San Francisco rental construction woes

By Alice Leung

San Francisco is a city on the rise, with a booming economy and a growing population. But the city's rental construction market is facing significant challenges. The city has seen a surge in demand for rental housing, but the supply has not kept up, leading to a shortage of affordable options.

According to the San Francisco Apartment Association, there were 3,000 units under construction in San Francisco in 2022, up from 2,000 in 2021. However, this is not enough to meet the demand.

The construction industry is facing a number of challenges, including rising construction costs, labor shortages, and regulatory obstacles. Construction costs have increased by 25% in the past year, with materials like steel and concrete seeing the biggest increases.

The situation is particularly dire for low-income residents. The city has set a goal of building 20,000 new affordable housing units by 2027, but it is not on track to meet this goal.

Mayor London Breed has proposed a plan to invest $1 billion in affordable housing over the next decade, but this is not enough to address the crisis.

The shortage of rental housing is causing significant pressure on the city's residents. Many are forced to pay high rent or move out of the city altogether.

The situation is likely to worsen in the coming years. With the population expected to continue growing, the demand for rental housing will only increase.

The city needs to take action to address this crisis. This includes investing more in affordable housing, streamlining the regulatory process, and increasing incentives for developers to build rental housing.

San Francisco needs to do more to ensure that all of its residents have access to affordable rental housing. The city cannot afford to let this crisis continue.