



# URBANDISPLACEMENT Project

## San Francisco's Chinatown

**March 2016**

**Berkeley**  
UNIVERSITY OF CALIFORNIA

*By Mitchell Crispell and Nicole Montojo*

This case study was funded in part by the Regional Prosperity Plan<sup>1</sup> of the Metropolitan Transportation Commission as part of the “Regional Early Warning System for Displacement” project and from the California Air Resources Board<sup>2</sup> as part of the project “Developing a New Methodology for Analyzing Potential Displacement.”

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<sup>1</sup> The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government.

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# Anti-Displacement Policy Case Study: San Francisco's Chinatown

Chinatown is situated at the center of San Francisco's booming real estate market, with close proximity to the Financial District, Downtown, and affluent neighborhoods such as Russian Hill. Due to its prime location, it was expected that Chinatown would have succumbed to the pressures of development and speculation that have transformed surrounding areas and much of San Francisco. However, deliberate anti-displacement zoning policies, widespread rent control, and a well-organized community have preserved Chinatown as an Asian American and low-income enclave.

In this case study, we discuss Chinatown as a whole, but focus specifically on one Census Tract within this area: Tract 113, which closely mirrors the core of Chinatown. After outlining the history of Chinatown, we provide an overview of its demographic and housing characteristics, today and historically, before discussing the anti-displacement policies that have preserved the neighborhood.



**Figure 1: Census Tracts At Risk for Gentrification/Displacement in 1990 and 2000, but did not experience gentrification between 2000-2013**  
Source: UC-Berkeley Analysis

## Methodology

This case study considers a place that was vulnerable to but did not experience the gentrification or displacement we would have expected there. The neighborhood (occupying one Census tract) was chosen from among all the Bay Area tracts that were low-income places at risk of gentrification and/or displacement<sup>3</sup> in 1990-2000, but did not experience gentrification<sup>4</sup> between 2000 and 2013, shown in Figure 1.

## History of Chinatown

As one of the oldest ethnic enclaves in the US, San Francisco's Chinatown has been a major immigrant gateway as well as a cultural, economic and residential hub for the Bay Area's Chinese American and Asian American communities for over 150 years.

Chinatown's current location was established after the original neighborhood was destroyed in the 1906 earthquake and fire that razed over 80 percent of San Francisco. To this day, the official Chinatown neighborhood includes a relatively small land area (Figure 2). With the rapid growth of the Chinese American popu-

<sup>3</sup>“At risk of gentrification” defined as: Population in 2013 over 500; Percent low income (80% or less than surrounding county's median income) greater than regional median (39%); Signs of vulnerability to gentrification/loss of low income household (at least 4 out of 7): 1. Has rail station in tract 2. Percent of units in prewar buildings greater than regional median, 3. Loss of market rate units affordable to low income households greater than regional median (1990-2000), 4. Employment density greater than regional median (2000), 5. Rent increase greater than regional median (1990-2000), 6. Real estate sales value increase more than regional median (1990-2000), 7. Development of market rate units greater than regional median (1990-2000).

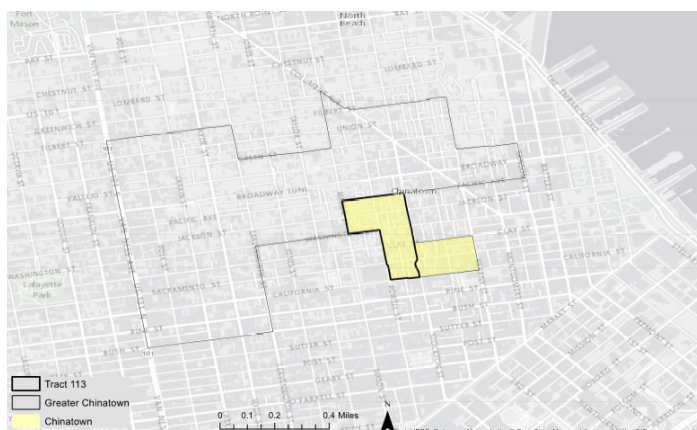
<sup>4</sup> Gentrification defined as: Growth in percent college educated greater than region; Growth in median household income greater than region; Percent market rate units built between 2000-2013 greater than regional median; At least one of the following: Single family sales price per square foot greater than regional median, Multi-family sales price per square foot greater than regional median, Home values greater than regional median.

lation beginning in the 1960s, neighborhoods adjacent to the core area became home to many Chinese American families, and businesses and institutions serving the Chinese American community likewise began establishing themselves beyond the boundaries of Chinatown.

Much of Chinatown's housing was built as single room occupancy (SRO) residential hotels or small rooms in commercial structures or community spaces. Chinese immigrants, who were barred from property ownership, were subjected to discriminatory housing practices by absentee landlords seeking to maximize profits. Housing was thus poorly maintained and often overcrowded (Yip 1985).

In the 1960s, the liberalization of US immigration policy led to a population boom and subsequent shortage of affordable housing. Chinatown quickly became one of the densest neighborhoods in the country, with an overwhelming majority low-income renter population. SROs and other small residential units were often overcrowded, in poor condition, and yet still expensive for very low-income residents (Tan 2008).

The Chinese community's spatial segregation and social isolation contributed to the development of "an impenetrable social, political, and economic wall" between Chinatown and the rest of San Francisco (Wang 2007). While the neighborhood's insularity allowed for the formation of strong social networks and a self-sufficient system of community institutions, small businesses and cultural activity (Yip 1985), it also reinforced a language barrier that still presents a challenge for socio-economic integration and contributes to persistently high poverty and unemployment rates (Wang 2007).



**Figure 2: Tract 113, Chinatown, and Greater Chinatown**

## Relative Demographic Stability, 1980-2013

Since the 1960s, Chinatown's population has included a large percentage of foreign-born, low-income Chinese American and Asian American families. The population in the tract increased by 13% between 1980 and 2009-2013 (from 2,840 to 3,204 residents), with a concurrent growth in the housing stock from 1,152 units to 1,617 units.<sup>5</sup>

Asians decreased in their share of the population from 86% in 1980 to 78% in 2009-2013. However, the proportion of residents who are foreign-born only decreased slightly in that same time frame: from 69% to 67%. Seniors (60/65 and up) have also consistently made up a significant share of the population.

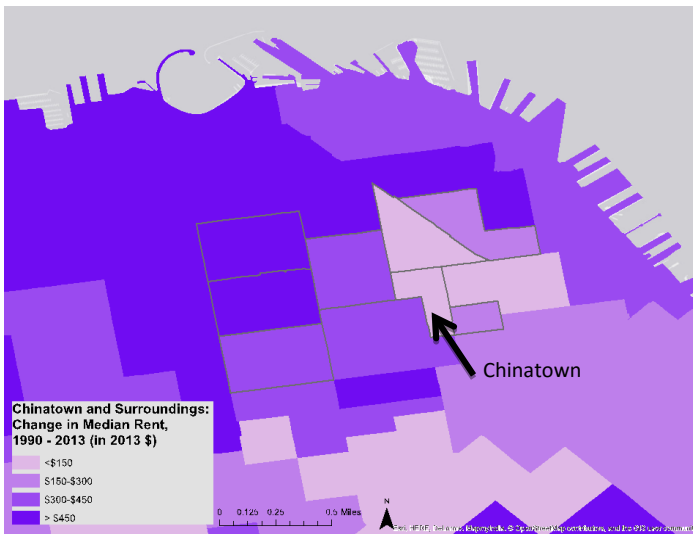
Poverty has increased as incomes have fallen: the poverty rate rose from 18% in 1980 to 26% in 2013, while median household income dropped from \$45,797 to \$23,261 (both in 2010 dollars).

Today, Greater Chinatown is still primarily renter-occupied, though the share of owner-occupied housing units has grown slightly in recent years. With an estimated residential density of 85,000 people per square mile (Tan 2008), overcrowding and housing affordability remain pressing issues for the community. 19% of renter households are overcrowded (more than one person per room).

Most (88%) housing units are rented, rather than owner-occupied. Median gross rent increased only slightly, from \$535 in 1980 to \$654 in 2013 (both in 2010 dollars). Even with these relatively low rents, 54% of renters pay more than 30% of their income on rent.

Rental prices have deviated significantly by area. Figure 3 shows that in contrast to other areas and San Francisco overall, median rent in Chinatown has remained exceptionally stable since 1990. This is primarily due to the large number of subsidized and rent-controlled units in Chinatown. This is powerful evidence of Chinatown's unlikely preservation as a place affordable to low-income people.

<sup>5</sup> Data in this section comes from the US Census for the years 1980, 1990, 2000, and 2010, and the Geolytics database for 2013.



**Figure 3: Change in Median Rent in Chinatown and Surrounding Tracts**

## Anti-Displacement Policy in Chinatown

In the face of external pressures of gentrification, a number of key policies and planning efforts have uniquely allowed Chinatown to maintain its historic character and accessibility to low-income San Franciscans. One of the most influential and comprehensive policy changes took place in 1986, with the adoption of the City Planning Department’s official Chinatown Rezoning Plan as an amendment to the General Plan, which resulted in the designation of Chinatown as a mixed use area distinct from Downtown.

The Chinatown Resource Center (predecessor to the currently existing Chinatown Community Development Center), led this planning effort with the Chinese Chamber of Commerce and Asian Neighborhood Design. In the years prior, Chinatown Resource Center had worked tirelessly to stave off infringing developers, many of whom sought to purchase land for office uses (Chinn 2014). From the mid-1970s to mid-1980s, approximately 1,700 residential units in Chinatown were converted to office use, and at the same time, an influx of capital from Asian firms drove up both commercial and residential rents (C. Li 2011). As these factors exacerbated the threat of displacement, the Chinatown Resource Center realized the unsustainability of this project-by-project approach and switched course toward advocating for structural changes to the neighborhood’s land use policy in an attempt to slow development (Chinn 2014).

They organized residents behind a proposed set of zoning regulations that were originally conceived of as part of a Chinatown community planning process that took place over several years prior (Chinn 2014), during which the San Francisco Planning Department had proposed a new Downtown Plan and housing experts across the city sought to limit the proliferation of office buildings to preserve affordable housing (C. Li 2011). With the growing threat of speculation and encroaching development from Downtown, residents, community-based organizations, and City officials all exhibited political will for policy change, agreeing that action must be taken to preserve Chinatown’s character and culture for its existing residents (Chinn 2014).

The proposal, which specifically addressed the core portion of Chinatown, sought to downzone the neighborhood by setting lower height limits that would curb the neighborhood’s development potential. Previous zoning had set limits at much higher than the prevailing scale of most existing buildings. This was due to the fact that Chinatown had originally been zoned as “a creature of downtown,” resulting in regulations that did not align with the neighborhood’s distinct character (Chinn 2014). The community’s proposal was thus broadly viewed as a necessary, sensible shift toward land use policy that was indigenous to Chinatown and “was the single most important achievement of Chinatown CDC in its first 35 years,” according to its longtime director (Chinn 2014; Chin 2015, p. 140).

The 1986 Rezoning Plan’s central aim was to protect what the Planning Department acknowledged was a “virtually irreplaceable” resource of affordable housing in Chinatown. The plan effectively prohibited demolition, allowing it only “if that is the only way to protect public safety or for a specific use in which there is a high degree of community need,” and furthermore banned conversion of residential buildings into different uses (San Francisco Planning Department, n.d.).

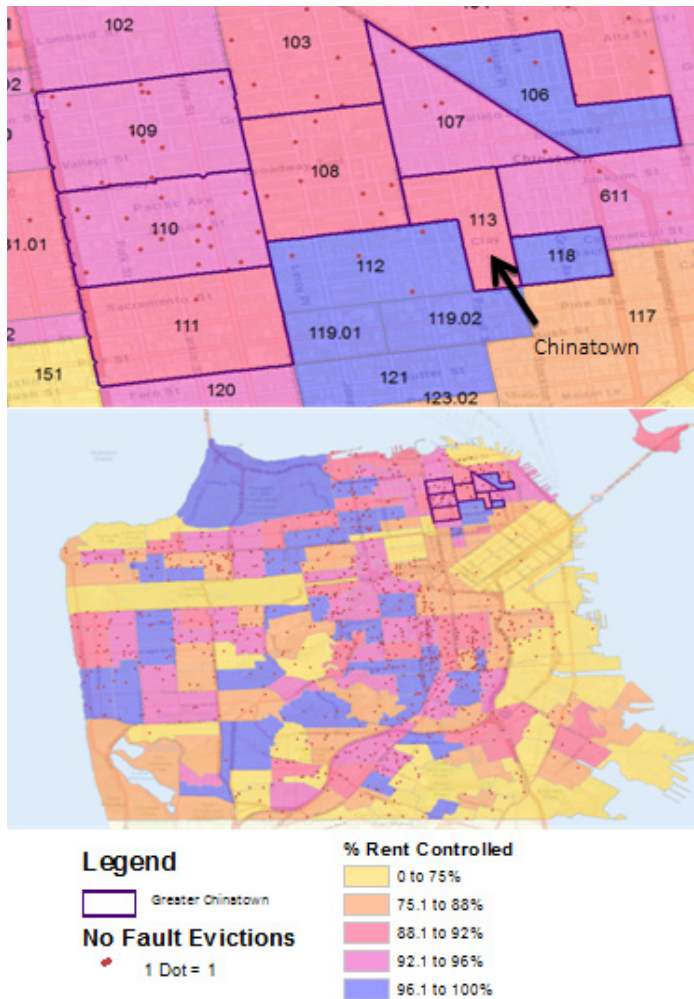
Chinatown’s large stock of SROs was granted protection by the 1980 citywide Residential Hotel Ordinance, which made it very difficult for developers to convert residential hotel rooms to commercial use by requiring replacement of lost affordable units and mandating that 80 percent of the replacement cost be paid by developers to the City for conversions or demolitions (Fribourg 2009).

With these requirements in place, approximately 50 percent of the Chinatown Core’s housing stock has

remained SRO hotels (Tan 2008), and an estimated 92 percent of units are protected by the 1979 San Francisco Rent Control Ordinance (Figure 4) (San Francisco Department of Public Health). A portion of these were purchased and by CCDC to preserve as low-rent housing (Chin 2015 p115).

Figure 4 also shows that there has not been a single no-fault eviction in Chinatown. According to one expert, “a large majority of these units continue to be owned by individuals that care about preserving Chinatown such as ethnic Chinese landlords and family associations”(Eng 2015).

Thirty years later, the 1986 effort can thus be considered to have essentially achieved its policy objectives to “preserve the distinctive urban character of Chinatown” and “retain and reinforce Chinatown’s mutually supportive functions as a neighborhood, capital city and visitor attraction” (San Francisco Planning Department, n.d.).



**Figure 4: Instances of No-Fault Evictions and Percentage of Rent-Controlled Units in San Francisco by Census Tract and Chinatown and Surroundings**

Source: San Francisco Department of Public Health

While these policies did effectively preserve existing affordable housing, the construction of new affordable housing in Chinatown—desperately needed for San Francisco overall—has been limited; the small stock of 342 subsidized and public units has not increased since 1990, despite increasing need (CHPC 2014). Thus, the neighborhood’s land use policy has given rise to other unresolved challenges of supplying sufficient housing in San Francisco. Plus, the housing in Chinatown is aging, meaning there is a declining quality of housing as buildings have deteriorated (Chinn 2014). According to one stakeholder, the zoning limits in the area limit the ability to rebuild existing buildings as affordable housing—“if they fall in an earthquake, we lose that [affordable] housing” (interview with authors).

However, constraints surrounding both redevelopment and rehabilitation have made Chinatown somewhat less desirable to residential real estate speculators, limiting displacement (Chinn 2014). Since many buildings would likely require major rehabilitation and potentially demolition to allow for conversion into condos or tenancies in common (TICs), a conversion project would be a much more difficult and costly undertaking in Chinatown compared to other San Francisco neighborhoods that have been systematically impacted by such types of redevelopment. In some senses, then, Chinatown has avoided gentrification because other areas were—and continue to be—more susceptible to gentrification, or lucrative for speculators seeking to flip residential properties (Chinn 2014).

## Community Resistance to Displacement

A profound sense of community identity persists among Asian American residents as well as a broader set of Asian American individuals who live outside the area yet remain deeply connected to Chinatown’s culture, institutions, and spaces. The driving force behind this sense of cohesion is a high rate of civic engagement, which has continued to shape Greater Chinatown’s built environment since the 1986 rezoning victory (Fujioka 2014). The presence of many non-profit organizations also helps with this community building (Eng 2015).

Even before these successes, a cohesive Chinese American community had begun forming in the 1960s, occurring in the context of the “fight against ‘urban renewal’”

and through several major fights, including over the International Hotel, a playground, and the Mei Yuen Affordable Housing Project (Chin 2015).

With affordable housing as an unceasing concern in Greater Chinatown as well as all of the Bay Area, the Chinatown Community Development Center (CCDC) and other community-based organizations have formed resilient organizing networks with citywide reach. They have also brought their resident base into the broader movement around the right to the city. Recent campaigns have taken on the uptick in owner-move-in evictions that singled out elderly residents as well as Ellis Act evictions. Informed by a commitment to community-based neighborhood planning from the ground up, CCDC, together with tenant groups such as the 1,000-member Community Tenants Association, have won new eviction protections for seniors and residents with disabilities.

In preserving community spaces and connections throughout Chinatown, strong political engagement has also preserved tight social networks among Chinese American residents. These social connections have also played a key role in the neighborhood's ability to resist gentrification.

## Conclusion

Despite its success, Chinatown faces ongoing challenges, including the opening of a new subway station there in 2019 (which could spur new gentrification) and eviction pressures in single-room occupancy buildings and elsewhere as young professionals move in (Har 2015; Dineen 2015). Stakeholders have reported increased levels of displacement recently; the latest data (the 2010-2014 American Community Survey) shows 43 fewer households who earn less than \$75,000 compared with 2013. While part of the broader picture of San Francisco's affordability crisis, the unduplicated factors that shape Chinatown's built form require a locally-tailored approach to preserving the neighborhood's livability and vibrancy. As with the 1986 Rezoning Plan, the neighborhood's effectively mobilized resident base allows for potential solutions to new problems to be indigenous to the community. Continued organizing efforts by community groups like CCDC will be critical as both the population and the neighborhood's infrastructure continue to evolve.

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