

# San Francisco can become a world capital. First it needs to get over itself

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ON DECEMBER 1, 2012



apartments now go for an average of more than \$2,000 a month. The high price means that they'll mainly be snapped up by young tech workers.

Or, as Sara Shortt, who heads a local tenant's right's group, [complained to the San Francisco Chronicle](#): The apartments will be used as “crash pads for people who work 24/7 in Silicon Valley and need a place in the city to sleep and party.” Shortt, like many who opposed the micro units, seemed suspicious of any development plan that accommodated these incoming techies: “It's more important to build family and affordable housing than accommodate the needs of newcomers who will come here to have a little box in SoMa and then hop on the Google bus.”

In other words: *Welcome to San Francisco! Now what the hell are you doing here?*

Once again, San Francisco has become a magnet for the smartest, most creative young people in the world. They're flocking to the city to launch start-ups and to work at the world's most respected firms. Thanks to these workers and the companies and VCs that will support them, San Francisco's economy — like that of the rest of the Bay Area — has [been on a tear](#). Job growth is up, the real estate market is bustling, and lots of new businesses are starting up. The success is not limited to the tech industry — according to a new study, non-tech positions, including those in retail and construction, now make up [three-quarters of the city's new jobs](#).

All this would sound like great news to any other city in the country. But San Francisco can't deal with its good fortune. Every positive turn, here, is met with fresh angst: People worry about that renewed success will ruin the environment, exacerbate class divisions, push out old-timers, and make it harder for everyone to find parking. Mostly, they worry that San Francisco will change, that newcomers will alter the quaint, strange sensibilities that have long defined the city.

David Talbot, the founder of Salon.com, crystallized these worries in a much-talked-about [San Francisco Magazine essay in October](#): “The unique urban features that have made San Francisco so appealing to a new generation of digital workers — its artistic ferment, its social diversity, its trailblazing progressive consciousness — are deteriorating, driven out of the city by the tech boom itself, and the rising real estate prices that go with it,” he wrote.

He added: “Many San Franciscans don't feel as if they're benefiting from the boom in any way. While 23-year-olds are becoming instant millionaires and the rest of the digital technocracy seek out gourmet restaurants and artisanal bars, a good portion of the city watches from the sidelines, feeling left out and irrelevant. Dot-com decadence is once again creeping into the city of St. Francis, and the tensions between those who own a piece of its future and those who don't are growing by the day.”

To which I say, respectfully (Talbot is my former boss): *Get over yourself, San Francisco!*

Don't look good fortune in the mouth. Yes, growth will bring some problems. But they're not nearly as bad as the problems you'll find in decline (ask Detroit). Instead of complaining or blocking growth, San Francisco's old-guard would do better to propose ways to ease the city's transition into its digital future. This doesn't mean opposing newcomers. It means recognizing a new reality, that San Francisco needs to become much larger and more accommodating place than it is. And it means adopting polices that will make that reality a pretty good one.

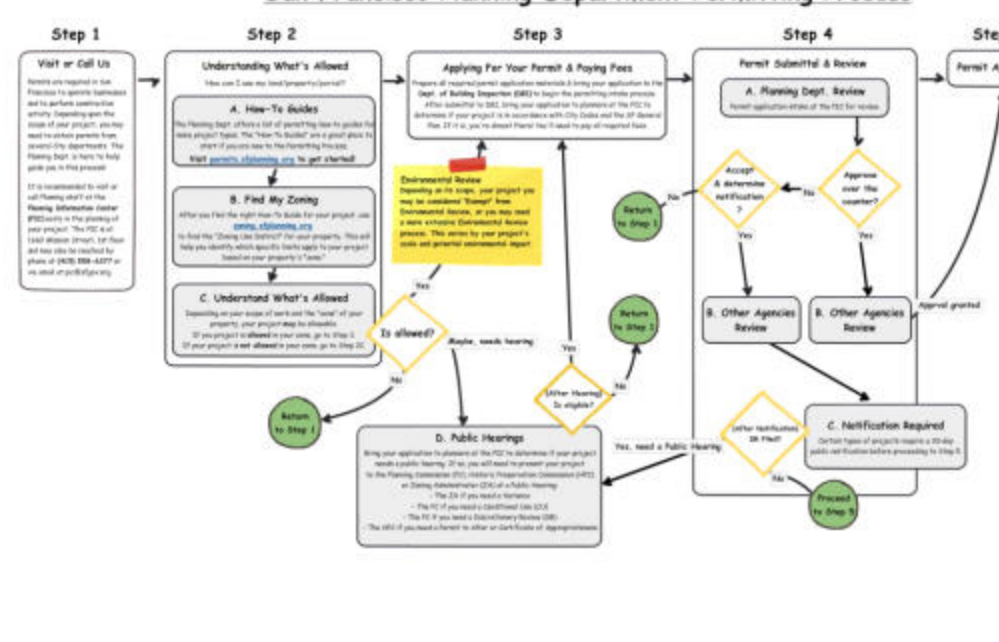
In particular, for San Francisco, adopting that reality means one thing above all: **It needs to build more buildings**. [Build taller buildings](#), sites that house many more people and businesses than they do now. If it accepts its fate as large metropolis, San Francisco could become the next New York, Hong Kong, or Paris — a city that's dense with people and businesses, and all of the urban services, cultural values and environmental virtues that density accommodates.

San Francisco's fundamental problem is that it's a big city that likes to think of itself as a small one. The city proper is about 46 square miles in area. That's 40 percent larger than Manhattan. But even with recent growth, there are only 812,000 people in San Francisco, which is half as many as Manhattan. San Francisco's population density is about 17,000 people per square mile. Manhattan and Paris have more than 60,000 people per square mile.

How do those international capitals manage to house so many more people? Their skylines make it obvious: They've built large commercial and residential office buildings, and they've built public services — transportation systems, especially — to make density inhabitable. Now look at San Francisco. Other than a cluster of new buildings in the South of Market area, this city is defined by, and reverts, its famous Victorian houses. Those houses are very pretty. They're also very inefficient. Collectively, they take up a lot of space, but don't house very many people.

And that's the basic explanation for San Francisco's skyrocketing housing prices. It's also why developers want to build tiny apartments. Technically, there's more than enough space for bigger apartments — if developers were allowed to do it, they'd buy up small houses and apartments all over the city and replace them with highrises containing bigger, more livable housing units. (And, no, the hills and the earthquakes aren't a problem — if Tokyo can build skyscrapers on fault zones, so can San Francisco.)

But developers aren't allowed to do that. If you look at San Francisco's zoning map, you'll see [height and density restrictions everywhere](#). There are also citywide building caps — restrictions on the number of new buildings that can be started every year. And finally there are labyrinthine regulatory procedures. Here, for your amusement, is [a flowchart](#) put together by the San Francisco Planning Department that outlines the steps a developer needs to go through to obtain a building permit. Despite the department's use of Comic Sans, this is not meant to be a joke:



Combine all these policies and you get an obvious outcome: While demand keeps rising, San Francisco's rules severely restrict the supply of housing. As a result, prices keep skyrocketing. This leads to predictable problems for everyone — low-income people are pushed out of the city, while even those with higher incomes have to live in places no bigger than a parking space. It's also terrible for tech companies: In order to attract workers to this high-cost metropolis, firms like Twitter have pay out ever-higher wages. This leads to a cycle of real estate inflation — more moneyed tech workers chasing fewer apartments pushes up rents, which in turn pushes up wages, and on and on.

So, again, the answer here is obvious: Build more houses, lots and lots more, and you'll finally start seeing rents go down. But that's not in San Francisco's long-term plans. Instead, Plan Bay Area, a proposal that outlines the city's growth, [calls for building](#) 29 percent more housing units by 2040. But the same plan projects the area's population growing by 30 percent. That means stasis — over time, we'll continue to see the same lack of housing that we see today.

Opponents of increased density cite a couple reasons for their wish to keep San Francisco small. The first argument is that the city simply can't handle all those people — that its resources and environment will be strained by overpopulation. The second is that density will ruin the character of the place. San Francisco's small residential neighborhoods, each with its distinct character, is what makes it so special, they argue. Being small keeps the city strange and quirky. Alter its terrain to accommodate larger, taller complexes and you'll turn San Francisco into a cookie-cutter metropolis — conformist, anodyne, uninteresting.

But all that's nonsense. For one thing, urban planners have well proven that [dense cities are the greenest places on the planet](#). People in packed cities drive less, they have fewer children, and they consume less energy to heat and cool themselves, because they live in large buildings that are inherently more energy efficient than small ones. (The author David Owen has written a fascinating book about this called [“Green Metropolis: Why Living Smaller, Living Closer, and Driving Less Are the Keys to Sustainability.”](#) For more on the virtues of dense cities and tall buildings, see Edward Glaser's [“Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier.”](#))

The idea that culture will flee when San Francisco grows is also absurd. It's not as if Paris and New York and Tokyo are cultural backwaters; instead, because of their size, they're home to some of the world's most creative people. Growth allows for more opportunities to develop San Francisco's character, not fewer. An influx of techies will mean more patrons for the arts, a larger tax base to fund places like parks and community centers, and lots of rich people to help pay for and push for vital city services (like, say, for instance, [Marc Benioff Children's Hospital](#) or [sf.city](#), a group of tech founders calling for better city infrastructure.)

Considering these possibilities, San Franciscans should be embarrassed about the fight over tiny apartments. The move to build small dwellings suggests a limited vision for the future. San Francisco could become a great big place for everyone, techies and non, if only it stopped picturing itself as small.

Look up to the sky — and build there.

[Main Image Credit: [Alaskan Dude on Flickr](#)]



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Farhad Manjoo graduated from Cornell University in 2000. In 2008, he was hired as a staff writer for Slate magazine, covering technology, journalism and politics. Farhad is a paid contributor to PandoDaily.