



## San Francisco, trade unions at odds over modular construction

By J.K. Dineen, *The San Francisco Chronicle*, November 27, 2020

San Francisco's first 100 percent affordable modular supportive housing project, assembly-line-built by Vallejo-based Factory OS, has drawn praise for the speed at which it is being built and its cost savings versus conventional development.

However, "San Francisco building trades leaders argue that modular construction lowers construction standards and pushes down wages. In September, in a letter to Mayor London Breed, Larry Mazzola Jr., San Francisco Building & Construction Trades Council board president, called the 833 Bryant St. complex 'unacceptable' and a 'direct insult' to union members.

"We are against modular housing unless it is built in San Francisco with union workers and craft-specific employees,' he stated in the letter.

"Factory OS co-founder Larry Pace said San Francisco has been the least receptive Bay Area county to factory-built housing.

"Oakland is embracing us with open arms. So is L.A., the South Bay. They need the savings,' Pace said.

"Factory OS workers are members of the East Bay carpenters union, but, 'They are getting paid less than what carpenters get paid on construction sites and they are doing other people's work,' Paulson said. The factory production model also means less work for plumbers, electricians, drywall lathers, glaziers, and other trades.

"Paulson said the trades are still hoping a modular factory can be built in San Francisco.

"To lower the wages of workers as a way to cut costs is absolutely unacceptable and obscene, considering the cost of housing and real estate in San Francisco,' he said. 'To say that it's OK because it's supportive housing and affordable housing and to use that as an excuse to cut workers' wages? Over my dead body.'"

**Read the full article [here](#).** (~6 min.)

**Related:** Factory OS has raised \$55 million from Google and Facebook, among other corporate investors, to expand its operations across California. Read more from Roland Li in the *San Francisco Chronicle* [here](#).

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