

Mayor's Office of Housing and Community Development
City and County of San Francisco



London N. Breed
Mayor

Eric D. Shaw
Director

**TO: SPONSORS OF ALL PROGRAMS OF AFFORDABLE HOUSING ADMINISTERED
OR FUNDED BY MOHCD, INCLUDING BUT NOT LIMITED TO TAX EXEMPT
BOND DEVELOPMENTS**

**RE: 2020 INCOME and RENT LIMITS
2020 ALLOWABLE ANNUAL RENT INCREASES**

DATE: May 4, 2020

The Mayor's Office of Housing and Community Development (MOHCD) is announcing the publication of the 2020 MOHCD Income & Rent Limit Information, which includes income limits, maximum rents and allowable annual rent increases applicable to affordable multifamily rental housing projects under contract with this office as well as units subject to the Inclusionary housing program and the Inclusionary Housing Program Manual.

COVID-19 Rent Freeze and Moratorium on Evictions

Mayor Breed issued the [Twelfth supplement to the Mayoral Proclamation \(Order\)](#) declaring the existence of a local emergency due to the coronavirus pandemic on April 30, 2020. This Order affects all units where the rent is controlled or regulated by the City, including without limitation privately-operated units regulated by MOHCD or the Department of Homelessness and Supportive Housing. In accordance with the Order, no owner of a MOHCD-restricted unit may impose a rent increase, either under an existing lease, lease modification, or through the renewal of an expired lease, until one month after the Order expires or is terminated. The Order also clarifies key issues regarding the moratorium on evictions during the state of emergency. We strongly encourage you to review the full Order.

2020 MOHCD AMI Increased by 4%

For 2020, MOHCD AMI increased 4% from 2019. For projects whose maximum rents and allowable annual rent increases are limited by Area Median Income, the impact of the increase in AMI is twofold:

1. For occupied units that are in compliance with all program rules, owners may increase rents up to the lesser of
 - a) 4%, or
 - b) an amount that would increase the rent for a unit up to the maximum rent for 2020.
2. For vacant units, owners may charge up to the applicable maximum rent for 2020.

This information has an effective date of May 4, 2020 and will remain in effect until MOHCD publishes an update in 2021.

Rents can only be increased once per year following the completion of a tenant's annual recertification.

Charts detailing the Maximum Incomes by Household Size and Maximum Monthly Rent by Unit Type (including allowable rent increases) and providing more specific guidance by program are posted at the website: <https://sfmohcd.org/ami-levels>.

Background on MOHCD AMI Charts

The following sources were used to create the 2020 MOHCD Income & Rent Limit Information:

- Unadjusted Area Median Income limits for the San Francisco HMFA, as published by the U.S. Department of Housing and Urban Development (HUD) effective April 1, 2020
- Utility Allowances published by the San Francisco Housing Authority effective May 12, 2019
- [MOHCD AMI Hold Harmless Policy](#), updated May 3, 2019

The Mayor's Office of Housing and Community Development of the City and County of San Francisco uses the *unadjusted* Area Median Income published annually by HUD to establish the income limits and maximum rents in a given year. Each year MOHCD publishes a chart of Maximum Incomes by Household Size that show these income limits as percentages of unadjusted AMI for households from 1 to 9 persons. MOHCD also publishes a chart of Maximum Monthly Rent by Unit Type that shows the maximum rents that may be charged, depending on the applicable income limit.

Owners and managers of MOHCD-funded or regulated affordable housing projects and BMR units must rent their units in accordance with the affordability restrictions contained in the City contract(s) that govern their projects or the Inclusionary Affordable Housing Manual and they must always consult MOHCD's web site to determine the specific income limits and maximum rents in effect at any given time. The income & rent limits supplied by MOHCD are the sole source of information for income limits and maximum rents. MOHCD Asset Management staff evaluates compliance with these income and rent limits.

As always, owners should fully review the requirements of all funders and other regulatory documents for each project to determine the most-restrictive covenants that apply to Income and Rents. The impacts may be different for households that are "over-income" and households that are supported by a rent or operating subsidy.

We hope you and your families are well during these unprecedented times and wish to express our sincere gratitude for your service in meeting the essential housing needs of our city. Please contact the Emergency Operations Center at affordablehousingeoc@sfgov.org to inquire about resources available to you to meet the needs of your tenants during the state of emergency.



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Director