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Remaking the American Dream

The Informal and Formal Transformation of Single-Family Housing Cities

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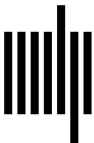
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7 REMAKING THE SUBURBAN CITY

As the 2020 presidential election campaign in the US heated up, President Donald Trump attempted to shift the political focus to the suburbs with blatant overtures to racial and class prejudice. The president promised to preserve single-family zoning, protect the suburbs from the crime and chaos of cities, fight the Democrats' plan "to remake the suburbs in their image," and stop "the Left [which] wants to take that American Dream from you" through its "dystopian version of building low-income housing units next to your suburban house" (Trump and Carson 2020). The president expected the elections to be decided in the suburbs, which most Americans—including urban residents of single-family neighborhoods—identify with and describe as their communities (Kolko 2015, 2018). He was appealing to his perceived Republican suburban base.¹ But President Trump lost the election, and "the suburbs moved away from him" (Badger and Bui 2020). According to the *New York Times* (Badger and Bui 2020), President Joe Biden received almost 5 percent more votes than former secretary of state Hillary Clinton in the 2016 elections in about four hundred suburban counties, which the newspaper identified based on their low density and where the vote margin changed the most between the two presidential elections.

President Biden's success in the 2020 elections may signal a new willingness for change in US suburban neighborhoods, which are increasingly diverse. I have documented changes to single-family zoning in Los Angeles, Santa Cruz, California, Seattle, Portland, Oregon, Minneapolis, and Vancouver, Canada, and statewide in California and Oregon. When I started my research for this book, Vancouver, Portland, and Seattle were at the forefront

of zoning reforms to allow ADUs on single-family-zoned lots. As I completed the book, those cities, along with Minneapolis, were at the vanguard of ending single-family zoning and remaking their single-family neighborhoods as denser, more urban places. Meanwhile, cities as diverse as Austin, Boston, Chicago, Denver, Raleigh, Tucson, and Washington, DC, allowed or strongly considered allowing ADUs in their single-family neighborhoods. In California, the state legislature intervened in local land use regulations to allow three units (the main house, an ADU, and a junior ADU [JADU]) on single-family-zoned lots in 2017. Subsequent legislation made it significantly easier for property owners across the state to add ADUs and JADUs, which I prefer to refer to as second and third units. In early 2021, unanimous city councils in Berkeley, Oakland, and Sacramento took initial steps to allow up to four units on single-family-zoned lots (Dillon 2021; Orenstein 2021; Ravani 2021). To cap it all, Governor Gavin Newsom of California approved legislation to allow for up to four units on single-family-zoned lots statewide through duplexing and lot splitting in September 2021 (Office of Governor Gavin Newsom 2021).

ADUS AS A RATIONAL PLANNING RESPONSE

Single-family housing is a defining feature of postwar US urbanism and a potent symbol of American exceptionalism and affluence. More than 60 percent of American households lived in detached single-family houses. In most cities, local governments reserved an overwhelming majority of the residentially zoned land for single-family neighborhoods. Many residents guarded their antiurban lifestyles of avoiding social contact and conflict with both neighbors and strangers by routinely objecting to denser housing developments. Planners, policy makers, private entrepreneurs, architects, urban designers, and other cultural influencers collaborated in building the ideology of single-family living for almost a century.

However, homeowners needing additional living space or rental income subverted the consensus and built unpermitted dwelling units on their single-family-zoned lots. Many of these units contributed to the supply of affordable housing in their communities, and local governments limited enforcement action against them. Throughout the 2010s, policy makers and planners in cities across the country recognized the value of second units in single-family neighborhoods and changed or considered changing

single-family zoning regulations to formally allow property owners to add multiple accessory units. The American Planning Association (APA) saw adding ADUs in single-family neighborhoods as a feasible solution to increase the housing supply and diversity. It indicated that this was a “high priority topic” for the profession (Morley communication 2019). For many reasons, second units became an acceptable planning response and are likely to gain traction across the US.

First, it is often spatially feasible and architecturally easy to accommodate second units of varying types on most single-family-zoned lots. While Reyner Banham (1971) optimistically observed that Los Angeles’s residents, if needed, could increase the city’s low-density built form through infill development at the neighborhood scale, the same holds for single-family housing lots. Their backyards provide ample room for building backyard cottages. Additionally, underused garages, basements, and attics offer an opportunity for conversion to independent dwellings. Single-family houses are malleable (Moudon and Sprague 1982) and can be subdivided or added to and carved into multiple units.

Homeowners adopted these spatial strategies to create informal housing units in Los Angeles and cities throughout the US and Canada. Many property owners converted their basements into secondary suites in cities like Vancouver, where semibasements are typical. These owners ingeniously created thousands of new housing units by adding extra living space, converting underused spaces, and creatively carving out space. Policy makers in the US and Canada followed their lead to legalize second units of varying built forms with corresponding formal names, including backyard cottages, detached ADUs, attached ADUs, JADUs, semibasement secondary suites, and laneway apartments.

Second, there is market support for changing single-family housing norms and regulations because the demand for housing is changing. Sociologists note that small, one-person households (Klinenberg 2012b) and large, multigenerational families (Newman 2012) are becoming more common in the US. Single-family houses do not serve the needs of these households or many others that depart from the nuclear family structure. The existing stock of single-family dwellings is a poor fit for their needs and budgets. The dearth of affordable housing, including missing-middle housing, has increased the demand for lower-priced housing, which homeowners have filled with informal units. Though policy making has been slow

to confront the issue, this is not a new problem. In the late 1980s, the *Los Angeles Times* asked my former UCLA colleague, the late Leobardo Estrada, to explain the unpermitted garage conversions in Los Angeles County's outlying suburban areas. Leo had a simple explanation: in job-rich, peripheral areas of the region, "garages are plentiful and cheap apartments are not" (Chavez and Quinn 1987).

The rise of informal housing units illustrates the economic value of the rent they can generate for property owners. When homeowners and realtors prepare real estate listings, many sellers disclose the unpermitted second units on the single-family-zoned properties they are selling, even though they are not required to do so. This widespread practice indicates that many homeowners do not consider informal units a liability in the real estate market. On the contrary, they believe informal second units can help increase the sale value of their homes. Nonetheless, other homeowners often oppose zoning changes to allow accessory units because they worry that the quality of life in their neighborhoods and their property values might decline. Indeed, additional dwelling units may lower property values in communities where buyers are willing to pay a premium for the amenity of low density (Lang 2005; Sirmans, Macpherson, and Zeitz 2005). However, in most single-family neighborhoods in cities and inner suburbs with high housing prices and unmet demand for housing, permitting second units likely leads to higher property values for homeowners.

Consequently, it is economically advantageous and rational for homeowners to support changes to their single-family zoning to permit accessory units. Upzoning should help increase the housing supply in the long run, and the price of housing units might grow less steadily or decline. However, owners of upzoned single-family houses, who are also the landowners, can expect their property values to rise because of the development capacity on their single-family-zoned lots increasing from one to two units.

Third, accessory units may be slowly becoming culturally acceptable to single-family homeowners. Some homeowners' resistance to upzoning their lots is cultural. The prospect of tenants in their neighborhood full of owner-occupied houses disrupts the accepted ideology of single-family living. ADUs, however, offer the possibility of slow, incremental changes that provide immediate benefits to property owners without significantly altering the physical form of their neighborhoods. Homeowners are subject to the same demographic changes discussed in this book. Many directly benefit

from the flexibility of having a second unit for family members or caretakers on their single-family-zoned property. With accessory units, they can decide who their tenants are. Neighbors may feel that their neighborhood's transformation is limited and incremental. They can exercise some control beyond their lot boundaries, particularly when their neighbors have informal units and are concerned about complaints against them. Finally, even after planners change the underlying zoning to allow multiple accessory units, their neighborhoods maintain their physical character and continue to be known as single-family communities. For example, in California, where homeowners could build an ADU and a JADU; in Seattle, where they could have an attached and a detached ADU; and in Vancouver, where laneway apartments and secondary suites were permitted, planning documents and residents still described the neighborhoods as single-family communities.

Fourth, given the dominance of single-family zoning in urban land use, accessory units are a rational response for governments trying to manage the conflict between the need to increase the housing supply and homeowner opposition to upzoning in their single-family neighborhoods. As more homeowners see economic benefits from accessory units, the political opposition to them weakens. As ADUs become politically and culturally acceptable, the institutional challenge of reforming single-family zoning becomes more manageable for policy makers. Moreover, affordable housing advocates often oppose conventional upzoning because existing market-based affordable housing units can be lost through demolition and redevelopment. The possibility of multiple accessory units through infill development, conversions, and carve-outs of the existing building stock limits the loss of "naturally occurring" affordable housing. With less opposition from homeowners and affordable housing advocates, it is easier for governments to pursue this land use reform.² Additionally, policy makers are attracted to changing zoning to legalize ADUs because it is a deregulation-based approach for addressing informal housing and does not require public funds.

However, the growing acceptance of accessory units as a planning response poses a challenge for expanding access to homeownership. Suppose single-family housing homeowners support plans to allow ADUs because their property values will increase. These increased property values come at a cost: their homes are now less affordable for new home buyers.³ The challenge suggests a need for more diversity in the supply of homes for sale. A simple way forward would be to allow property owners to sell their second

and third units separately, through either easy land subdivision regulations or shared property rights. I prefer to call ADUs “second units”—and JADUs “third units”—to emphasize the possibility that if the conveyance rules changed, owners could sell them separately, and they could be independent, nonaccessory housing units. The state government of California took a step in this direction in 2021 by approving Senate Bill 9 by Senate president pro tempore Toni Atkins. While the legislation does not allow property owners to sell their ADUs and JADUs separately, it makes it feasible for owners of single-family houses to subdivide their homes and lots to sell them under certain conditions.

Rules prohibiting accessory units from being sold independently incentivize informal property ownership arrangements. If laws prevent prospective buyers from buying the units individually, then in some cases friends and family members will need to collaborate to afford single-family houses with second and third units. However, they will informally subdivide the ownership interests and own the different units separately in practice.⁴

URBAN INFORMALITY AND INFORMAL HOUSING IN THE GLOBAL NORTH

My desire to understand the nature of unpermitted second units and the remaking of single-family housing in Los Angeles is connected to my research interest in informal economic activities and policies to address them. Previously, I researched informal housing in the Global South and in California’s agricultural communities. It took me some time to grasp the extensive scale of informal housing units interspersed with formal dwellings in the Los Angeles region. In part, this is because academic literature on informal housing in US cities has been mostly nonexistent. Outside academia, policy makers and planners in US cities rarely discussed unpermitted housing units except in enforcement actions. Both academics and policy makers see informal housing in the Global North as an anomaly to be ignored or eliminated. They likely associate informal economic activities with the Global South.

While living conditions in informal housing in the Global South and the Global North can be significantly different, unpermitted housing often offers many residents the only alternative and viable option. While policy makers have tried to limit and discourage new residents by restricting the supply of housing units in cities in both the Global South and the Global North, they have failed for similar reasons. The pull of jobs and economic

opportunities in vibrant cities is so strong that housing supply restrictions are ineffective in curbing migration. Unless there are draconian and stringent enforcement policies against urban informality, property owners and entrepreneurs are likely to develop informal housing to provide disadvantaged new urban residents with living options. Inevitably, some of these options are unsafe and dangerous. My research has identified key arguments and policy lessons for informal housing in the Global North.

First, contrary to conventional wisdom, informal housing is common in cities of the Global North. According to my analysis of real estate listings of single-family houses for sale, there were around fifty thousand unpermitted second units in single-family neighborhoods in the city of Los Angeles. More than one in ten of the single-family-zoned lots in the city probably had an unpermitted second unit. Unpermitted second units are likely even more common on multifamily-zoned lots with single-family houses and in the much larger Los Angeles County. Vancouver had the highest incidence of informal housing in unpermitted secondary suites among the cities I researched for this book. According to the city's estimates (Vancouver City Council 2017), there were seventy thousand single-family houses in the city, and twenty-five thousand of them likely included an unpermitted secondary suite, or more than one in three single-family houses had an informal second unit.

Furthermore, real estate sales listings and complaints to the Department of Building and Safety in the city of Los Angeles show informal second units are not limited to disadvantaged or immigrant neighborhoods. Informal housing is distributed across cities in both low-income and wealthy communities. Unpermitted units are not easily visible from streets and sidewalks. However, as my survey of the Neighborhood Councils in the city of Los Angeles indicated, neighbors are often aware of them. As public documents, newspaper reports, and my interviews suggest, policy makers know about them too. Nonetheless, they tend to avoid them in planning and policy making. I argue that their widespread prevalence means that they need more public acknowledgment, policy consideration, and research attention from scholars.

Second, my research expands the conventional understanding of the nature and characteristics of urban informality by highlighting its territorially or spatially embedded nature. Although the original academic literature saw informality through a dualist lens and emphasized structural barriers to

regular wage earning in the formal sector (Hart 1973; International Labour Organization 1972), subsequent scholars questioned the dualist logic inherent in its early conceptualization (Bromley 1978; Moser 1978). It is now generally accepted in the literature that while informal economic activities are unregulated, separating them distinctly from formal economic activities is difficult. Informal and formal economic activities have linkages, often overlap, and are integrated into the global economy's framework of international trade and financial institutions (Peattie 1987; Portes, Castells, and Benton 1989; Portes and Sassen-Koob 1987; Sanyal 1988). Scholars argue that economic activities and informal exchanges are often market based and commercially driven (Angel et al. 1983; Burgess 1978; Geertz 1978; Kim 2004; Ward 1982, 1999). Increasingly, it is accepted that social relations, networks, and norms play an essential part in sustaining informal markets, usually to pool resources and reduce uncertainty and transaction costs (Axelrod 1984; Fawaz 2008; Razzaz 1993; Saunders 2012). Thus, the existing literature highlights the complex nature of informal activities, suggesting that informality is economically, institutionally, and socially embedded. It posits that recognizing the embeddedness is key to developing appropriate policy responses.

Using the grounded example of Los Angeles's unpermitted second units, I build on the literature to show how urban informality is also spatially embedded in the built environment. I suggest that informal housing's territorially embedded nature stems from local housing markets, cultural housing preferences, prejudices and political intolerance or acceptance of unregulated housing in different places, place-specific social relations that enable unpermitted housing to function without complaints and enforcement, and the spatial configuration of housing and neighborhoods that makes it easier for certain forms of informal housing—such as garage conversions or backyard additions or basement retrofits—to develop discreetly. In contrast to conventional scholarship's focus on informal activities' global economic connections, I emphasize informality's corresponding local linkages and influences. The spatially embedded nature of informality suggests that not only do informal economic activities differ between the Global South and the Global North, but there are likely important and understudied differences in informal housing from place to place. These differences have policy implications.

Third, living conditions within Los Angeles's unpermitted second units are unequal and vary significantly. The wide variation of living conditions

within the city's informal housing stock illustrates both the potential and the precarity of urban informality. While some scholars celebrate informal activities for their radical potential of everyday resistance and survival (Kudva 2009) and promise of inclusive urban citizenship (Watson 2011), others criticize them for their dangerous living and working conditions, exploitation of labor, associated economic uncertainty, and the prospect of the unaccountable use of state discretionary power (Bernhardt et al. 2008; Roy 2005, 2009b; Yiftachel 2009). Capturing these two perspectives, William Mangin (1967) saw in the squatter settlements of Lima, Peru, both a problem and a solution. Similarly, Li Tian (2008) described China's unregulated urban villages as a boon and a bane for residents. Like them, I see urban informality as paradoxical and contradictory. Los Angeles's unpermitted second units represent the potential of a more appropriately located, designed, and affordable housing supply, as well as the risks and dangers of unsafe housing with few protections and rights for tenants.

Moreover, because informal housing is spatially, economically, institutionally, and socially embedded, it provides households from different socioeconomic backgrounds with disparate and divergent living conditions. In this context, disadvantaged, low-income, immigrant, undocumented, and families of color are likely to bear the burden of dangerous and substandard informal housing. They are likely to be more vulnerable to informal housing because it is more difficult for them to afford safe and decent market-based housing. Wealthy households, in contrast, have multiple advantages. They are less adversely affected by the exclusionary nature of single-family zoning. Their informal housing is more prone to be safe and livable. There will likely be fewer complaints against their unpermitted units, less negative attention from enforcement agencies, and more confidence for owners to invest in improving them. *Laissez-faire* works well for them.

Fourth, instead of ignoring, enforcing against, or primarily addressing informal housing through deregulation to attract private investments, there is a significant need for public support and public funding to upgrade unpermitted units. The conventional enforcement practice makes it difficult for tenants of informal housing to complain about their living conditions. Cities need a new institutional focus. The living conditions of the unpermitted units should be as important a municipal function as zoning enforcement. In contrast to enforcement, improving living conditions will require considerably more public expenditure. The city of Los Angeles's

Garage Housing Task Force recognized this necessity in the late 1990s. It recommended public funding for removing hazards in unpermitted garages to make them safe and livable. Policy makers can signal government support for informal housing by acknowledging its presence, noting its essential contribution to the housing supply, providing financial support and technical assistance for upgrading, and implementing locally informed policies to support upgrading.

Policy programs to improve and upgrade the living conditions in informal housing will be more successful when they recognize and build on its spatially, economically, institutionally, and socially embedded nature. For example, Vancouver planners recognized that many of the city's informal secondary suites were in basements with low ceiling heights. The planners significantly reduced the minimum height requirement citywide to 6 ft. and 6 in. to match the existing height conditions of Vancouver's secondary suites. I have not seen such a low minimum ceiling height requirement anywhere else, but it was the only feasible response to existing conditions in the city. The planners also promoted the installation of smoke alarms, and policy makers encouraged the fire department to provide free smoke alarms to any interested household, irrespective of their basements' legal status. These policies signaled to homeowners that they could safely invest in improving conditions in their secondary suites and helped make them safer and more livable. However, like most Global North cities, Vancouver did not provide any significant funding support to homeowners for upgrading their basements. If it had, the city could have required owners to accept rent stabilization agreements to protect vulnerable tenants from rent increases likely from the upgrading of their secondary suites.

Informal second units for well-off households raise different policy issues than informal housing for modest-resourced and working-class families. While informal second units by disadvantaged households emphasize the need for state-supported upgrading to address dangerous or substandard conditions, informal ADUs by wealthy families more starkly highlight the need for housing deregulation and zoning changes.

LOCAL GOVERNMENTS AND SINGLE-FAMILY HOUSING

Like informal economic activities, formal institutions are territorially and socially embedded. In Douglass North's (1990, 3) words, they are the "rules of

the game” that constrain human behavior. To issue permits for second units, planners and policy makers have to change single-family zoning regulations in a cultural context that often uncompromisingly reveres the ideal of single-family living. As a consequence of strong neighborhood-based opposition to development, even the *Economist* (2015), the weekly newspaper known for its social and economic liberalism and support for decentralization and less government involvement, called for top-down land use planning interventions. The conventional academic literature suggests that local planners and policy makers do not have the power to effect such significant changes (Glaeser 2017; Infranca 2019; Lemar 2019; Wegmann 2020). But top-down changes to single-family housing regulations are not only controversial but also challenging to implement. This book shows that even when local communities strongly support single-family housing and oppose additional density, they can accept second units. There are important reasons for planners, policy makers, and housing advocates to persevere with local reforms.

First, while the state legislature pushed California’s ADU reforms, my secondary cases show that local governments can lead policy changes to remake single-family zoning through second units. Urban studies scholars are divided on the question of power and control of development decision-making in cities. In the late twentieth century, the conventional wisdom on political economy and growth politics in the US viewed cities as Growth Machines driven by coalitions of local government interests and land-based, elite business interests (Logan and Molotch 1987; Molotch 1976). While the criticism of the pro-development perspective still holds significant standing in contemporary urban studies (Angotti 2008; Moskowitz 2017), it has been joined and to some extent supplanted by a narrative of intense neighborhood-based activism and opposition to density and development, which scholars usually characterize as NIMBY sentiment (Fulton 2001; Schively 2007; Tighe 2012). According to Edward Glaeser and his colleagues, organized homeowners, or “homeowners’ cooperatives,” have replaced the pro-development Growth Machine with their focus on maintaining and enhancing their private home values by opposing property development in and near their neighborhoods (Glaeser, Gyourko, and Saks 2005).⁵ In contrast to the Growth Machine and homeowners’ cooperatives perspectives, John Mollenkopf (1983) explained urban growth as a contest between the conflicting interests of different elite groups in his classic, *The Contested City*. His scholarship may better explain how city growth trajectories can favor neighborhood stability and

antigrowth sentiment at times and property development, including second units and single-family zoning reforms, at other times. Thus, it may be feasible for local governments to persuade owners of single-family housing, particularly in major cities and their inner suburbs, to support second units, third units, and upzoning of their lots because homeowners can benefit directly. Consequently, as the cases show, there are a diversity of institutional pathways to second unit reforms, including the locally led remaking of single-family zoning.

Second, the cases discussed in this book show the significance of formal and informal public engagement in addressing single-family zoning and demonstrate a range of institutional possibilities for engagement-based institutional change (A. Fung 2004, 2012). Successful public engagement strategies included public workshops and advocacy by a nonprofit group in Santa Cruz, pilot neighborhood upzonings and evaluations of backyard cottages in Seattle, ADU tours organized by housing and environmental sustainability activists in Portland, and public hearings and online opinion surveys in Minneapolis. Collectively the cases show the value of policy dialogue, pilot projects, and incrementalism for creating institutional change (Roland 2004). Correspondingly, the three ADU workshops organized by the planning department in the city of Los Angeles in 2009 were woefully inadequate. In contrast, the second unit pilot project facilitated by the mayor's office in 2016 probably played a central role in generating attention, discussion, and the subsequent enthusiasm for and success of ADUs in the city's formal housing market. Along the same lines, the most interesting participation model may be in Vancouver, where the local government organized neighborhood forums and a citywide referendum followed by neighborhood-based workshops and opinion surveys. Its experience with direct democracy suggests that planners and policy makers have opportunities to go directly to residents to gauge their interests in supporting second units and institutional changes to single-family zoning at both the neighborhood and city levels.

Third, while locally led zoning reforms and initiatives can be challenging, they have several advantages and imperatives. Local governments and housing advocates need to pursue them because it is unlikely that state governments will be interested in preempting local land use regulations in many states. For example, Minneapolis policy makers and planners did not expect the Minnesota state legislature's intervention to help them change the city's single-family zoning. Locally led processes create more robust opportunities

for residents to participate in decision-making and for policy makers to broaden participation opportunities. In Vancouver, planners sought all residents' opinions, including tenants of unpermitted secondary suites. Though there are likely to be differences and disagreements among stakeholders, land use and housing deliberation can be the basis of invigorated civic life. Policy making and planning based on local knowledge and contextual understanding, including spatial conditions, will likely be more nuanced and successful. Local governments should take the lead in pushing state governments to implement their reforms regionally. Local engagement may lead to broader benefits, including empowering disadvantaged communities, local problem-solving capacity, a more profound democracy, and the more ambitious and inclusive remaking of single-family neighborhoods.

Although decentralized land use decision-making can allow second units in single-family housing, such direct democracy might not work well for all controversial land use decisions. In the case of secondary units and upzoning of single-family-zoned lots, property owners are likely to be motivated by the possibility of additional units, their potential rent, and higher property values. In other cases, such as making neighborhoods more open to unhoused residents, it is less likely that any community will volunteer to be more accepting. In such contexts, the countervailing power of top-down decision-making is necessary (Ehrenfeucht and Loukaitou-Sideris 2014; Young 1990). However, state governments' countervailing ability in zoning reform does not need to be in the form of direct decision-making. They can push, support, and enable local governments to broaden and deepen public engagement for land use reforms. They can provide strong regional institutions for collaboration, including incentives for jurisdictions to meet their share of housing production and penalties and enforcement against communities that fail to meet their obligations. California's attempt to strengthen its framework for the regional allocation of housing goals and responsibilities and state enforcement of local actions through changes in its Regional Housing Needs Assessment model is a noteworthy step in this direction (Camacho and Marantz 2020; Elmendorf et al. 2020).

HOUSING AS A SOCIAL DREAM

My central claim is that the ideal of single-family living is slowly and gradually evolving through informal and formal changes. There are multiple

institutional pathways to neighborhood change, including informal interventions by homeowners and zoning reforms led by local and state governments. Several writers have called for moving away from the conventional model of single-family housing for aesthetic reasons (Huxtable 1964; Keats 1956; Lerup 1987), environmental reasons (Mumford 1961; Real Estate Research Corporation 1974), and social justice reasons (Fishman 1987; Hayden [1984] 2002; G. Wright [1981] 1983), including the challenge of affordable housing (Manville, Monkkonen, and Lens 2020; Wegmann 2020). My research, however, suggests that the need for additional space and homeowners' parochial economic interests, particularly the potential for rental income and higher property values, are driving the transformation of single-family housing. Correspondingly, policy makers may welcome second unit reforms because they are a market-based planning strategy for increasing the housing supply that does not require increased government investment in affordable housing or active involvement in the housing market.

The rational nature of these housing transformations should not obscure their promise and possibility of something bigger and more radical. These changes to single-family neighborhoods offer opportunities to remake US urbanism's suburban and private nature and replace it with the sharing and cosmopolitanism optimistically associated with cities and urban living. Scholars have suggested that single-family housing's predictable ethic is at the root of the fetish for control and superficial order in American planning (Garnett 2009; Wilson 1991). They argue this orthodoxy not only robs cities of urban vitality but also marginalizes low-income households, particularly families of color, and households that depart from the nuclear-family norm. The eclipse of single-family living, even its waning, may lead to more flexibility in land use regulations, more open and inclusive cities, and a pathway to more just cities.

SPATIAL AND INSTITUTIONAL DIVERSITY IN HOUSING

Affordable housing is a significant challenge in the US because housing costs have increased while inflation-adjusted wages have flatlined for most households and public subsidies have not increased. It will be impossible to address the housing challenge adequately without reversing the trend on all three fronts. I have focused on a small part of the housing challenge with second units because many homeowners have informally adopted this strategy. Second and third units on single-family-zoned lots help reduce housing

costs and add diversity to the housing supply. I like second and third units because they are a creative spatial strategy for upzoning and adding housing density through small-scale infill or carve-outs while minimizing the loss of existing housing units from demolition and redevelopment. The low-rent housing units occupied by low-income households are often the most attractive for redevelopment. These properties might include unpermitted units. Losing them would cause more pain and housing struggles for the most disadvantaged groups. In jurisdictions like the city of Los Angeles, most single-family-zoned lots are 5,000 sq. ft. or bigger and large enough to add second and third units through infill and carve-outs. The micro-infill approach's focus on adapting the old built environment fabric instead of replacing the building stock is environmentally friendly too. The scale may enable small, locally owned businesses and residents to get more involved in housing construction activities. Governments can help builders access construction finance and create business development programs for contractors in disadvantaged communities. They can also organize workforce development and training programs focused on construction and trade skills. Additionally, second and third units can provide an unprecedented opportunity for public agencies to make direct incremental investments in subsidized affordable housing units in single-family neighborhoods, which dominate urban land use.

The shared amenities, including kitchens, toilets, and laundry rooms, in many informally modified single-family houses suggest opportunities for new spatial designs and diversity in housing layouts. Like single-family homeowners with informal units, several of the country's largest home builders have innovated new housing designs for multigenerational housing with shared spaces. Building off these examples, architects and urban designers have the opportunity and responsibility to develop more radical arrangements for transforming single-family living for a new urban culture.

In pioneering scholarship, Dolores Hayden (1980) proposed gender-equity retrofits to single-family neighborhoods based on sharing in her article "What Would a Non-sexist City Be Like?" Similarly, my former colleague at UCLA, the late Jacqueline Leavitt, developed several new gender-equity housing designs that privileged sharing. Jackie designed the Double Dream, which "combined two single-family attached houses using a variety of flexible spaces" (Leavitt 1996, 70). Figure 7.1 shows her New American House Concept. It includes six town houses with street-facing, single-story offices

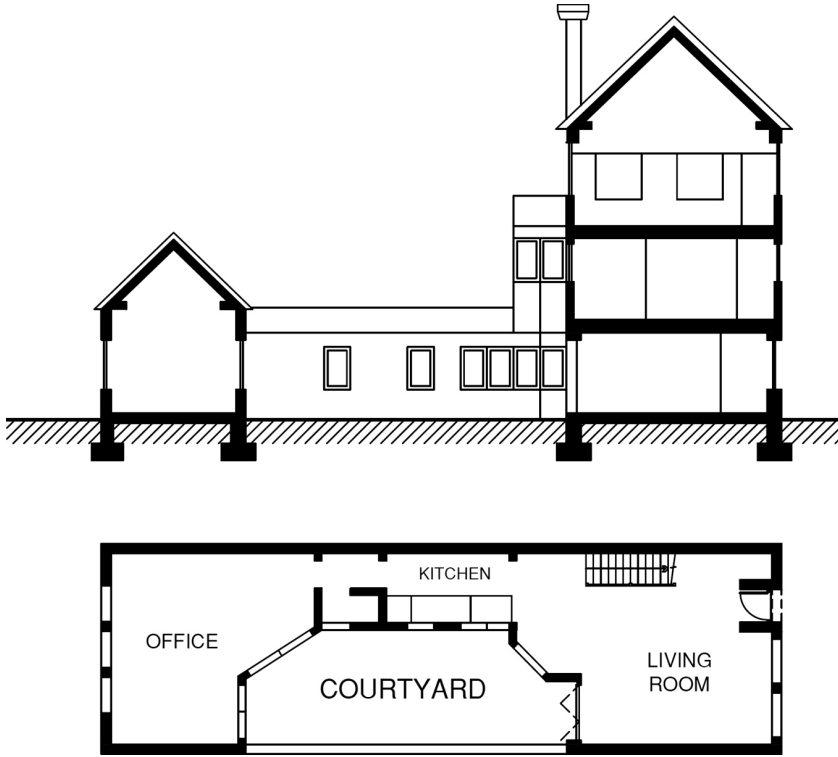


FIGURE 7.1

Section and first-floor plan of the award-winning New American House (1984) by Troy West and Jaqueline Leavitt (not to scale). *Source:* Based on an illustration in Schoenauer 2003. Graphic: Jae-Hyeon Park.

and workspaces, which could serve as neighborhood childcare centers and other shared amenities, and private living quarters at the back. A kitchen and a private courtyard link the front and back of each house. The layout allows parents in both the private living area and the public workspace to share domestic responsibilities, such as cooking in the kitchen or supervising children playing in the courtyard (Leavitt 1996; Rowe 1991). Planning and zoning requirements need to be flexible enough to allow and incentivize such design innovations.

In addition to new spatial forms, there are opportunities and a need for new institutional arrangements of property rights and ownership. As I noted earlier, ADU and upzoning reforms can make single-family-zoned lots more

valuable and therefore less affordable. By making secondary units tenure neutral and allowing homeowners the right to sell them separately, governments can increase access to homeownership by lowering its cost. Homeowners should have the ability to transfer the right to build and sell or rent second units in their backyards. Similarly, if the jurisdictions allow third units, homeowners should have the ability to sell the dwellings or rights to the units separately. Assembly Bill 587 by Assemblymember Laura Friedman (Democrat from Glendale), which the California state legislature adopted in 2019, was a limited move to enable the sale of secondary units. It allowed nonprofit organizations to develop ADUs on single-family- and multifamily-zoned lots and sell them separately as independent units. Policy makers should extend this right of property conveyance to all homeowners. Correspondingly, they should replace the terminology of “accessory units” with “second units” and “third units.”

Public agencies and community-based organizations have a significant opportunity to expand social and nonmarket housing alternatives in single-family neighborhoods by investing directly in second, third, and fourth units. In return for rent-stabilization agreements, they can provide homeowners with funding to upgrade their existing informal units. Like the Santa Cruz Community Credit Union, they can offer below-market-rate loans to homeowners willing to add accessory units with rent restrictions and affordable housing covenants. They can provide grants to homeowners who agree to significantly restrict their rents and keep units affordable or reserve them for families receiving rental subsidies. Los Angeles County offered homeowners grants and construction finance if they agreed to rent the units to Section 8 voucher holders. The program, however, had limited funding and needs to be expanded.

Suppose conventional ADU zoning rules were to change to allow homeowners to sell second and third units separately. In that case, public agencies could work with the owners to build new scattered-site, publicly owned housing units or pay for the right to expand and carve out units from existing single-family houses. The strategy would allow cities to distribute affordable housing units more widely, potentially sidestepping neighborhood opposition to larger affordable housing projects. Crucially, it would enable cities to build affordable housing at a much lower cost than the current system. In 2020, the average cost of building a single unit of homeless housing in the city of Los Angeles was \$531,000 (Oreskes 2021a). In

several cases, housing developers built these projects on publicly owned land, and the actual cost of development was significantly higher. Even the city's program to acquire motels and adapt their rooms as studios for emergency housing costs about \$230,000 per unit (Oreskes 2021b). Second units can be built for a much lower cost per unit: LA Más, the Los Angeles-based nonprofit organization, estimated in 2021 that it could convert garages of almost 400 sq. ft. to studios for \$100,000 and to one-bedroom units for \$120,000, and build new two-bedroom, one-and-a-half-bath units of 710 sq. ft. for \$220,000 (LA Más 2021; Leung communication 2021).

Along the lines of my suggestion to allow homeowners the property right to sell their second and third units, California's SB 9 permits them to split their lots into two and carve out two dwellings from their single-family houses for sale. However, the legislation includes several conditions that are likely to limit its effectiveness. For example, in its quest for planning order, the legislation requires owners to divide their lots roughly equally. This stipulation will make it difficult for homeowners with significant front setbacks to split their lots nearly evenly. The legislation would have been more effective if it had been based on the spatial diversity of single-family-zoned lots across the state. Take the case of the community of Pacoima in Los Angeles. Its single-family-zoned lots are long and deep. They often contain three units, two of which are informal, in a straight line. Homeowners will be unable to take advantage of the legislation without losing one of the existing units. Other conditions put limitations on homeowners with tenants. The protection is well intended but unlikely to address fears of gentrification and displacement in disadvantaged communities. Moreover, it will not protect tenants of informal units and might incentivize more homeowners to rent their properties informally.

Many community members in places like South Los Angeles recognize the need for more housing but are genuinely worried about displacement in their communities (E. Smith 2021). To address their fears of redevelopment and displacement, governments need to go beyond zoning deregulation. They need to get more actively involved in housing and property markets to demonstrate that the outcomes can be inclusive. Finding planning approaches to preserve existing informal housing and expanding the institutional diversity of new housing can help. Building on SB 9, governments can provide grants and subsidized loans to homeowners interested in expanding and then subdividing their single-family houses to sell to

nonprofit organizations and community-based groups for affordable housing. Similarly, they can provide financial support for community-based organizations to acquire housing units for their community members. Like Portland, they can level the playing field for nonprofit housing developers by allowing six dwellings instead of four if developers agree to restrict the price of some of the houses and earmark them for affordable housing.

State governments in particular have a role in expanding access to housing loans and mortgages for residents of disadvantaged communities. There is race- and ethnicity-based inequality in access to mortgages, and Black and Latinx home buyers are disproportionately channeled into high-cost loans (Loya and Flippen 2021). State governments can build on the federal model of providing mortgage insurance to expand equitable access to mortgages, including homeowners interested in sharing property ownership opportunities to transform single-family lots.

SHARING THE CITY: BEYOND PRIVATE LOT LINES

America's single-family neighborhoods were built to provide white, middle-class, heterosexual nuclear families with a single male breadwinner an ideal setting to raise their children. For decades, scholars and activists have criticized these neighborhoods on environmentalist, racial justice, gender equality, and affordability grounds. There is a growing recognition that they no longer serve most people's needs. Individual homeowners have led the way in adapting their single-family houses for modern life by building or carving out informal second units in garages, backyards, and basements. Forward-thinking cities have recognized these informal innovations to single-family housing and responded by legalizing the construction of second and third units in single-family-zoned neighborhoods. Widespread homeowner acceptance of these modest, incremental changes to the character of their communities challenges the conventional wisdom around the political sanctity of single-family zoning. These reforms to single-family zoning represent a fundamental transformation of American urbanism and the American Dream itself.

Along with the possibility of spatial and institutional diversity in housing forms and property rights at the lot level, additional units on single-family-zoned lots suggest openings for innovative designs, shared infrastructure, and collaborative processes that cross private lot lines and work at the scale of blocks and neighborhoods.

There are opportunities for new design thinking, mixed land uses, and shared amenities. Earlier, I mentioned that the workspaces in the New American House Concept could provide neighborhood-serving uses. Los Angeles has several inspiring built and unbuilt precedents along these lines. Early twentieth-century housing forms in Los Angeles were known for their bungalow courts and shared courtyards (Hayden [1984] 2002). Architect and urbanist Clarence Stein (1951) originally designed community kitchens for the celebrated Baldwin Hills Village (now Village Green) housing development. Another innovative example is LA Más's proposal for shared Community ADUs (figure 7.2). The nonprofit organization speculated that some homeowners might not have big enough backyards to build detached second units. It proposed that neighboring homeowners be allowed to build dwellings across private lot lines, and neighborhoods could have a network of jointly owned and used Community ADUs. The structures could also serve other nonresidential, community-serving uses.

As single-family neighborhoods get denser and more diverse with additional housing and residents, they will need more shared amenities and infrastructure.

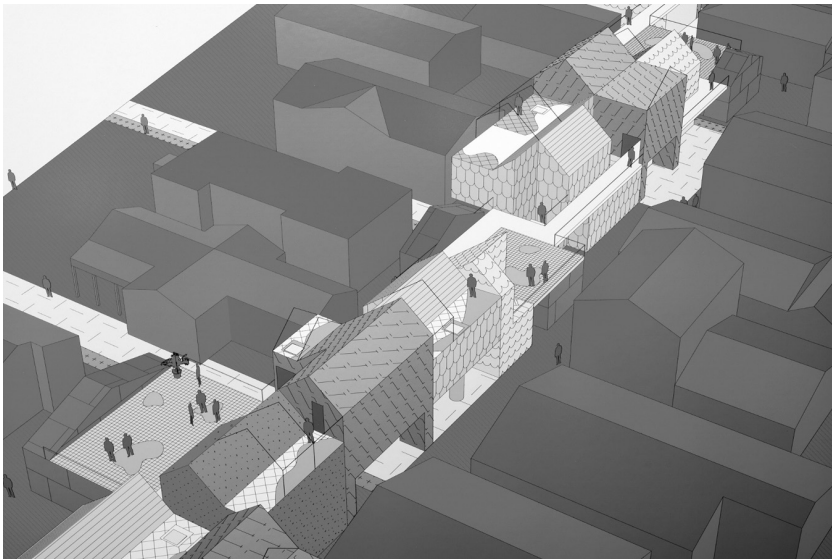


FIGURE 7.2

LA Más's Community ADU proposal for the 2015 exhibition *Shelter: Rethinking How We Live in Los Angeles* at the A+D Museum. Courtesy of LA Más.

The COVID-19 pandemic highlighted the value of neighborhood-level public investments in small open spaces, playgrounds, and community gardens. Other useful and necessary social infrastructure in neighborhoods includes childcare centers, senior centers, community kitchens, health-care facilities, resiliency centers, libraries, and language and learning centers for immigrants and adult learners. Public agencies should invest in these shared neighborhood amenities. Moreover, public commitment for physical and social infrastructure investments in communities can help create additional support for upzoning and neighborhood change.

Policy makers should prioritize public investments in disadvantaged neighborhoods. With the rise of the Black Lives Matter and racial justice movements across the country, the recognition of disproportionate deaths from COVID-19 in Black, Latinx, and Indigenous communities, and the reckoning with historical and continuing racial injustices, there is growing interest in social and racial justice and critically revisiting how jurisdictions spend their resources on policing and community health and safety. Communities are making commitments to increase public investment in social housing and disadvantaged neighborhoods. In Los Angeles County, voters approved Measure J in November 2020. The ballot measure diverts public spending to social services and commits at least 10 percent of the county's revenue for community investments and incarceration alternatives. Some of the most encouraging debates about reimagining policing, public spending, and social justice have occurred in Minneapolis, Portland, and Seattle, where local governments and activists helped create a more open culture by democratically discussing housing issues. These modest but hopeful beginnings may portend significantly more public investment in disadvantaged communities' social infrastructure.

Finally, like single-family zoning reforms, public neighborhood investments provide a promising avenue for fostering direct democracy and citizenship. Neighborhood residents can participate in discussions, forums, workshops, and voting to decide a community's social infrastructure and amenity priorities. Neighborhood-level deliberations can provide an opportunity for neighbors to learn about their communities' needs and make decisions collectively. In the process, there will likely be many surprises, unexpected possibilities, and wonders. Gradually, cities and neighborhoods that reposition inclusive access to housing, social infrastructure, and participation and collaboration in decision-making at the center of urbanism can emerge.

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