



May 1, 2023

Mayor London Breed
Office of the Mayor
1 Dr Carlton B Goodlett Pl
San Francisco, CA 94102

RE: Housing Delivery Performance Assessment and Improvement Plan

Dear Mayor Breed,

In accordance with the requirements of the Housing for All Executive Directive 23-01, the Office of Economic and Workforce development (OEWD) is pleased to transmit our Housing Delivery Performance Assessment and Improvement Plan.

OEWD has several critical roles in housing production. We have made improvements to speed housing production in recent years, and we have also proposed several additional process improvements to respond to Housing for All.

Thank you for your leadership on housing. Please let us know if you have any questions.

Sincerely,

Kate Sofis
Executive Director, OEWD

Office of Economic and Workforce Development

Housing Delivery Performance Assessment and Improvement Plan

April 28, 2023



Role: The San Francisco Office of Economic and Workforce Development (OEWD) strives to create a thriving and resilient economy, where barriers to economic and workforce opportunities are removed, and prosperity is shared equitably by all. OEWD also advances Mayor Breed’s housing policies aimed at creating an adequate supply of housing for workers and their families in order to maintain and grow the local workforce. OEWD’s specific role in housing production falls in three major categories: 1) negotiating and entitling development agreements (DAs), 2) implementing DAs, and 3) overseeing workforce development aspects of housing projects, including helping ensure an adequate, trained supply of local workers to meeting targeted hiring goals.

a. Joint Development role:

- i. The Joint Development team manages the negotiation and entitlement process for large-scale projects on behalf of City departments and in partnership with developers. Development Agreement entitlements include community benefit obligations, often focused on housing, and outline a host of other infrastructure improvements and new public amenities that will be built within projects.

b. Housing Delivery role:

- i. The Housing Delivery team coordinates on all aspects of implementing the negotiated DAs. The team plays a coordinating role to focus all parties on efficient and effective implementation of the DA projects; when implemented, each DA brings significant public benefits to the City. The Housing Delivery team collaborates with the Planning Department to support production of the DA obligation reports, which are submitted annually by project partners.

c. Workforce role:

- i. OEWD’s Workforce Development Division oversees training and targeted hiring goals for housing production, and also supports efforts to end use employment created ancillary to housing through Development Agreements. The CityBuild program administers the nationally recognized CityBuild Academy pre-apprenticeship training program and administers project-specific special trainings. These programs provide construction skills training for residents seeking career opportunities in the sector through certified pre-apprenticeship training and pathway to apprenticeship. In addition, CityBuild administers the Local Hire and First Source Hiring Programs by providing oversight and

coordination of referrals of existing union workers for contractors to hire in order to meet workforce hiring obligations applicable to many housing projects. CityBuild is the day-to-day lead on tracking the development partner contractors' compliance with applicable DA workforce obligations, with the exception of prevailing wage requirements which are tracked and enforced by the Office of Labor Standards Enforcement. With respect to end use jobs created by commercial tenants that accompany housing created under DAs, OEWD Workforce Development Division funds job centers and industry trainings that are often supported through developer commitments and oversees First Source Hiring Program participation of non-construction employers that occupy covered commercial spaces.

- d. Flow Chart: See Exhibit A
 - e. [OEWD Organizational Chart](#) (see page 6 of linked document)
- B. Performance Assessment:
- a. N/A: OEWD does not review or approve permits.
- C. Housing Coordinator:
- a. Housing Delivery Housing Coordinator role: Assessment
 - i. The role of the Housing Delivery Housing Coordinator is to be the implementation point of contact for coordination around entitled DAs and ensuring that OEWD DA implementation functions are adequately staffed.
 - b. Workforce Housing Coordinator role: Assessment
 - i. The role of the CityBuild Housing Coordinator is to be the implementation point of contact for entitled DAs; CityBuild is the day-to-day lead on tracking the development partner contractors' compliance with their DA workforce obligations, with the exception of prevailing wage requirements.
 - c. Continuing improvements/coordination:
 - i. Continue quarterly DA implementation coordination meetings started in 2020 between Housing Delivery and Workforce/CityBuild, and SF Planning Department.
 - ii. Continue monthly Joint Development/Housing Delivery DA coordination meetings.
- D. Process Improvements:

- a. Completed housing process improvements:
 - i. Improvement: OEWD formed a dedicated Housing Delivery Team in 2016 to implement DAs that the OEWD Joint Development team entitled. This new team has grown (currently six team members) over the years as the portfolio of approved DAs has expanded.
 - 1. Outcome: Increased efficacy of OEWD-entitled DA implementation.
 - ii. Improvement: Executive Directive 17-02 was led by OEWD and resulted in a suite of implementation process improvements across all of the departments that manage implementation of DAs (Housing Delivery Agencies), as well as within and across departments that implement DAs; these process improvements are documented in a 2018 implementation plan and have been tracked by OEWD Housing Delivery.
 - 1. Outcome: Increased coordination, staffing capacity, and housing production speed and efficacy across all Housing Delivery Agencies with OEWD Housing Delivery as the implementation convener.
- b. New process improvements needed to meet the Housing Element goals:
 - i. Include Housing Delivery project managers in the development of pre-entitlement master infrastructure plans in order to improve effectiveness of post-entitlement infrastructure implementation.
 - ii. Establish a “bench” of third-party infrastructure consultants and inspectors to supplement plan review and inspection services on behalf of the Housing Delivery Agencies.
 - iii. Develop and publish a comprehensive list of permit requirements, timeline requirements, and plan specification needs for developers to set clear expectations and to reduce the occurrence of incomplete or late submittals.
 - iv. During the pre-entitlement stage, require developers to produce a detailed permitting plan with anticipated schedule.
 - v. Facilitate a developer workshop with Housing Delivery Agencies to discuss the implementation process from the developer side and solicit process improvement ideas.
- c. Timing for process improvements: Late 2023.

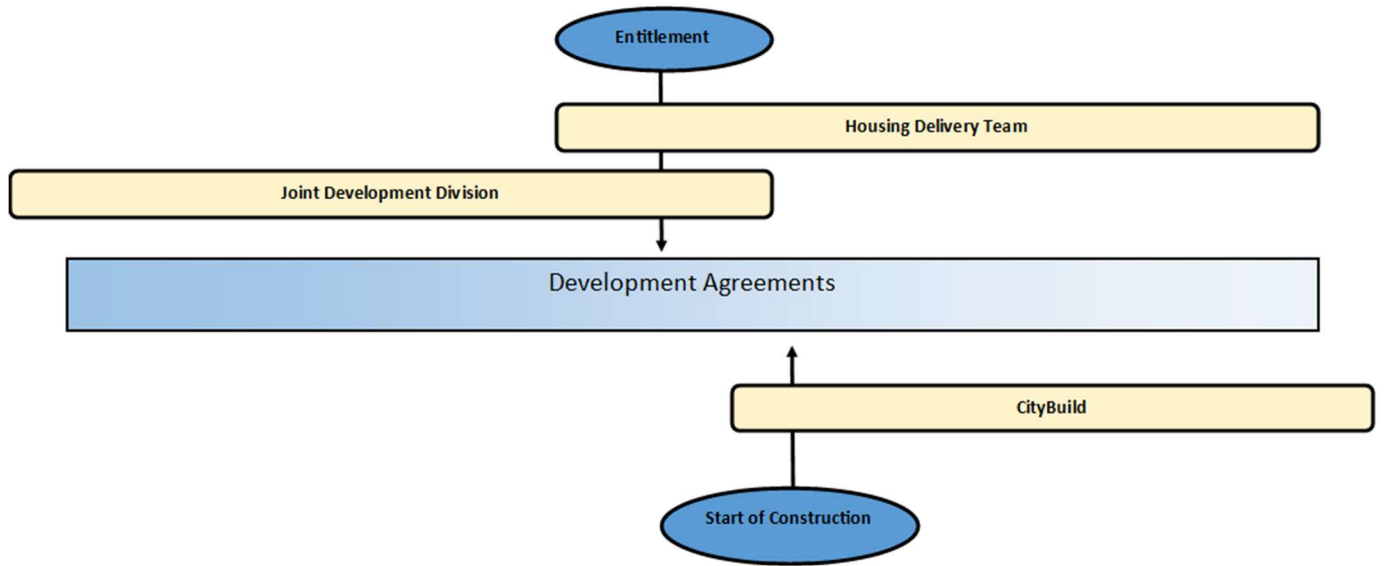
E. Capacity Assessment and Plan:

- a. Capacity assessment: Joint Development, Housing Delivery, and CityBuild are currently staffed with sufficient capacity to meet the existing workload.
- b. Meeting future needs:
 - i. Joint Development and Housing Delivery would each need to add project management capacity if the City substantially increased the number of DAs in negotiation and/or if the approved DAs increased in workload. Each division could handle added workload in the short term and would expand capacity as necessary.
 - ii. Workforce: With the anticipated expansion of housing delivery, CityBuild will need additional resources to support the growth of San Francisco's local construction workforce. Funding to support training to meet the workforce demands and provide the underserved San Francisco residents opportunities are paramount to the success of employing residents. In addition, staffing levels for compliance and employment services are strained with their current and expanding annual construction portfolio in Local Hiring and First Source projects. Additional hiring of compliance officers will help in holding contractors accountable with hiring of residents for the housing delivery.

Exhibit A

Office of Economic and Workforce Development (OEWD)

**Development Agreement Workflow*



* Read workflow left to right:

