

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: 2021-2022 INCOME and RENT LIMITS
2021-2022 ALLOWABLE ANNUAL RENT INCREASES**

DATE: May 12, 2021

The Mayor's Office of Housing and Community Development (MOHCD) is announcing the publication of the **2021 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.

As the City addresses the challenges created by the pandemic and the increasing volatility of the housing market, we are working closely with community developers, and property managers to support residents and maintain the integrity of existing affordable housing programs. The priorities of the Mayor's Office of Housing and Community Development continue to be ensuring that the City's affordable housing is well maintained and well managed, and to minimize the displacement of residents living in affordable housing.

2021 MOHCD AMI Increased by 4%

For 2021, MOHCD AMI increased 4% from 2020. 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 2021-2022 AMI term.
2. For vacant units, owners may charge up to the applicable maximum rent for 2021-2022 AMI term.

If a project's tenants pay directly for any housing-related utility expenses, please factor in the current applicable utility allowances when calculating the new net rent to charge the tenant. Rents can only be increased once per year following the completion of a tenant's annual recertification. Owners and managers must comply with rent increase notice requirements.

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>.

This information has an effective date of May 12, 2021 and will remain in effect until MOHCD publishes an update in 2022.

Background on MOHCD AMI Charts

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.

The following sources were used to create the 2021 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, 2021
- Utility Allowances published by the San Francisco Housing Authority effective October 23, 2020
- [MOHCD AMI Hold Harmless Policy](#), updated May 3, 2019

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. They must always consult MOHCD's web site to determine 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.

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.



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Director