization of service work. In this digital reversion to Taylorist principles (Digital Taylorism) complicated tasks are divided into simpler ones managed with the aid of a phone app where worker productivity metrics are quantified.³³ The result is the increased routinization of work where workers rights are becoming more precarious and vulnerable to exploitation in this Platform Capitalism. Scholar and activist Trebor Scholz comments on this precarity:

*In the process, workers are loosing minimum wage, overtime, and protections through employment anti-discrimination laws. Employers also don't have to contribute to Medicare, unemployment insurance, workers comp, or social security payments of their workers. "Whereas traditional employment was like marriage... both parties committed to some longer-term mutual project, the digitized workforce seeks a series of hookups."*³⁴

33 Boran Tobelem, "How the Digital Revolution Revitalised Taylorism," Medium (blog), December 12, 2017, <https://medium.com/new-tech-revolution-sciencespo/how-taylorism-has-been-revitalized-through-the-digital-revolution-9dcde8d3b2b2>.

34 Trebor Scholz, "Platform Cooperativism Challenging the Corporate Sharing Economy" (Rosa Luxemburg Stiftung, January 2016).

Paul Baran - network topologies - 1964

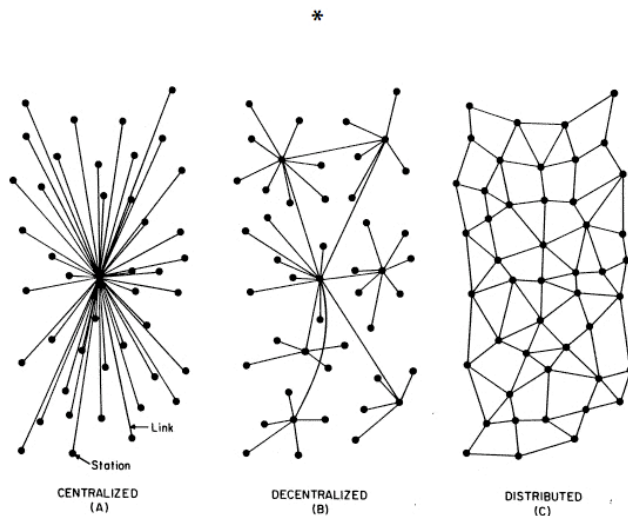


Fig. 20_ "[Centralized vs Decentralized Networks](#)"
Source: Paul Baran / CC BY-SA 2.0

The clearest examples of this precarity in work are the demands from workers of platform giants such as Amazon or Uber to unionize for better pay, job security, and employee benefits. From space, to housing, to labour, work is becoming more precarious for the sake of convenience while hyper-valued platform companies become the real profiteers.

Moving Beyond Platform Capitalism

If Platform Capitalism is the deepening of Neoliberal ideals of economizing on transactional exchange to produce greater value, then perhaps Karl Marx, Capitalism's most poignant critic, has insights on how to work against it. Through applying Marxian theories on Capitalism for the digital age, sociologist Christian Fuchs reflects on Autonomist Marxist thinkers Michael Hardt and Antonio Negri's observations on digital social movements in Assembly.

“Why have the movements, which address the needs and desires of so many, not been able to achieve lasting change and create a new, more democratic and just society?”³⁵

Theorists Michael Hardt and Antonio Negri recognize that digital technologies are omnipresent in modern society but recognize the dual nature of technology as both an oppressive entity and as a force for liberation. They therefore oppose smashing the so-called “digital machines” and argue for the re-appropriation of fixed capital, taking back control of technologies that were created by us in the first place.³⁶ Platforms must be the subject for this re-appropriation if society is to move beyond Platform Capitalism. The question facing digital Marxist thinkers right now, is how can platform technologies be re-tooled for the common good?

In *Capital Volume One*, Marx outlines the elementary factors of production in the labor-process. This framework is useful for understanding the inputs that make up production which can be applied to theorizing the production of housing as a commodity. Marx states the elementary factors as follows:

“The simple elements of the labour process are (1) purposeful activity, that is work itself, (2) the object on which that work is performed, and (3) the instruments of that work.”³⁷

35 Christian Fuchs, *Rereading Marx in the Age of Digital Capitalism* (London, England: Pluto Press, 2019), 100.

36 Fuchs, 108.

37 Marx, “The Labour Process and the Valorization Process.” 283.

An interpretation of Karl Marx's elementary factors of the labor-process, labour, land, and capital provides us with a critical framework to theorize the production of housing as a commodity. For the context of housing production, labour is the work necessary to produce, land is the resource that provides the raw materials, and capital consists of the instruments necessary to facilitate production. If, under Platform Capitalism, the productive factors are becoming increasingly digitized, as evidenced by the digitization of the labour market, then moving beyond Platform Capitalism requires working from within this paradigm. Marx himself alludes to the collective appropriation of machinery against automation in *Grundrisse*.³⁸ Technophobes might argue for the removal of platform technologies all together, but platforms are ubiquitous features of our contemporary life, especially within the context of Californian techno-dominance.

The platformization of housing must be re-appropriated through the fundamental factors of production to move beyond Platform Capitalism. Within this context, production of housing must be collectivized to liberate housing. Therefore, each mode of production: labour, land, and capital must be collectivized to imagine the future of a decommodified platform for housing.

Platform Cooperativism as the Alternative

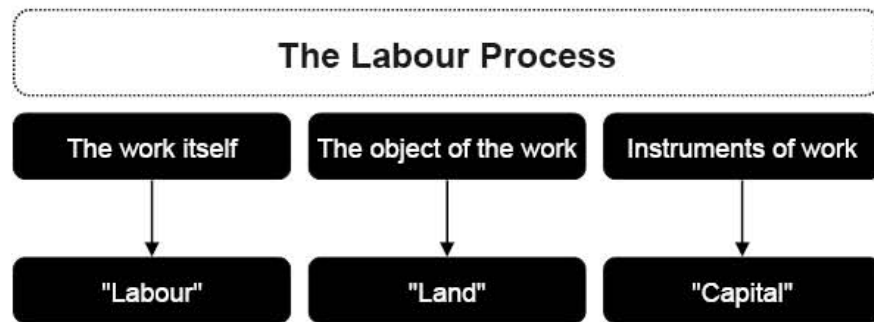
As Madden and Marcuse calls for alternative decommodified models of residential development, emerging research has proposed Platform Cooperativism; the idea that changing the ownership structure of digital platforms provides more equal opportunity for its members. Platform Cooperativism proposes a viable alternative to platforms in the era of Platform Capitalism and could serve the function of “re-appropriating” digital technologies for the common good. Trebor Scholz states three core principles:

1. First, it is about cloning the technological heart of Uber, Task Rabbit, Airbnb, or UpWork. It embraces the technology but wants to put it to work with a different ownership model, adhering to democratic values, so as to crack the broken system of the sharing economy/on-demand economy that only benefits the few. It is in this sense that platform cooperativism is about structural change, a change of ownership.

2. Second, platform cooperativism is about solidarity, which is sorely missing in this economy driven by a distributed, and sometimes anonymous workforce. Platforms can be owned and

38 Fuchs, 85.

Fig. 21_Simplification of the Marxian Factors of Production
 Source: By Author



operated by inventive unions, cities, and various other forms of cooperatives, everything from multi-stakeholder and worker-owned co-ops to producer-owned platform cooperatives.

3. And third, platform cooperativism is built on the reframing of concepts like innovation and efficiency with an eye on benefiting all, not just sucking up profits for the few... Platform capitalism is amazingly ineffective in watching out for people.³⁹

Cooperative platforms are still in their infancy but aim to provide equitable alternatives to popular platforms. By changing the ownership model, they re-appropriate and re-frame the narrative of Platform Capitalism by acknowledging and embracing current technologies with the aim of providing more equitable solutions for those involved. If Platform Cooperativism, captures the benefits of digital platforms through cooperative ownership, then improving efficiencies on transactional cost can be captured for the common goal of aiding the production of decommodified, cooperatively owned affordable housing options.

Pier Vittorio Aureli’s architectural practice Dogma proposes a decommodified, cooperative building model as an affordable housing project. In their project *Do you hear me when you sleep?* Dogma proposes a model of a cooperative, self-build construction practice, to build a communal house on collectively owned land in partnership with Sun Co-op in London.⁴⁰ The project is theoretically applicable to other contexts but states that self-organization and cooperation with local municipalities are a prerequisite for building. The idea of self-organization is a response to the increasing digitization and privatization of actors in the current building industry. Aureli recognizes that the building industry is moving towards

³⁹ Scholz, “Platform Cooperativism.”

⁴⁰ Dogma, “Do You Hear Me When You Sleep?,” accessed February 27, 2021, <http://www.dogma.name/project/proposal-for-a-cooperative-house-in-london/>.

Platform Capitalist	Platform Cooperative
Shareholder owned	Worker owned
One vote per share	One vote per member
Needs defined by shareholders	Needs defined by members
Exists to maximize profit	Limited return on capital

Fig. 22_Platform Capitalist vs. Platform Cooperative
Source: By Author

platformization with the increasing complexity of digital tools implemented in the building process.

Indeed, the increasing sophistication and complexity of building has gone hand in hand with the agglomeration and increasing monopolization of the building industry by a limited number of players. Transformations in approaches to site management, construction, and building assemblies have served to derive efficiencies from capital investment by de-skilling construction to reduce labor costs in building. These transformations cannot be taken uncritically, and indeed reflect a long legacy of architects' tenuous relationship with construction labor.⁴¹

In the era of Platform Capitalism, Aureli's observation on de-skilled construction labour is consistent with other examples of increasingly standardized labour as explored earlier. The model proposes an organization where the residents themselves, become the administrative and constructive labour force to produce their own housing thus reducing their dependency on external contractors and developers. Like other co-housing cooperatives, the cooperative structure has proven to be a feasible model for organizations of 40 or so members. However, in the context of re-imagining residential hotels as an affordable housing strategy in San Francisco, even if the model is supposedly scalable, addressing the need for thousands of new affordable units to offset the demand for housing is a challenge. Therefore, there is room to speculate what a true cooperative housing platform could look like and intervene accordingly at a much larger scale. The innovation that a cooperative platform could provide would be coordinating efforts at the scale of the municipality and with other stakeholders rather than building several singular housing projects. Regardless, there is certainly room for both models in the fight to produce affordable housing options.

41 Aureli et al., "Promised Land."

A Platform Cooperative Approach to Re-Imagining Hotel Living

Returning to the context of hotel living as an affordable housing strategy, the SRO typology presents us with an incredible opportunity to address the affordability crisis in San Francisco. For one, it is a typology that is currently underutilized as a housing amenity with a long history of existing in the San Francisco downtown. The renaissance of shared living in the platform era highlights the desirability for communal living as a cost-saving alternative.

From a production perspective, according to the San Francisco Planning Department from 2006 to 2018, on average, 650 low-moderate income units were produced per year.⁴² If the SRO can be modernized, over 19,000 of these units can theoretically be included to this figure. However, challenges remain with this approach. In the current landscape of 500 plus hotels, almost all are privately owned, and many have fallen into disrepair. With no clear direction and initiative from the city or developers to fix the situation, the SRO hotel for many, remains as the last line of defense between housing and homelessness.

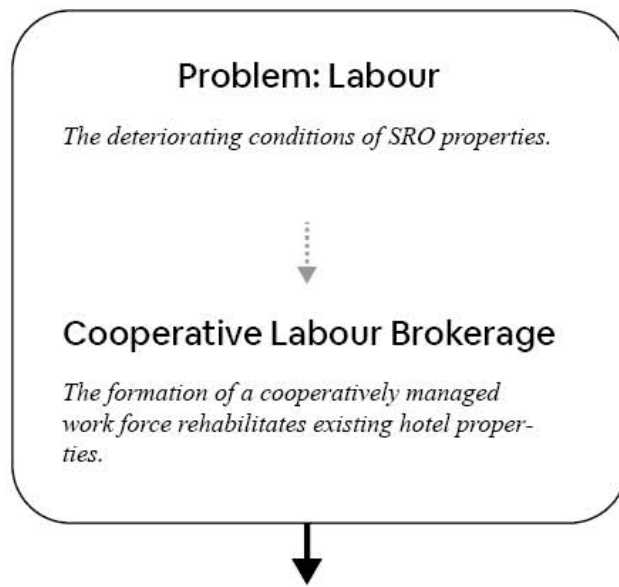
Improving SRO Unit Supply Through Cooperative Platformization

To re-imagine the residential hotel as an accessible form of housing in the platform era, the building process must be completely re-imagined. By collectivizing the factors of production through cooperative means of ownership, the platform approach prioritizes the welfare of its residents and members over maximizing return on investment. This Platform Cooperative approach intervenes in each factor of production (labour, land, capital) by creating 3 new processes to address the problems commonly associated with hotel living in San Francisco.

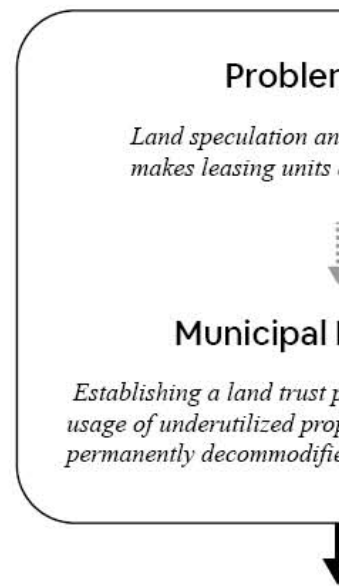
1. Labour (Chapter 3) – The formation of a cooperatively managed work force rehabilitates existing hotel properties.
2. Land (Chapter 4) – Establishing a land trust platform to optimize the usage of underutilized properties creating a portfolio permanently decommodified units.
3. Capital (Chapter 5) – Proposing a cooperative development initiative that multiplies the potential of the land trust becoming an agent for decommodified development.

Each proposition sequentially makes available more units and is imagined as non-mutually exclusive, ongoing processes for sustainable housing production.

⁴² San Francisco Planning, “Affordable Housing Funding, Production, and Preservation.”



Rehabilitates Property



Frees Up

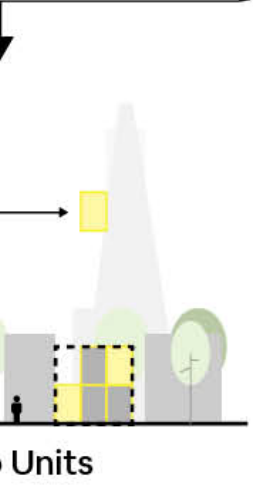
Fig. 23_Thesis Unit Supply Parti Strategy
 Source: By Author

Problem: Land

*Land financialization
has made development
difficult.*

Land Trust

*Land trust as a
platform to optimize the
use of properties creating a portfolio
of affordable units.*

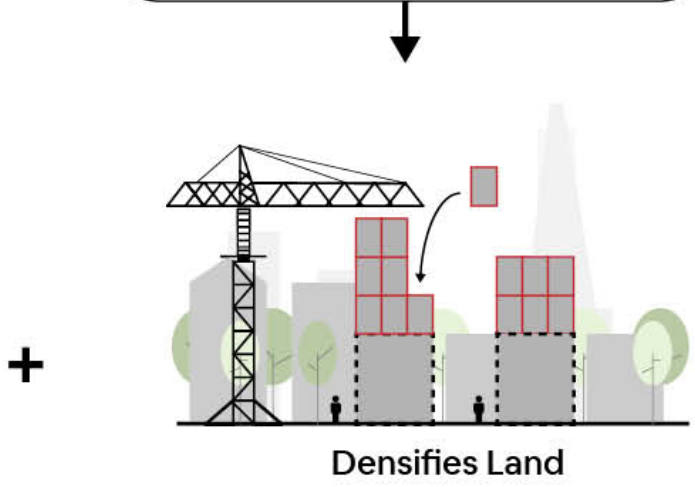


Problem: Capital

*New technologies and building practices need to
be used to bring down the cost of development.*

Cooperative Development Platform

*Proposing a cooperative development initiative
multiplies the potential of the land trust becoming
an agent for decommodified development.*



+

Part 3

DESIGN PROPOSAL

Chapter 3_Labour: A Cooperative Labour Brokerage to Maintain SRO Sites

The first process for addressing hotel living in San Francisco begins with looking at labour as a factor of housing production. Labour may include the actual construction of the housing itself, but also includes the labour necessary to maintain and manage housing. This chapter argues the importance of maintenance as a strategy for preserving affordable housing, how this type of labour is being transformed in the era of Platform Capitalism, and outlines a strategy focusing on the rehabilitation of independent SRO hotel sites.

The nature of labour is being transformed in the era of Platform Capitalism. Under Platform Capitalism, labour is becoming de-skilled and routinized as a byproduct of its reliance on externalized contract labour. The classification of app-based gig work categorizes workers as “independent contractors” rather than “employees” resulting in precarious work. For example, labour brokerage firms such as TaskRabbit offer independent contractors “tasked” work as succinct jobs rather than secure work with employee welfare. TaskRabbit is headquartered in San Francisco and has a significant user base across the Bay Area with 60,000 “rabbits” in total.⁴³ The platform is an online labour brokerage that connects contracted workers with freelance work consisting of handyman work, cleaning, moving, and other everyday tasks. The platform has advertised itself to users under the guise of entrepreneurship and flexible work schedules while many taskers who use TaskRabbit as their full-time employment are not privy to the same benefits as full employees.⁴⁴

As an alternative to app-based labour platforms, worker-owned platform cooperatives such as Coopify are beta-testing labour brokerage platforms with comparable functions to TaskRabbit. Coopify began as an initiative to digitize worker-owned city co-ops in New York to eliminate bottle necks in the system such as a managerial office for receiving postings and booking work.⁴⁵ A group of MBAs from Cornell University devised of the app as a worker-owned alternative that incorporated functions such as the ability to use the app in other languages like Spanish, and the ability for easier peer to peer communication in the co-op. The end goal of this cooperative platform was to challenge the extractive nature

43 “TaskRabbit,” in Wikipedia, April 12, 2021, <https://en.wikipedia.org/w/index.php?title=TaskRabbit&oldid=1017465137>.

44 Scholz, “Platform Cooperativism.”

45 Michelle Stearn, “Coopify: A New Platform Bringing Broad-Based Ownership to Your Smartphone,” Community-Wealth.Org (blog), January 11, 2016, <https://community-wealth.org/content/coopify-new-platform-bringing-broad-based-ownership-your-smartphone>.

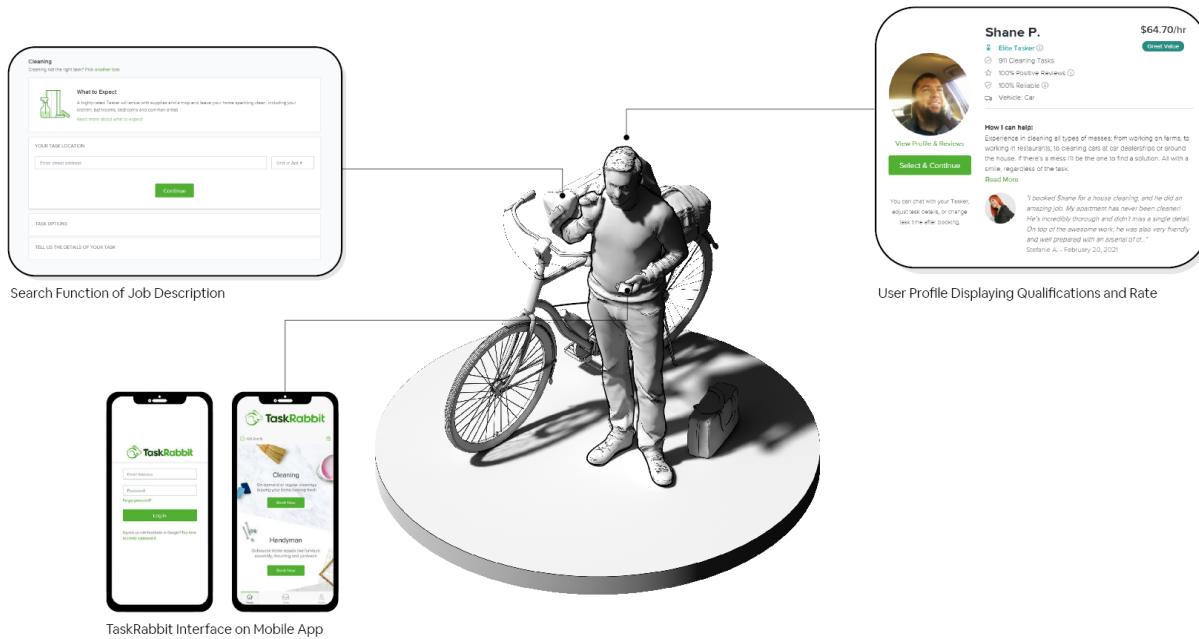


Fig. 24_ The Platformization of Labour
 Source: By Author

of the gig economy and promise workers ownership over the platform and better wages.

Domestic Labour in Context

Within residential hotels, domestic labour pertaining to building maintenance and social services is in short supply. Hotels either have a designated handyperson contracted on site or forgo maintenance all together. In a health impact assessment report conducted by the San Francisco Department of Public Health, a focus study involving SRO hotel owners and operators identified that basic rent was insufficient to cover repairs to the property and the cost of new appliances.⁴⁶ They reported significant problems from a health and safety perspective that plagued certain hotels according to the report. From the feedback, it was found that SRO operators were not equipped to deal with the multitude of health and safety concerns and were often not aware of hazardous infractions such as the presence of mold. Additionally, SRO operators were not equipped to deal with “extreme tenants” including the disabled, elderly, tenants with mental health illnesses, and those addicted to drugs and or alcohol. These hotels are often privately owned

⁴⁶ Cynthia Comerford, “Single Room Occupancy Hotels in San Francisco: A Health Impact Assessment,” A Health Impact Assessment (San Francisco: San Francisco Department of Public Health, 2017).

by single landlords or real estate firms and are not subject to the same fidelity of oversight from either the city or from SRO specific advocacy groups.

The onus to maintain and rehabilitate SRO hotel properties then falls onto the owners and landlords. Making improvements to the sites are difficult for reasons including monetary restriction and prohibitive regulations which were initially intended to advocate for improved tenant experiences. These regulations include the protocol for relocating tenants before improving properties which can become challenging for owners to satisfy.⁴⁷ Owners lack the incentive to improve their own properties because of limited revenue options from rent. In the current tenant regulations outlined by the San Francisco Administrative Code, SRO hotels must keep a certain number of residential units.⁴⁸ Residential units differ from the tourist units as residential units are rented on a long-term basis whereas tourist units are rented for short-term stays. Rent subsidization programs master lease residential rooms in programs such as HUD's Section 8 which designates units for below area median income tenants. Master leasing programs set the price of rent for hotel owners which fixes how much revenue can be generated from a hotel.

To the owners, SRO hotels become poor investments because their operating revenue stagnates while options for maintenance remain inaccessible leading to hotel vacancy.⁴⁹ In 2014, a hearing from Senior and Disability Action and the Central City SRO Collaborative took place with the Department of Health, Department of Building Inspection, and the Mayor's Office regarding the issue of elevator maintenance and disabled tenants at the Empress Hotel. The Empress Hotel had a broken elevator which restricted elderly disabled tenants from leaving the building for several weeks. The challenge of funding such improvements could cost between \$300,000 to \$1million, a cost that the owners could not afford.⁵⁰

The issue highlighted a need for accountability in the maintenance of SRO hotels in the city. Without access to pool of maintenance labour and funding for repairs, many private hotels become noncompliant to government master-leasing programs restricting new residents. Hotel owners are therefore unincentivized from improving their properties because of escalating costs. This negative feedback loop limits access to housing and perpetuates sub-optimal living conditions for residents.

47 Comerford.

48 "Chapter 41: Residential Hotel Unit Conversion and Demolition," San Francisco Administrative Code § Chapter 41 (n.d.), accessed February 22, 2021.

49 Joe Eskenazi, "No Vacancy for the Homeless," San Francisco Public Press, October 23, 2017, <https://sfpublicpress.org/no-vacancy-for-the-homeless/>.

50 Andrew Szeto, "Kim, Activists Seek SRO Elevator Fix," Beyond Chron, June 24, 2014, <https://beyondchron.org/kim-activists-seek-sro-elevator-fix/>.



Fig. 25_ “[SRO Maintenance Person with Broken Foot Resting on Dog](#)”
(Source: Peretz Partensky / CC BY-SA 2.0)

Health & Safety

Shown here is 39-41 6th Street, a typical small-lot SRO hotel. First built as the Delta Hotel in 1910, the mixed-use hotel has changed owners and names over the past century and was sold as the Whitaker Hotel in 2017.⁵¹ Originally built in 1910, this hotel is a typical example of a small-site SRO, a hotel with a front lot street width of 25 feet wide, a common lot width in San Francisco and has two stories of residential units above a common entrance and garage storefront retail. The concrete building contains typical SRO hotel features for this lot configuration such as light wells and a free spanning first floor. Rooms are connected via a single-loaded corridor and there are no elevators in the building. Because this hotel represents a typical SRO configuration that is commonly found in San Francisco, it will serve as the test bed for illustrating the transformational design processes for this thesis. The model of the hotel was reconstructed from diagrammatic floor plans published initially in *Living Downtown: A History of Residential Hotels in the United States* and verified with real estate listing photos from its sale in 2017.

⁵¹ Compass Commercial, “Whitaker Hotel,” Real Estate, Compass Commercial, accessed April 28, 2021, <https://www.compass-cre.com/listings?propertyId=515037-sale>.

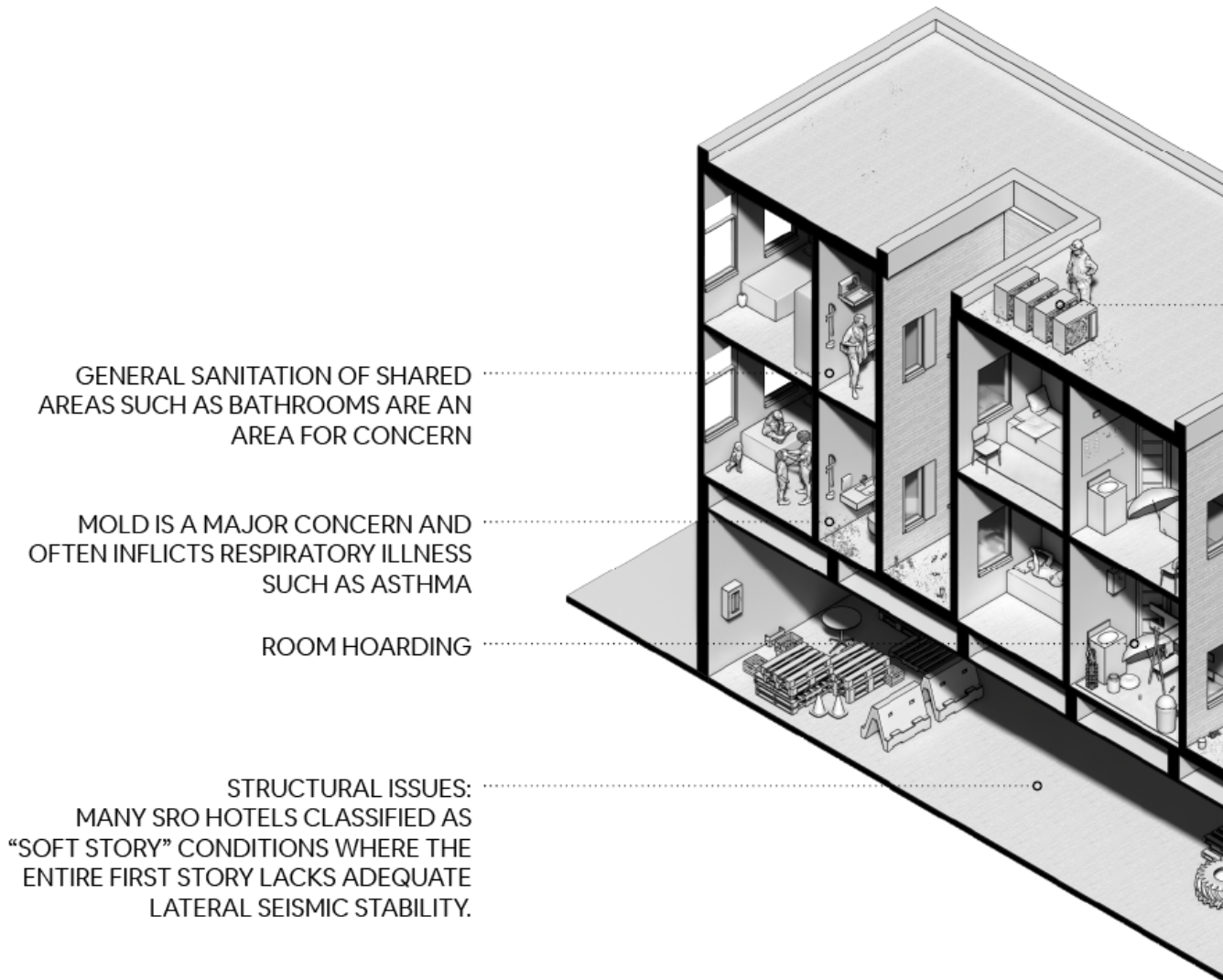
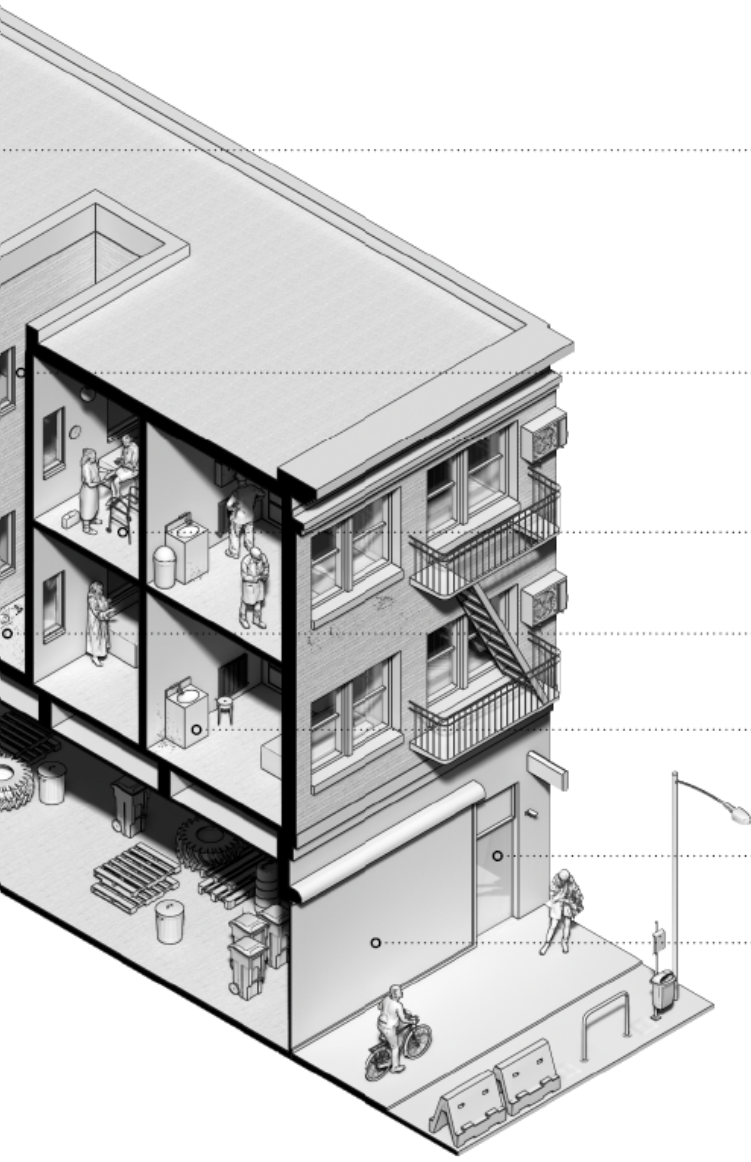


Fig. 26_Labour Related Issues Within SRO Hotels
 Source: By Author



BROKEN HVAC SYSTEM DUE TO OWNER NEGLIGENCE

ISSUES WITH OUTDATED ENCLOSURE

INJURIES FROM TRIPS AND FALLS FOR THE ELDERLY IS AN ITEM FOR CONCERN

CLUTTERED LIGHT WELLS

PLUMBING FIXTURES IN NEED OF UPDATING

ABSENT FRONT DESK SERVICE

VACANT RETAIL STOREFRONT

The Delta Hotel is illustrated here with common deficiencies pertaining to maintenance, structure, security, and health. From a resident experience perspective, improvements to the enclosure and finishes will do much to revitalize the overall feeling of the hotel. Architecturally, leaking plumbing fixtures and damages to the enclosure are perpetrators for mold growth and water related issues. Updates to the plumbing fixtures are necessary to not only modernize the function of the building, but to improve sanitation. According to the health impact assessment, the five most common building violations were issues relating to animals/pests, mold, garbage, sanitation, and structural conditions. The health concerns from these violations include, respiratory illnesses, injuries sustained from the obstruction of circulation, and mental distress.⁵²

Many SRO hotels that were constructed at the beginning of the 20th century are susceptible to seismic related issues. According to the city, there are 10,800 buildings identified as “soft-story buildings” by the Department of Building Inspection. Soft story buildings are a condition describing laterally unstable first stories, often made of light wood frame construction, that can potentially collapse during an earthquake.⁵³ Some century-old hotels that fit this classification are structurally precarious and in need of a seismic retrofit. Although the city officially mandates a seismic retrofit program, seismic safety is still an area of concern for older hotels looking to make improvements highlighting the need for a city-wide maintenance program.

The Cooperative Labour Brokerage

Streamlining the rehabilitation and maintenance process offers a potential solution to breaking out of the positive feedback loop perpetuating the deterioration of over 500 SRO hotels in San Francisco. There is clearly a need to address the various health and safety concerns as outlined by the health impact assessment conducted by the Department of Building Inspection. Hotel operators need to be connected to an accessible maintenance workforce of specialized labour and the municipality needs a new consolidated effort. The long-term maintenance of sites is often overlooked when addressing a housing shortage but is crucial to preserving existing affordable housing measures.

Access to labour and hiring in the platform era is changing as finding labour in a digital marketplace becomes a nimbler alternative to conventional hiring. Labour marketplace experiments such as Coopify could be applied to the context

⁵² Comerford, “Single Room Occupancy Hotels in San Francisco.”

⁵³ “What Is Soft-Story Seismic Retrofitting?,” HowStuffWorks, September 13, 2011, <https://science.howstuffworks.com/engineering/structural/soft-story-seismic-retrofitting.htm>.

of the San Francisco SRO hotel. Collective labour becomes a solution towards incentivizing owners to improve the conditions of their properties for the benefit of tenants. A worker-owned platform focusing on long-term maintenance potentially addresses the need for a reliable labour source to maintain hotels. In the following process, a labour brokerage marketplace becomes a tool for the municipality to initiate the subsidization of labour required to rehabilitate hotels allowing SRO operators to improve the conditions of their property therefore making more units leasable.

Re-Allocate Federal & State Funding

Development is a costly strategy towards addressing the affordability crisis. Officially, SRO hotels are not included in the city's strategy for affordable housing production regardless of its status as a recognizable affordable housing type. In its best year of funding, the City of San Francisco allocated \$196 Million from various Federal and State bond sources to stimulate the production of affordable housing in the city.⁵⁴ In the current annual model, on average, over 73% of all federal and state funding acquired, goes to developing new buildings with market rate units to offset the cost of building below market rate units. This is a tradeoff often made when public-private-partnerships, coordinated efforts between the Mayor's Office, private investors, and development firms are responsible for the new large-scale construction projects.

In comparison, funding for the preservation of affordable housing on small sites averages roughly \$500,000 per year. There needs to be a reprioritization of funding considering the average cost to build a new affordable unit is \$750,000 while it costs roughly \$110,000 to rehabilitate an existing unit.⁵⁵ This process of creating the cooperative labour brokerage for maintenance recognizes the potential of restoration and preservation of existing housing resources to not only improve the quality of life for current residents, but to make available more units previously excluded by city leasing programs.

54 San Francisco Planning, "Affordable Housing Funding, Production, and Preservation."

55 Thomas Fuller, "Why Does It Cost \$750,000 to Build Affordable Housing in San Francisco?," The New York Times, February 21, 2020, sec. U.S., <https://www.nytimes.com/2020/02/20/us/California-housing-costs.html>.

Fig. 27_Affordable Housing Project Construction Sign in the Mission

Source: By Author



Stakeholders and Cooperative Governance

The current landscape of SRO hotel stakeholders is comprised of different municipal departments, collaborative tenants' organizations, investors, and the independently owned hotels themselves. From the municipal side, the stakeholders are the Department of Building Inspection, Department of Public Health, Department of the Environment, San Francisco Fire Services, and the Mayor's Office for Housing. SRO Collaboratives such as the Central City SRO Collaborative (CCSROC), Chinatown Community Development Center, Mission SRO Collaborative, and the Tenderloin Housing Clinic all provide resources to tenants including information and tenants' rights. Real estate holdings companies such as the John Stewart Company and Hotels 2000 are bodies that own and operate numerous hotels. Although there are several organizations that could be responsible for the health impacts of SROs, the onus for maintenance still falls on the individual owners. Previous municipal efforts to consolidate hotel maintenance resulted in the inefficient use of resources often overlapping efforts.⁵⁶

By intervening in the current SRO ecosystem, the challenges of managing the interests of many different stakeholder groups identifies the need for a central resource pool to streamline the process. From the health impacts study, participants in the focus group identified there was a need for a more centralized source of information regarding the various concerns associated with health and safety. There needs to be a consolidated effort moving forwards, one that is worker forward and managed by the municipality.

⁵⁶ Joe Eskenazi, "How to Fill All the Empty SRO Rooms," San Francisco Public Press, October 23, 2017, <https://sfpublicpress.org/how-to-fill-all-the-empty-sro-rooms/>.

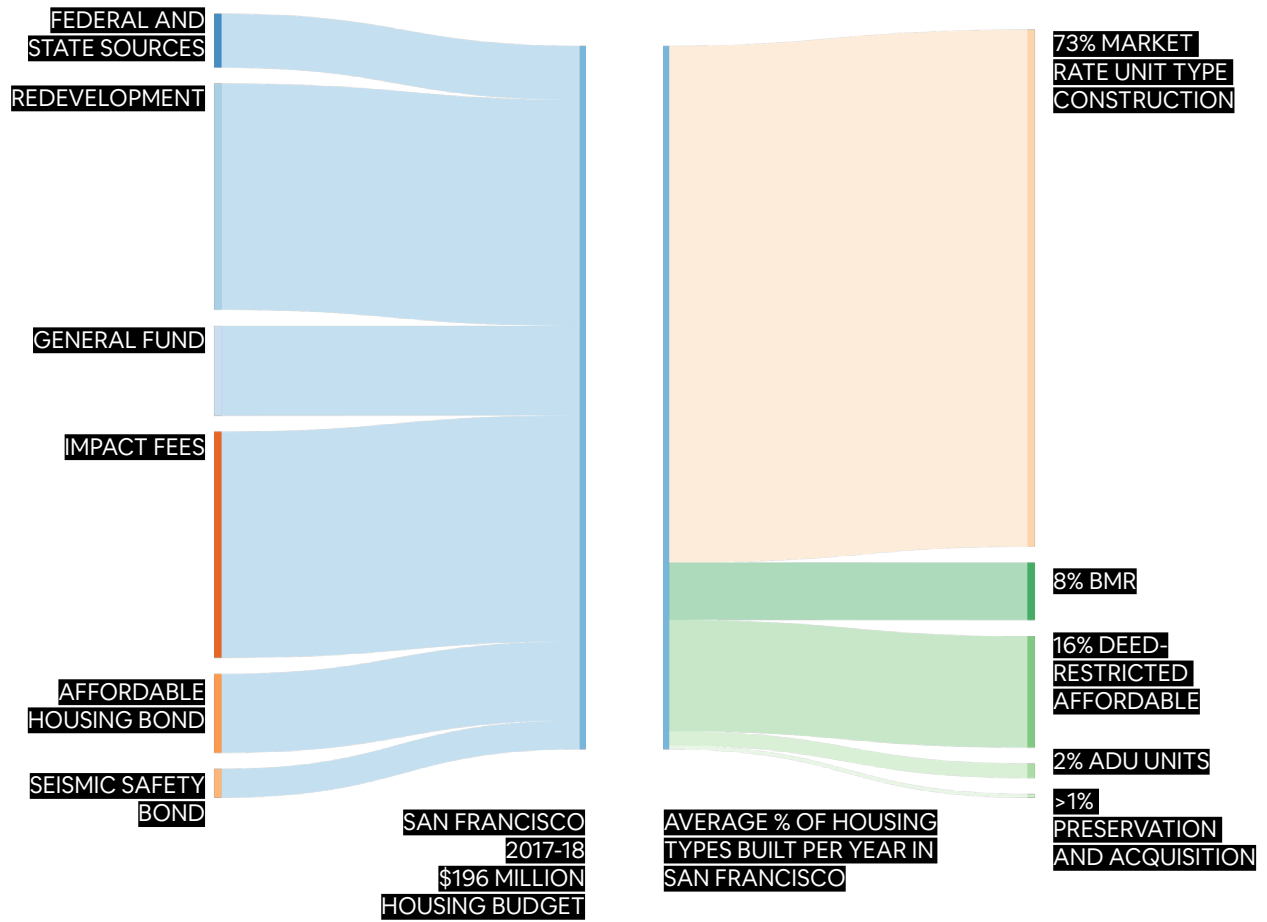


Fig. 28_Sankey Diagram Showing Funding Flows for Affordable Housing Production
 Source: By Author; Data From San Francisco Planning, "Affordable Housing Funding, Production, and Preservation."

A new municipal taskforce needs to be created. In this scheme: the municipality is interested in funding the rehabilitation of existing properties, the SRO operators are looking for an option to fix their investments, and the labour pool is interested in work giving opportunities for even residents to join. The Labour Brokerage Platform becomes the intermediary between each stakeholder comprised of elected representatives from each party. The Labour Brokerage Platform will need to hire skilled trades including handy people for general repairs, plumbers, electricians, and even architects specializing in the maintenance of hotels. Feedback from members of the platform is vital. The advantage of cooperative ownership is the ability to elect representatives from each stakeholder group fostering a dialogue of findings and suggestions.

Develop the Digital Marketplace

The innovation that the platform cooperative provides would be a singular portal managed by the newly formed SRO Taskforce to facilitate the interactions between SRO operators and suitable labour. It will serve as the main point of interaction as operators list their hotel's deficiencies directly and the platform matches them with the suitable maintenance labour. As per platform cooperative principles, the interface is an appropriation of an existing model incorporating features from existing marketplace platforms. The platform aims to connect skilled labour with SRO owners in need of work to repair their sites then, subsidizing the cost of repairs to ultimately improve conditions of resident life. This is to be a fundamental shift in affordable housing strategies where instead of subsidizing the cost of rent in a program such as Section 8 , the federal and state bonds are redirected towards subsidizing the cost of maintenance to incentivize hotel owners to rehabilitate their properties.

In this scheme, hotels list their deficiencies on the platform to be matched with the appropriate labour. The design of the mockup draws influence from comparable contemporary app design where user experience is highly valued striving for ease of use and cross platform communications. Features such as multi-lingual interfaces and ease of sharing across social media platforms such as Facebook or Twitter incorporated initially by Coopify, are desirable functions to incorporate considering the diverse base of residents in San Francisco's SRO communities. 40% of SRO residents identify as Asian or Pacific Islander and 14% identify as Latino many of which are conglomerated in the neighborhoods of Chinatown and the South Mission, respectively.

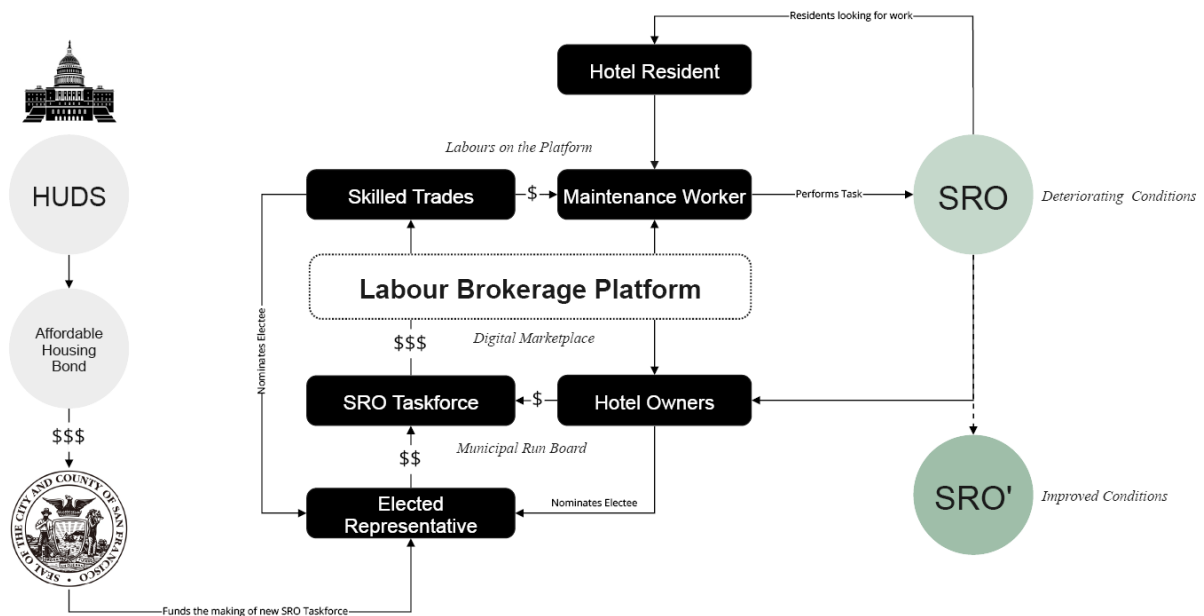


Fig. 29_Labour Brokerage Scheme
 Source: By Author

Onboarding Users

Platforms work best when they have reached a critical userbase to scale correctly. The challenge of the Labour Brokerage Platform will need to onboard qualified labour and partner with suitable property management. During the implementation phase, the platform will have to be advertised to the stakeholders in the project, beta-tested, implemented, and then scaled according to more users on the platform. The platform is based on three key assumptions:

1. The formation of a municipal SRO task force will spearhead the creation of the platform.
2. SRO operators will hire the labour on the platform to improve their properties as opposed to hiring external contracted work.
3. Maintenance workers will have the skillset necessary to perform SRO specific maintenance work.

Identifying a value proposition for each party addresses the challenges the assumptions make for a scalable platform. First, the formation of a municipal SRO task force is funded through the diversion of federal and state bond funding

which then funds the platform’s creation and development. For the SRO operators, the value proposition will have to provide a maintenance option that costs less than what they would be able to hire elsewhere outside the system. Therefore, in the case of the SRO operators, the municipality will have to subsidize the cost of labour to initiate competitive pricing. The maintenance work force will have to be instructed by the taskforce on the best practices for hotel maintenance. In the health impact assessment, feedback from a selection of hotel operators identified that a best-practices manual and training would have helped some managers deal with difficult tenants.⁵⁷ A best practice manual could include maintenance related tasks including non-intrusive operating procedures that minimize the effects of renovations with the tenants. In the over 500 hotel sites, there would be a seemingly endless supply of repair work available to the platform workers as the number of partnered hotels increase.

Rehabilitate Existing SROs

Over time, the diversion of funding to the rehabilitation of SRO hotel sites aims to produce better living conditions for residents, better return on investments for hotel owners, and ongoing maintenance of these sites. The labour brokerage platform provides San Francisco with a mechanism for gradually improving site conditions and funds maintenance while creating secure employment opportunities. This strategy to address the maintenance of sites is the most feasible of the three strategies re-imagining the role of the SRO in San Francisco as its steps are immediately actionable. This platform scheme aims to make the most immediate impact but is not exclusive from the following platforms described in *Land: Municipal Land Trust* and *Capital: Cooperative Development Platform*.

⁵⁷ Comerford, “Single Room Occupancy Hotels in San Francisco.”

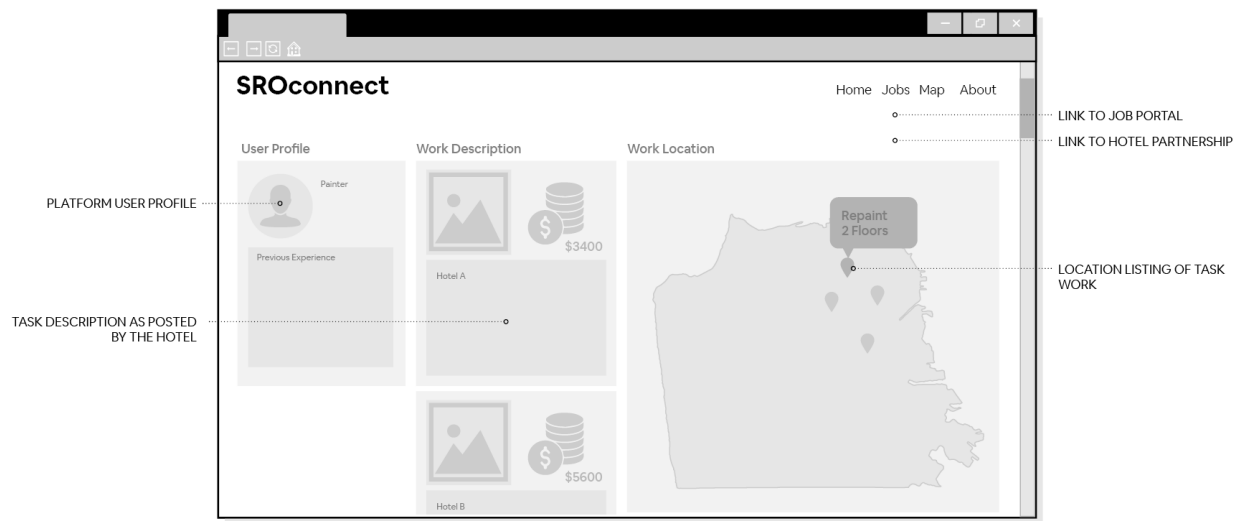


Fig. 30_Marketplace Mockup Interface
 Source: By Author

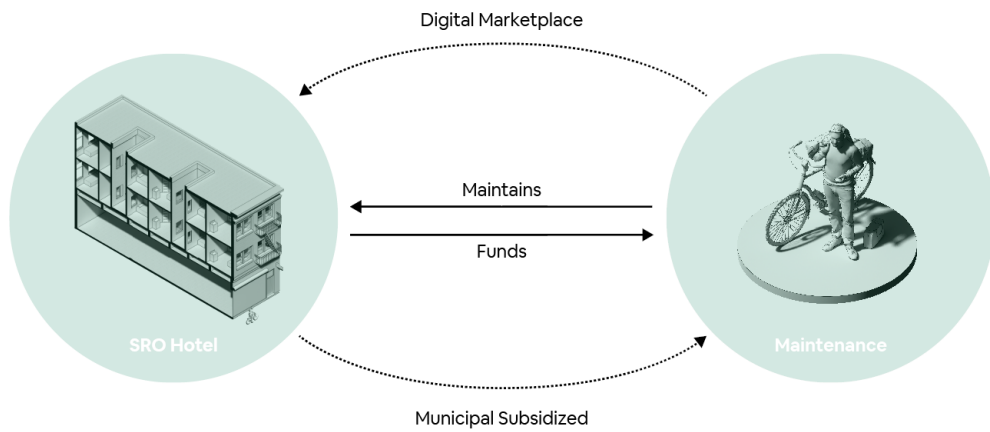


Fig. 31_Value Proposition Between Hotel Owners and Maintenance
 Source: By Author

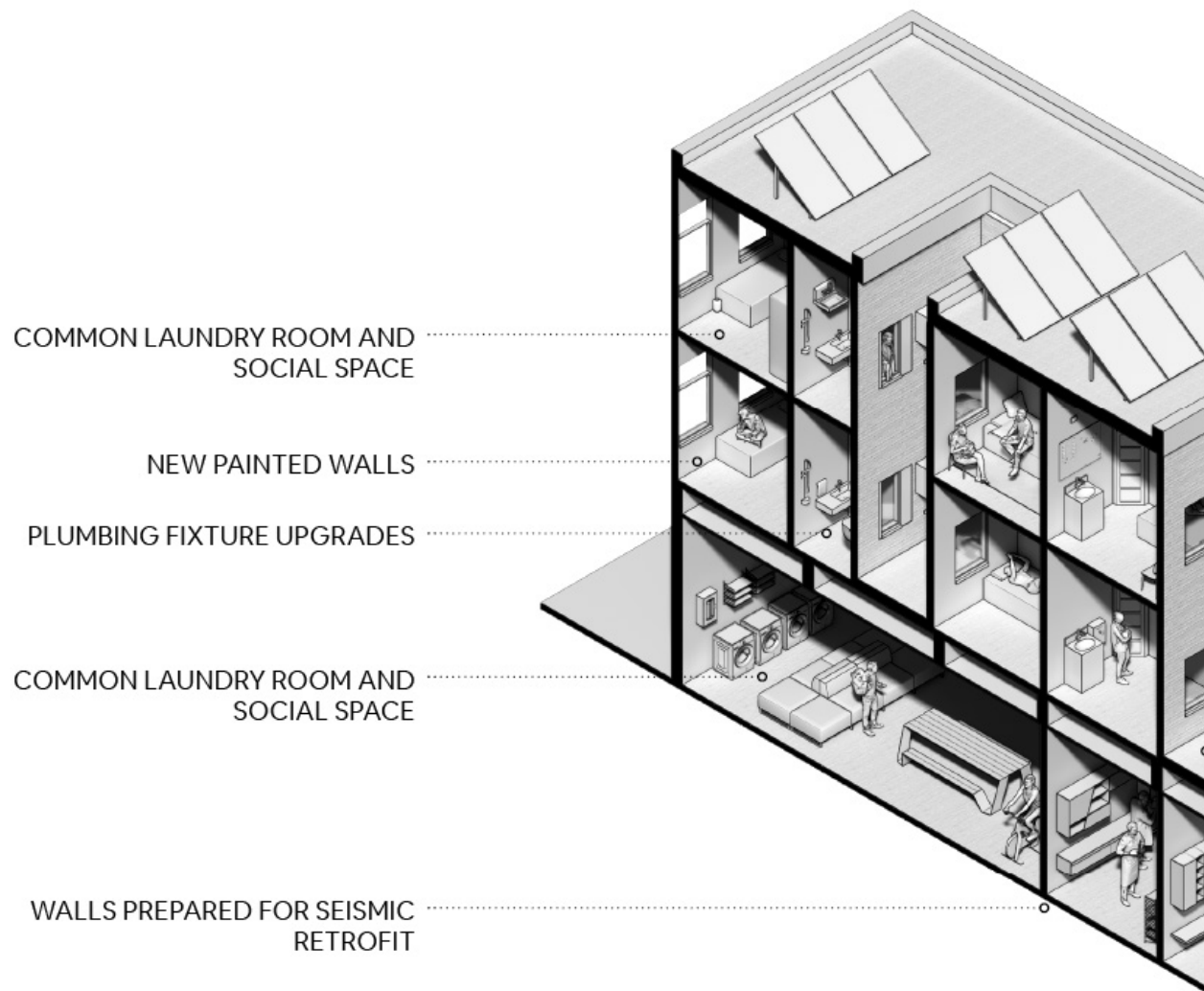
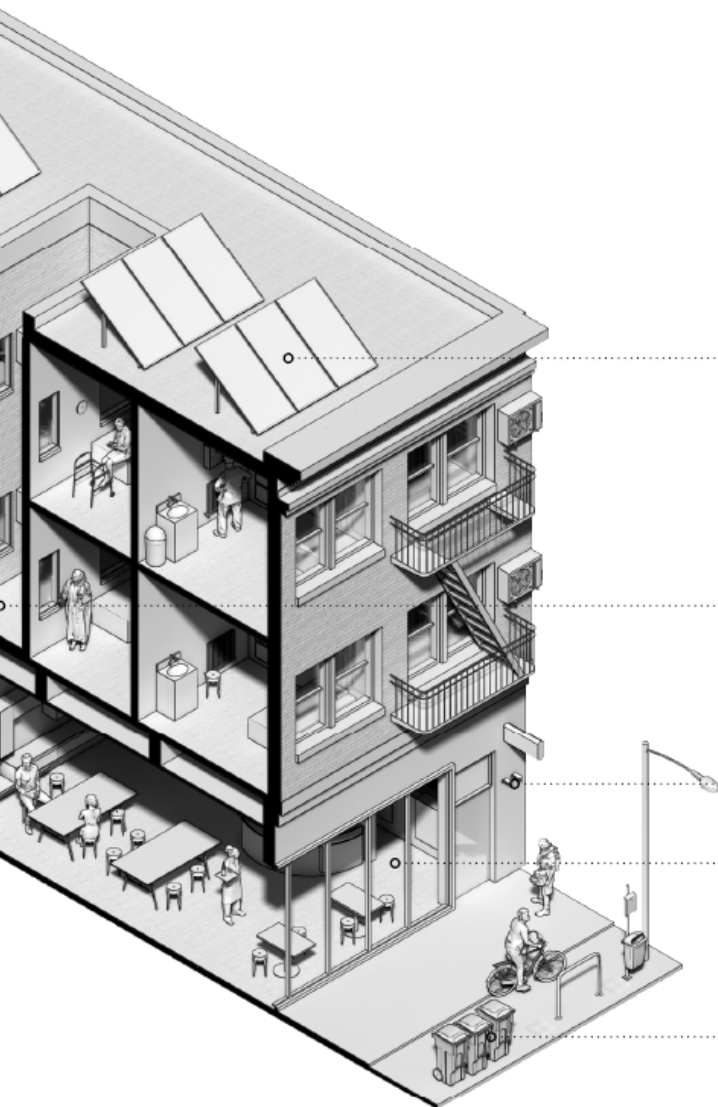


Fig. 32_Sample SRO Rehabilitation and Modernization
 Source: By Author



ENERGY MODERNIZATION: REDUCES
OPERATING COST OF ELECTRICAL
SYSTEMS

DE-CLUTTERED LIGHT WELLS

IMPROVED SAFETY AND SURVEILLANCE

STOREFRONT REAL ESTATE
OPPORTUNITY

IMPROVED HYGIENE AND WASTE
MANAGEMENT

Chapter 4_Land: Municipal Land Trust

The second process for addressing hotel living in San Francisco looks at land as a factor of housing production. The factor of land deals with real estate speculation, policy, and access to land in the context of SRO hotels and platformization. This chapter argues the importance of decommodified land as a strategy for preserving the affordability of SRO units and outlines a strategy for the formation of a cooperative municipality-backed land.

In the era of Platform Capitalism, platforms are finding new ways to financialize land. Housing start-up, Starcity Coliving, has purchased and transformed several underutilized residential hotels into upscale tech dorms. These “hackerhomes” essentially re-market entire hotels as swanky, community-minded, dorm life experiences to predominantly white-collar workers. Despite ordinance enacted to protect the city’s housing supply, investors are finding ways around regulations to market underutilized SRO hotels to an upscale clientele at a premium cost.

In 2011, bitcoin investor Jared Mckenna invested \$7 million into transforming an existing SRO, the Sierra Hotel, into a “hackerhome” called 20Mission. He intended to create a live/workspace that brought like-minded individuals (in this case they were hackers, artists, creative class workers, and coders) to partake in a co-living scenario. A proprietary platform was used to rent these rooms functioning like Airbnb. The hackerhome consists of 41 separate rooms rented on a per night / per month basis with shared amenities such as a shared bathroom, kitchen, handmade product market on the main floor, assembly space, and a private roof courtyard.⁵⁸

58 Ashley Gilbertson, “A Week Inside a Hacker Hostel,” Bloomberg.Com, July 14, 2015, <https://www.bloomberg.com/news/features/2015-07-14/a-week-inside-a-hacker-hostel>.

20Mission is not the only SRO to have been converted into a Hackerhome and there are concerns for the public housing supply as the remaining stock of SRO hotels remains vulnerable for exploitation. Hackerhomes are, a more profitable venture commanding upwards of \$90 a night and \$2000 a month as of 2020. For comparison, an SRO room today can be rented for as low as \$500 a month. Communal living is being marketed towards a more lucrative clientele in roughly the same architectural typology, the only difference being the interjection of investment from Tech Boom 2.0 and the integration of platform design. Perceptions regarding communal living and hotel life are being appropriated and reconsidered as there is a growing need to house more transient workers. Shown is the hackerhome 20Mission, converted from an abandoned hotel into a tech dorm and renting its rooms at 4 times the price of an average SRO unit. The amenities are more attractive to a wealthier younger clientele prioritizing common spaces for social events.



ROOFTOP YOGA SESSION

URBAN ROOF GARDEN

ONE OF 41 DORM STYLE ROOMS

Fig. 33_20 Mission Co-living Space
Source: By Author



**SOCIAL SPACE IN ROOFTOP
LIGHT WELL**

COMMUNAL KITCHEN

**COMMUNAL UNIVERSAL
BATHROOMS**



COMMUNAL EVENT SPACE



Fig. 34_Hotels with the Largest Vacancies Expressed as Radius

Source: By Author, Data From San Francisco Department of Building Inspection, "Annual Unit Usage Report Filing Status.")

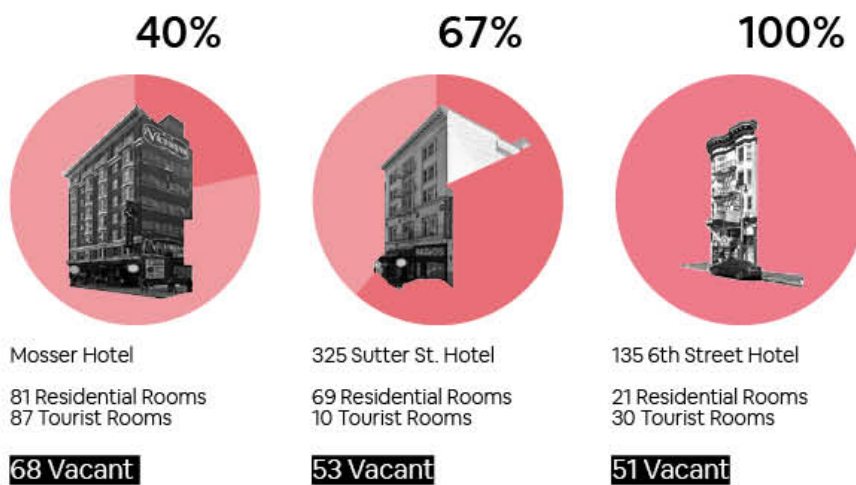


Fig. 35_Most Vacant Residential Hotels in San Francisco

Source: By the author; Data from San Francisco Department of Building Inspection, "Annual Unit Usage Report Filing Status."

Vacancy in SRO Hotels

Despite the escalating price of real estate in San Francisco, SRO hotels are experiencing vacancies in some residential hotel rooms. This phenomenon is perplexing considering the lack of affordable housing options currently available as over 4000 people (according to official counts) live unsheltered in the city where the SRO units, at an affordable price, could address these issues.⁵⁹ According to the San Francisco Department of Building Inspection, approximately 7% of all residential rooms were reported vacant in 2018. 7% accounts for the official number of vacancies but the actual count is estimated to be much higher according to independent sources and open mapping initiatives.⁶⁰

Lack of regular maintenance and deteriorating conditions could be the culprit for the vacant hotel rooms, but it is unclear what percentage of hotel rooms are left vacant. Perhaps, platformization and land value explains the vacancies. As previously explored, the city currently master-leases a portion of available hotel rooms as rent-subsidized units fixing the cost of rent for hotel owners. If the revenue earned from master leasing programs is less than what could be made renting illegally on platforms like Airbnb, this could explain the vacancy figure.

⁵⁹ Eskenazi, "No Vacancy for the Homeless."

⁶⁰ Amanda Hickman, High Vacancy Rates (San Francisco: Carto), accessed March 9, 2021, <https://amandabee.carto.com/builder/008b59de-eefe-4441-9d7e-94187160f69e/embed?state=%7B%22map%22%3A%7B%22ne%22%3A%5B37.74703254413712%2C-122.49069213867189%5D%2C%22sw%22%3A%5B37.817717362820524%2C-122.3320770263672%5D%2C%22center%22%3A%5B37.782383403274565%2C-122.41138458251953%5D%2C%22zoom%22%3A14%7D%7D>.

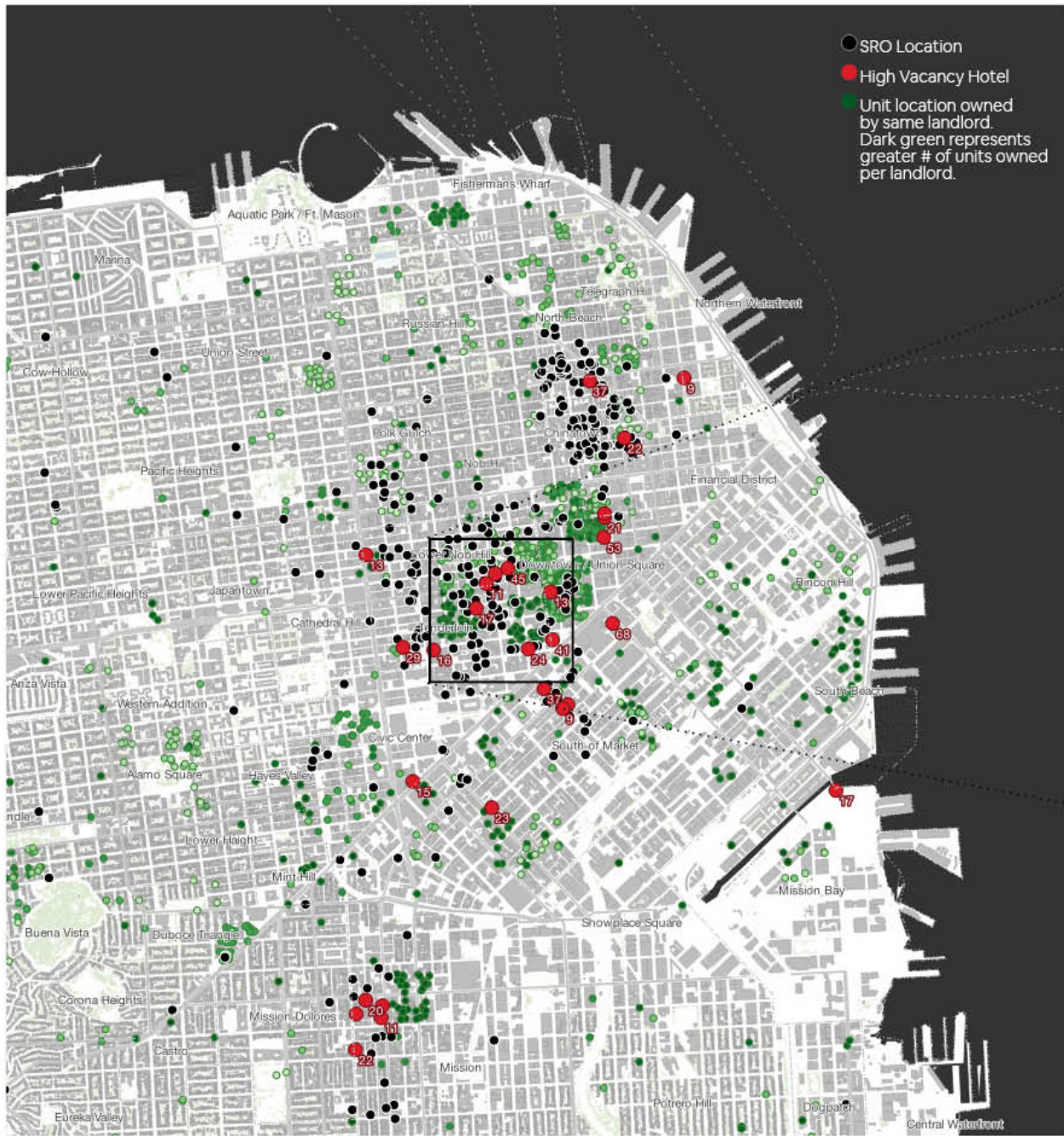


Fig. 36_Monopoly Airbnb Land Lords Zoomed Out
 Source: By Author

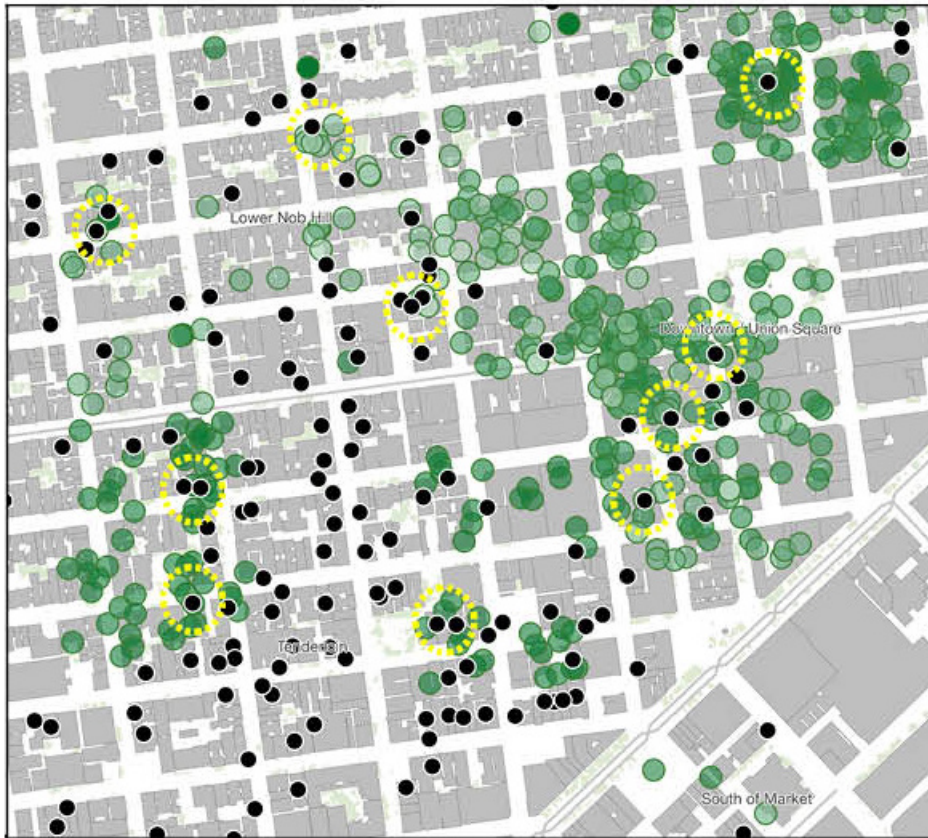


Fig. 37_Monopoly Airbnb Landlords Zoomed In
 Source: By Author

In data collected by the San Francisco Department of Building Inspection, according to administrative code, SRO hotels are required to report the amount of tourist and residential rooms with their recorded vacancies in the Annual Unit Usage Report (AUUR). According to the data, there were hotels with significant vacancies with some hotels reporting completely empty. The top three hotels reporting the most vacancies are the Mosser Hotel with 68, 325 Sutter St. Hotel with 53, and 125 6th St. Hotel with 51 reported vacancies.⁶¹

Monopoly Airbnb Owners

Anecdotally, Joyce Lam a Senior Community Organizer with the Chinese Progressive Association reported that in Chinatown, recognizable SRO units were being advertised on short-term rental sites such as Airbnb and Craigslist in 2016.⁶² These listings coincided with a noticeable increase in SRO unit rents as

61 San Francisco Department of Building Inspection, "Annual Unit Usage Report Filing Status" (San Francisco: San Francisco Department of Building Inspection, April 22, 2019).

62 Carrie Wong, "Most Wanted: San Francisco Flyers Name and Shame Airbnb Hosts."

reported by the members of the neighborhood hotels. According to superimposed Airbnb historical rental data and SFDBI's AUUR survey, the data suggests that the largest vacancy percentages occurred near properties where Airbnb "hosts" owned large portfolios of rental units. Although vacancies theoretically fluctuate, data suggests that some hotels list residential units on Airbnb.

Upon analysis of the open data, on some hotel blocks in the Tenderloin, hotel owners seem to have become career Airbnb monopoly landlords suggesting that these hotels are renting units to tourists rather than keeping units as permanently residential which is illegal. There are distinct clusters of units reported to have been owned by the same landlord on Airbnb suggesting the platformization of SRO hotels spaces. Although there may be potential inaccuracies with the exact geolocation of the data because of the nature user data in the Airbnb system, these Airbnb clusters and hotspots for hotel vacancies suggest that more hotels are turning to Airbnb while others remain vacant in the Tenderloin. In both cases of the "hackerhome" and the illegal Airbnb units, residential hotels need another future than gentrification. In a city where affordable units are in short supply, vacant units simply cannot exist.

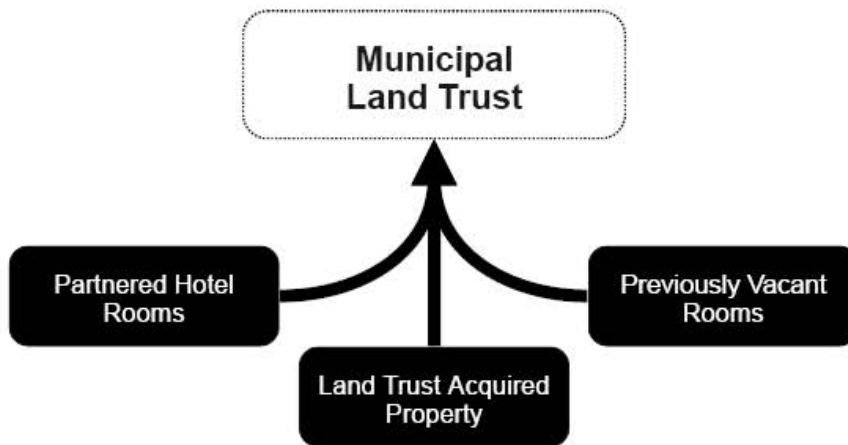
The SRO Municipal Land Trust

There needs to be a different future for SRO hotels other than landlords transforming vacant units into a hackerhomes or renting residential rooms via Airbnb to wealthier clients. Either future only serves to alienate vulnerable populations by increasing the price of rent. Vacancies in 7% of the SRO hotels shows that the current SROs are underutilized as a housing amenity which is problematic since there is a significant homeless population in San Francisco. Decommodified land, free from existing market pressures is necessary for preserving the supply of available SRO units and presents a great opportunity to imagining a new cooperative platform.

Although the unwanted neighborhood gentrifying effects of Airbnb are of concern, it remains an effective platform for maximizing the utilization of units. Platforms are incredibly efficient at connecting renters and hosts in Airbnb's case, a property that can be leveraged to curb the existing vacancies within SRO hotels. The only question is how they can be managed equitably and further serve to produce decommodified property.

Writer Janelle Osri proposes a platform cooperative alternative to Airbnb dubbed "Munibnb", a municipal partnership with a cooperative platform that leases

Fig. 38_Municipal Land Trust Sketch
Source: By Author



city-managed hotel units to residents.⁶³ In her model, she imagines a city-run hotel system that recoups tourist revenue for the municipality, a public body, over letting platforms like Airbnb and VRBO become the sole profiteers on San Francisco’s lucrative tourist industry. In the case of the SRO, the Munibnb is a suitable model for implementing a city-owned housing resource, one that exhibits greater control over the regulations and pricing of affordable units.

To address the problem of land, residential hotels need to be permanently decommodified. By combining a typical land trust model with Munibnb, the development of a Municipal Land Trust becomes a hybrid process that aims to manage a portfolio of decommodified properties while maximizing the utilization of existing units from partnered hotels. In this model, the Municipal Land Trust is comprised of three streams of residential hotel rooms:

1. Partnered Hotel Rooms – Imagined as a digitally connected alternative to various master leasing programs that lease the vacant rooms on a long-term basis, in exchange for a partnership with the land trust.
2. Land Trust Acquired Property – Using funding from federal and state sources to purchase for market rate properties with the intention of building a land bank of centrally located, municipally controlled hotels.

63 Scholz, “Platform Cooperativism.”

3. Previously Vacant Rooms – Identifying opportunities for previously vacant rooms through improvements in mapping and inventory auditing to offer alternatives for these units.

Establish the Municipal Land Trust Platform

In the landscape of over 500 independently owned hotels, certain hotels could benefit from a partnership with the Municipal Land Trust. Ideal potential partners are hotels with high vacancies and have been excluded from or experienced frictions with previous leasing programs. The intention of the land trust would be to provide a consolidated effort by the newly formed SRO Taskforce to reform master leasing programs and allocate funding for the purchasing of decommodified land.

The city-owned, Municipal Land Trust platform proposes to streamline the process connecting prospective renters directly with listed properties improving the user experience of finding housing through a listing portal. Unlike the Cooperative Labour Brokerage which is a worker-owned cooperative platform, the Municipal Land Trust is imagined as an entirely city-owned public resource managed by the SRO Taskforce.

Partnership with Land Trust

The short-term goal of the Municipal Land Trust is to offer a partnership program for existing private hotels to lease their vacant units to a readily accessible pool of tenants. It is imagined that partnered hotels with the Cooperative Labour Brokerage who received assistance to modernize the maintenance of their hotels would be more inclined to partner with the Land Trust aiding with the implementation phase. The partnership program with the Municipal Land Trust aims to be a streamlined, digitized version of existing master leasing programs in the city and a more immediately, actionable program than slowly acquiring permanently decommodified properties.

The key value proposition is offering a solution where the land trust manages the leasing, the insurance, and the listing of the unit in exchange for a long-term contract for the room at a fixed rate. By using a housing platform, alleviating the challenge of contracting and finding tenants for a type of housing that is already heavily regulated by the city would be an attractive proposition when managing transactions and managerial duties.

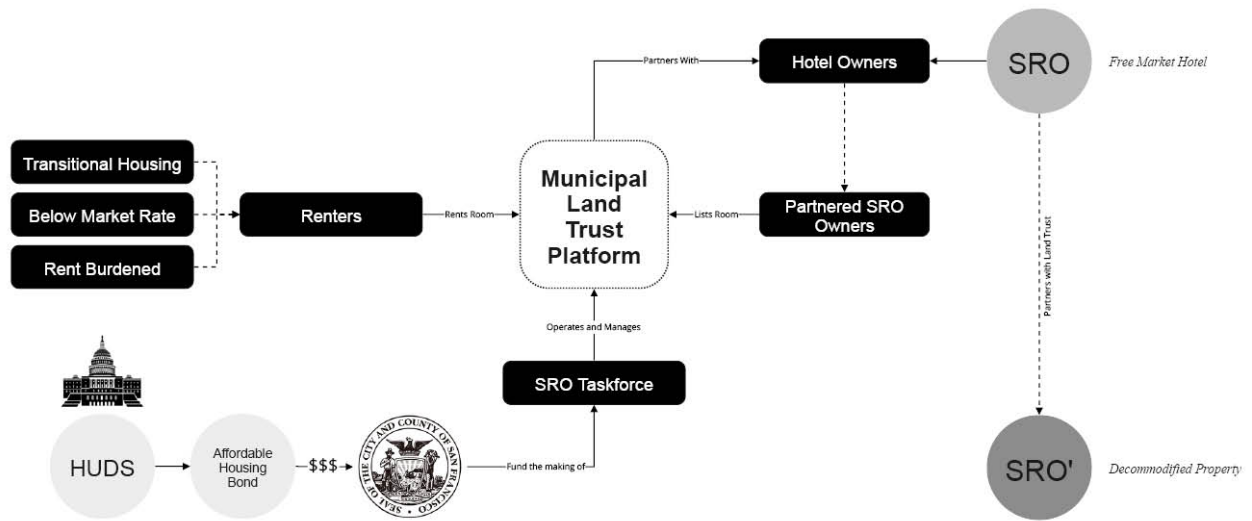


Fig. 40_Municipal Land Trust Platform Scheme
 Source: By Author



Fig. 39_Exchange Between Renters and Platform
 Source: By Author

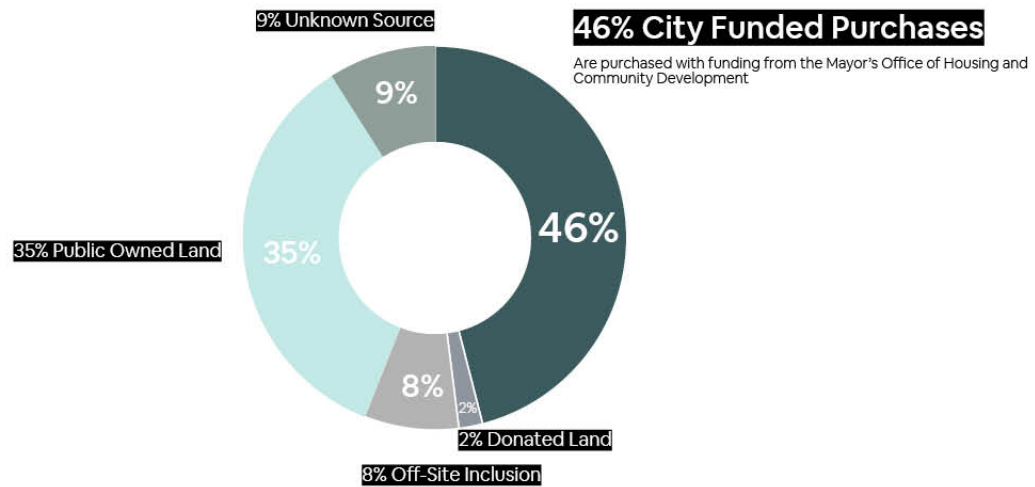


Fig. 41_San Francisco Affordable Housing Construction by Land Acquisition Type
Source: By Author

Land Acquisition

The long-term goal of the Municipal Land Trust is to provide permanently de-commodified properties for future development and densification. Like the acquisition process for other affordable housing models, 46% of the land of all new affordable housing projects have been previously purchased by the Mayor’s Office of Housing and Community Development fund – a fund typically reserved to acquire market rate, for-sale properties.⁶⁴ The municipality purchasing properties effectively removes valuable land from the market therefore de-commodifying land in the long-term by adding it to the Municipal Land Bank.

Develop SRO Clearing House Platform

Once partnerships are in place, a central “clearing house” is established as a marketplace platform to lease units.⁶⁵ Regardless of the land trust, there is a need for a marketplace platform because there is currently no good way to access which hotels have vacancy other than word of mouth. As per platform cooperative principles, the interface is an appropriation of an existing model such as Airbnb or VRBO. The efficiency of a platform with available affordable rentals improves the renter’s experience over the previously convoluted process of registering with the HUD and entering a cue to receive rental assistance.

⁶⁴ San Francisco Planning, “Affordable Housing Funding, Production, and Preservation.”

⁶⁵ Eskenazi, “How to Fill All the Empty SRO Rooms.”

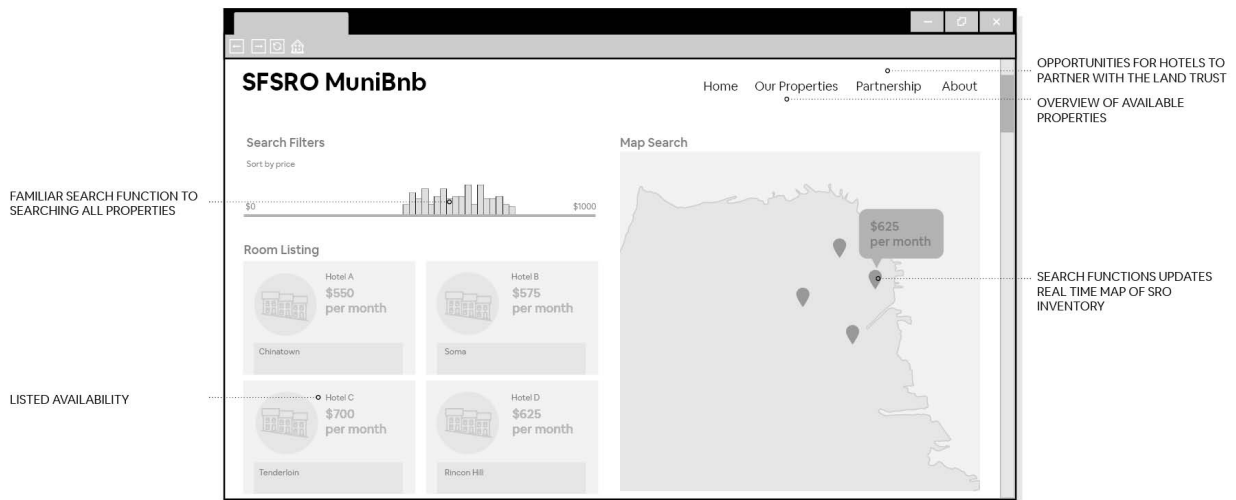


Fig. 42_SFSRO MuniBnb
 Source: By Author

Mitigate vacancy, Maximize Utility

The Municipal Land Trust’s end goal is to make available previously vacant rooms by directly connecting prospective renters with housing. As more partnerships solidify and land is procured, more opportunities for responsibly managed hotel living become available. Once fully decommodified land becomes available and a critical user base is achieved, changes to modernize the hotels can be made to improve the resident’s experience. Once permanently decommodified land is procured, greater opportunities for renovation and densification are possible because of land access. These solutions will be explored further in the next chapter.

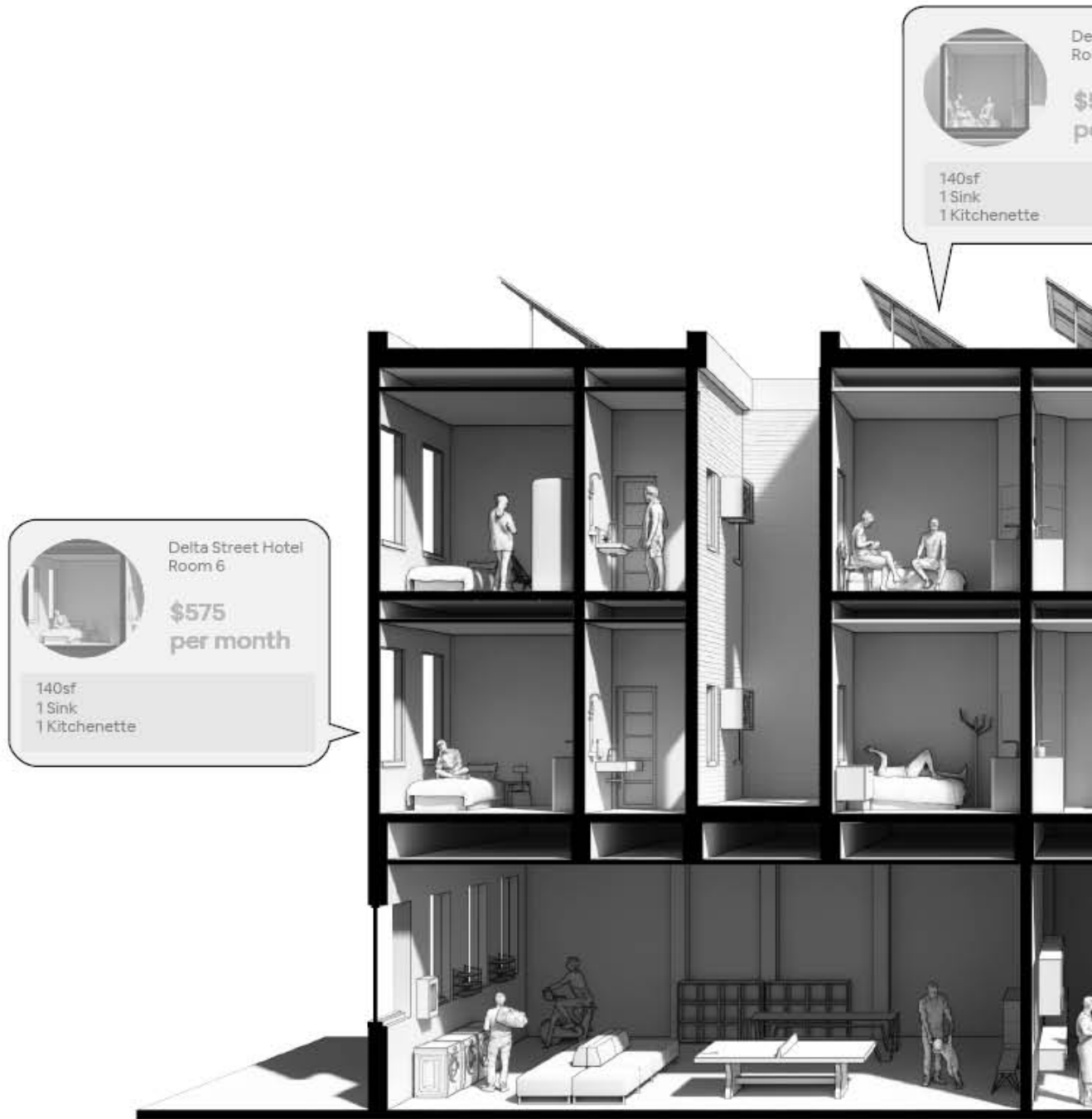


Fig. 43_Finding a Room on the Land Trust Platform
Source: By Author

Delta Street Hotel
Room 12

\$575
per month

Delta Street Hotel
Room 10

\$625
per month

180sf
1 Sink
1 Kitchenette



Chapter 5_Capital: Cooperative Development Platform

The third process for addressing hotel living in San Francisco looks to densify existing properties through the formation of a cooperatively run development platform. This chapter advocates for the opportunities to utilize advancements in prefabrication and platform integrated strategies during the development process. In the means of production, capital is interpreted an instrument of labour. In housing, emerging technologies promise to streamline the productive process with modular building and off-site fabrication. McKinsey analytics suggests that the current marketplace is comprised of individual “point solutions” (independent technologies such as a 3-D printed components) and believes that “platform solutions” will horizontally integrate the industry. They define platforms in the construction industry as the “technologies that enable visibility into the management of business or operations through the seamless integration with other technologies to aggregate data and process control in a single place.”⁶⁶ Venture capital funding in the construction technologies sector has increased by \$25 billion from 2014 to 2019 signifying the potential for market-wide platform adoption in the future.

The construction industry is gradually moving towards platformization. BIM platforms already handle the construction process integrating suppliers with architects to the rest the construction team however, a fully integrated construction platform is yet to be devised. Technology is still heavily fragmented in our current point-driven solutions market setting the stage for construction platforms to integrate themselves in the process. This is the very phenomenon Pier Vittorio Aureli alluded to earlier as platforms aim to monopolize the built environment:

“Builders and developers establish capital-intensive infrastructure and production methods that allow them to operate as intermediaries, connecting a precarious and interchangeable labor force with speculative real estate assets that are sold on digital platforms. The growing platformization of the construction industry points towards one ambition: monopolization of the built environment. What we need then is to get there before they do.”⁶⁷

⁶⁶ Katy Bartlett et al., “Rise of the Platform Era: The Next Chapter in Construction Technology” (McKinsey & Company, October 2020).

⁶⁷ Aureli et al., “Promised Land.”



Fig. 44_A Panoramic Interests
Development at 38 Harriet St.
San Francisco, California
Source: Google Maps

In this sense, technology is transforming the role of an architect from master builder to platform manager. As platformization looms over the industry as the next great breakthrough, architects must learn to adapt and evolve their roles to address these considerations.

Prefabricated Development in San Francisco

Bay Area development company Panoramic Interests has experimented with off-site modular solutions to address the homeless crisis in San Francisco. They have completed two projects with their proprietary prefabricated units but cite access to land as their greatest barrier preventing wide-spread adoption.⁶⁸ The solution makes sense for San Francisco, which boasts high on-site construction labour costs compared to other American cities. The cost to produce new housing in San Francisco ranges from anywhere between \$280 and \$725 per square foot for residential construction.⁶⁹ Offsite prefabricated construction in theory, reduces the need for onsite construction labour but for its implementation to be successful, the two greatest hurdles that must be addressed are land access and the cost of skilled labour. On California's west coast, labour shortages and outstanding demand for housing labour challenge the feasibility of prefabricated construction.⁷⁰

Despite these caveats, the potential Panoramic Interests proposes could bridge the gap as an affordable housing production strategy if labour and land requirements are already satisfied. The question then becomes, how might prefabricated technology become collectivized if the market solution is not working? Increased automation in the construction process theoretically reduces the productive agency of some workers but prefabricated modular construction could become the technology subject for collective re-appropriation.

68 Panoramic Interests, "Reinventing the Residential Hotel."

69 Brinklow, "Soaring Construction Prices Killing SF Housing."

70 Nick Bertram et al., "Modular Construction: From Projects to Products" (McKinsey & Company, June 2019).

The Cooperative Development Platform

The platform aims to imagine a future process for creating space that is not only accessible to the most vulnerable tenants, but housing that is dignified and desirable. The platform becomes a way to manage the complex relations between multiple stakeholders making developing sites in San Francisco more efficient freer from NIMBY ideals and political deadlock. Prefabricated modular technology already exists but what is often overlooked is its integration with the entirety of the project. What is needed is a platform that coordinates all stakeholders in the productive process connecting land with technology, and the labour required to produce new housing units.

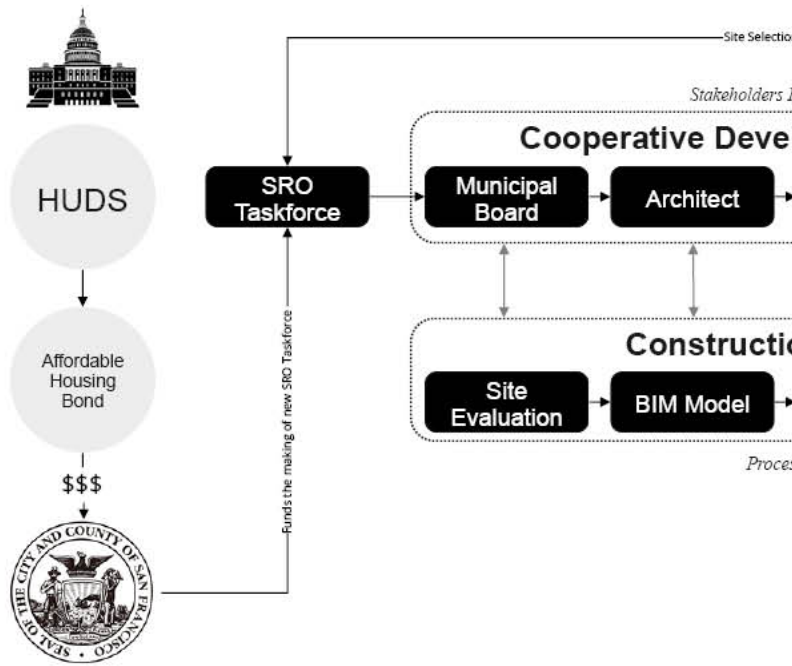
The previous Cooperative Labour Brokerage and Municipal Land Trust platforms focused on rehabilitating and freeing up vacant SRO units. The intention of the Cooperative Development Platform is to multiply the effectiveness of the Land Trust coordinating an effort that densifies existing sites to increase the supply of fully decommodified units.

Establish the Cooperative Development Company

The Cooperative Development Company is imagined an alternative to private development firms, a company that organizes members of the municipality, architects, and fabricators to mobilize a pool of public assets for improving already decommodified property. The task of developing SRO hotel sites is challenging, many buildings are over 100 years old and protective ordinance limits the value traditional developers can extract. The company is imagined a municipally backed cooperative comprised of selected architects and local fabricators in the Bay Area who then have proprietary oversight over the construction platform they use. The roles selected are dedicated roles as opposed to partnering with private firms in a competition giving the members of the Cooperative Development Company equity in ongoing projects. In this scheme, purchased land from the Municipal Land Trust is designated for development by the SRO Taskforce and relayed off to the Cooperative Development Company.

Prefabricated Building Process

The Cooperative Development Company presents an opportunity to imagine a fully integrated construction platform that facilitates the densification of SRO hotel sites from design to completed construction. Using prefabrication in a build can reduce on-site construction time but requires precise modeling fabrication parameters and control over the supply chain. Once a site is selected,



Design
Cooperative
Development
Company



Site is optimized and area bonus strategy is applied



Building information model assembled



Architect to provide o

Off-Site
Construction
Process



Fabrication center contracted local to Bay Area - Marin.



Production of shop drawings



Modular frame assem
site

Site
SRO Hotel



Site is selected for densification



Tenants to receive rent relocation assistance during process



Site is structurally se
additions

Project Phasing

Project Planning

Permits & Approvals

Site Pre

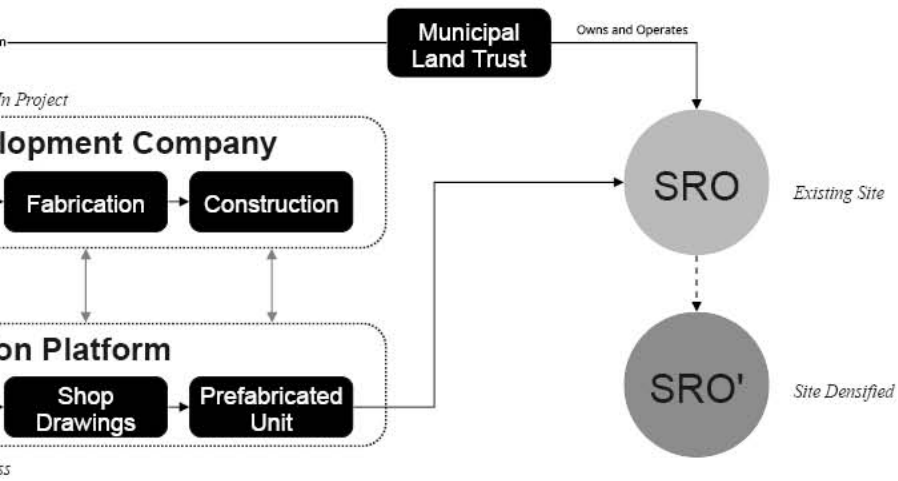


Fig. 45_Construction Platform Scheme
Source: By Author

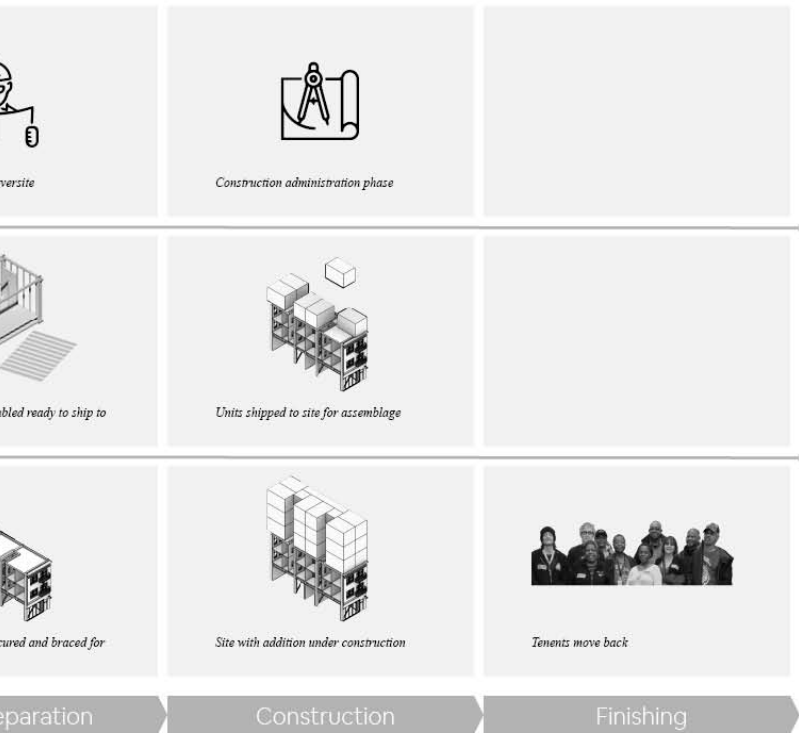


Fig. 46_Construction Platform Process
Source: By Author

the architect evaluates and optimizes the site relaying requirements for off-site fabrication. This process enables progress to occur on both the site and the addition in tandem reducing the amount of time needed for onsite construction which is crucial to minimizing the impacts on relocated tenants who must receive housing assistance for the time the project is under way.

Offsite manufacturing has the potential to reduce the construction timeline by as much as 20-50% depending on how efficient the backend process is. To capture the full productivity benefits of prefabricated construction, choice of materials, manufacturing, and logistics must be optimized to ensure that on site assembly runs seamlessly.⁷¹ This is why typically, modern prefabricated building facilities operate digitally sophisticated automated equipment that produces very fine tolerances in the production process. Z Modular's prefabrication facility operates robotic arms and CNC machines to achieve high levels of accuracy when compared to their working digital BIM models.⁷² These manufacturing technologies in their process is essential to achieving consistent results on the construction site.

This type of contemporary thinking around prefabrication requires a high startup cost as the investment in robotic technologies for manufacturing and is a serious investment for a municipal cooperative. As an alternative method of prefabricated construction, USINA, a multidisciplinary technical advisory to social movements in Brazil, oversaw the construction of a prefabricated housing project in partnership with the Paulo Freire Community Construction Association. The housing project Mutirão Paulo Freire utilized offsite manufactured prefabricated steel frames which were then stacked, assembled, and finished on site to reduce the construction time and ensure accuracy.⁷³ Once on site, the frames were assembled using collective labour from the construction association where the frames were infilled with bricks and then finished.

Non-robotic fabrication is ideal in this scenario as it is possible to achieve prefabricated modular construction without the need for advanced machinery. By localizing the fabrication process in near the Bay Area, labour is centralized locally without the need for outsourced manufacturing reducing the reliance on external labour. The fabrication center would then be able to produce modular types of units with the specific dimensions of the hotel sites subject to densification.

71 Bertram et al.

72 Zekelman Industries, How Z Modular Is Changing the Construction Industry, 2020, <https://www.youtube.com/watch?v=OkUp7PDvg2o>.

73 "USINA_ctah/ Paulo Freire," USINA_ctah, accessed May 2, 2021, <http://www.usina-ctah.org.br/paulofreire.html>.

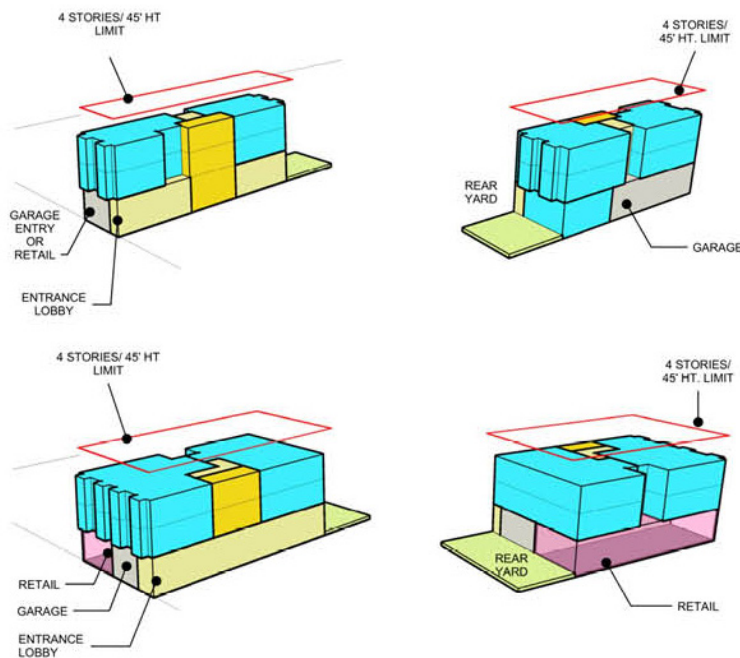


Fig. 47_Study by David Baker Architects

Source: David Baker Architects, "AHBP: Opportunities within Small Sites"

Exploring Legislation and Zoning Opportunities

The State of California has enacted several legislative opportunities to address the production of affordable housing. These motions include permitting the building of accessory dwelling units (ADUs) and passing the Affordable Housing Bonus Program (AHBP) initiative. Under the Affordable Housing Bonus Program passed in 2017, to incentivize re-development, applicable properties with plans to develop 100% affordable units are eligible for an additional 3 story density bonus above the zoning limit.⁷⁴ This act is aimed at incentivizing the placement of affordable below market rate units within new market rate construction but presents an incredible opportunity for densifying SRO hotels as they would be providing 100% affordable housing. In a feasibility study conducted on small sites by David Baker Architects, the density bonus was effective on 25' to 50' lot sites with development being limited by access to vertical egress.⁷⁵ However, on a small site, an elevator must be provided to exceed 3 stories.

Many of the older SRO hotels commonly found on small sites (25' lot size) and double sites (50' lot size) were designed for a different era and may not comply with modern standards including the California Building Code (CBC) and the

⁷⁴ San Francisco Planning, "Affordable Housing Bonus Program (AHBP) | SF Planning," accessed February 22, 2021, <https://sfplanning.org/ahbp#about>.

⁷⁵ David Baker Architects, "AHBP: Opportunities within Small Sites" (Openscope, October 22, 2015).

2010 ADA Standards for Accessible Design (ADA). Based on the current tenant profile living in SRO hotels, addressing egress and accessibility are important design objectives that must be considered for a more detailed scope of work. Grab Bar Ordinance was passed for SRO hotels with the aims of addressing the elderly's ability to age in place.⁷⁶ The deficiencies in code must be accounted for or they will require a variance to render the project feasible.

From a zoning perspective, the study by David Baker Architects identified 2 key variances for the zoning code applicable to the small and double sites. Replacing parking on a 1:1 basis was found to be impossible in this study and would need a variance to reduce the required parking allotment. The city's open space requirement was an issue as well citing a variance permitting the usage of roof deck to satisfy the open space clause.⁷⁷

A Desirable Unit Prototype

If prefabrication can lower the cost of building, it is not enough to simply reproduce the same type of units. The 100-year-old typology needs to be modernized to fulfill contemporary standards. The prefabricated unit frame for each separate housing module, becomes the cell on which to build that will facilitate the desirable improvements for modern hotel living. The unit frame is made of readily available hollow tube steel that is welded together at the fabrication center. Built to withstand seismic forces, the unit frame is brought to the site to be furnished and fitted with appliances.

Based on resident anecdotes of hotel living, residents were interviewed about their living experiences and challenges.⁷⁸ Several accounts cited privacy as a core issue within current SRO layouts as well as overcrowded public amenities such as the kitchen. From their compiled feedback, the unit design should include private bathrooms and a personal kitchen capability. The unit design draws inspiration from modular micro-apartment living incorporating compact solutions that feel generous yet capable.

⁷⁶ Comerford, "Single Room Occupancy Hotels in San Francisco."

⁷⁷ David Baker Architects, "AHBP: Opportunities within Small Sites."

⁷⁸ Jeremy Lybarger, "Life Inside SF's Vanishing Single Resident Occupancies," Medium (blog), June 3, 2016, <https://thebolditalic.com/life-inside-sf-s-vanishing-single-resident-occupancies-the-bold-italic-san-francisco-20bf7aa0b3c8>.

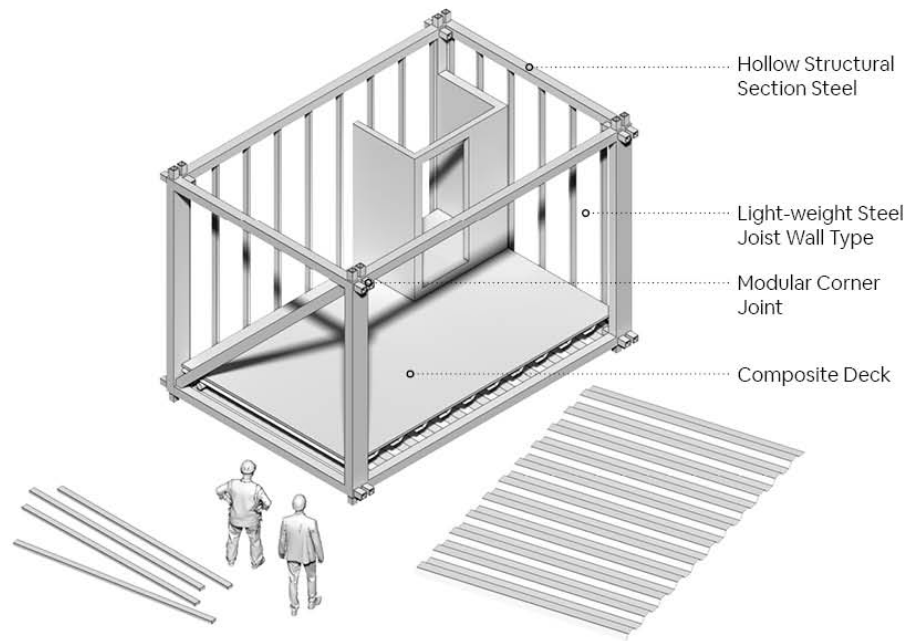


Fig. 48_Building the Prefabricated Module
 Source: By Author



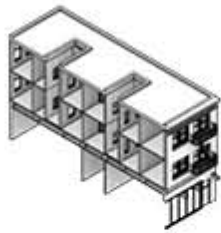
Fig. 49_Building the Prefabricated Module
 Source: By Author

Conceptual Development: The Delta Hotel

Using the Delta St. Hotel as an example development scenario, upon its hypothetical addition to the Municipal Land Trust, the Cooperative Development Company scheme adds 3 additional stories for residential units because of its potential as an added density bonus site. The process is imagined as follows:

1. Site prepared for retrofit – As per the San Francisco Administrative Code, tenants must be provided compensation and housing assistance for relocation during the time the densification is under way. The site is then cleaned and prepared for the retrofit.
2. Seismic braces brought to site – As with other hotel sites in San Francisco, the site was also found to have been susceptible to earthquakes. Soft-story conditions plague many hotel sites as their first “soft” floor, becomes laterally unstable over time. In this scheme, the hotel is prepared and retrofitted with a seismic brace that allows the hotel to take on the load of additional prefabricated units.
3. Site prepared for prefabricated units – The prefabricated units are then transported from fabricator in the Bay Area while the seismic brace is prepared for the addition of the units.
4. Prefabricated units placed – Assembling the modules per floor, the first floor is completed, and the units are fastened together.
5. Corridors are infilled – Circulation is connected to the rest of the existing building and the hallways are finished.
6. 2 additional floors added – The final floors are constructed, and the tenants are permitted to move back in.

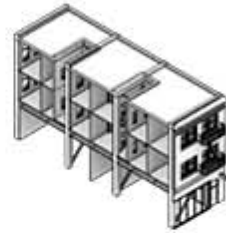
The Delta Hotel serves as an example development for a small site SRO hotel. As there are many different hotels, each with their own intricacies, the Cooperative Development Company will have to address the densification efforts of the Land Trust on a building by building basis. In order to scale the operation to a point where the densified and upgraded SRO hotels can become a sufficient means to address the affordability crisis, this process must be repeated to a point where it can rival the construction of typical below market rate units.



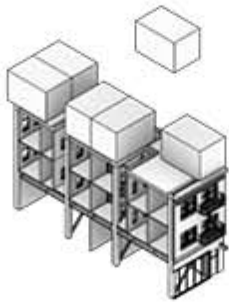
1. Site prepared for retrofit



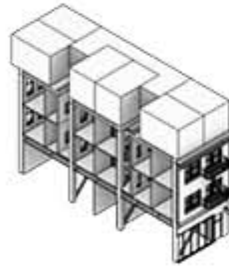
2. Seismic braces to site



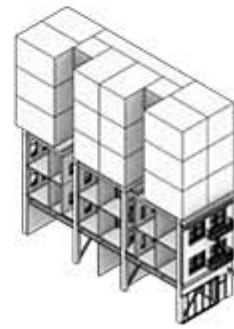
3. Hotel seismically stable



4. Prefabricated units placed



5. Corridors finished



5. 2 additional floors added

Fig. 50_Densification Process Diagrams
Source: By Author

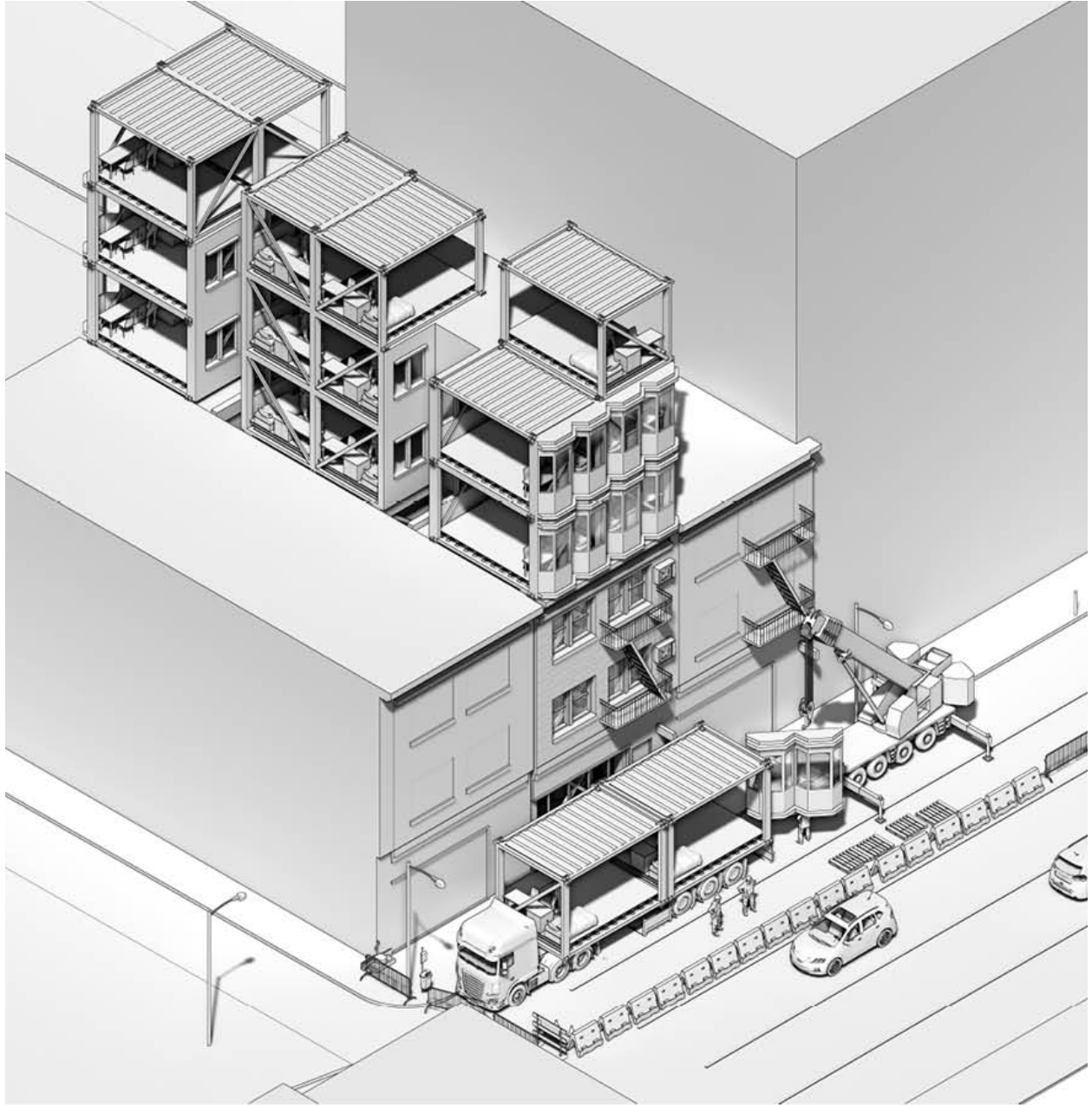


Fig. 51_Densification Progress
Source: By Author

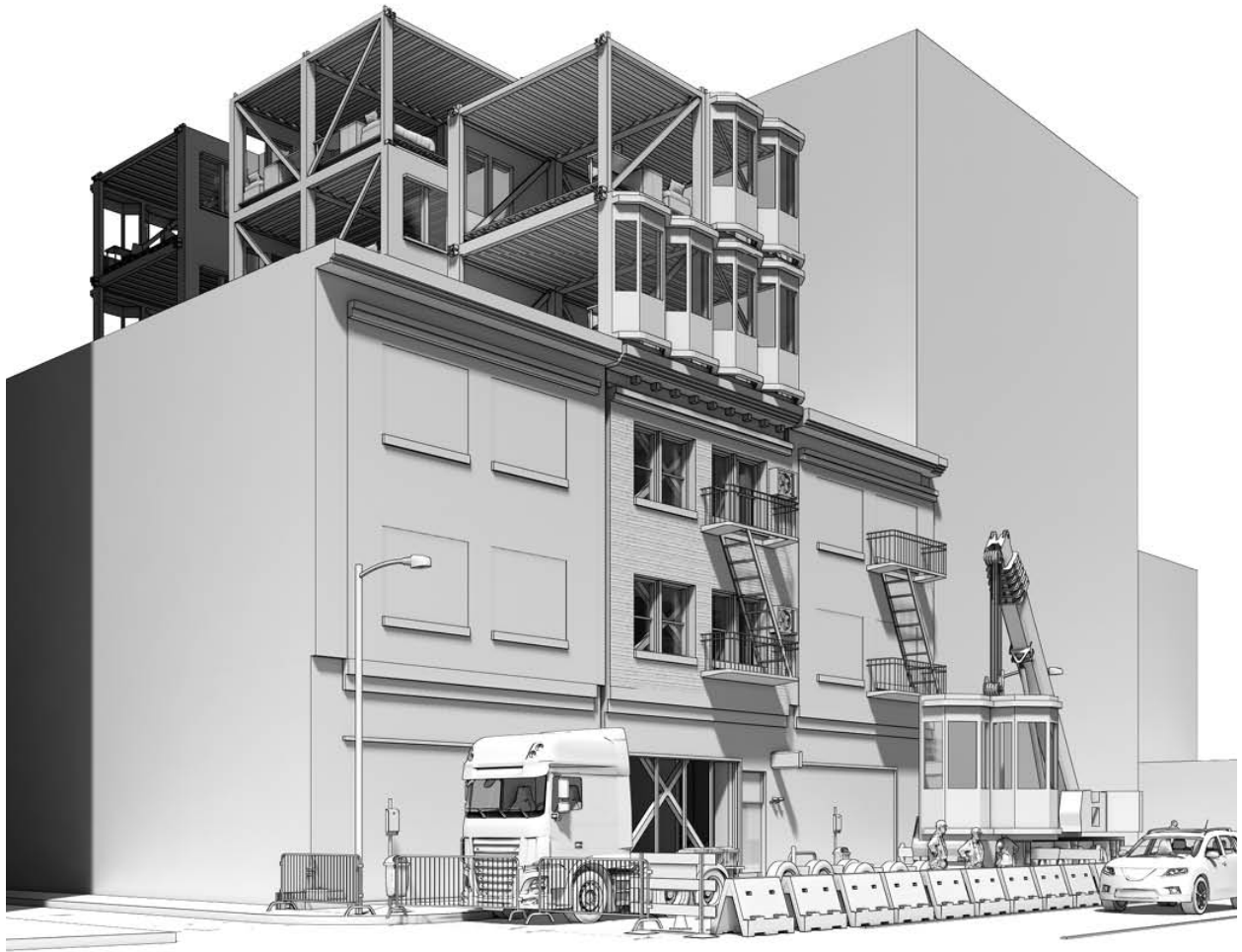


Fig. 52_Densification Progress From Street View
Source: By Author

Part 4

IMPACTS

Chapter 6_An Affordable Housing Strategy Evaluated

The goal for this thesis was to imagine how revitalizing the practice of hotel living through a cooperatively managed platform, could assist in affordable housing production effort in San Francisco. It argues that one intervention alone is insufficient in addressing the affordability crisis and must consider the productive process, land, labour, and capital holistically. San Francisco's SRO hotels house at least 30,000 people. By contrast, the San Francisco Housing Authority, which administers federal public housing, operates a total of 6,096 permanently affordable units. If San Francisco Planning produces on average, 650 affordable units per year, what is the greatest overall efficacy of freeing up vacancy and producing new modular units on hotel sites?

The Cooperative Labour Brokerage and the Municipal Land Trust strategies aimed to diagnose and lease vacancies in 19,000 of San Francisco's residential rooms. If all the rehabilitated formerly vacant 1300 rooms were added to the Land Trust, it would be a significant 17% addition to 6,096 permanently affordable units the housing authority already manages. It is more difficult to say what the overall efficacy the densification efforts from the Cooperative Development Platform would achieve. Examining 10 density bonus sites found that the density bonus could multiply the unit count per hotel by upwards of 200% on most common sites. Of the 500 potential hotel sites in San Francisco, doubling the capacity for affordable housing development would account for 38,000 units in total.

Re-Imagining Hotel Living

Public opinions on shared living will have to change for hotel living to once again, become a viable living arrangement. The sharing of communal areas such as sharing a kitchen or laundry is commonplace already to many residents in Chinatown who have fostered long time relations with current landlords and the community at large. As explored in the prototype development, many of the complaints about current resident life revolved around hygiene issues and deteriorating conditions. The explored prototype units aim to give the residents proper conditions enabling them to make use of the community minded typology to strengthen bonds with other tenants.

**Actual vacancies differ according to independent reporting*

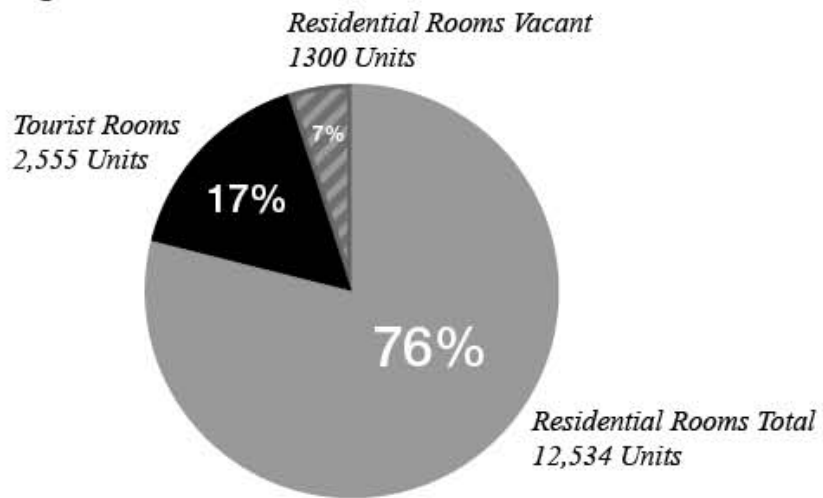


Fig. 53_Vacancy Rates as per SFDBI AURR Report 2018

Source: By Author, data from San Francisco Department of Building Inspection. "Annual Unit Usage Report Filing Status." San Francisco: San Francisco Department of Building Inspection, April 22, 2019.



Fig. 54_Approximate Units Potentially Gained by Platform

Source: By Author, data from San Francisco Department of Building Inspection. "Annual Unit Usage Report Filing Status." San Francisco: San Francisco Department of Building Inspection, April 22, 2019.

An Unpredictable Future: Shock Capitalism and the Golden Exit

Although the idea of Platform Cooperativism is still in its infancy, recent events highlight the relevancy of big tech and the platforms we use. The Coronavirus pandemic has highlighted our societies reliance on big tech and data hungry platforms. Writer Naomi Klein dubs government partnerships with tech companies such as Google to develop so-called “smarter classrooms” as the “Screen-New Deal”, signifying the further infiltration of digital technologies into our personal home life.⁷⁹ Falling rent prices in San Francisco during the months following the 2020 Pandemic, saw the further decentralization of white-collar work with many remote workers leaving the Bay Area making for an unpredictable future.⁸⁰

The State of California passing Proposition 22 in November of 2020 lobbying for better protections and the reclassification of gig-workers to employees is a step in the right direction. As the nature of work continues to evolve in big cities it is necessary to keep those in power accountable and develop democratic agency over the platforms we rely on. Which is why it is now more important than ever, to collectivise the platform and re-imagine hotel living as an affordable housing strategy in San Francisco.

⁷⁹ Naomi Klein, “Naomi Klein: How Big Tech Plans to Profit from the Pandemic,” the Guardian, May 13, 2020, <http://www.theguardian.com/news/2020/may/13/naomi-klein-how-big-tech-plans-to-profit-from-coronavirus-pandemic>.

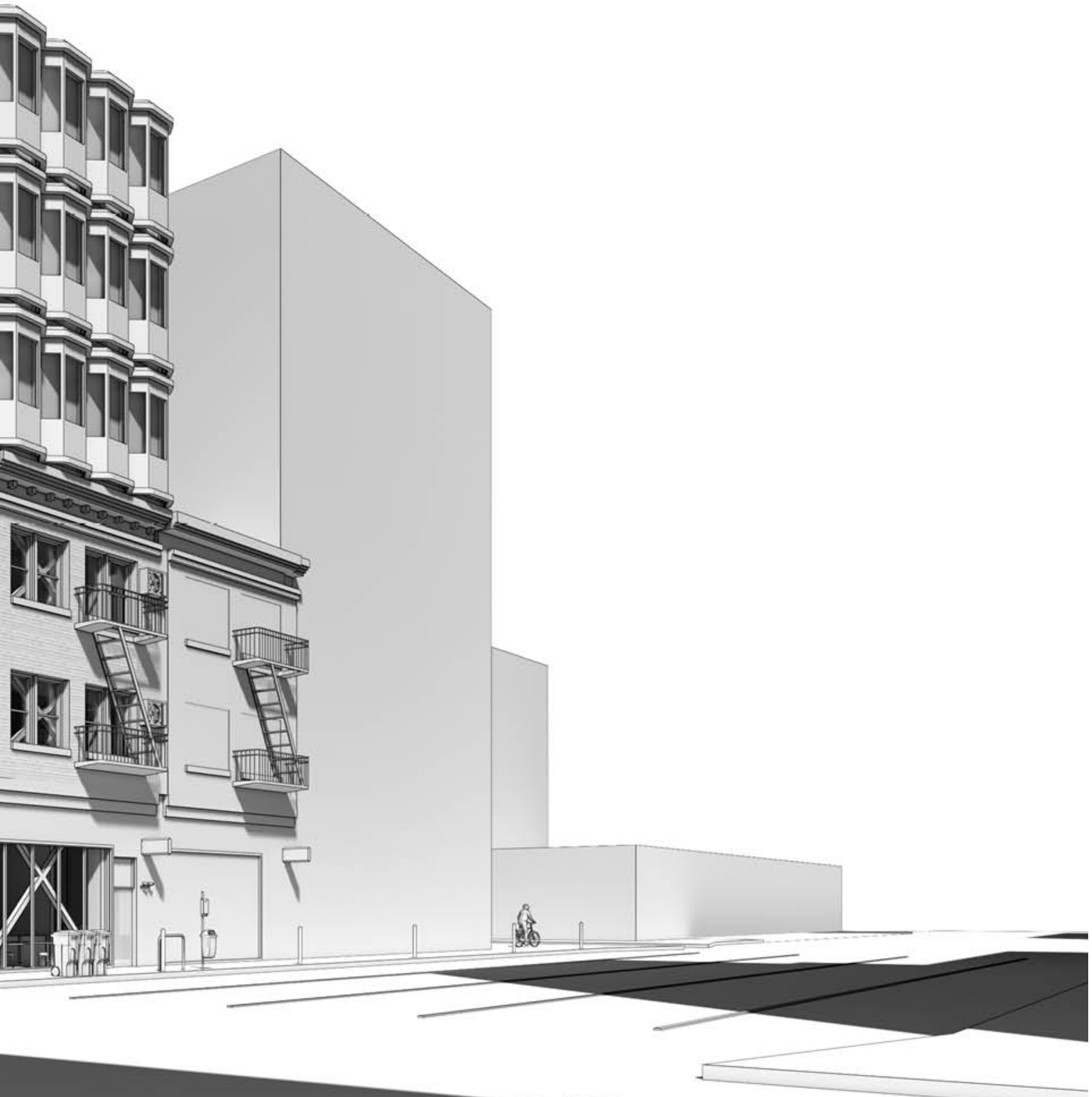
⁸⁰ Economics Explained, The Shifting Economics of California, 2020, https://www.youtube.com/watch?v=p2IVj_T6y84.



Fig. 55_Re-Imagining Hotel
Living
Source: By Author



Fig. 56_Delta St. Hotel Re-Imagined
Source: By Author



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