

Mayor's Office of Housing and Community Development

Mayor London Breed

City and County of San Francisco

October 2024



MOHCD Mission

Support San Franciscans with affordable housing opportunities and essential services to build strong communities.

Policy Priorities

- Racial Equity
- Anti-displacement & housing stability
- Housing opportunities for vulnerable communities
- Increasing our capacity to realize our mission

MOHCD Program Areas

New Construction

- Financing for 100% Affordable Buildings
- Regulation of Inclusionary Units
- HOPE SF implementation

Housing Preservation

- Former Public Housing
- Small Sites Program
- Preservation & Seismic Safety
- Rehab of Affordable Units

BMR Homeowner & Rental

- Lending
- BMR rental & ownership
- DAHLIA housing lottery
- Dream Keeper Initiative
- Housing Compliance and Monitoring

Community Development

- Community Services
- Housing Services
- Digital Equity
- Cultural Districts
- Community Building & Neighborhood Planning
- Capital

Affordable Housing Overview





What does “affordable” mean?

Housing is affordable if a household can make a monthly payment without sacrificing food, well-being, health or other essentials.



Household Income Brackets

2024 Area Median Income, by Household Size

	 1 Person	 2 People	 3 People	 4 People
Extremely Low-Income Households <i>Earn up to 30% of Area Median Income</i>	\$31,450	\$35,950	\$40,450	\$44,950
Very Low-Income Households <i>Earn up to 50% of Area Median Income</i>	\$52,450	\$59,950	\$67,450	\$74,950
Low-Income Households <i>Earn up to 80% of Area Median Income</i>	\$83,900	\$95,900	\$107,900	\$119,900
Moderate-Income Households <i>Earn up to 110% of Area Median Income</i>	\$115,400	\$131,900	\$148,350	\$164,850
Middle-Income Households <i>Earn up to 130% of Area Median Income</i>	\$136,350	\$155,850	\$175,300	\$194,800

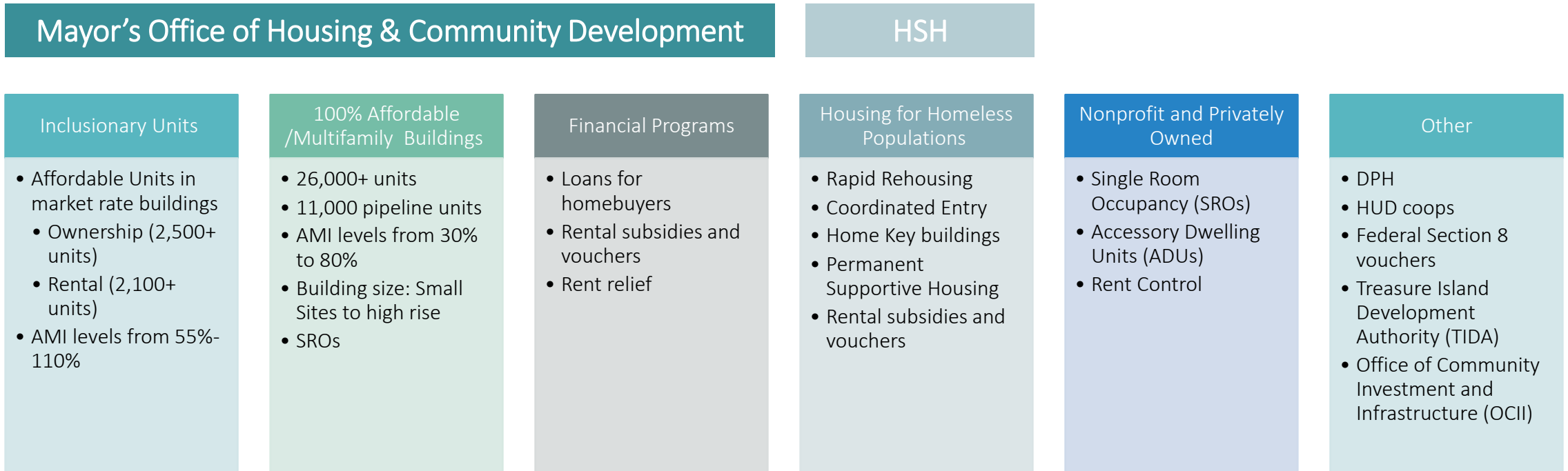
Rents by Income Bracket

	Studio rent	1 bedroom rent	2-bedroom rent	3-bedroom rent
30% AMI	\$786	\$899	\$1,011	\$1,124
50% AMI	\$1,311	\$1,499	\$1,686	\$1,874
80% AMI	\$2,098	\$2,398	\$2,698	\$2,998
110% AMI	\$2,885	\$3,298	\$3,709	\$4,121
130% AMI	\$3,409	\$3,896	\$4,383	\$4,870

Complete AMI categories and rental rates are available at: [2024 AMI-RentLimits-HMFA.pdf \(sf.gov\)](#)

Affordable Housing Types

Different types of housing serve different needs



OCOH- 2530 18th
Mercy and HPP



OCOH

PSH Pipeline – Under Construction

	Address	Selected Developer	Population Type	Total Units	PSH Units	% PSH	Start	Complete
600 7th (dba 801 Brannan)	600 7th	Mercy	Adults Families	221	120	54%	Jul-22	Dec 2024
Granada Hotel - Homekey	1000 Sutter	ECS	Adults	214	212	99%	Nov-20	Feb-25
4200 Geary	4200 Geary	TNDC	Seniors	98	32	33%	Apr-23	Feb-25
Knox SRO	241 6th St	TODCO	Adults	140	30	21%	Dec-24	Jun-25
730 Stanyan	730 Stanyan	CCDC / TNDC	Families	160	32	20%	May-23	Aug-25
78 Haight	78 Haight	TNDC	TAY	63	32	51%	Apr-22	Oct-25
Transbay Block 2 West	TBD	CCDC	Seniors	151	30	20%	Mar-24	Oct-25
2550 Irving	2550 Irving	TNDC	Family	90	37	20%	Jun-24	Dec-25
1633 Valencia	1633 Valencia	Mercy	Adults	146	145	99%	May-24	Dec-25

PSH Pipeline – Active Predevelopment

	Project Address	Selected Developer	Population Type	Total	PSH Units	% PSH	Start	Complete
1939 Market	1939 Market Street	Mercy/Openhouse	Seniors	187	40	21%	May-26	May-28
1515 S. Van Ness	1515 S. Van Ness	MEDA/CCDC	Families	168	42	25%	Mar-25	Mar-27
160 Freelon	160 Freelon	Related/SFHCD	Families	85	22	25%	May-25	Mar-27
2530 18th Street	2530 18th Street	Mercy / HPP	Families	96	47	49%	Feb-27	Feb-29
967 Mission	967 Mission	JSCo/BHPMSS	Seniors	95	24	25%	Jan-26	Jan-28
Treasure Island	TBD	JSCo/Catholic Charities	Families	150	61	41%	Nov-26	Jun-28
1979 Mission PSH	1979 Mission	MHDC/MEDA	Adults	136	135	99%	Dec-25	Jan-28
650 Divisadero	650 Divisadero	Jonathan Rose / JSCo / YCD	Families	95	24	25%	Jan-27	Jan-29
250 Laguna Honda	250 Laguna Honda	MHDC	Families	115	29	25%	Jan-27	Jan-29
249 Pennsylvania	249 Pennsylvania	Mercy / YCD	Families	120	60	50%	Jan-27	Jan-29
1334 Great Highway	1334 Great Highway	TNDC / SHE	Seniors			51%	Jan-27	Jan-29

Housing Placement: Lottery Preferences

1. Certificate of Preferences

- For **former San Francisco residents displaced in the 1960s and 70s**, during the SF Redevelopment Agency's federally-funded urban renewal program.
- All available units can be set aside for applicants with COP.
- Future expansion to descendants

2. Displaced Tenant Housing Preference Program (DTHP)

DTHP is only available in properties with 5 or more units in a MOHCD program.

1. **Tenants evicted by Ellis Act or owner move-in.**
2. **Tenants whose apartment was extensively damaged by fire.**
3. **Tenants with expiring affordability**
4. **Tenants in illegal units**

20% of available units can be set aside for applicants with DTHP.

3. Neighborhood Resident Housing Preference (NRHP)

NRHP is only available in new MOHCD funded properties with 5 or more units in a MOHCD program.

- For San Francisco residents who currently live in the **same Supervisor district as, or half-mile from, the property being applied to.**

40% of available units can be set aside for applicants with NRHP.

4. Live and Work in SF

Open to anyone living or working in SF

Affordable
Housing:

New
Construction

New Construction Considerations

How do we acquire sites?

- Public funds via NOFA
- Developer off site
- Development Agreements (DAs)
- Excess public lands, including SFUSD
- Other opportunities

Are there design constraints?

- Minimum 75 units per new building
- Midrise construction
- Transit oriented
- Proximity to amenities
- Availability of referral services for PSH

What are State funding priorities?

- Locate housing in high resource areas
- Low per unit cost
- Provide Extremely Low Income (ELI) / PSH units

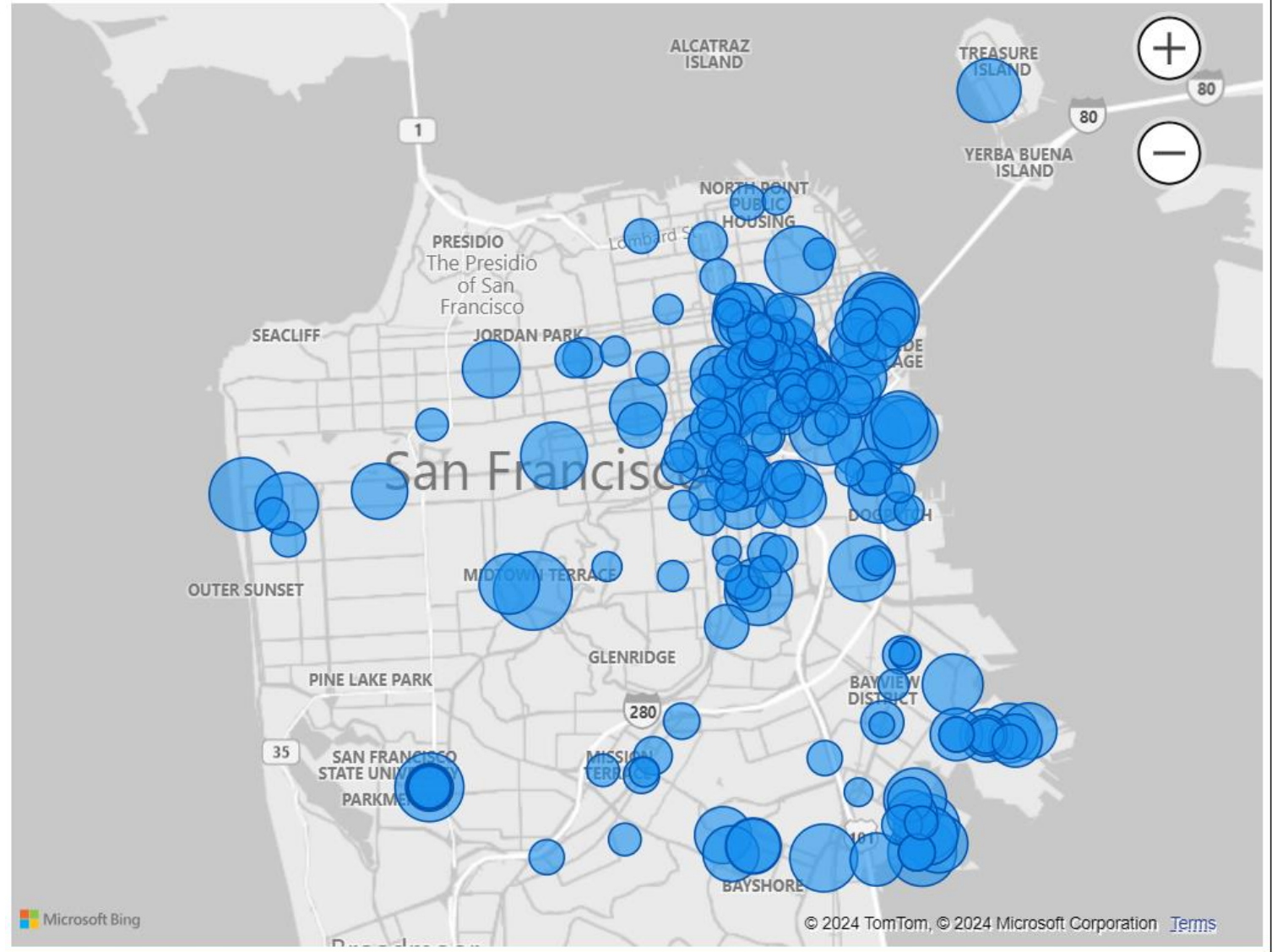
What are the City goals?

- Racial and social equity
- Increase housing production
- Include child care
- At least 20% of units for PSH
- 5% of units for residents in HIV housing list

MOHCD Affordable Housing Pipeline

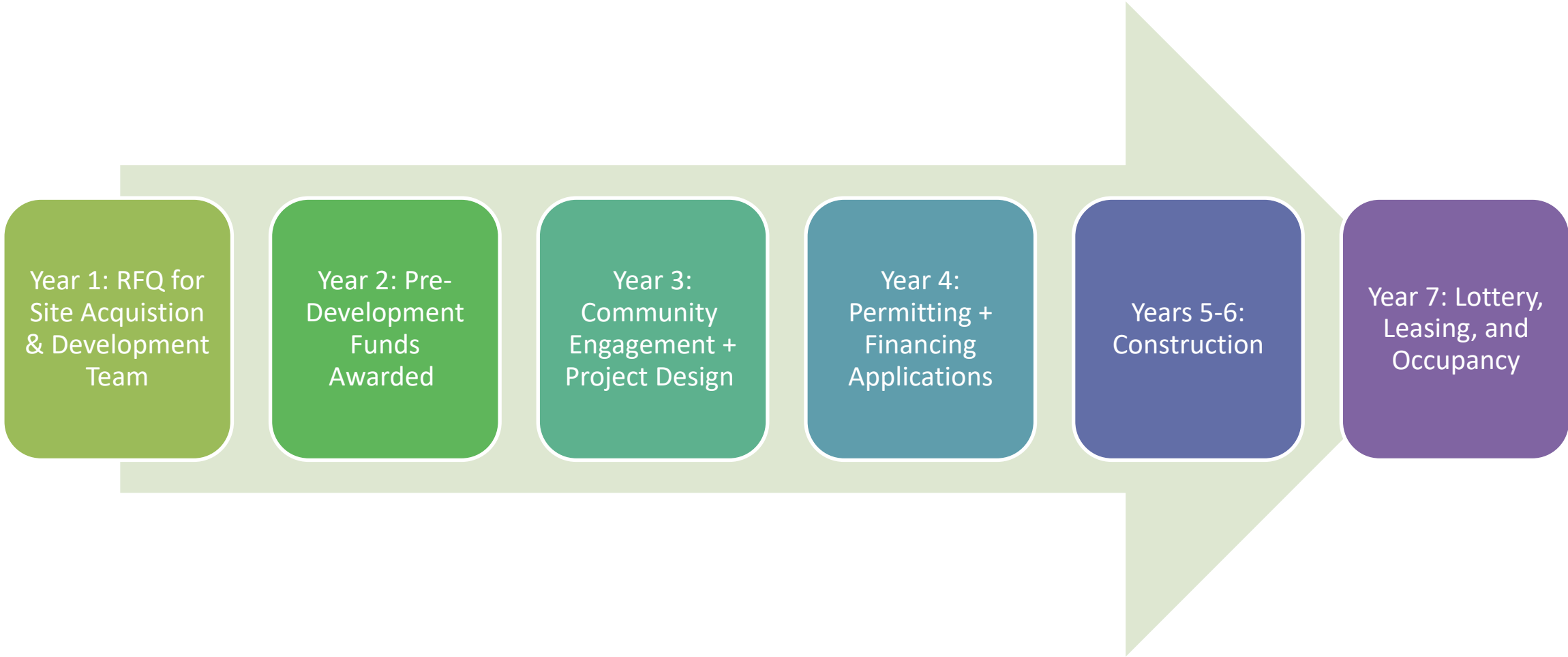
212 projects

10,670 units



Source: <https://www.sf.gov/data/mohcd-affordable-housing-dashboard>

AFFORDABLE HOUSING DEVELOPMENT TIMELINE



Affordable Housing Funding Sources

Low Income Housing Tax Credits (LIHTCs)

Tax Exempt Bonds

Federal Funding

- HOME
- CDBG

State Funding

- California Housing Accelerator
- Affordable Housing and Sustainable Communities (AHSC)
- No Place Like Home (NPLH)
- Multifamily Housing Program (MHP)
- Infill Infrastructure Grant Program

Local Funding

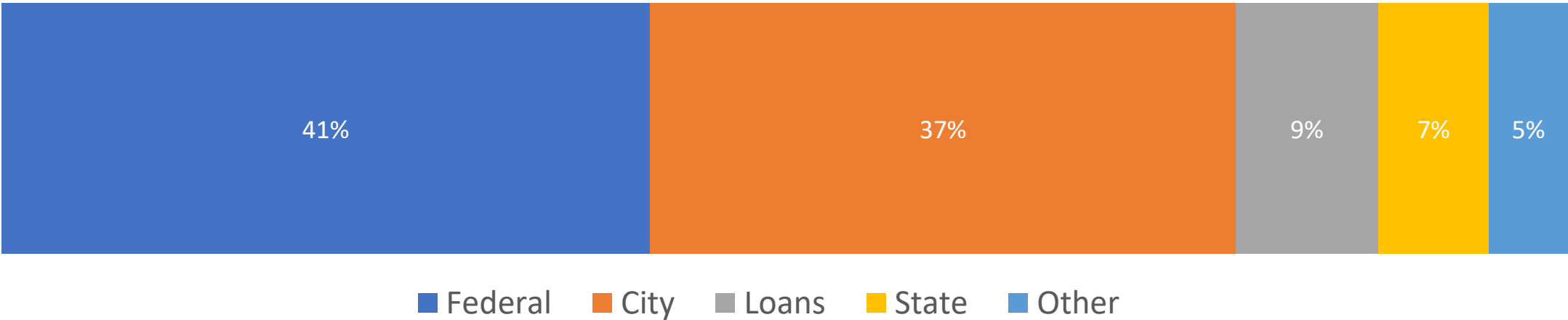
- Housing Trust Fund
- 2015 and 2019 General Obligation Bonds
- Inclusionary Fees
- Jobs Housing Linkage Fees
- PASS Bonds (for acquisition & rehab)
- Area Plan fees

Building-Based Rental Assistance

- Local Operating Subsidy Program (LOSP) for homeless
- Senior Operating Subsidy (SOS)
- Section 8 Housing Choice Vouchers (SFHA)
- Project Based Rental Assistance (PBRA - HUD OMFH)
- Continuum of Care (HUD CPD)
- HOPWA (HUD CPD)

Funding resources for affordable unit construction

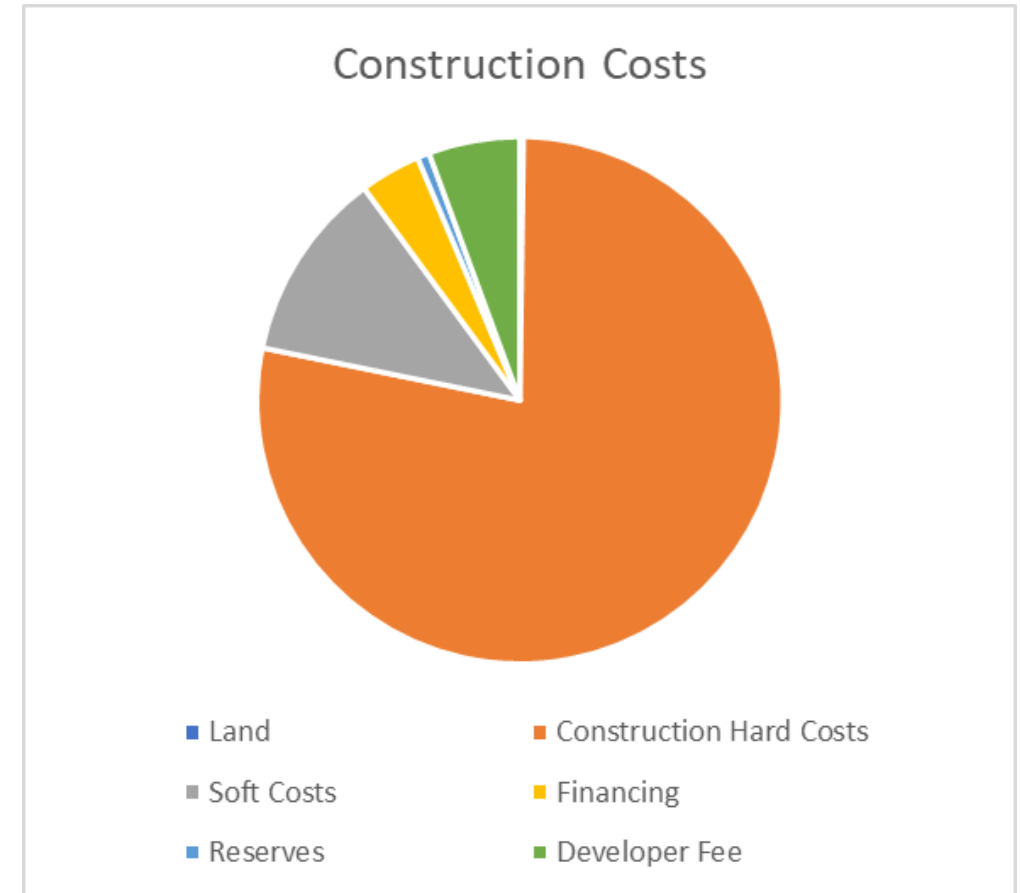
Local funds leverage federal and state funds



EXAMPLE PROJECT

681 FLORIDA – 130 FAMILY UNITS INCLUDING 40 PSH UNITS

Funding Source	Amount	Restrictions / Terms
Tax Exempt Bank Loan	\$3,050,000	3.45% interest, 20 years
MOHCD Gap Loan	\$30,147,923	0% Interest, 55-year term
HCD Multifamily Housing Program (MHP)	\$14,706,000	3% interest, 55-year term, 0.42% mandatory payment
Deferred Developer Fee	\$2,537,145	Paid out of cash flow by year 15
General Partner Equity	\$961,849	Developer contribution
Tax Credit Equity	\$33,912,411	\$1.04 price per credit
TOTAL	\$85,315,328	130 units



* Low land cost due to land dedication from market rate development

Challenges to Building More Affordable Housing

Construction

High Construction Costs

- Wages
- Land
- Building amenities
- Contracting requirements
- Construction insurance

Financing

- Local funding must leverage other public funds
- State and federal funds over-subscribed
- Limited subsidies for Very Low Income
- High interest rates

Neighborhood opposition

Operations

Income

- Nonpayment of rent
- Higher vacancies in PSH across developer portfolio
- Lower market rents post pandemic

Expenses

- Escalating & unpredictable insurance rates
- Increasing utility costs
- Increasing maintenance costs
- Increasing staff costs

Affordable
Housing:

Preservation

Preservation Programs

Cooperative Living for
Mental Health
(CLMH) with DPH

Preservation and
Seismic Safety
(PASS) Program

Portfolio project
Rehabilitation and
Recapitalization

Small Sites Program

RAD (Rental
Assistance
Demonstration)
rehabs (2015-2020)

Small Sites Program

Stabilizes at-risk communities by preventing displacement and increasing housing stability

Protects households across the widest range of incomes

(30%-120% AMI, or \$38,900-\$155,650 for a family of 3).

Keep residents in their homes regardless of income.

660+ units converted to permanently affordable to date

Adds permanently affordable housing where it is at the highest risk of conversion to market rates.

Funds critical repairs

Improves the safety and quality of San Francisco's existing housing stock.

Invests in a sustainable CBO ecosystem.

Leverages partnerships with specialized CBOs to achieve City's acquisition and preservation goals.

Community Development

Community Development

MOHCD oversees the distribution of HUD Community Development Block Grant funds, General Funds, and Housing Trust Funds

Administers federal grants: HUD CDBG and HOPWA

Local General Fund services

Housing Trust Fund: housing stability services

Emergency Rental Assistance programs

Community Development Programs

Nearly 45,000 individuals received community development and housing services in FY 2022-23

- Emergency Rental Assistance Program (SF ERAP)
 - Tenant Right to Counsel & Eviction Prevention
 - Housing Services & Counseling
 - Digital Equity Program
 - Cultural Districts Program
 - Capacity Building Grants
- ...and more!

What's Next?

Affordable Housing Advances

Advocacy: MOHCD advocates for State and Federal funds for new construction and leads by example to streamline the affordable housing process

- Participate in the High-Cost City Housing Forum, a collective of cities working to advocate for housing production in urban centers
- Work with elected State representatives and stakeholders to maximize competitiveness of SF projects, streamline and align state funding sources
- Work with elected Federal representatives to advocate for change in federal bond regulation that would increase tax exempt bonds and tax credits for development

New Programs:

- Launch Faircloth to RAD to leverage of federal subsidy resources
- HomeKey + to acquire and operate additional PSH units

Housing for All

- Reform restrictive zoning controls
- Reduce procedural requirements that impede housing production
- Revise inclusionary housing requirements
- Remove barriers for office-to-residential conversions
- Create new funding mechanisms to unlock the housing pipeline
- Standardize and reduce impact fees
- Meet RHNA goal of 82,000 new units in 8 years



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