

NOTES

CHAPTER 1: THE CHANGING NORMS AND REGULATIONS OF SINGLE-FAMILY HOUSING

1. When groups of immigrant workers in meatpacking plants became infected with COVID-19, Secretary Azar ignored their factories' working conditions and blamed their housing arrangements. On the contrary, the global experience, particularly from Asia, and planning research showed that the fears about multifamily housing and the pandemic are irrational, and that density is not related to COVID-19 infection or mortality rates (Hamidi, Sabouri, and Ewing 2020).

2. The 2017 American Housing Survey by the US Census replicated Trulia's survey with a larger household sample. It found similar results: 52 percent of respondents described their neighborhoods as suburban, 26 percent urban, and 21 percent rural (Kolko 2018). For example, the survey indicated that 54 percent of residents identified their neighborhoods as suburban in the Los Angeles Metropolitan Statistical Area.

3. Federalism in the US has typically implied that the federal government has a less direct role in local land use policy. While the federal government can significantly affect urban development patterns, it has, since the modern small government movement and the neoliberal market-based reforms of the 1980s under the Republican president Ronald Reagan, focused on changing local land use policy through advocacy. See, for example, the *Not in My Backyard: Removing Barriers to Affordable Housing* report by Kean, Ashley, and the Advisory Commission on Regulatory Barriers to Affordable Housing (1991) for HUD secretary Jack Kemp and President George H. W. Bush and the *Housing Development Toolkit* released by President Barack Obama's administration (White House 2016).

4. I refer to housing unregulated by governments as informal housing and follow Manuel Castells and Alejandro Portes's (1989, 15) widely accepted lead of describing

informal economic activities as “the unregulated production of otherwise licit goods and services.”

5. The association among homeownership, single-family housing, and the American Dream is a prominent theme in urban planning and housing studies and evident in several books’ titles: in addition to Dolores Hayden’s ([1984] 2002) *Redesigning the American Dream: The Future of Housing, Work, and Family Life*, cited earlier, important examples include Gwendolyn Wright’s ([1981] 1983) classic, *Building the Dream: A Social History of Housing in America*; Charles Haar and Jerold Kayden’s (1989) *Zoning and the American Dream: Promises Still to Keep*; and the Southern California focused *Re: American Dream—Six Urban Housing Prototypes for Los Angeles* (Sherman 1995). Similarly, more recent examples include *Chasing the American Dream: New Perspectives on Affordable Homeownership* (Rohe and Watson 2007); *The Option of Urbanism: Investing in a New American Dream* (Leinberger 2007); *Foreclosed: Rehousing the American Dream* (Bergdoll and Martin 2012); *The End of the Suburbs: Where the American Dream Is Moving* (Gallagher 2013); *Rebuilding a Dream: America’s New Urban Crisis, the Housing Cost Explosion, and How We Can Reinvent the American Dream for All* (Shashaty 2014); *Detroit: The Dream Is Now—the Design, Art, and Resurgence of an American City* (Arnaud 2017); and *Predatory Lending and the Destruction of the African-American Dream* (Sarra and Wade 2020).

6. Paul Mangin and John Turner (Mangin 1963, 1967; Mangin and Turner 1968; Turner 1967) were among the first scholars to observe and celebrate community-led squatting and land invasions in Peru. Subsequent researchers, however, argue that the era of free land in the Global South is over. Market actors start most unpermitted subdivisions, and commercial interests drive the informal housing process (Angel et al. 1983; Payne 1989; Ward 1982).

7. Scholars often choose between single- and multiple-case research. I am partial to single-case research because it is more feasible to collect in-depth data and more comprehensive information about the case. However, it is more challenging to theorize from one case. I like to examine secondary cases because they guide me in my primary case research and allow me to be more certain about my data collection strategy and my findings’ robustness (internal validity) and generalizability (external validity). In the past, I have described this alternative strategy of conducting single-case research as “N of One Plus Some” (Mukhija 2010).

CHAPTER 2: THE IDEOLOGY OF SINGLE-FAMILY LIVING

1. Springdale is a neighborhood of Stamford, a city of about 135,000 residents in the Greater New York Metropolitan area. It is around thirty miles northeast of Manhattan and offers easy commuter rail access to New York City through the Springdale train station on the New Canaan Branch (a branch of the New Haven Line).

2. Hoover served as the honorary chair of the Better Homes in America movement. He “equated homeownership with citizenship, good citizenship with a stable workforce, and both with an improved social order” (Hise 1999, 38).

3. Leigh Gallagher (2013, 76), for example, recounted a study by the real estate website Trulia based on the site's biannual online American Dream survey in 2011, two years after the housing market crash and Great Recession of 2007–2009, that “showed that 70 percent of Americans still consider homeownership a central part of the American Dream.” Trulia's 2015 survey, conducted after the housing market had recovered significantly, showed even greater optimism and faith in homeownership. It found that 75 percent of respondents agreed that homeownership was part of the American Dream (R. McLaughlin 2015). Similarly, the National Association of Realtors' 2018 consumer survey data revealed that among those polled, approximately 75 percent of nonhomeowners believed homeownership is part of the American Dream, while nine in ten current homeowners said the same (National Association of Realtors 2019).

4. According to the 2018 Housing Aspirations Report by Zillow, an online real estate website, 94 percent of its survey respondents were interested in homeownership, about 64 percent agreed that owning a home was necessary to live the American Dream, and 82 percent preferred living in single-family houses (Terrazas 2018).

5. In the wake of the Great Recession and its housing foreclosures, several large-scale investors and Wall Street firms acquired over two hundred thousand single-family houses to develop portfolios of single-family rental properties. Many observers predict that private equity groups, hedge funds, and global investors will continue investing in single-family rentals as a new asset class (Charles 2020; Mari 2020; Dezember 2020).

6. Nelson's estimate of single-family housing units includes manufactured housing or mobile homes. According to the Manufactured Housing Institute (2020), a trade industry group, manufactured housing accounts for about 10 percent of new single-family housing starts.

7. Originally, when the Constitution was amended in 1913 to enable the collection of income taxes, taxpayers were allowed to deduct all of their interest payments from their taxable income, and MID was called an “accidental” housing policy (Ventry 2010). Its role was explicitly institutionalized in 1959. The Tax Cuts and Jobs Act of 2017, also known as the Trump tax cuts, reduced the MID cap from \$1 million to \$750,000. The act doubled the standard deduction too, which made itemized deductions like the MID less attractive. Overall, however, the 2017 tax cuts were regressive and reduced the tax rate for affluent Americans. By cutting the use of the deduction, the act further concentrated its benefits to high-income households. Moreover, for loans originated before December 14, 2017, homeowners could continue to deduct interest on mortgage debt up to \$1 million and up to \$100,000 on home-equity loans for first and second homes. Homeowners continued to benefit from a lack of taxes on their imputed rental income and capital gains tax allowances in addition to lower tax rates.

8. Levittown, New York, is a planned community that was built on Long Island between 1947 and 1951. It included 6,000 houses and is considered the model for postwar suburban development (Kelly 1993). Lakewood, California, is in Los Angeles

County. It is considered Levittown's West Coast counterpart and was built between 1949 and 1953 with 17,500 dwellings at a record-breaking pace (Waldie 1996).

9. For homebuilders, the trade journals *American Builder* and *House & Home* were similarly instrumental in disseminating information on trade associations like the National Association of Home Builders—which was founded in 1942 and is still active—as well as new ideas about building materials and products, construction best practices, design innovations, and management strategies (James Jacobs 2015).

10. However, as Christopher Silver (1997, 25) noted, racial zoning was not limited to the South: “Select Northern and Western cities, especially those where the Black population increased rapidly, also experimented with racial zoning.”

11. Urban studies scholars argue that local zoning's ability to guarantee exclusively single-family housing districts is a central reason for its popularity and public acceptance in a country with deep regard for private property rights (Babcock 1969; Hirt 2014; Perin 1977; Siegan 1972). Whereas zoning's German, English, French, and other European precedents were more technocratic and included opportunities for discretionary decisions by public officials—for example, planners could permit grocery stores in residential neighborhoods—the US version catered to the American sensibility of distrust in government. By reducing opportunities for discretion, single-family zoning in the US, even though it is stricter and relies on absolute prohibitions, seems to involve less government control or involvement (Babcock 1969; Hirt 2014).

12. Per the Bureau of Labor Statistics Bulletin No. 1231 (*New Housing and Its Materials 1940–56*), the average size of a new single-family house was 1,177 sq. ft. in 1940 and 1,170 sq. ft. in 1955 (Murphy 1958). Most of the houses in Lakewood, California, built shortly after World War II, were around 1,100 sq. ft. (Waldie 1996). In 2015, according to the US Census Bureau (US Department of Commerce 2015), the average size of a new US single-family house set a new record of 2,687 sq. ft. Relatedly, the Urban Land Institute (2019), a real estate think tank, reported that the share of newly constructed houses over 2,400 sq. ft. had increased from 32 percent in 1999 to 50 percent in 2017.

13. In contrast, Andres Rodriguez-Pose and Michael Storper (2022) questioned the impact of housing markets on the mobility of low-skilled workers from low-opportunity regions to booming regions. They claimed that upgrading the skills and training of low-skilled workers was more significant than deregulating housing markets.

14. Reeves (2017) criticized the US upper-middle class, which he described as consisting of those earning over \$120,000 annually and constituting the top 20 percent of households, for controlling the housing market and separating itself from the rest of the country. He also criticized the upper-middle class for perpetuating their social and economic status by capturing opportunities for access to education through legacy admissions in colleges, internships, and other job opportunities through social networks and nepotism. His arguments echo earlier criticism by Robert Reich (1991) in which he was critical of the “secession of the fortunate fifth” through its residential

patterns, particularly isolated suburban subdivisions. Reeves argued that almost all the income gains in the past thirty years have accrued to the top quintile.

15. The US is not unique in this demographic shift. In Sweden, for example, 47 percent of households have just one occupant, and in its capital city, Stockholm, “a staggering 60 percent of all dwellings are occupied by someone who lives alone” (Klinenberg 2012b, 213).

16. Relatedly, Katherine Newman (2012) documented the rise of the so-called accordion family. She noted that accordion families—parents sharing their homes with adult children—are emerging all over the Global North. She estimated that 3.5 million US parents live with their adult children, whom she described as the boomerang generation living off their parents’ retirement savings. Newman considered these households as victims of the neoliberal global economy and noted that they are increasingly common in affluent countries where lower-resourced households have to pool their resources in the absence of adequate state support for affordable housing and subsidized education.

CHAPTER 3: CITY OF DREAMS: SINGLE-FAMILY HOUSING AND SECOND UNITS IN LOS ANGELES

1. The Greater Los Angeles area—or the so-called Los Angeles–Long Beach Combined Statistical Area—which includes three additional counties of Ventura, Riverside, and San Bernardino, grew from about a quarter-million population in 1900 to about 18.7 million in 2020.

2. Late in the nineteenth century, the Los Angeles region had a significant number of Chinese American residents. As Carey McWilliams (1946, 85) wrote, “In 1880 there were about twenty thousand Chinese in Southern California, and, at that time, they constituted a sizeable proportion of the total population.”

3. Overall, the city had five districts or zones: A for single-family housing, B for all other residences, C for nonindustrial uses, D for non-noxious industries, and E for unlimited uses. The city’s zoning system, like several early examples of zoning, was pyramidal or cumulative rather than exclusive. Single-family housing was at the top of the pyramid and could be built in all the other zones. Similarly, in addition to Zone B, multifamily housing could be built in all other zones except for Zone A, and so on.

4. For example, “from 1936 to 1938 the council moved 14.3 miles of street frontage from multifamily designations into single-family R-1” (Whittemore 2012b, 111).

5. The antidensity battles of homeowners’ associations were common throughout the county of Los Angeles. For example, in Monterey Park, a suburban city east of Downtown Los Angeles, the Residents Association of Monterey Park (RAMP), which was derisively known as Residents Against More People, led a slow-growth movement and fought for moratoria against permits for multifamily housing in the late 1970s and 1980s (Fong 1994).

6. The controversy over Proposition 14, which sought to overturn California's fair housing law through a statewide ballot in 1964, is an example of the toxic racial environment at that time. In June 1963, California's legislature approved the Rumford Fair Housing Act to prohibit landlords of multifamily housing (defined as five units or more) from discriminating based on race. This led to an uproar by the California Real Estate Association and the California Apartment Owners' Association. They promoted Proposition 14 to invalidate the act (Nicolaidis 2002). California governor Democrat Pat Brown opposed the proposition, which he described as legalized bigotry. The proposition, however, was supported by Republican Ronald Reagan, who called the state's fair housing law an assault on private property. Almost two-thirds of the state's voters agreed with Reagan and approved the proposition. The debate contributed to Brown's defeat and Reagan's election as governor in 1966. However, in 1966 the state court declared the proposition unconstitutional for violating the equal protection clause (14th Amendment), and it reinstated the Rumford Fair Housing Act. The state court's decision was upheld by the US Supreme Court the following year (Nicolaidis 2002).

7. The McCone Commission, which was headed by John A. McCone, the former head of the Central Intelligence Agency, was criticized by scholars for not discussing police brutality or examining in depth housing discrimination and the need for a fair housing code in the wake of Proposition 14 (Fogelson 1967b).

8. Zero Population Growth, an antigrowth citizen's group, was active in the city at that time. Its members wanted a cap of four million residents for the city of Los Angeles and argued that growth could be capped by denying housing permits (Fanucchi 1970; Ray 1970).

9. In November 1974, a few months after the Centers Plan was adopted by the Los Angeles City Council, Proposition A, a ballot proposition to add a half-cent sales tax surcharge for funding a rail and bus transit plan for the region, was rejected by Los Angeles County voters (Elkind 2014). Soon after, in 1976, two ballot measures to add half-cent sales tax surcharges for expanding the rail and bus transit system, Measures R and T, were rejected by county voters. While Proposition A was approved by county voters with 54 percent support in November 1980, in order to build a successful coalition of support, its backers agreed to scale back their rail plans and dedicate a smaller proportion of the funds to rail transit (Elkind 2014).

10. In 1978, the California state legislature approved Assembly Bill 283, which requires the city of Los Angeles to make its zoning consistent with its General Plan (Alperin 1987). Previously, only General Law cities, which have less autonomy than Charter cities, were required to maintain consistency. AB 283, as initially proposed, required all Charter cities to do the same. However, the League of California Cities and affected cities opposed the bill for its associated planning costs and erosion of home rule. The amended bill applied to cities with more than two million residents, a categorization that only applied to the city of Los Angeles (Diener 1979).

11. Kaplan noted that public planning was in danger of hitting another low. In the footsteps of the Hillside Federation's legal victory, city of Los Angeles residents were getting ready for a ballot initiative against new development. Proposition U, or "the initiative for reasonable limits on commercial buildings and traffic growth," was proposed by City Councilmembers Zev Yaroslavsky, Joel Wachs, and Marvin Braude and had the support of the president of the city's planning commission, Daniel Garcia, and a newly formed citizens' group, Not Yet New York (Kaplan 1986). The initiative covered most of the city but exempted Downtown, Century City, the Hollywood redevelopment area, and the Wilshire corridor. In November 1986, with a two to one margin, the electorate voted to cut in half the allowed intensity of commercial zoning in a majority of the city. In response to the successful initiative, the city's zoning ordinance was revised, but the rezoning made it impossible for many of the proposed centers in the General Plan to develop at their planned density (Fulton 2001).

12. In 1997, the Hillside Federation sued the city for the insufficiency of its environmental impact report and its measures to mitigate traffic. The following year, the Superior Court ruled against the city and vacated its approval of the Framework Element (Federation of Hillside & Canyon Associations v. City of Los Angeles 2000). Four years later, the planning department submitted a revised plan, which was readopted by the city council in 2001 (Los Angeles Department of City Planning 2001).

13. According to the US Decennial Census, between 1950 and 2010, Riverside County's population increased from 170,046 to 2,189,641, and San Bernardino County's population climbed from 281,642 to 2,035,210. This regional expansion has contributed to the phenomenon of super commuters, daily commuters with one-way commutes over ninety minutes (Dougherty and Burton 2017; McPhate 2017).

14. As discussed in chapter 2, unaffordable housing and constraints in the housing supply dampen the economy and adversely affect incomes. The McKinsey Global Institute estimated that California's housing shortage costs the state \$140 billion in lost economic output each year (Woetzel et al. 2016). These losses are through the housing sector's backward linkages of lost construction-related jobs and forward linkages of foregone consumption of goods and services for new housing.

15. De La Cruz-Viesca and her colleagues analyzed wealth data from the National Asset Scorecard for Communities of Color, which collects original survey-based data on assets and debts among US subpopulations according to race, ethnicity, and country of origin. They noted, "Among nonwhite groups, Japanese (\$592,000), Asian Indian (\$460,000), and Chinese (\$408,200) households had higher median wealth than whites. All other racial and ethnic groups had much lower median net worth than white households—African Blacks (\$72,000), other Latinx (\$42,500), Koreans (\$23,400), Vietnamese (\$61,500), and Filipinos (\$243,000)" (De La Cruz-Viesca et al. 2016, 5–6).

16. Mello served two decades in the state legislature, in part as the state senate majority leader, and had a remarkable legislative record. In addition to the Companion Unit Act, his accomplishments include the “Granny Bill” (Senate Bill 1160) and the “Mello Coastal Act” (Senate Bill 626), which also went into effect in 1982 and established a minimum requirement for affordable housing within the California coastal zone.

17. We obtained a directory of email addresses from the Los Angeles Department of Neighborhood Empowerment. The directory contained over fourteen hundred email addresses, which we narrowed down to the addresses of 372 board members. Before launching the survey, we piloted the survey instrument with two East Hollywood Neighborhood Council members. The survey included space for open-ended comments and the option to contact us to discuss the issue of second units in more detail. We followed up with emails in mid-July to improve the response rate to the survey and closed the survey on August 8, 2012. We received forty-one responses from thirty-four Neighborhood Councils. In our follow-up emails with the board members, we made it clear that we were only expecting one response per Neighborhood Council. From the forty-one original responses, we removed the seven multiple responses from the same Neighborhood Councils and retained the responses from the more senior board members, typically the presidents of the councils.

18. One respondent’s sole positive attribute of second units was the facetious response of housing for UCLA faculty and students. Thus, more accurately, ten of the thirty-four survey respondents, almost 30 percent of the group, did not think that second units make any positive contribution.

CHAPTER 4: THE EVERYDAY PREVALENCE OF INFORMAL SECOND UNITS

1. Another indicator of the prevailing toxic environment in the state, including Southern California, was Proposition 187 in 1994. The statewide proposition, popularly known as the Save Our State initiative, proposed to deny undocumented immigrants access to publicly funded social services, including schools and nonemergency health care. It mandated the establishment of a state government-run citizenship screening system. In a solid turnout of over 60 percent of the electorate, the proposition was handily approved by 59 percent of California’s voters. With the exception of a few counties in the Bay Area, it received majority support across the state. Republican governor Pete Wilson was a prominent supporter. In spite of his low approval ratings, he successfully rode the xenophobic proposition to reelection. The subsequent law, however, was found unconstitutional by a federal district court in 1999, and Democratic governor Gray Davis halted the state’s appeal of the ruling (Bowler, Nicholson, and Segura 2006).

2. Racial privilege and discrimination, as well as gendered ideas of work, have played an important role in the country’s labor struggles by limiting their gains to privileged groups. The Fair Labor Standards Act of 1938, for example, created the right

to a minimum wage and the provision of overtime pay but did not cover the labor rights of farmworkers and domestic workers, many of whom were people of color.

3. There are, however, noteworthy exceptions. The sociologist Sudhir Alladi Venkatesh (2006, 2013), for example, extensively researched illegal activities involving gangs, drugs, and prostitution through the lens of informality.

4. Although past research notes that informal activities in the Global South can be found across all income groups, including the elite (Azuela de la Cueva 1987; Roy 2009b, 2011; Varley 1985), the overwhelming emphasis in the literature is on disadvantaged groups and their economic challenges.

5. I found limited research and details on informal housing in Europe. The literature, nonetheless, notes that informal housing settlements can be found in eastern Europe (Slaev and Hirt 2016) and southern Europe, where they are known as *abusivi* in Italy, *afthereta* in Greece, and *clandestinos* in Portugal (Allen et al. 2004).

6. The reporters' estimate of 3.2 percent of single-family houses with garage conversions in the county from a sample of five hundred homes has a margin of error of ± 1.5 percent, indicating that the number of converted garages could range from 1.7 percent to 4.7 percent (or from around twenty-two thousand to over sixty-two thousand).

7. Gage-Babcock & Associates, a planning consulting firm in Vancouver, Canada, used a similar approach to estimate the number of informal second units in the city in the early 2000s (City of Vancouver 2009b). Martin Brown and Taylor Watkins (2012) did the same for Portland, Oregon.

8. This section of the chapter builds on previously published research (Mukhija 2014) in my coedited book *The Informal American City: Beyond Taco Trucks and Day Labor* (Mukhija and Loukaitou-Sideris 2014).

9. Previous research based on hedonic modeling of sales data from twenty-one counties spanning the region from central New Jersey to northern Maryland indicated that additional density and intensity on single-family-zoned lots, including second units, can detract from the perceived value of detached single-family houses in suburban neighborhoods where privacy is highly valued and reduce their sale price (Lang 2005).

10. In the 1980s, the San Francisco Planning Department staff surveyed the sales records of single-family properties in the city and concluded that 10–15 percent of them included an informal second unit. A decade later, the department staff conducted a field-based survey of a representative sample of single-family houses on both single-family- and multifamily-zoned lots in the city and found that 23–29 percent of them, or about twice the previous estimate, had unpermitted units (SPUR 2001). Unpermitted second units were more common with single-family houses on multifamily-zoned lots.

11. If I were to also consider single-family houses on multifamily-zoned lots, the actual number of unpermitted second units in the city is higher. While the county

assessor's data indicated over 462,000 single-family houses on lots zoned for single-family housing, data from the American Community Survey suggested there were 541,259 single-family dwellings in the city (US Census Bureau 2013a). Thus, there were about 80,000 single-family houses on lots zoned for a higher density. According to Eric Agar, a former student who is now a realtor, informal second units are more common on multifamily-zoned lots with single-family houses. Agar estimated 15–25 percent of such lots in the city of Los Angeles had an unpermitted second unit (Agar interview 2014a; communication 2014c).

12. Previous research on second units in the Bay Area found detached construction accounted for almost a third of the informal second units (Chapple et al. 2011). While my findings are slightly different, both studies suggest a greater variety of second unit forms, including a significant proportion of backyard construction.

13. Perhaps for similar reasons, at a workshop on second units, Jason Neville (communication 2016), from the city of Los Angeles's Mayor's Office, noted that even among newly permitted second units in the city, two-thirds were backyard structures. A study of thirty-two middle-class, dual-income families living in single-family houses in Los Angeles found that only a quarter of the households parked their cars in the garages (Arnold et al. 2012). The garages, however, were highly prized and heavily used for storage. In contrast, the researchers found that the families hardly used their backyards. Thus, homeowners may value their garages even though they do not use them for storing cars. Similarly, two large surveys in 1949 and 1950 conducted by the Small Homes Council of the University of Illinois, Urbana-Champaign, and the Institute for Social Research at the University of Michigan, Ann Arbor, found that "a very high percentage of buyers . . . wanted an attached garage, but very few of them wanted to use the garage only for the car. Other planned uses for the garage included storage and laundry" (B. Lane 2015, 188–189).

14. We considered analyzing the category coded as MISC, "Miscellaneous." It is a catchall category and might include complaints about second units. But the number of complaints coded as MISC is very high (3,581 in 2011), and because the likelihood of complainants referring to unpermitted second units under this classification is low, we did not analyze the MISC category. After identifying addresses with GARCV and ILUSE complaints from the CSR request data, we reviewed each address's LADBS Property Activity Report (subsequently called the Permit & Inspection Report). The report details both permit and code enforcement activity related to the complaint and the status of the city's code enforcement action. For instance, if an inspector investigated the complaint and did not find a violation, they marked "No Violation." Depending on the notation preferences of the inspector, there is much variability in the level of detail provided for each property in the LADBS Property Activity Report. In some cases, inspectors' notes are incredibly detailed, describing exact dimensions of second units. In other cases, they do not provide any information beyond the status of the complaint, meaning it is impossible to determine whether the property included an unpermitted second unit.

15. This everyday diplomacy with neighbors about parking is not limited to Los Angeles. While conducting fieldwork, I stayed in an unpermitted secondary suite in Kitsilano, Vancouver. My host requested I not leave my rental car parked in front of a neighbor's house for more than a day (Participant #6 interview 2013).

16. Second sink agreements can be a source of confusion. For example, a friend of a former student of mine bought a single-family house in Portland and thought that it had a formally permitted second unit (Participant #17 interview 2015). The house, however, came with a second sink agreement. To formally use the additional space as a second unit, the homeowner had to pay the city's system development charges to remove the second sink agreement.

17. As I noted earlier, planning regulations often consider existing land uses non-conforming but legal and exempt them from new rules and requirements. Such land uses are considered to have been grandfathered in and their owners have grandfather rights. While the terminology is commonly used in contemporary planning, it has racist origins in late nineteenth-century legislation. In the period following the American Civil War, several Southern states created literacy requirements for voting as a strategy to deny Black voters their voting rights. To create a workaround for white voters who did not meet the literacy requirement, the states exempted those whose ancestors or grandfathers had voting rights before the Civil War.

18. The lack of availability of formal financing reduces the incentive for homeowners to build formally approved second units. As I explain in part III, the availability of formal financing is slowly changing. However, formal financing was usually unavailable to owners with less equity in their single-family houses (De Simone communication 2016). Lenders typically want to see an executed lease in place before they consider the future income of rental properties in their loan calculations, which is nearly impossible in the case of an unbuilt second unit. Only homeowners with substantial equity in their houses can do a cash-out refinance, access home equity loans, or use a home equity line of credit to finance the construction of their second units.

19. Public investments can follow a similar pattern. At a discussion on affordable housing in the city of Los Angeles, Councilmember Felipe Fuentes (communication 2015) of Council District 7 described how his constituents in the working-class neighborhood of Pacoima were initially very enthusiastic about a public program to install solar panels on private houses. However, when the homeowners realized that the installation process would involve building inspectors visiting their homes, and possibly seeing their unpermitted additions and units, they withdrew their interest in the program.

20. To illustrate, the *Los Angeles Times* shared a sad and macabre story highlighting the vulnerability of a couple without immigration documents living in an informally converted garage (Mejia 2015; Goldenstein 2015). The couple were the caregivers of a relative who died. But because of their undocumented status, they were afraid of contacting the authorities and did not know what to do with the body. They ended up placing the body in their refrigerator, where it remained for over a year.

I suspect tenants like them would rarely complain about their housing conditions. It is worth noting that substandard conditions are common in formal housing too, and because of extreme poverty, vulnerability, and lack of better options, many tenants are reluctant and afraid to complain (Desmond 2016).

21. News reports suggested that because of President Donald Trump's interest in including a citizenship question on the decennial census and not counting undocumented immigrants for reallocating congressional seats, the 2020 Census count was likely flawed. The heightened deportation threats, the COVID-19 global pandemic, and the rushed schedule for counting likely resulted in an undercount of hard to enumerate groups and categories, including informal housing (Galvan and Schneider 2021; Jordan 2020).

CHAPTER 5: ENFORCEMENT AND FORMALIZATION OF UNPERMITTED SECOND UNITS IN LOS ANGELES

1. A student in UCLA's Department of Urban Planning interviewed Richard Alarcon for her two-week capstone examination and found that he had "lived in a converted garage, illegal non-conforming unit, as a newlywed" (Martinez 2013, 35).

2. Indeed, some scholars use the terms "formalization," "legalization," and "regularization" interchangeably (Varley 2007).

3. Some scholars worry that slum clearance remains attractive to policy makers and is likely to be implemented in more indirect ways (Mayne 2018).

4. In addition, scholars emphasize the need to increase the housing supply. One of the more interesting planning supply responses based on lessons from incremental development in informal housing was the widespread introduction of sites and services schemes in the Global South during the 1970s (Dunkerley 1983; Sanyal 1987). Sites and services projects kept housing costs low through small lots with minimal housing and services and the expectation that owners and governments would improve housing conditions and infrastructure over time. However, as the demands of affordability pushed for lower standards, sites and services projects became challenging to implement. Politicians were wary of being accused of developing slums by their middle-class constituents (Peattie 1994). Besides, high land costs made it difficult to implement the strategy in most primary cities (Angel et al. 1983; Baross 1990). With a few exceptions in Honduras, Nicaragua, and El Salvador, state-assisted sites and services projects disappeared with growing land costs and the rise of neoliberalism in the 1990s (UN Millennium Project 2005). However, scholars have shown that several sites and services projects successfully met their housing affordability and urban planning goals, and that policy makers need to reconsider the strategy (Owens, Gulyani, and Rizvi 2018).

5. The literature mentions other cases of legalization of informal housing through changes or exceptions to the underlying zoning. For example, San Mateo County,

California, had an initiative for legalizing informal second units during the 1990s (Wasserman 2002b); Barnstable, Massachusetts, the largest community in area and population on Cape Cod, had a seemingly successful amnesty program for unpermitted second units in the early 2000s (Sage Computing 2008); and Marin County, California had an amnesty program for second units between 2007 and 2008 (Chapple et al. 2011). I have not, however, found detailed accounts of these cases.

6. Hal Bernson was a conservative Republican and a leading proponent of the San Fernando Valley seceding from the city of Los Angeles. In the mid-1980s, he led an unsuccessful effort, which many considered racially motivated, to evict almost three thousand, mostly Latinx, tenants of substandard apartments in the Northridge neighborhood of his district (Simon 1985).

7. Mayor Riordan formed a citizens' committee—Blue Ribbon Citizens' Committee on Slum Housing—later that year to address the continuing concerns of substandard housing. The committee, however, focused on multifamily housing and advocated for proactive enforcement in its report, *The Slum Housing Problem in Los Angeles and the Department of Building and Safety* (Blue Ribbon Citizens' Committee on Slum Housing 1997). The mayor and the city council accepted the committee's main recommendation of regular inspections of multifamily rental housing and instituted the Systematic Code Enforcement Program (SCEP). They decided to implement SCEP in association with the existing Rent Escrow Account Program (REAP), in which tenants of substandard multifamily housing units paid their rents to the city and a public agency used the money to pay for improvements in their housing. The underlying idea was that regular inspections through SCEP would uncover poor-quality housing units, and the city could redirect tenants' rents collected through REAP to upgrade the units without using public funding.

8. In 2004, the county of Los Angeles adopted a second unit ordinance for the unincorporated areas to comply with AB 1866. Its production of permitted second units doubled and increased to about sixty ADUs per year (Chung communication 2016). In a land use strategy brief prepared for the jurisdiction's Homeless Initiative Policy Summit, planners noted, "Since 2004, when the County adopted its Second Unit Ordinance, 719 second units have been permitted in the unincorporated area. The County's second unit production reached an annual high of 137 in 2007 right before the Great Recession" (County of Los Angeles 2015, 1–2). In most of the region, however, AB 1866 had limited effect. The policy emphasis continued to be on enforcement. The city of Long Beach, for example, adopted new legislation in 2011 called the Aviles Law to clear and remove unpermitted garage conversions and encourage residents to report unpermitted conversions (Yee 2013). The law commemorated three central Long Beach girls killed in a horrendous fire in a converted garage. The Aviles sisters were between six and ten years old and died from burns and carbon monoxide poisoning. In 2013, the state legislature passed a resolution in recognition and support of the Aviles Law, and the *Long Beach Press-Telegram* (2013) advised other municipalities to "be watchful" and diligently enforce their second unit laws.

9. Mayor Garcetti's goal was to add 12,500 units per year between 2014 and 2021. It was an ambitious goal that had only been achieved once, in 2008. Between 1991 and 2013, on average, the city added only 5,500 housing units each year (Logan 2014).

10. SCEP, which I discussed in note 7, received awards and recognition for directing substantial private investment to the upgrading of substandard housing, but its efforts had an unintended outcome. Every year, its inspectors unearthed five hundred to six hundred unpermitted use units carved out of parking spaces, common areas, and existing apartments in multifamily buildings. Most of these units did not conform to the existing regulations—usually density limits and parking requirements—and had to be shut down, removing significant affordable housing stock from the city (Fuentes communication 2015). According to the city's estimates, almost half the units revealed through the inspections and removed each year were in small multifamily buildings with four or fewer units (Los Angeles Department of City Planning 2015). The UDU ordinance focused on preserving and formalizing these informal units.

11. The *Los Angeles Times* (2016), however, was not entirely convinced by the direction of the state bills and emphasized its support for smaller and discreet units by endorsing the approach of the city's old ordinance. It noted, "The city's original ordinance in 1985 allowed second units of not more than 640 square feet. They had to be located behind the main building on the lot and not visible from the street." The newspaper cautioned against provisions in the state legislations for allowing larger second units and limited its enthusiasm to smaller ADUs. It added, "While the city is appropriately eager to generate more affordable housing, shoehorning oversized second units behind single family homes is not an effective way to accomplish that."

12. The following year, Assemblymember Bloom and Senator Wieckowski authored two follow-up bills—Assembly Bill 494 (Bloom) and Senate Bill 229 (Wieckowski)—to help implement their landmark 2016 ADU bills. Cuff and Blumenfeld also helped Assemblymember Bloom write AB 494 (Blumenfeld interview 2017). The two follow-up bills were approved by the legislature and the governor in 2017 and went into effect on January 1, 2018. Both follow-up bills clarified the original bills' intent and improved various provisions of the law to promote the development of ADUs. They allowed ADUs to be built concurrently with new single-family houses, expanded the areas where ADUs can be built to include all zoning districts that allow single-family uses, and modified and limited fees from utilities, such as special districts and water corporations. They addressed tandem parking too. The original ADU bills allowed for tandem parking of multiple cars to make it easier for homeowners to meet their parking requirements. Some cities, however, were keen to limit tandem parking to two cars. AB 494 and SB 229 explicitly clarified that homeowners could arrange more than two parking spaces in tandem (Blumenfeld interview 2018; Wieckowski interview 2018). Subsequently, both Senator Wieckowski and Assemblymember Bloom continued to propose new ADU legislation to make it easier for homeowners to add second units and formalize prevailing unpermitted ones. For example, Senator Wieckowski proposed Senate Bill 831 in 2018 (which was approved by the Senate

but was unsuccessful in the Assembly) and authored Senate Bill 13 in 2019 (which was approved by the legislature and signed into law by the governor).

13. The planning department had also asked the city council to clarify the ambiguous legal status of hundreds of second units that had been permitted before the ruling, including several that were midway through construction. The council agreed to affirm their legal status, allowing affected property owners to proceed without uncertainty (Reyes 2016b).

14. The 2020 LA Design Festival in September featured a 3D-printed second unit in the Future of Housing tour. Mighty Buildings (<http://mightybuildings.com>), a California-based start-up, built the ADU. The company used prefab designs and 3D printing to construct the second unit in eight weeks.

15. Additionally, the City of Costa Mesa (2018) had an owner-occupancy requirement, limited second units to 800 sq. ft., and required the units to follow its residential design guidelines.

16. The city reduced the impact fees to about \$3,500 for conversions and around \$9,500 for new construction for homeowners committing to rent their second units to family members or low-income tenants for seven years (City of Pasadena 2018).

17. In addition to follow-up bills by Assemblymember Bloom (Assembly Bill 881) and Senator Wieckowski (Senate Bill 13), the governor and the legislature approved Assembly Bill 68 (authored by Phil Ting, Democrat from San Francisco) and Assembly Bill 670 (by Laura Friedman, Democrat from Glendale).

18. The firm also projected a rent of \$4,300 per month for the unit. Because of such high rent estimates, scholars like Darrel Ramsey-Musolf (2018) argue that California's state legislature made a policy mistake by allowing cities to count second units toward their low-income housing need obligations.

19. The nonprofit organization noted that it was tricky to estimate garage conversion costs. Costs can increase because of structural limitations of the garage, complicated access to sewer lines, the need to increase the electric panel's capacity, additional site preparation work, and some homeowners' desire to separate utilities between the existing house and the new second unit (LA Más 2021; Leung communication 2019).

20. Additionally, LA Más managed a pilot project for the county of Los Angeles as part of its homelessness strategy. Through the pilot project, the county would offer selected homeowners access to financing and grants of \$75,000 each for a commitment to house a formerly homeless individual or family. But the pilot project was limited to three homeowners (Leung communication 2018).

21. SB 13 built on Senator Wieckowski's efforts to pass similar legislation in 2018. Senate Bill 831, his previous measure, was identical to SB 13 but required local governments to waive all impact fees for second units. While the Senate approved it, the bill did not make it out of committee in the Assembly (Barbosa and Montes interview 2019). I wrote an op-ed with Senator Wieckowski in the *Sacramento Bee* to support

SB 13 while it was being debated in the legislature (Wieckowski and Mukhija 2019). At the senator's invitation, I provided expert testimony to the Assembly's Local Government Committee in support of the bill.

22. This was unfortunately the case with the noise abatement funds for neighborhoods close to the Los Angeles International Airport. The Federal Aviation Administration and Los Angeles World Airports distributed the funds to provide support for soundproofing and other noise abatement measures, particularly for homes in the vicinity of the airport. However, the funding was disproportionately allocated to wealthier neighborhoods, often away from the airport, and with less exposure to the noise (D. Smith 2019). The houses of low-income residents were typically not compatible with the zoning—which had been revised to reduce the number of residents close to the airport—and not up to the building and safety code standards, and therefore failed to qualify for the funding support. Although more affluent residents had less exposure to the noise, their houses conformed to the zoning and met the code standards. They received grants for installing air conditioners and double-paned windows.

CHAPTER 6: THE FORMALIZATION OF SECOND UNITS: THE ROLE OF LOCAL GOVERNMENTS

1. There is evidence that renters, particularly in expensive cities, are more open to new housing development than homeowners. Still, like homeowners, they oppose new projects in their neighborhoods (Hankinson 2018).

2. States fall into two categories in the US: those that follow Dillon's Rule, which limits local powers, and those that are home rule states, which have more authority at the local level. In California, the overwhelming majority of the state's 58 counties and 482 cities fall under Dillon's Rule (i.e., the state's 44 General Law counties and 361 General Law cities). Its minority Charter cities and counties follow home rule. However, even in home rule jurisdictions, the state government can intervene directly in local matters related to broad public benefits.

3. According to my calculations based on the city's zoning map (City of Santa Cruz 2017), 76 percent of residentially zoned land is reserved for single-family houses.

4. The city maintained a discretionary review requirement for permitting second units. However, it eliminated the condition in 2003 in response to the state government's adoption of Assembly Bill 1866, which prohibited discretionary reviews for second units. Subsequently, it offered as-of-right permits for single-story second units but maintained discretionary reviews for two-story second units and eliminated its annual cap on permits (City of Santa Cruz 2003c, 2003d).

5. Seattle's 1994 Comprehensive Plan (City of Seattle 1994b) identified six urban centers and twenty-four urban villages (six hub urban villages and eighteen residential urban villages).

6. In 2010, permits for new second units reached 122 (76 attached and 46 detached); the previous high had been 78 in 1998 (all attached). In 2014, the permits increased to 128 (75 attached and 53 detached) (Welch communication 2018). While the city collected data on legalization of existing second units from 1994 to 1999, it did not collect similar data after 1999.

7. Some pro-development advocates were unhappy with MHA because of its inclusionary housing requirements and threatened to bring additional legal challenges (Valdez 2018).

8. Between 1981 and 1997, only about fifty second units were formally permitted (City of Portland 1997).

9. The Centennial Neighborhood Association, for example, argued that the new city-wide ordinance would “lower property values, double density, create traffic and parking problems, undermine homeownership which stabilizes neighborhoods, increase rentals and lead to poorer maintenance of those properties and code violations, [and] turn single-family zones into double family or multiple family” (Cody 1997).

10. The regional tax-base sharing program is known as the Fiscal Disparities Program and was implemented in the seven-county Twin Cities metropolitan region in 1971. Accordingly, all local governments contribute 40 percent of the growth in their commercial and industrial property tax base to a common pool, which is distributed across the region’s jurisdictions according to their need (as a function of their population and existing property tax base). The program reduced tax-base disparity across the region by limiting corrosive competition among local governments for commercial and industrial land uses (Orfield 1997).

11. The evaluation is posted online by the evaluators and shared with buyers. TISH is supposed to disclose all required repairs as well as discrepancies with city records about the number of permitted units.

12. After receiving approval from the Metropolitan Council, the regional planning agency, in September 2019 (Roper 2019), the city council completed its final adoption of MPLS 2040 in October 2019, which went into effect in January 2020 (City of Minneapolis 2020).

13. Planners estimated that immediate family members occupied only 5–15 percent of the city’s secondary suites (Hunter 1988).

14. To curb foreign buyers and speculators, the province of British Columbia and Vancouver increased taxes and introduced new taxes. As of 2020, taxes in Vancouver include the province’s additional property transfer tax for foreigners of 20 percent of the sale value and a 2 percent speculation and vacancy tax, as well as Vancouver’s annual Vacant Home Tax, equal to 1 percent of the assessed taxable value (Lindeman 2019; Yan communication 2020).

15. The city council was criticized for not caring about public opinion and approving a significant land use policy change just days before the municipal election

(M. Anderson 2018). Its actions followed two days of public hearings and testimony from 306 letters in opposition and 186 in support of duplexes (Lee-Young and Padgham 2018).

16. In addition to building permits, owners of formal secondary suites in Vancouver need to pay a business license fee. According to Andy Coupland (communication 2013), a former city planner, only around two thousand suites had business licenses in 2013.

17. Vancity, headquartered in Vancouver, was remarkably accepting of informal housing. It also offered mixer mortgages, which allowed multiple parties to receive joint loans (Penner and Sinoski 2013). It is not unusual for friends and family members in the city to collectively buy two-unit (primary unit and secondary suite) or three-unit (primary unit, secondary suite, and laneway housing) properties with the intention of informally owning and using the individual units separately (Fry interview 2013).

CHAPTER 7: REMAKING THE SUBURBAN CITY

1. According to the Pew Research Center, political polarization is evident in Americans' housing and neighborhood preferences. Reporting on the results of a nationwide survey of over ten thousand adults, the center's researchers noted that "the differences between right and left go beyond disagreements over politics, friends and neighbors. If they could choose anywhere to live, three-quarters of consistent conservatives prefer a community where 'the houses are larger and farther apart, but schools, stores, and restaurants are several miles away.' The preferences of consistent liberals are almost the exact inverse, with 77% saying they'd choose to live where 'the houses are smaller and closer to each other, but schools, stores, and restaurants are within walking distance'" (Pew Research Center 2014, 13).

2. Some planners and policy makers may consider accessory units a strategic and potential gateway to more dramatic zoning changes, as in several of the book's cases. Correspondingly, some homeowners may be suspicious of accessory units, view them as a slippery slope and an incremental step to higher density, and oppose them even more stridently.

3. In May 2021, California's median price of single-family houses reached a new record high of \$818,260 (Kamin 2021). Observers noted that the price increase was probably due to low mortgage interest rates, buyers' interest in more space for home offices during the COVID-19 pandemic, and the state's historical housing shortage. The increase was likely also fueled by an increase in the value of single-family houses due to their upzoning and owners' potential to add accessory units.

4. As I noted in the previous chapter, family members and friends partnered to buy houses with secondary suites and laneway apartments in Vancouver. Although they

owned the properties jointly, many partners planned to use and own the multiple units separately (Fry interview 2013).

5. Mark Purcell's (2000) contrarian Los Angeles-based research on homeowner activism added to the debate by suggesting that while homeowners are often opposed to neighboring developments, they are not necessarily driven by a narrow interest in preserving their property values. He argued that homeowners have multiple motivations and are driven by a broader set of interests, including quality-of-life concerns over density, traffic, and congestion. Purcell, nonetheless, agreed that homeowner activism had eroded the pro-development Growth Machine in cities.

This is a section of [doi:10.7551/mitpress/10857.001.0001](https://doi.org/10.7551/mitpress/10857.001.0001)

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Citation:

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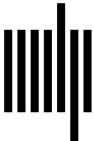
DOI: [10.7551/mitpress/10857.001.0001](https://doi.org/10.7551/mitpress/10857.001.0001)

ISBN (electronic): 9780262372411

Publisher: The MIT Press

Published: 2022

The open access edition of this book was made possible by generous funding and support from MIT Press Direct to Open



The MIT Press

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The MIT Press would like to thank the anonymous peer reviewers who provided comments on drafts of this book. The generous work of academic experts is essential for establishing the authority and quality of our publications. We acknowledge with gratitude the contributions of these otherwise uncredited readers.

This book was set in Stone Serif and Stone Sans by Westchester Publishing Services.

Library of Congress Cataloging-in-Publication Data

Names: Mukhija, Vinit, 1967– author.

Title: Remaking the American dream : the informal and formal transformation of single-family housing cities / Vinit Mukhija.

Description: Cambridge, Massachusetts : The MIT Press, [2022] | Series: Urban and industrial environments | Includes bibliographical references and index.

Identifiers: LCCN 2022000715 (print) | LCCN 2022000716 (ebook) | ISBN 9780262544764 (paperback) | ISBN 9780262372404 (epub) | ISBN 9780262372411 (pdf)

Subjects: LCSH: Urbanization—United States. | Housing, Single family—United States. | American Dream.

Classification: LCC HT123 .M74 2022 (print) | LCC HT123 (ebook) | DDC 307.760973—dc23/eng/20220307

LC record available at <https://lcn.loc.gov/2022000715>

LC ebook record available at <https://lcn.loc.gov/2022000716>