



MAYOR'S OFFICE OF HOUSING
2008 ANNUAL HOUSING REPORT

CITY AND COUNTY OF
SAN FRANCISCO





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In San Francisco, we pride ourselves on our commitment to innovation, promoting diversity and enhancing the lives of those who are less fortunate in our society. We also have the distinction of having one of the most expensive housing markets in the country, so over the years, we have developed a strong commitment to providing quality, affordable housing opportunities to our residents, which is crucial to preserving the unique and distinct character of our great city. From the beginning of my tenure as Mayor, I made it one of my highest priorities to increase the quantity and quality of the affordable housing so that we do not lose those who want to live in San Francisco, yet are unable to do so because they cannot afford to stay.

This annual report was created to give you a snapshot of what we achieved in 2008, and also provide a glimpse of the diverse strategies that San Francisco uses to deliver quality affordable housing to its residents. Through the HOME 15/5 initiative, we challenged ourselves to produce more affordable housing units than ever before. We also made an unprecedented commitment to getting our homeless off the streets by offering them quality housing as well as the necessary services to get their lives back on track. Finally, we are revitalizing the City's most distressed 2,500 public housing units into mixed-income, thriving communities through our HOPE SF initiative. We have one site, Hunters View, slated to start construction at the end of 2009 and three other sites in the midst of predevelopment planning.


Our current economic challenges are daunting, yet they present us with an opportunity to show how in the midst of adversity we work harder to protect those who are most fragile in our society. Now, in a time when so many families are struggling to stay in their homes, we have committed resources to help families keep their homes and to support first-time homebuyers who want to purchase a home in San Francisco. To this end, during 2008 the City delivered record amounts of downpayment assistance and affordable homes to families who never thought they would be able to own a home, and we devoted unprecedented resources to foreclosure prevention counseling and intervention for those families at risk of losing their homes. In 2009, we look to further increase our support of



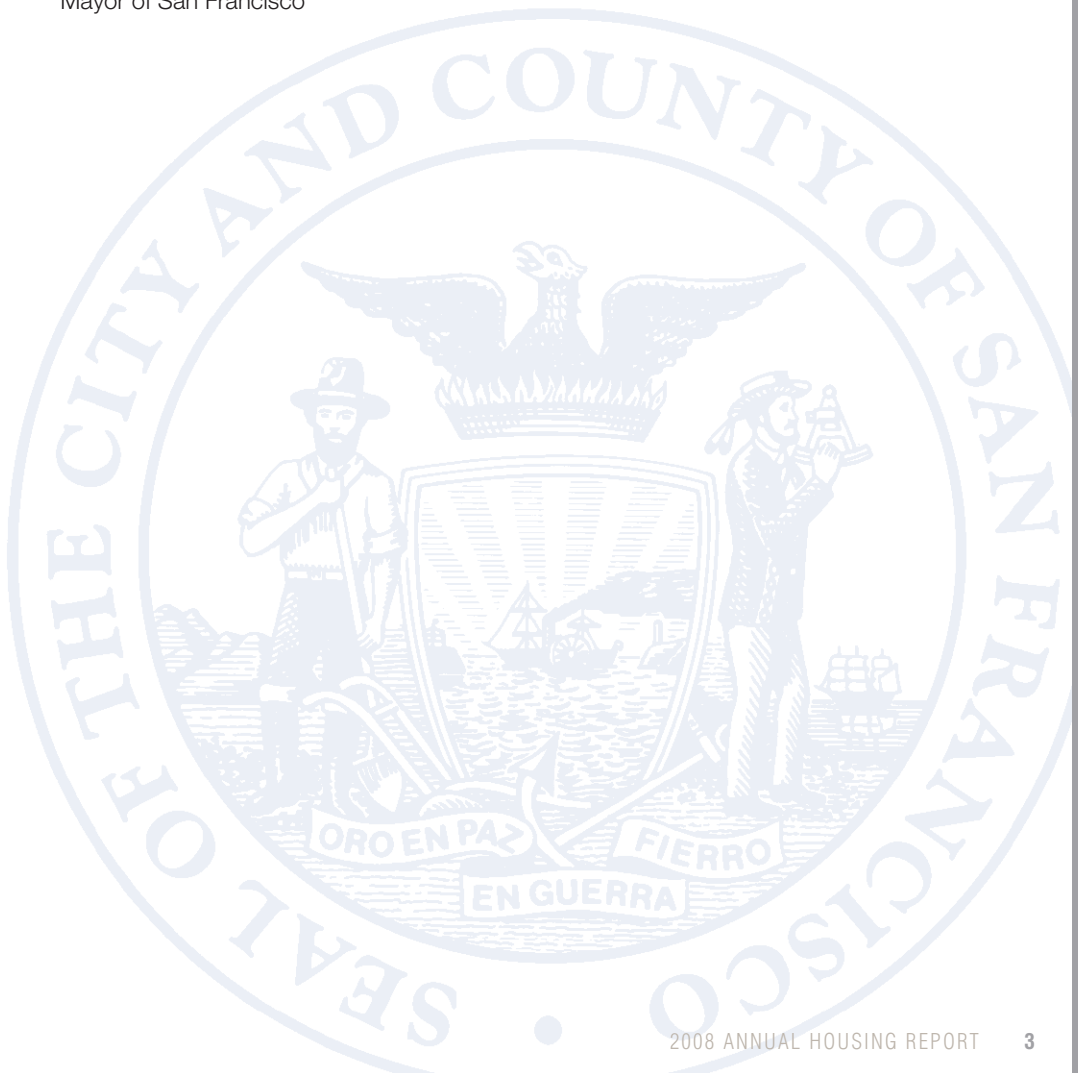
these families by committing \$10 million to foreclosure assistance. Finally, in the midst of this robust affordable housing production environment, the City is more determined than ever to never compromise on design quality and green building principles when producing housing.

This is an exciting time for affordable housing development in the City, and I am honored to be part of this ambitious effort to make sure all San Franciscans benefit from the momentum. I hope you find this report informative and that you will help us spread the word by informing your friends, family, neighbors, and work colleagues of what we are doing to provide affordable housing to those who need it.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gavin Newsom', with a long horizontal flourish extending to the right.

Gavin Newsom,
Mayor of San Francisco





As one of the most desirable places to live in the United States, San Francisco faces a near-constant shortage of housing. The imbalance between housing supply and market demand makes our city’s housing market one of the most expensive in the country. The need to create more affordable housing in San Francisco is, therefore, urgent. This is why housing production (the creation of new housing) is the City’s key strategy for combating the local housing imbalance. During 2008, Mayor Newsom pursued the goal of doubling the pace of housing production, particularly new affordable housing, by continuing to expand San Francisco’s ambitious Home 15/5 program.



HOME 15/5 PROGRAM DELIVERS 3,340 NEW HOUSING UNITS

Three years ago, Mayor Newsom launched a bold commitment to increase housing production by calling for the creation of 15,000 housing units over a five-year period, approximately 3,000 units per year.

The 15/5 goal represents the highest annual average of new housing creation that San Francisco has ever seen. In 2008, San Francisco exceeded Home 15/5's ambitious annual program goal by successfully completing 3,340 new housing units. Overall, production last year was 25% greater than in 2007 and an impressive 73% increase over the 10-year average in new production.

CITY'S HOUSING PIPELINE SET TO CREATE MANY MORE HOMES AND APARTMENTS

As we face challenging economic times, the City of San Francisco is maintaining a commitment to housing. Although real estate prices are down here, as they are across the nation, San Francisco's decline in housing prices during 2008 was smaller than any other Bay Area county.

Jobs from the new housing construction are a vital source of employment for local residents, and help offset rising unemployment across the region. So, while the City accomplished unprecedented levels of housing production in 2008, the real story lies in the new housing that is being built right now and will become available for occupancy in the near future. By the end of 2008, the Planning Department reported that approximately 6,400 homes and apartments were under construction all across San Francisco.

AFFORDABLE HOUSING DEVELOPMENT

"Affordable housing", as compared to "market rate" housing, is required by government to be priced less expensively for lower income people to afford and relies on taxpayer dollars to help support construction and maintenance. In San Francisco, there are five primary types of affordable housing: (1) housing that is built by non-profit and for-profit development companies with funding assistance from local, state and federal sources, (2) affordable units that are integrated into regular, market-rate developments due to San Francisco's Inclusionary Housing Ordinance, (3) public housing subsidized by the Federal government (4) portable "Section 8" housing vouchers used by families to subsidize their rent in the private real estate market and (5) single-room occupancy hotels that have been purchased and renovated by the City in order to provide new permanent, supportive housing for the homeless.

The San Francisco Housing Authority manages both public housing and the Section 8 voucher program, while the Mayor's Office of Housing and the San Francisco Redevelopment Agency facilitate non-profit and for-profit development of new affordable housing.

Across the nation, affordable housing helps to maintain healthy and diverse communities. In high-cost areas like San Francisco, affordable housing is especially important because without lower-cost housing options, our teachers, police officers, healthcare aids and many

other invaluable members of our community and our workforce would be forced to move outside the City.

The mission of the Mayor's Office of Housing (MOH) is to create affordable housing by providing financing for the development, rehabilitation and purchase of affordable housing in San Francisco. MOH administers a variety of programs to finance the development of affordable housing by non-profit and for profit developers, provide financial and educational assistance to first-time homebuyers and finance housing rehabilitation costs for low-income homeowners.

2008 was an extraordinary year for affordable housing -- 576 new affordable rental units were built. Importantly, the majority of the new affordable units in 2008 reached deep levels of affordability, meaning their prices are manageable for even our lowest-income residents, like seniors living on social security or homeless families. In addition, the Mayor's Office of Housing helped create 651 new units of affordable housing through the renovation of existing buildings -- an important strategy to continue in the future considering the scarcity of undeveloped land in San Francisco.

**AFFORDABLE HOUSING CREATION TO REMAIN STRONG
DESPITE DOWNTURN**

Even as the City makes tough choices and cut-backs to manage our state and local budget crisis, San Francisco remains committed to providing low-income residents with decent and affordable housing. In fact, new affordable housing will soon reach historic

AFFORDABLE HOUSING SUCCESSES IN 2008:

576 | Brand new affordable apartments built

651 | Affordable apartments received major renovations

973 | Affordable homes and apartments currently under construction or renovation

4,792 | Affordable homes and apartments in planning

levels. There are currently 973 units under construction and, with the number of projects currently in the planning process, there could be as many as 5,000 new affordable housing units available over the next 10 years. The City intends to push all development forward aggressively as an economic stimulus.

STREAMLINING THE DEVELOPMENT PROCESS LEADS TO REDUCED COSTS

Building anything new requires many local review and approval processes to ensure that the final structure is safe, respects the neighborhood context, serves community needs and meets environmental standards. From start to finish, the typical development process can take anywhere from three to five years. The process begins with the Planning Department's approval of entitlements, followed by building permit approvals from Department of Building and Inspection and ends with the issuance of a certificate of occupancy after construction. Housing developers are always looking for a more streamlined and efficient process since costs rise the longer it takes for a project to be approved for construction.

Recognizing the need to increase efficiency and help developers better navigate approval processes, Mayor Newsom made several key changes in 2007. First, he brought in new leadership to reform the Planning and Building Inspection departments. Second, he launched an ambitious Business Process Reengineering (BPR) initiative to streamline the City's development approval process.

The BPR initiative will ensure reduced costs and improved customer service to developers and citizens alike by:

- eliminating redundant, unnecessary reviews, approvals, and regulations
- ensuring faster turnaround times for plan review and submitted permit applications
- creating a much-needed integrated permit tracking system

ONE OF THE STRONGEST INCLUSIONARY HOUSING PROGRAMS IN CALIFORNIA GETS EVEN STRONGER

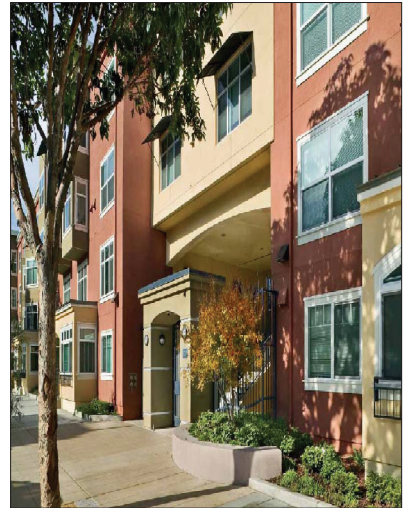
Under the San Francisco Planning Code, real-estate developers are required to sell or rent some units in any new development at a "below-market-rate" (BMR) price to households earning no more than the median income in the City. These lower income households then pay only 33% of their total income for housing costs. In 2008, for example, a three-person household earning \$74,600 paid \$237,072 to purchase a two bedroom unit, 72% less than the average price for a market rate condo, townhome or flat.

In 2006, the law governing the Inclusionary Housing program was significantly revamped to respond to the growing housing crisis in San Francisco. Working collaboratively with developers and community stakeholders to assess the real impact of increased Inclusionary Housing requirements, the City pushed the requirements as high as possible without hampering new development.

The result is an Inclusionary Housing policy that is one of the strongest and most effective in the state. According to Dianne Spaulding, Executive Director of the Non-Profit Housing Association of Northern California, “San Francisco’s Inclusionary Housing policy was already a model for cities across the country. These changes have raised the bar even higher.”

Today, developers of buildings five units or larger, must provide 15% of their units as affordable, an increase from the previous 10-12% requirement.

These policy changes bore fruit in 2008. The Inclusionary Housing Program delivered 390 new affordable rental and ownership units to San Francisco.

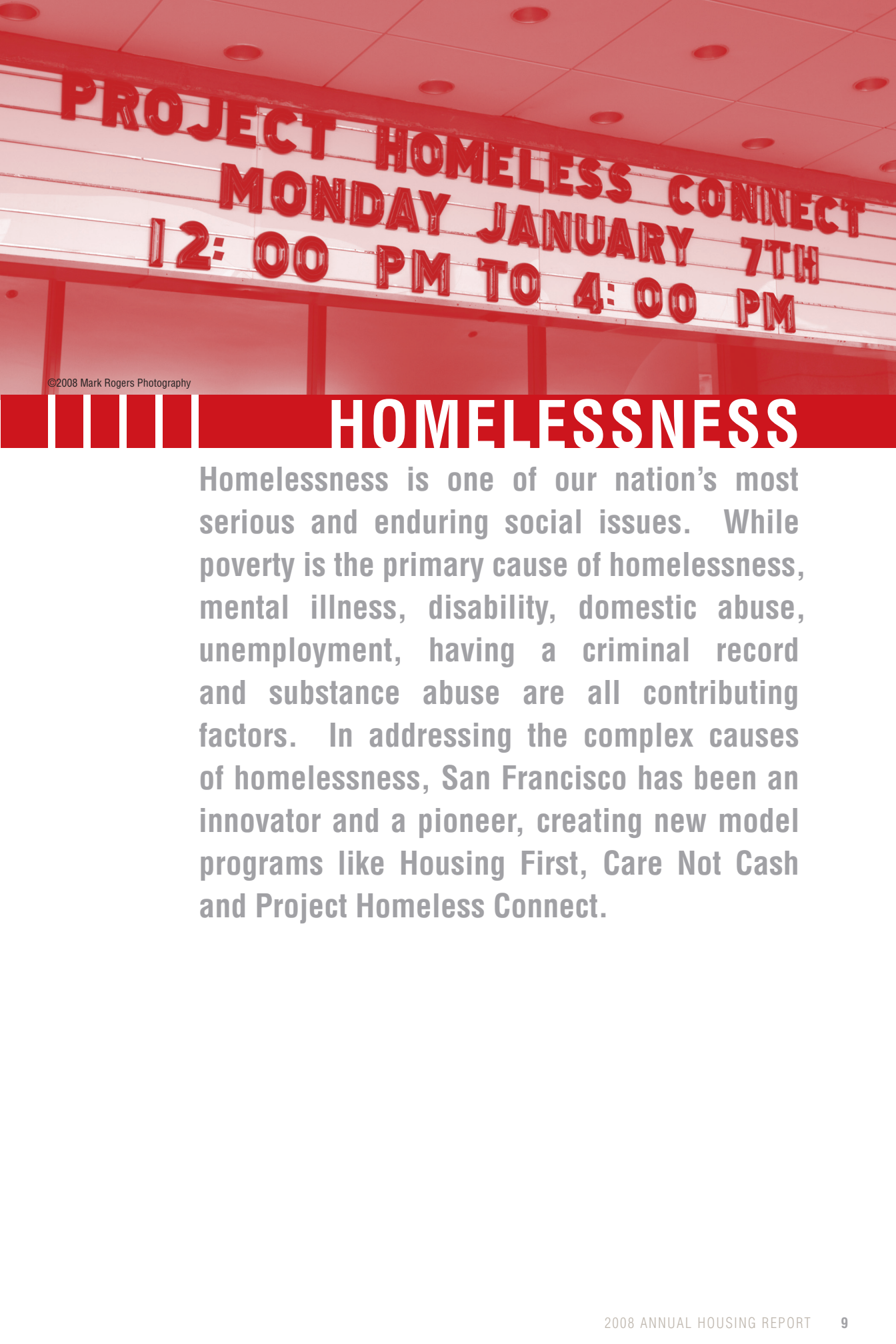


Inclusionary housing at North Beach Place.

INCLUSIONARY HOUSING PROGRAM OPTIONS

According to the San Francisco Planning Code, developers of projects that are at least five units in size must select one of the following options to comply with Inclusionary Housing Program requirements.

- 15% of the total units constructed are affordable units located onsite, seamlessly integrated into the development
- 20% of total units constructed are affordable units and located offsite within one mile of the principal development
- Pay an in-lieu fee instead of building affordable units. In-lieu fees are updated annually to reflect the difference between real development costs and affordable sales prices. The in-lieu fee for a 2 bedroom unit in 2008 was \$334,478.

A red-tinted photograph of a building's marquee sign. The sign is illuminated and displays the text 'PROJECT HOMELESS CONNECT' in large, bold, capital letters. Below this, it says 'MONDAY JANUARY 7TH' and '12:00 PM TO 4:00 PM'. The background shows the building's facade and windows, all under a red color overlay.

PROJECT HOMELESS CONNECT
MONDAY JANUARY 7TH
12:00 PM TO 4:00 PM

©2008 Mark Rogers Photography

HOMELESSNESS

Homelessness is one of our nation's most serious and enduring social issues. While poverty is the primary cause of homelessness, mental illness, disability, domestic abuse, unemployment, having a criminal record and substance abuse are all contributing factors. In addressing the complex causes of homelessness, San Francisco has been an innovator and a pioneer, creating new model programs like Housing First, Care Not Cash and Project Homeless Connect.

A PLAN TO END CHRONIC HOMELESSNESS

The 2004, San Francisco’s 10-Year Plan was developed under the leadership of former Supervisor Angela Alioto and 33 talented individuals representing homeless service providers. The plan set aside failed policies and radically changed the direction of San Francisco’s approach to chronic homelessness, providing a long-range blueprint for improving the City’s homeless services. The plan asked that the City phase out ineffective shelter-based programs and called for the creation of 3,000 new units of permanent supportive housing. The plan’s central strategy is a housing first model. The “Housing First” model emphasizes immediate placement of homeless individuals into permanent housing, where they have access to services, on site, necessary to stabilize and remain housed. Over the past 4 years, the City has made steady progress toward the 3,000 unit goal. By the end of 2008, 1,367 individual apartments and single room occupancy units had been made available as permanent supportive housing and an additional 384 units were under construction.



A client departs a Project Homeless Connect event, having received valuable services and take away items.

HOUSING FIRST

The City of San Francisco has committed to the goal of ending homelessness by assisting individuals and families who are homeless and at risk of homelessness. For the past twenty years, solutions to homelessness have focused on emergency shelter programs to the exclusion of more holistic and effective interventions. While they are a critical part of the solution, emergency shelters and transitional programs rarely assist families and individuals in overcoming barriers to accessing permanent housing, such

TEN YEAR PLAN TO END HOMELESSNESS

The San Francisco Local Homeless Coordinating Board (LHCB), the primary city policy body responsible for homelessness planning and coordination, has identified six priorities to end homelessness in San Francisco:

- increase the supply of permanent, affordable housing that offers services to achieve housing stability
- prevent homelessness by supporting transition from incarceration, foster care and hospitals into permanent housing
- provide interim housing in shelters to support access to permanent housing
- improve access points and provide “wraparound” support services for those who are housed and yet to be housed
- increase economic stability through employment services, mainstream financial entitlements and education
- ensure coordinated citywide action to end homelessness

as poor credit, lack of funds for a deposit and unemployment. The guiding principle of the City's homeless policy is to deliver Housing First – an understanding that a homeless person's primary need is permanent housing. The City's goal is to re-house the homeless in safe, decent and affordable housing and to enhance this housing assistance with comprehensive, intensive services and follow-up case management after the individual or family is housed. To achieve this, the City has launched several creative initiatives including the Local Operating Subsidy Program, Care Not Cash, Project Homeless Connect and the Local Outreach Team.

Since launching this Housing First approach in 2004, over 9,000 homeless single adults have left the streets or shelter system for permanent housing.

CITY OPERATING SUBSIDIES

The Mayor's Office of Housing is helping to pave the way nation-wide with our strategies to support housing for the homeless. In most other cities, the organizations that own and manage housing for the homeless have a difficult time keeping their doors open. Because tenants can pay very little rent, these non-profit landlords often find themselves short on funding for building maintenance and upkeep. To address this problem, the City provides non-profit property managers in San Francisco with operating subsidies to ensure that formerly homeless tenants reside in safe and decent housing with on-site property managers and support staff. Without funding from the City for operating subsidies, permanent supportive housing for the homeless could not be sustained.

CARE NOT CASH

In 2004, The City of San Francisco launched the Care Not Cash Program, which offers homeless adults who receive aid from the County Adult Assistance Program (CAAP) permanent housing opportunities and enhanced services. As a portion of their CAAP benefit, CAAP recipients are offered up-front direct access to permanent supportive housing and comprehensive social services.

Since the program's inception, there has been an 83% reduction in the number of CAAP recipients who are homeless. Over 2,500 homeless CAAP recipients have been placed in housing via the Care Not Cash Program.

PROJECT HOMELESS CONNECT

San Francisco knew it was not enough just to create housing opportunities and services for the homeless; we also had to ensure that the homeless knew about them and had access to them. San Francisco also knew that it would take the entire community to make this happen.

In 2004, Mayor Newsom created Project Homeless Connect (PHC). PHC uses volunteers who partner with non-profits, city government and members of the private sector to offer large-



**PROJECT
HOMELESS
CONNECT**

scale, one-day housing and supportive services fairs that serve as a one-stop shop for the homeless. At a PHC event, attendees will find mental and medical health services, substance abuse counseling, legal assistance, housing assistance, dental benefits, free eyeglasses and more. On average, 2,000 individuals access over 100 different services at each event.

To date, over 20,000 volunteers, 250 non profits and 300 corporations have participated and a total of 27,000 homeless and poor San Franciscans have been connected to services. Owing to its enormous success, Project Homeless Connect has become an international model and been adopted in over 100 cities, including cities in Puerto Rico, Canada, and Australia. After 27 PHC events, PHC continues to build strongly upon its success, engaging and serving increasing numbers of people.

HOMELESS OUTREACH TEAM

Connecting with the City's homeless does not end with a Project Homeless Connect event. Each day, the San Francisco Homeless Outreach Team (HOT), a group of 20 caseworkers, hit the street to help the homeless address their immediate needs and offer benefits such as medical and mental health services, substance abuse treatment, and housing opportunities. This concept has been so successful that Philadelphia, New York and Chicago are replicating our model.





Photo: Thomas Hawk

HOMEOWNERSHIP

Homeownership plays a vital role in maintaining strong communities and builds a base of financial security for generations to come. Like other families that have a commitment to bettering their communities, you will find homeowners addressing public safety concerns, working to improve their local schools and creating a sense of community with their neighbors. Homeownership is a dream for many San Franciscans. In this period of economic uncertainty, it is more important than ever to help San Francisco families retain their homes, often a household's largest asset. The Mayor's Office of Housing is committed to ensuring that persons of all income levels have the tools to become homeowners and to protect themselves and their homes against foreclosure.

COMMUNITY-BASED HOMEBUYER EDUCATION PREPARES FAMILIES

The City of San Francisco assists low- and moderate-income households achieve the dream of homeownership through several programs. In partnership with our nonprofit homebuyer counseling agencies, the City provides prospective homebuyers in San Francisco with free access to education and financial assistance programs to help them navigate the complex process of purchasing a first home and of getting a fair mortgage.

DOWNPAYMENT ASSISTANCE GIVES FAMILIES THE MONEY UPFRONT

DALP (Downpayment Assistance Loan Program) provides downpayment assistance to low- and moderate-income first-time homebuyers. DALP program reforms in 2007 made it easier for low-income families to purchase market rate units in San Francisco. For example, DALP can now be used in combination with first mortgage loans backed by the California Housing Finance Agency (CalHFA), and with the Federal Home Loan Bank's WISH program. These partnerships have significantly increased the amount of capital and subsidies available to potential buyers.

Through partnerships with other agencies, such as the SF Housing Authority, banks and non-profits like EARN, the Mayor's Office of Housing is opening the door to homeownership for low and moderate income families who never thought homeownership would be possible. For instance, the City entered into a partnership with the San Francisco Housing Authority's Family Self Sufficiency Program (FSS), allowing families previously enrolled in the Section 8 program to become homeowners with the DALP.

PRESERVING HOMEOWNERSHIP & HELPING INDIVIDUALS STAY IN THEIR HOMES

The Mayor's Office of Housing took early action in 2007 to deal with the rising threat of foreclosures by forming the Don't Borrow Trouble (DBT) collaborative. In partnership with the City Assessor/Recorder's office and several non-profit and private partners, DBT created a toll-free hotline, counseling services and educational materials in several languages, as well as access to free legal assistance for San Franciscans facing foreclosure.

The Mayor's Office of Housing funds homeownership counseling services for San Franciscans in English, Spanish, Mandarin, Cantonese, Vietnamese and Tagalog. Our community-based counselors guide prospective homebuyers through the complicated process of credit repair and financing, helping them become familiar with real estate terminology and strategies to successfully acquire and keep their homes. By investing in homeownership education, the City improves the likelihood of success among the participants of its homeownership programs and allows low- and moderate-income families to build assets.




TEACHERS AND POLICE OFFICERS AS HOMEOWNERS – THE FOUNDATION OF A STRONG COMMUNITY

Mayor Newsom has launched two much-needed homeownership programs: Teacher Next Door (TND) and Police in the Community (PIC). These programs were created to assist public school teachers and police officers purchase their first home in San Francisco. Both programs offer forgivable loans to qualified public school teachers and police officers in exchange for service commitments in their respective positions. The San Francisco Unified School District has identified the retention of credentialed teachers as a top priority. Likewise, the SFPD has identified the recruitment and retention of police officers as crucial to the City's crime prevention efforts. Both loans can be used with the DALP, CalHFA-backed first mortgages, and other financing.

INCLUSIONARY HOUSING PROGRAM DELIVERS MORE HOMEOWNERSHIP OPPORTUNITIES

The Inclusionary Housing Program administers hundreds of for-sale and below market rate (BMR) rental units produced by the City's Inclusionary Ordinance. Developers of residential housing in San Francisco must set aside 15 percent of their units for low-income families to purchase or rent. Over 1000 BMR units have been created since 1990, with 390 homeownership and rental units created in 2008. BMR units are sold by lottery to qualified households, and are priced to be affordable to San Franciscans earning at or below the Area Median Income.



Allison Wyckoff and Armon Saleh-Kasmai were the recipients of the first TND loan. Armon is a high school teacher at the June Jordan School for Equity, and Allison works at the Asian Art Museum. They purchased a two bedroom condominium at St. Francis Square Coop in the Western Addition.

HOW DID THEY DO IT?

- 1st Mortgage Loan – First Republic Bank
- Teacher Next Door loan

Susan Feldman and Jeffrey Argentos purchased a home one block from Oceanview Park. They are both physically disabled and on fixed income but were determined to realize their dream of owning a home. They received downpayment assistance (DALP) and a rehabilitation loan from MOH and with the help of an innovative architect, they made major upgrades to make their home accessible, including installing a chair lift for Susan, renovating their bathroom, building an accessible laundry room, and installing a hydronic heating system necessary for Jeffrey's lung condition.

HOW DID THEY DO IT?

- Home Choice 1st mortgage loan from Guild Mortgage
- DALP from the City
- CHDAP (California Housing Finance Agency Down Payment)
- CalHome rehab loan to install a chairlift and bathroom disability fixtures



HOMEOWNERSHIP SUCCESSES IN 2008:

681

| Households assisted through pre-purchase education and counseling services.

423

| Households achieving homeownership in SF last year through City's programs.

201

| Households assisted through foreclosure prevention services.

162

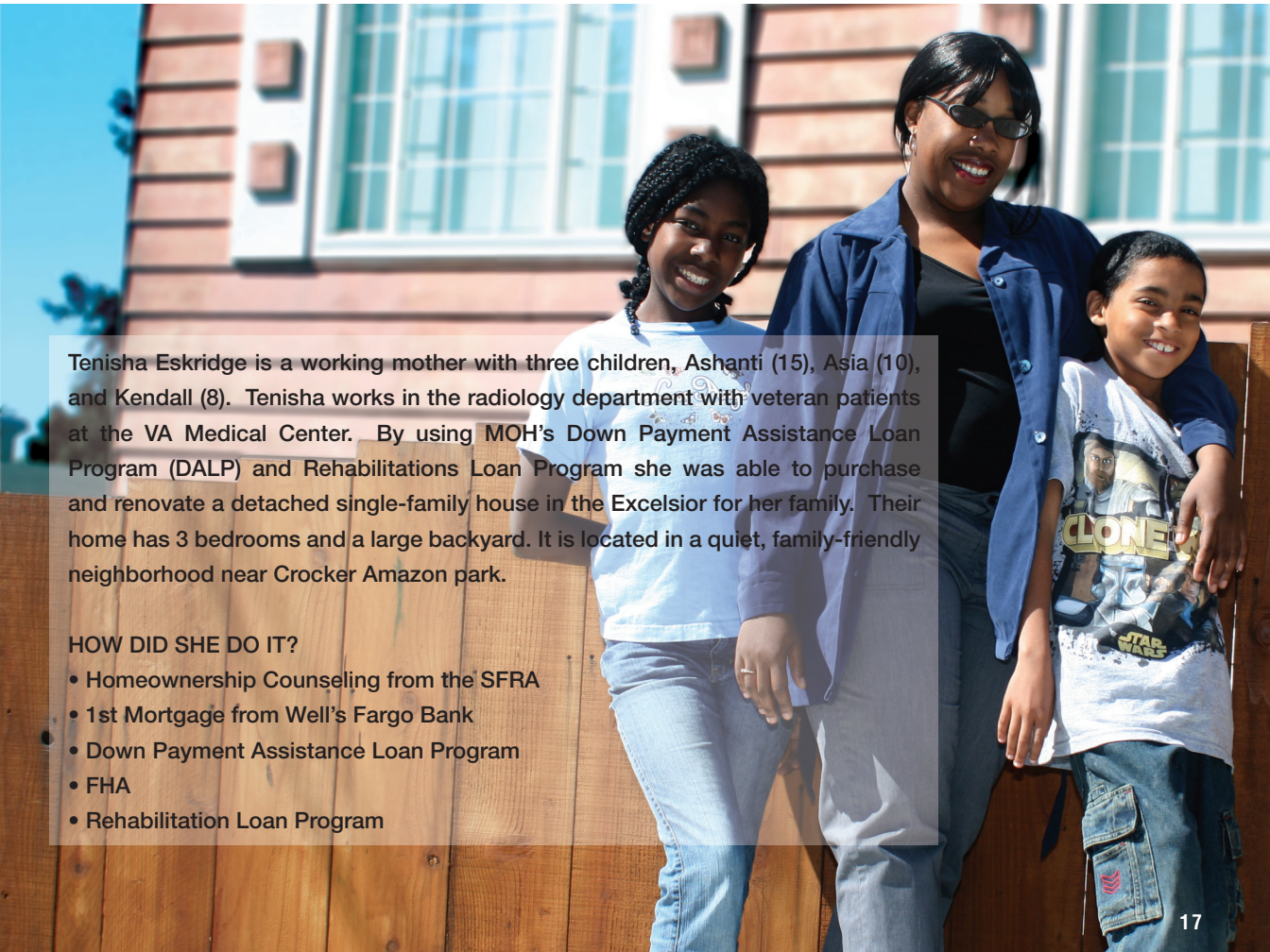
| Households receiving rehabilitation, lead abatement and energy efficiency services.



HOME REHABILITATION KEY TO NEIGHBORHOOD PRESERVATION

The Mayor's Office of Housing provides no-interest or low-interest loans to help low-income homeowners to rehabilitate and maintain their property. This serves as an important tool to preserve the City's housing stock, especially in low-income neighborhoods where there are many homeowners. Last year, the City provided a total of \$3,297,000 in loans and grants to low-income property owners to maintain, rehabilitate and make their homes healthier and more efficient.

The rehab programs at MOH include free lead abatement services for low income families with children, and energy efficiency upgrade services to help homeowners achieve a better carbon footprint while lowering their energy costs and their bottom line. The Underground Utility Grant program works in conjunction with the City's Public Utilities Commission to help low income homeowners access the new GoSolar incentive program for the installation of photovoltaic solar panels.



Tenisha Eskridge is a working mother with three children, Ashanti (15), Asia (10), and Kendall (8). Tenisha works in the radiology department with veteran patients at the VA Medical Center. By using MOH's Down Payment Assistance Loan Program (DALP) and Rehabilitations Loan Program she was able to purchase and renovate a detached single-family house in the Excelsior for her family. Their home has 3 bedrooms and a large backyard. It is located in a quiet, family-friendly neighborhood near Crocker Amazon park.

HOW DID SHE DO IT?

- Homeownership Counseling from the SFRA
- 1st Mortgage from Well's Fargo Bank
- Down Payment Assistance Loan Program
- FHA
- Rehabilitation Loan Program



Photo: Bob Canfield

PUBLIC HOUSING

“Public Housing” refers to affordable housing that is owned and managed by a local Housing Authority, an independent government agency that receives support directly from the Federal Department of Housing and Urban Development (HUD). The San Francisco Housing Authority (SFHA) owns 6,262 units of public housing, making it one of the largest property owners in the City- responsible for 19% of all publicly supported affordable rental housing.

In 2007, an independent assessment of Housing Authority properties reported disturbing news: SFHA had at least \$267 million in immediate needs for repairs and renovations. With a total annual budget of only \$16 million per year, which itself only covers 80% of their needs, the Housing Authority turned to creative problem solving.



THE COST OF DOING NOTHING

Old, deteriorating buildings put families, seniors and children at risk for health and safety issues. National studies have shown that deferred maintenance in deteriorating buildings contributes to environmental health issues such as chronic asthma. Likewise, the level of concentrated poverty and violence that characterizes many public housing sites has been shown to limit educational and employment opportunities for children and families. In San Francisco, 60% of the families who are in crisis and receive services through multiple city agencies—Child Welfare system, the Juvenile Probation Department and the Mental Health system—reside near 7 specific street corners. Six of these corners are in and around public housing sites.

HOPE SF IS THE CITY'S DECLARATION THAT IT CAN WAIT NO LONGER

In the past, the SFHA relied on the federal HOPE VI program to fund the rebuilding of severely distressed public housing. However, the federal budget for HOPE VI has dwindled considerably. Unless San Francisco develops its own solutions to the public housing crisis, the already tragic living conditions faced by residents will worsen catastrophically.

Thus, HOPE SF was born. HOPE SF's mission is to rebuild the City's most distressed public housing sites, increase affordable housing and ownership opportunities and improve the quality of life for the existing residents and the neighboring communities. HOPE SF represents a chance to turn today's public housing communities into vibrant, mixed-income communities.

The SFHA has identified eight highly distressed public housing sites. These sites were developed in the 1940s and 1950s and the buildings are now severely distressed. The first phase of HOPE SF calls for local funds to finance the rebuilding of 1800 units in four of these eight public housing sites. These developments will use modern design principles to transform over 100 acres of dilapidated apartments into 3000 new homes including both for-sale and rental units. Our first HOPE SF site is scheduled to begin construction in Winter 2009.

From its inception, the HOPE SF Initiative has recognized that real estate alone does not make a healthy community. We believe the human side of redevelopment should never be forgotten. That is why the City of San Francisco is committed to working closely with public housing residents, local businesses, neighbors and service providers at the highest levels of planning. In addition to delivering new housing, the City is committed to enhancing the lives of HOPE SF's current public housing residents.

ACTION IN 2008

The year 2008 saw a flurry of activity for the HOPE SF Initiative. Three new sites were selected to be rebuilt, and the City of San Francisco committed \$3.5 million to support a robust 18-24 month planning period for re-designing the housing and community amenities on these properties. During this time, each development team leveraged these

local funds to attract additional federal and private funding, work with residents to create physical site plans and design on-site services for future residents.

OPERATIONAL HEALTH

The other key outcome of HOPE SF will be the chance to restore financial solvency to the San Francisco Housing Authority (SFHA). The eight future HOPE SF sites represent 80% of the SFHA most distressed and deteriorating properties. In terms of future capital needs, rebuilding these sites would reduce the SFHA capital repair needs by \$125 million or 47%. The long-term financial relief would allow SFHA capital funds to be dedicated to other critical repair needs facing their remaining senior and family housing sites.

DELIVERING IMMEDIATE NEED REPAIRS

Since the HOPE SF rebuilding process will take years, the City has taken immediate steps to address urgent infrastructure and rehabilitation needs at public housing sites. In 2007, MOH and SFHA created a \$2 million annual public housing repairs program to make immediate repairs.

Supported by the City's HOPE SF funds in 2008, SFHA rehabbed 70 vacant units that now are available for needy families. Using the remainder of the fund, SFHA focused on repairs that had the greatest effect on safety, security, and health issues impacting their residents' quality of life. A snapshot of repairs completed in 2008 include the installation of new entry gates and security cameras, fire alarm systems, sewer system improvements, repairs to elevators and improvements to lighting in stairwells and on walkways



An overwhelming number of SFHA properties are beyond repair like this one in Hunters View.

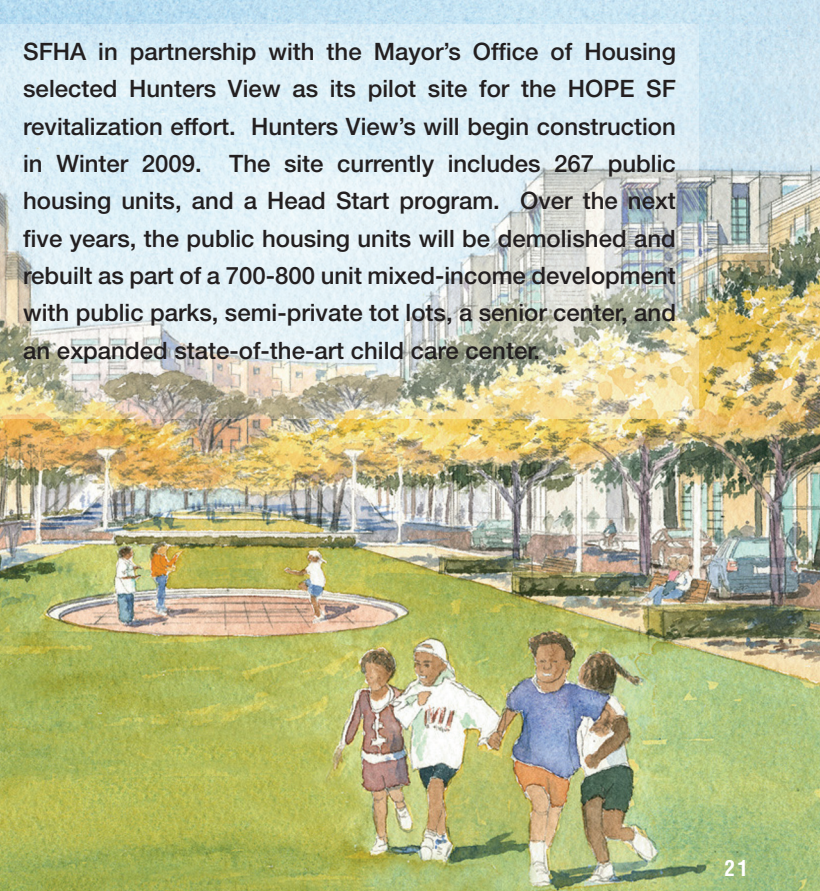
HOPE SF PRINCIPLES

To ensure that public housing residents and affordable housing advocates have a voice in the rebuilding and revitalization of their communities, a broad-based task force was convened to develop a set of principles for HOPE SF. The collaborative process resulted in a report of recommendations to Mayor Newsom and the San Francisco Board of Supervisors in March 2007.

Residents, advocates, community leaders and elected officials agreed upon the following principles:

- one-for-one replacement of existing public housing units
- emphasis on onsite relocation and minimal displacement of existing residents
- commitment to creating as much affordable housing as possible
- resident engagement and capacity-building through the development process
- integration with neighborhood plans
- green building principles

HOPE SF'S FIRST SITE: HUNTERS VIEW IN BAYVIEW-HUNTERS POINT



SFHA in partnership with the Mayor's Office of Housing selected Hunters View as its pilot site for the HOPE SF revitalization effort. Hunters View's will begin construction in Winter 2009. The site currently includes 267 public housing units, and a Head Start program. Over the next five years, the public housing units will be demolished and rebuilt as part of a 700-800 unit mixed-income development with public parks, semi-private tot lots, a senior center, and an expanded state-of-the-art child care center.



DESIGN

San Francisco is a city of great architectural diversity; from modern skyscrapers to Victorian rowhouses. The Mayor's Office of Housing prides itself on supporting designs that celebrate this diversity and reflect the particular qualities of the neighborhoods and communities where we build. Our many award-winning developments share certain design values that ensure not only that they accommodate the housing needs of their residents, but also that they contribute positively to our shared built environment. We do this by respecting the local context, building "green" and building for sustainability, accommodating diverse housing needs, and integrating services into our projects.



RESPECTING THE LOCAL CONTEXT

Though the challenges of dealing with community acceptance are many, one way to address neighborhood concerns over new development is to reflect the local character in the design of the new building. Our projects respect local context in numerous ways: by reflecting the scale and massing of the adjacent buildings; by recognizing and extending existing urban design patterns; and by incorporating durable materials and finishes that will wear well over time. Whether we're providing housing for developmentally disabled singles and couples in a neighborhood of single family homes (29th Avenue Housing), or building much-needed housing for families in a downtown landmarks district (Broadway Family Apartments), MOH-financed developments "fit in," even as they stand out for design excellence.



Broadway Family Apartments, a recently completed 81-unit affordable family housing project, provides a wonderful example of how building design can reflect the local context of its surrounding neighborhood. The project team carefully analyzed and incorporated many of the design characteristics of existing neighborhood architecture into its own design, using red brick and recessed windows to match the thick, solid facades of nearby warehouse-style mid-rise buildings.

Feedback from community groups helped guide the project's massing and scale. The final design included a low-rise building stepping up to a mid-rise, eight-story building anchoring the northeast corner of the Broadway and Battery intersection. As a result, the project not only compliments building forms in the neighborhood, decreasing in scale as Telegraph Hill descends towards the Embarcadero waterfront area, but it also contributes to the sense of a gateway corridor along Broadway. "We wanted to design a building that would be a solid citizen relative to its neighbors. Our goal was try to make the building as indistinguishable as possible within the neighborhood fabric so that people couldn't point it out as low-income housing," project architect Anne Torney said.

Project: Broadway Family Apartments

Developer: Chinatown Community
Development Center

Architect: Solomon E.T.C.



Project: Buena Vista Terrace
Developer: Citizens Housing
Architect: HKIT

Looking at the façade of the Byzantine-style church located at 1250 Haight Street, one would be hard-pressed to believe that the inside of the building contains 40 studio and one-bedroom units of affordable senior housing. However, the project architects of Buena Vista Terrace did just that – converting a vacant, historic church into four floors of wheelchair-accessible housing units. Due to the unique structure and elevation of the project site, meeting all the access requirements from the Mayor’s Office of Disability proved to be quite a challenge. First, the site had to be regraded to provide an accessible path from the building entrance to the nearest public transportation point. Existing sidewalk curb cuts were removed and repaved. Interior pathways were reconfigured and an elevator was installed. Finally, a library and community room was built, all while maintaining the original architectural character of the existing building. The result is a successful example of how San Francisco’s diverse housing needs can be met through innovative, adaptive reuse design.

WHAT IS “GREEN” BUILDING?

Green Building is a broad term that refers to design and building techniques that reduce the negative environmental and health impacts of construction. Such techniques not only benefit our shared environment but can also reduce ongoing maintenance costs, lower utility expenses for residents and property management and increase indoor air quality, which is especially important for families with small children or people with chemical sensitivities. For example, choosing durable flooring with recycled content is a common “green” practice: recycled content materials reduce the impact on the natural environment; durability results in lower replacement costs over time; and an easy-to-clean floor surface will cut down on dust and other pathogens that can prompt allergic reactions or asthma.

KEY CONCEPTS IN GREEN BUILDING

Durability: Choosing durable finishes and materials reduces waste that is generated when materials need frequent replacement. Though durable materials may cost more at the time of installation, their “life cycle cost” can be much lower than cheaper materials because they require less maintenance and less frequent replacement.

Energy Efficiency: Measures such as choosing energy efficient appliances, increasing insulation, and selecting quality windows, will pay the project back over time in reduced utility costs.

Indoor Air: Indoor air quality refers to air pollution inside a building caused by dust, mold, or chemical “off-gassing” from building materials. Choosing easy-to-clean natural building materials, and ensuring good ventilation, can improve the indoor air quality and reduce incidences of asthma and other respiratory disorders.

Recycling: Just as cans and bottles can be recycled, so too can entire buildings. Rehabilitating older structures is inherently “green” and helps to conserve the energy and resources that were originally invested in the structure. In addition, there is an increasingly available and wide array of building materials that include recycled content.

ACCOMMODATING DIVERSE HOUSING NEEDS

MOH-financed projects house people of diverse backgrounds and with diverse housing needs. We work closely with project sponsors to make sure that the configuration of units and common areas, as well as the selection of materials, finishes and fixtures address the particular housing needs of the diverse residents who call our developments “home.” From working families with children, to formerly homeless seniors, our residents benefit from some of the best, most durable and well-designed housing in the nation. And we



Project: 220 Golden Gate Ave (Central YMCA)

Developer: Tenderloin Neighborhood Development Corporation

Architect: Gelfand Partners

Central YMCA is an adaptive reuse project currently in predevelopment. Upon completion it will provide 174 units of supportive housing to chronically homeless individuals. What makes the project so unique is its array of versatile programming spaces integrated into an existing, historic YMCA building. The site will contain a child-care center, neighborhood-serving retail, gymnasium and auditorium to hold community-wide social events, in addition to plenty of office and programming space for clinical staff and offsite service providers.

The real jewel of the project will be a primary healthcare clinic operated by the San Francisco Department of Health. At over 8,000 square feet, the Housing and Urban Health Clinic will have the capacity to see 50 patients a day for health needs ranging from regular doctor visits to minor medical procedures to mental health services. The clinic will not only provide direct access to Central YMCA residents but serve the health needs of the larger Tenderloin neighborhood community as well.

work closely with the Mayor's Office of Disability so that every development we support meets or exceeds rigorous accessibility standards that help to ensure that residents with differing levels of physical abilities can live comfortably in these developments over the long term.

INTEGRATING SERVICES

A key to providing successful housing is incorporating support services and other amenities on site that not only enrich the residents' lives, but also help them to retain housing. Community rooms, resident lounges, and outdoor recreational areas provide places for socialization and casual interaction. Onsite childcare facilities, onsite laundry, counseling rooms, and support service space can help to relieve some of the burdens of parenting, and to assist residents deal with a myriad of day-to-day challenges. Finally, our developments often incorporate retail and services that not only serve the residents, but also serve as an amenity to the surrounding neighborhood.



Project: Folsom Dore Apartments
Developer: Citizens Housing Corporation
Architect: David Baker + Partners

Folsom Dore Apartments, a 98-unit supportive housing development for tenants with special needs, such as physical and development disabilities, HIV/AIDS and chronic homelessness, is the first new building in San Francisco to receive a LEED Silver rating. The building, located near 9th and Folsom Streets, has won the National Green Building Award from the National Association of Home Builders as well as the Energy and Sustainability Honor Award from the American Institute of Architects.

Its sustainable features both reduce its environmental impact and curtail the energy costs borne by residents. Approximately 13 kilowatts of photovoltaics generate energy for all common load areas, south facing roof slopes are designed to accommodate future solar panels, daylighting & natural ventilation with operable windows eliminate the need for air conditioning and more than 50 percent of the building's purchased energy comes from renewable energy sources. Also, residential parking has been greatly reduced making way for a hybrid car-share vehicle and protected bicycle parking.

Awards:

- LEED (Leadership in Energy and Environmental Design) Silver certification, US Green Building Council
- National Green Building Award, National Association of Home Builders
- Energy and Sustainability Honor Award, American Institute of Architects



Project: Plaza Apartments

Developer: Public Initiatives Development Corporation

Architect: Leddy Maytum Stacy Architects and Paulett Taggart Architects

Awards:

- Top 25 Gems of the City, American Institute of Architects
- Finalist, World Habitat Awards

The Plaza Apartments became San Francisco's first affordable housing project to become LEED Silver certified by the US Green Building Council. One hundred and six SRO apartments were designed with in-house supportive social services for formerly homeless people. Natural daylight and ventilation are key strategies along with solar generated electricity, durable and non-toxic materials, low energy use and recycling of construction and demolition debris. This exemplary project demonstrates that green building and affordable housing can be complementary partners.

This project was developed by the Public Initiatives Development Corporation, a wholly owned subsidiary of the San Francisco Redevelopment Agency, with additional financial assistance by Green Communities, a national green affordable housing program.

BUILDING SUSTAINABLY

The City of San Francisco is a national leader in green building and affordable housing. In early 2007, Mayor Newsom launched a Green Building Task Force to recommend ways in which to increase the number of and the quality of green buildings in San Francisco. Based on the recommendations of the task force, Mayor Newsom introduced a groundbreaking Green Building Ordinance that would create the most stringent green building codes in the nation for residential high-rise and large commercial buildings. City officials estimate that by 2012, the new green building codes could reduce carbon dioxide emissions by 60,000 tons and save 220,000 megawatt hours of power and 100 million gallons of drinking water.

San Francisco was also recently chosen to be a partner in the nationwide Green Communities initiative. Created by the Enterprise Foundation, the initiative develops green design standards to promote health, conserve energy and natural resources, and enhance access to jobs, schools and services. San Francisco was awarded grants to enable five San Francisco nonprofit housing developers to implement green design standards in their affordable housing projects. The grants will help to provide 600 units of healthy, sustainable housing for low-income and homeless families, seniors and individuals.

Today, all new MOH-financed developments exceed local building requirements for energy efficiency and water efficiency and meet tough standards for durability and indoor air quality.

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