

**Mayor's Office of Housing and Community Development
Marketing, Housing Preferences and Lottery
Procedures Manual**

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Table of Contents

1. Introduction	4
2. Definitions	5
3. Certificates of Preference	11
3.1. Applying For A Certificate Of Preference	12
3.2. Eligibility	12
3.3. Exercising a COP	12
3.4. Certificate Expiration	14
3.5. Questions	14
4. Rent Burdened and Assisted Housing Residents (applies to some OCII projects only)	14
4.1. Eligibility	14
Rent Burdened Households.....	15
Assisted Housing Residents.....	15
4.2. Applying for the Preference	15
4.3. Documentation	15
Rent Burdened Households.....	16
Assisted Housing Residents.....	16
4.4. Questions	16
5. Displaced Tenant Housing Preference	16
5.1. Applying for the Certificate	16
5.2. Eligibility	17
Ellis Act Displaced Tenants.....	18
Owner Move In Displaced Tenants.....	18
Tenants Displaced by Fire.....	19
Tenants Facing Displacement due to an unaffordable increase in rent as a result of Expiring Affordability Restrictions	19
Prior Certificate Holders.....	20
5.3. Rescission of NOI or Eviction Notice	20
5.4. Documentation	21
Ellis Act Evictions.....	21
Proof of Eviction	21
Proof of Occupancy.....	21
Owner Move In Eviction.....	22
Proof of Eviction	22
Proof of Occupancy.....	22
Tenants Displaced by Fire.....	23
Proof of Displacement.....	23
Proof of Occupancy.....	23
Tenants Facing Displacement due to a Rent Burdened Caused by Expiring Affordability Restrictions	24
Proof of Rent Burden	24
Proof of Displacement or Pending Displacement.....	24
Proof of Occupancy.....	24

5.5. Exercising a DTHP Certificate	25
5.6. Certificate Expiration	27
5.7. Questions and Appeals	27
Disputes and Appeals	27
Appeals for the denial of a DTHP Certificate	28
6. Neighborhood Resident Housing Preference	30
6.1. Applying for Preference Status	30
6.2. Eligibility	30
6.3. Documentation	31
6.4. Questions and Appeals	33
Disputes for the denial of the Neighborhood Resident Housing Preference	33
Appeals for the denial of NRHP	34
7. Live/Work Preference	35
7.1. Applying for the Preference	35
7.2. Eligibility	36
7.3. Documentation	36
Residency	37
Employment	37
7.4. Questions	38
8. Priorities for Accessible Units	38
8.1. Applying for an Accessible Unit	39
8.2. Eligibility	39
8.3. Documentation	39
9. The Lottery and Selection Process	40
9.1. Preference Order	40
Table: Summary of the Order of Preferences	41
9.2. Bringing Units to the Market	42
Racial Equity Policy	42
Marketing Plan	42
Marketing Plan Requirements	43
Conflict of Interest	43
Outreach to COP Holders	44
Outreach to DTHP Certificate Holders	44
Outreach to Neighborhood Residents	45
Application Forms	45
Application Submission	46
Pre-Lottery Application Tracking	47
Pre-Lottery NRHP Summary Report	47
Lottery Procedures	47
Final Lottery List	49
Application Review	49
Response Deadline	51
Unit Selection	52
Coordination Between MOHCD and Project Sponsor	52
Disqualification and Appeals	54
Final Documentation for Rental Projects	54
Waitlists	55

1. Introduction

This manual outlines the operation and procedures of the City approved Affordable Housing preference programs. Its purpose is to provide City staff, Project Sponsors and potential City housing residents with an understanding of the preference programs, their processes and application in allocating City Affordable Housing Units to tenants or homebuyers.

In 2008 the City enacted Ordinance 232-08 to establish a preference in occupying units or receiving assistance under all City Affordable Housing Programs to Residential Certificate of Preference Holders under the San Francisco Redevelopment Agency's (SFRA) Property Owner and Occupant Preference Program. In 2013 the City enacted Ordinance 277-13 to establish a second preference in occupying units or receiving assistance under all City Affordable Housing Programs to certain San Francisco residents displaced by an eviction under the Ellis Act.

Citing a growing number of San Francisco tenants being displaced directly through evictions and indirectly as a result of rapid rent increases, the San Francisco Board of Supervisors passed Ordinance 204-15 in November 2015, expanding and clarifying the existing preference program for allocating City Affordable Housing Units to certain displaced occupants. The 2015 ordinance expanded the Ellis Act Housing Preference to include more broadly defined Displaced Tenants including Owner Move In Displaced Tenants and created a new preference category for residents of the Neighborhoods in which Affordable Housing Units are located. These preferences apply to all Affordable Housing programs administered or funded by the Mayor's Office of Housing and Community Development (MOHCD).

In 2016, the City enacted Ordinance 0164-16 which created a new category of preference for Tenants Displaced by Fire as well as a preference for applicants that live

or work in San Francisco. In 2019, the City further expanded Displaced Tenants to include residents experiencing Rent Burden due to Expiration of Restrictions.

In 2019, the City enacted Ordinance 120-19 which created a new category of preference for Tenants facing Displacement at a multi-family residential property where units at the property will no longer be restricted to ensure affordability based on income under any regulatory or other affordable housing agreements and or recorded documents.

2. Definitions

“Affordable Housing Rental Unit”

An affordable housing rental unit is a housing unit restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document restricting rent levels and household income eligibility.

“Certificate of Preference” or “COP”

A Certificate of Preference (COP) is a document that was issued by the San Francisco Redevelopment Agency (“SFRA”) to residents displaced by the Agency in the 1960’s and 70’s when it was implementing its federally-funded urban renewal program. This Certificate gives holders preferential consideration for Agency-sponsored and City-sponsored housing opportunities in San Francisco. In 2012, the responsibility of administering the Certificate of Preference Program was transferred to the Mayor’s Office of Housing and Community Development (MOHCD).

There are different types of COP certificates including Residential A, C, and G COP certificates as well as Business certificates of which are defined in the Property Owner and Occupant Preference Program Manual, as amended and restated pursuant to Agency Resolution No. 57-2008 approved on June 3, 2008 (COP Program Manual).

“COP Holder”

Any individual who has been issued a Certificate of Preference which has not yet been fully exercised.

“City Affordable Housing Programs

As defined in Ordinance 205-15, “City Affordable Housing Programs” or “Affordable Housing” shall mean, unless specified otherwise, all programs related to the provision of affordable housing administered or funded by the Mayor’s Office of Housing and Community Development, including but not limited to Tax Exempt Bond Developments. “City Affordable Housing Programs” does not include programs or affordable housing units exclusively supported by the U.S. Department of Housing and Urban Development, the San Francisco Human Services Agency, the San Francisco Department of Public Health, or the San Francisco Housing Authority.

“City Affordable Housing Programs” include, but are not limited to:

1. City Affordable Housing Units that received support from the former San Francisco Redevelopment Agency (SFRA).
2. Former SFRA Inclusionary and Below Market Rate (BMR) units with affordability restrictions required by City contract or Redevelopment Area Plan.
3. City Affordable Housing Units administered or funded by the Mayor’s Office of Housing and Community Development (MOHCD).
4. BMR units created under the City’s Inclusionary Housing Program (BMR units), which are defined as “Affordable Units” in Planning Code Section 401, or under a development agreement.
5. Programs and residential units funded by:
 - The Mayor's Housing Affordability Fund
 - The HOPE SF Fund
 - The Affordable Housing and Home Ownership Bond Program (Proposition C)
 - The Citywide Affordable Housing Fund

“City Affordable Housing Project”

Any real estate project that includes one or more City Affordable Housing Units including market rate housing projects that include below market rate (BMR) units generated under the City's Inclusionary Affordable Housing Program.

“City Affordable Housing Unit”

Any Housing Unit funded or created pursuant to a City Affordable Housing Program. The term Affordable Housing is used synonymously with the term City Affordable Housing in this procedures manual.

“Displaced Tenant”

Any person who applies to MOHCD and who MOHCD determines qualifies as an Ellis Act Displaced Tenant, an Owner Move In Displaced Tenant, a Tenant Displaced by Fire or a Tenants Displaced by Expiring Affordability Restrictions for the Displaced Tenant Housing Preference.

“Displaced Tenant Housing Preference”

A preference established in Administrative Code Chapter 47 for certain tenants who are being or have previously been evicted under the Ellis Act or through an Owner Move In eviction, or have been displaced due to a fire, to receive preference in occupying units or receiving assistance under City Affordable Housing Programs.

“Ellis Act Eviction”

An eviction pursuant to the Ellis Act (California Government Code Section 7060 et. seq.). The Ellis Act was enacted by the California legislature in 1986 to require municipalities to allow property owners to leave the residential rental housing business. More information is available on the Rent Board Website:

<http://www.sfrb.org/index.aspx?page=966>

“Ellis Act Displaced Tenant”

A tenant residing in San Francisco who, on or after January 1, 2010, receives a Notice of Intent to Withdraw Rental Units ("Notice of Intent to Withdraw") pursuant to the Ellis

Act, Government Code Section 7060 et seq., and corresponding provisions of the Rent Ordinance.

“Eviction Notice”

Also known as a “Notice to Vacate” or “Notice of Termination of Tenancy.” The eviction notice is an official written notice from a property owner to one or more tenants of their anticipated termination of tenancy. If a landlord is seeking to evict a tenant, the Rent Board mandates that the notice to vacate must state the grounds under which possession of the unit is sought.

“Expiring Affordability Restrictions”

The restrictions ensuring affordability based on income for a multifamily residential property under a regulatory agreement, affordable housing agreement and/or recorded instrument will expire within five (5) years. For purposes of this definition, “regulatory agreement” includes, but is not limited to, a regulatory agreement executed in connection with the issuance of housing mortgage revenue bonds.

“Household”

Any person or combination of persons who reside or intend to reside in the same Housing Unit.

“Housing Unit”

A room or suite of two or more rooms that is designed for, or is occupied by a household. Dwelling units, apartments, single family homes, condominiums, single room occupancy (SRO) hotel rooms, lodging rooms, housekeeping rooms, and congregate residences are all considered Housing Units for the purpose of this program.

“Marketing Plan”

A marketing plan for Affordable Housing Rental Units that describes and includes, but is not limited to the following:

- Building composition,

- Unit mix,
- Unit detail,
- Rent, fees, and utilities the tenant will be responsible for,
- Available parking,
- Building's amenities,
- Applicant's qualifications,
- Marketing and outreach strategy,
- Advertising language,
- Applicable lottery preferences,
- Language access offered to applicants,
- Marketing process timeline,
- Building's rental application,
- Resident Selection Criteria,
- Lease agreement and associated addenda,
- Marketing flyer,
- Certificate of Preference outreach postcard, and
- Information regarding the building's open house and information sessions.

“Neighborhood”

Any one of the 11 Supervisorial Districts as defined and established in the San Francisco Charter, Appendix E, plus a buffer such that for each unit or project that is part of a City Affordable Housing Program, "Neighborhood" means the Supervisorial District in which the unit or project is located, plus a ½ mile buffer around the parcel containing the unit or project.

"Neighborhood Resident"

Any person who has a primary residence in a certain Neighborhood at the time he or she applies for a unit or assistance.

“Notice of Intent to Withdraw” or “NOI”

Shorthand for Notice of Intent to Withdraw Residential Units from the Rental Market delivered to the Rent Board to initiate an Ellis Act Eviction. The NOI and the Eviction Notice are separate legal notices.

“Office of Community Investment and Infrastructure” or “OCII”

The successor agency of the San Francisco Redevelopment Agency.

“Owner Move in Displaced Tenant”

A tenant residing in San Francisco who, on or after January 1, 2010, receives a notice from his or her landlord that they plan to recover possession of the unit under Section 37.9(a)(8) of the Rent Ordinance.

“Owner Move In Eviction”

Any eviction initiated subject to Section 37.9(a)(8) of the Rent Ordinance.

“Owner Move In Eviction Notice”

Written notice to tenants of that a landlord plans to recover possession of the unit under Section 37.9(a)(8) of the Rent Ordinance.

“Project Sponsor”

In this procedures manual, Project Sponsor is a general term that refers to the entity responsible for leasing or selling units in a residential building containing one or more City Affordable Housing Units. The Project Sponsor may be the entity who received planning approval for the building’s construction, the housing developer primarily responsible for building construction, the building owner, a leasing/selling agent or a property management entity.

“Rent Board”

The City and County of San Francisco Rent Board established under Chapter 37 of the San Francisco Administrative Code.

“Rent Burdened”

For the purpose of the Displaced Tenant Housing Preference, Rent Burdened means a household who is paying greater than 40% of their household’s total annual gross income towards rent. This definition does not apply to OCII’s preference for Rent Burdened San Francisco Households and Assisted Housing Residents.

“Resident Selection Criteria”

The document establishing guidelines for selecting applicants to occupy a City Affordable Housing Units and is attached to a DAHLIA – San Francisco Housing Portal listing. The term “Tenant Section Plan” is used synonymously with the term Resident Section Criteria in this procedures manual.

“Tenant Displaced by Fire”

A tenant residing in San Francisco who is required to vacate his or her unit by a public safety official due to fire, and who can provide sufficient evidence to MOHCD that demonstrates that he or she cannot return to the unit within a period of six (6) months from the date of the order to vacate the unit or Fire Displacement Verification Form.

3. Certificates of Preference

Certificate of Preference (COP) Holders are individuals previously displaced by former Redevelopment Agency action in Redevelopment Project Areas per the San Francisco Redevelopment Agency's Property Owner and Occupant Preference Program, as reprinted September 11, 2008 and effective October 1, 2008 and on file with the Clerk of the Board in File No. 080521 (“The COP Program Manual”).

COP Holders are given the first level of preference in occupying City Affordable Housing Units and the preference applies to 100% of City Affordable Housing Units available for initial sale, re-sale, initial lease up and subsequent leasing.

3.1. Applying For A Certificate Of Preference

To obtain a Certificate of Preference, applicants should contact MOHCD through its website, <http://www.sfmohcd.org>, or by calling 415-701-5613. Applicants will need to fill out an application and provide the following information:

- 1) A current phone number and address.
- 2) The address from which the family was displaced.
- 3) The name(s) of the head(s) of Household at the time of displacement.

Applicants may be asked to submit additional documentation, such as a copy of their birth certificate and driver's license.

3.2. Eligibility

Individuals holding Certificates of Preference' as defined in the COP Program Manual are eligible for priority consideration in all City Affordable Housing Projects. Holders of 'Business Certificates of Preference' as defined in the COP Program Manual are not eligible for priority in residential Housing Units.

While the Household composition may change after the lottery application, the COP Holder must sign the lease or purchase agreement and occupy the unit or the Household will lose its preference status (the Household may remain on the general lottery list or on any other preference lists for which it remains qualified).

3.3. Exercising a COP

To receive preference as a COP Holder, an applicant must indicate on their housing application that they are a COP Holder. MOHCD maintains a list of current COP Holders and will confirm that the applicant possesses a valid COP that has not yet been exercised.

Project Sponsors that fill unit vacancies off of a waitlist must place COP Holders at the top of the waitlist at any time, regardless of whether the waitlist is closed to other applicants. If the COP Holder meets the Resident Selection Criteria when an Affordable Housing Unit in the project becomes available, they shall be approved before all other applicants.

Section II C. 3 of the COP Program Manual outlines prioritization between multiple COP Holders applying for the same SFRA Assisted Housing Units including location of the project, issuance date of the certificate, and type of certificate. For non SFRA Assisted Housing Units, all COP Holders shall have priority over other applicants and, in the event that there are multiple COP applicants, priority among them shall be established by their lottery ranking (as described in Section 9.2 below).

Certificate of Preference Holders must also meet the income eligibility and other eligibility requirements for the Housing Unit or building in order to exercise their certificate. Possession of a COP does not guarantee that the COP Holder will be eligible for a City Affordable Housing Unit.

The COP Program allows each COP Holder to exercise his or her COP once to receive priority for a rental or cooperative unit and once for a homeownership unit. When a COP Holder signs a lease for an affordable rental unit (or purchases a cooperative share) their Certificate is considered 'exercised' for rental purposes. When a Household closes escrow on a homeownership unit their COP is considered exercised for homeownership. Once a COP Holder's certificate has been exercised for a given type of project (ownership or rental), no further preference is available for projects of that type. While the COP Program Manual only refers to use of COPs for preference in Agency Assisted housing, use of a COP in a non-Agency Assisted City Affordable Housing Project also constitutes 'exercise' of the COP. When the maximum allowable usage of the Certificate is exercised, the holder's preference terminates. Thereafter, the COP Certificate is null and void for any future use, regardless of the programs expiration date.

3.4. Certificate Expiration

The Residential A and C COP Certificates are scheduled to expire in January 2021 per the Office of Community Investment and Infrastructure (OCII) Commission (former Redevelopment Agency Commission) decision and has the option (in accordance with State laws) to extend the expiration date one last time to 2026. For more information, see the COP Program Manual.

The Residential G certificates are valid until five years after the actual Agency displacement date.

3.5. Questions

COP-related inquiries should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5613, via TDD at (415) 701-5503 or at <http://sfmohcd.org/certificate-preference>.

4. Rent Burdened and Assisted Housing Residents (applies to some OCII projects only)

Many projects sponsored by the Office of Community Infrastructure Investment (OCII – formerly the San Francisco Redevelopment Agency) have Development and Disposition Agreements which include a preference for Rent Burdened San Francisco Households and Assisted Housing Residents. This preference is not available for non-OCII projects and is separate from the Displaced Tenant Housing Preference. Rent Burdened Households and Assisted Housing Residents share a single lottery preference position, meaning that Households with either of these preferences are included in a single preference pool.

4.1. Eligibility

Rent Burdened Households

San Francisco Households that are currently spending more than 50% of their income for housing are eligible for the OCII Rent Burdened Households preference in projects with Development and Disposition Agreements which contain this preference.

Example:

Household of 2 earns \$2,500 gross income per month

Rent Payment = \$1,500 per month

Total rent-to-income ratio = 60%

In this example, the household would qualify for the Rent Burdened preference because their rent-to-income ratio is greater than 50%.

Assisted Housing Residents

Households residing in public housing or Project-Based Section 8 housing within the City and County of San Francisco are eligible for the Assisted Housing Residents preference.

This preference does not apply to Section 8 Voucher holders.

4.2. Applying for the Preference

To apply for the OCII Rent Burdened or Assisted Housing Residents preference, applicants need only indicate on their application form that they believe that they are spending more than 50% of their income for housing and provide the required documentation.

4.3. Documentation

Rent Burdened Households

To be considered an OCII Rent Burdened Household, applicants must include a copy of their current lease agreement plus proof of the current rent payment (i.e. money order, cancelled check or debit from their bank account) with the lottery application. A Request for Verification of Rent will be completed post-lottery. MOHCD reserves the right to request additional information and documentation.

Assisted Housing Residents

To be considered an OCII Assisted Housing Resident, applicants must include a copy of their current lease agreement with their lottery application. MOHCD reserves the right to request additional information and documentation.

4.4. Questions

Inquiries related to the OCII Rent Burdened or Assisted Housing Resident Preferences should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5613, via TDD at (415) 701-5503.

5. Displaced Tenant Housing Preference

The Displaced Tenant Housing Preference (DTHP) program (DTHP Program) is intended to benefit tenants displaced by Ellis Act Evictions, Owner Move In Evictions or Fires. The preference is only applied to projects with 5 or more City Affordable Housing Units and applies to 20% of total lottery units within a project for initial sale, re-sale, initial leases and subsequent leases.

5.1. Applying for the Certificate

Inquiries about applying for a DTHP Program certificate should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5613, via TDD at (415) 701-5503 or at dthpcertificate@sfgov.org.

Each qualified tenant is entitled to a separate certificate. Certificates will be issued to individual applicants, rather than to families or groups of individuals. Multiple individuals may not apply for the DTHP certificate with a single application. Youth under 18 years of age seeking to live in Affordable Housing with a DTHP certificate holder do not need their own certificate in order to receive the DTHP priority. An entire Household is entitled to priority placement so long as at least one member of that Household holds a DTHP certificate.

The DTHP application forms and a list of required supporting documents are available for download from the MOHCD website. Applicants may also pick up hard copies of the application forms at the Mayor's Office of Housing and Community Development, located at 1 South Van Ness Avenue, 5th Floor.

Only applications that are accurate and complete, with all required documentation attached, will be accepted for review. Applicants may submit their application and attachments by email to dthpcertificate@sfgov.org, or by mail/in-person at the Mayor's Office of Housing and Community Development. Applications submitted by mail or in person should be addressed as follows:

Displaced Tenant Housing Preference Program
Mayor's Office of Housing and Community Development
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

Approved applicants will be issued an official DTHP certificate. Applicants deemed ineligible will receive a written denial letter including reasons for the determination and information on how to appeal the decision. The appeals process is described below.

5.2. Eligibility

Tenants can apply for and use the DTHP certificate while they are still residing in the unit that they are being evicted from so long as the Notice of Intent to Withdraw (NOI) or Eviction Notice for that unit was filed and has not been rescinded. Tenants can also apply for and use the DTHP certificate while they are still residing in the unit where the affordability restrictions will be expiring so long as the tenant has been notified of the pending increase in rent that will rent burden the tenant household.

While the Household composition may change after the lottery application is initially submitted. A DTHP certificate holder must sign the lease or purchase agreement and occupy the unit or the Household will lose its preference status (the Household may remain on the general lottery list or on any other preference lists for which it remains qualified).

Ellis Act Displaced Tenants

To be eligible for the DTHP Program, Ellis Act Displaced Tenant applicants must meet the following criteria:

- (1) The tenant must have resided in a San Francisco rental unit for which a Notice of Intent to Withdraw (NOI) was filed with the Rent Board.
- (2) The NOI must have been filed on or after January 1, 2010.
- (3) If the NOI was rescinded by the landlord, the Tenant must demonstrate that they moved out prior to the date it was rescinded.
- (4) The Tenant must be at least 18 years of age at the time that they apply for the DTHP Certificate – though they may have been under 18 at the time the NOI was received.

Owner Move In Displaced Tenants

To be eligible for the DTHP, Owner Move In Displaced Tenants must meet the following criteria:

- (1) The tenant must have resided in a San Francisco rental unit for which an Eviction Notice was served.

- (2) The Eviction Notice must have been served on or after January 1, 2010.
- (3) The Eviction Notice must have stated that the reason for the termination of tenancy is to enable owner or relative move in and/or referenced Section 37.9(a)(8) of the Rent Ordinance.
- (4) If the Eviction Letter was rescinded by the landlord, applicants must demonstrate that they moved out prior to the date it was rescinded.
- (5) The applicant was at least 18 years of age at the time that they applied for the DTHP Certificate.

Tenants Displaced by Fire

To be eligible for the DTHP, Tenants Displaced by Fire must meet the following criteria:

- (1) The tenant must have resided in a San Francisco rental unit which experienced a fire prior to December 31, 2020.
- (2) The tenant must have been required to vacate the unit by a public safety official due to fire.
- (3) The tenant must provide sufficient evidence to MOHCD that demonstrates that he or she cannot return to the unit within a period of six months from the date of the order to vacate the unit or provide a Fire Displacement Verification Form.
- (4) The tenant must be at least 18 years of age at the time that they apply for the DTHP Certificate.

Tenants Facing Displacement due to an unaffordable increase in rent as a result of Expiring Affordability Restrictions

To be eligible for the DTHP, Tenants Rent Burdened by Expiring Affordability Restrictions must meet the following criteria:

- (1) The tenant is residing in an Affordable Housing Rental Unit located in San Francisco with Expiring Affordability Restrictions. A tenant must submit their DTHP application within 5 years of receiving notice of Expiring Affordability Restrictions.

- (2) The tenant must provide sufficient evidence to MOHCD that demonstrates they will likely be Rent Burdened by the Expiring Affordability Restrictions based on the rental rate for a comparable unit without any affordability restrictions within the same building.
- (3) The tenant must be at least 18 years of age at the time that they apply for the DTHP Certificate.

This preference is separate and not related to the OCII preference for rent burdened households described in Section 4 above.

Prior Certificate Holders

Prior to April 2016, the City issued Ellis Act Housing Preference (EAHP) certificates. As of May 2016, these certificates were rescinded and holders were issued new Displaced Tenant Housing Preference (DTHP) certificates conferring the same rights as the EAHP Certificates; however, the expiration dates for some certificates have been extended. EAHP certificate holders displaced prior to January 2, 2016 received certificates that expire on January 2, 2022.

5.3. Rescission of NOI or Eviction Notice

If the landlord rescinds the NOI or Eviction Notice, then the tenant is not eligible to apply for the DTHP certificate unless they can demonstrate that they moved out prior to the date of the rescission. If the landlord rescinds the NOI or Eviction Notice following issuance of a DTHP certificate, and a DTHP certificate holder is still residing in the original unit, then the DTHP certificate will be rescinded by MOHCD.

If the NOI or Eviction Notice is rescinded after the tenant has moved out of their unit, then the tenant will be eligible to apply for the DTHP certificate. If the tenant has already been issued a DTHP certificate, the certificate will not be rescinded. Similarly, if the NOI or Eviction Notice is rescinded after the certificate holder has moved into an Affordable Housing Unit, the NOI rescindment will not affect their tenancy.

5.4. Documentation

Ellis Act Evictions

Proof of Eviction

Prior to initiating an Ellis Act Eviction, property owners must file a Notice of Intent to Withdraw (NOI) with the San Francisco Rent Board. The Rent Board provides MOHCD with a regularly updated list of all tenants whose units have been subject to Ellis Act NOIs. MOHCD verifies that certificate applicants are on the list regularly provided by the San Francisco Rent Board. No further documentation will be necessary to establish that a rental unit was subject to an NOI that has not been rescinded.

Proof of Occupancy

If an applicant for DTHP is listed on an NOI, then, no further documentation will be required to establish that applicant's occupancy at the time of the Ellis Act Eviction. If an applicant was not listed on an NOI, the applicant must establish that he or she was a resident of the withdrawn unit at the time of the eviction by providing any one of the following items:

- The Eviction Notice for the withdrawn unit
- Cable or internet bill
- Gas bill
- Electric bill
- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the applicant's name and the address of the withdrawn unit and be dated within 45 days of the date that the NOI was filed with the Rent Board or

served on the Tenants. MOHCD reserves the right to request additional information and documentation.

Owner Move In Eviction

Proof of Eviction

Property owners proceeding with Owner Move In Evictions are required to file with the San Francisco Rent Board (Rent Board) a copy of the Eviction Notice provided to tenants. The Rent Board provides MOHCD with a regularly updated list of all tenants for whom it has received an OMI Eviction Notice on or after January 1, 2010. In most cases, no further documentation will be necessary to establish that a Tenant has received an OMI Eviction Notice.

In cases where the property owner has served the tenants with an OMI Eviction Notice but failed to file the notice with the Rent Board, the tenant must provide a copy of the Eviction Notice and/or other documentation sufficient to establish in MOHCD's reasonable discretion that the tenant received a valid OMI Eviction Notice on or after January 1, 2010. The date that an OMI Eviction Notice is filed with the Rent Board is used to determine the period of eligibility for a DTHP for the applicable tenants. If an OMI Eviction Notice was not filed, the date that the OMI Eviction Notice was served on the tenants will serve as the date of the Notice for purposes of calculating such tenants' period of eligibility. If the Eviction Notice does not include a date of service and the applicant is not otherwise able to provide proof of the date of service, the date of the Notice will be deemed to be 60 days prior to the date on which the Eviction Notice indicates that the tenancy will terminate.

Proof of Occupancy

If an applicant for the DTHP is listed on the eviction notice, then, no further documentation will be required to establish that applicant's occupancy at the time of the OMI Eviction. If an applicant was not listed on the eviction notice, the applicant must establish that he or she was a resident of the withdrawn unit at the time of the eviction by providing any one of the following items:

- The Eviction Notice for the withdrawn unit
- Cable or internet bill
- Gas bill
- Electric bill
- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the applicant's name and the address of the withdrawn unit and be dated within 45 days of the date that the eviction notice was filed with the Rent Board or served on the Tenants. MOHCD reserves the right to request additional information and documentation.

Tenants Displaced by Fire

Proof of Displacement

An applicant must establish displacement by providing either of the following signed by a public safety official: (1) an order to vacate for the unit in question; or (2) a Fire Displacement Verification form.

Proof of Occupancy

An applicant must establish that he or she was a resident of the effected unit at the time of the qualifying fire by providing any of the following: (1) a copy of the order to vacate; (2) a copy of a lease for the unit in question; or (3) any one of the following items:

- Cable or internet bill
- Gas bill
- Electric bill

- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the applicant's name and the address of the effected unit and be dated within 45 days of the date of the qualifying fire. MOHCD reserves the right to request additional information and documentation.

Tenants Facing Displacement due to a Rent Burdened Caused by Expiring Affordability Restrictions

Proof of Rent Burden

The tenant must submit a complete application and all required income and asset documentation to MOHCD. MOHCD will calculate the tenant's income in accordance to the Inclusionary Affordable Housing Program Monitoring and Procedures Manual and compare it to the unrestricted rent levels for similar residential units in the same building. The result of the calculation must be equal to or more than 40% of the tenant's total annual gross household income.

Proof of Displacement or Pending Displacement

The tenant will supply MOHCD with the documentation outlined in the application to calculate their total annual gross household income.

Proof of Occupancy

Applicant must establish that he or she is a resident of an Affordable Housing Unit at the time of an Expiring Affordability Restriction by providing any of the following: (1) a copy of a lease for the unit in question with the applicant listed as an occupant; or (1) any one of the following items:

- Cable or internet bill
- Gas bill
- Electric bill
- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the applicant's name and the address of the restricted unit and be dated while the restrictions were in place. MOHCD reserves the right to request additional information and documentation. This Section 5.4.4 does not apply to OCII's preference for certain rent burdened households described in Section 4 above.

5.5. Exercising a DTHP Certificate

A DTHP certificate entitles the holder to receive a priority to rent or purchase only one Affordable Housing Unit (or a cooperative share in one unit). For new developments going through the initial lease-up or sale process, the DTHP priority applies to only twenty percent (20%) of the total lottery units. For re-rental and re-sale units, the DTHP preference will apply whenever fewer than 20% of original lottery units in a project are occupied by Households that used DTHP certificates when they leased or purchased their units.

The DTHP will not apply to every City Affordable Housing Project. The DTHP does not preempt existing preference programs incorporated into Marketing Plans or Developer Agreements approved before the DTHP was adopted, and some projects may include state or federal financing that limits which local preferences may be applied in resident selection.

Project Sponsors that fill unit vacancies off of a waitlist must accept applications from approved DTHP certificate holders at any time, regardless of whether the waitlist is closed to other applicants. If the DTHP certificate holder is found eligible for an Affordable Housing Unit in the building, they shall be placed at the top of the waitlist, immediately after any COP Holders.

A Displaced Tenant holding a DTHP certificate must also meet the income eligibility and other eligibility requirements for the Housing Unit or building in order to exercise their certificate. Possession of a DTHP certificate does not guarantee that the holder will be eligible for a City Affordable Housing Unit.

A DTHP Certificate is valid for a single use. When a DTHP holder accepts and occupies a unit by exercising the DTHP certificate, the DTHP certificate is exercised and the holder's DTHP priority terminates. Thereafter, the DTHP certificate is null and void for any future use.

- In the case of a rental or cooperative share opportunity, to exercise a DTHP certificate means to secure successfully a tenancy in, or the purchase of a cooperative share in, the Housing Unit, as shown by the execution of a lease or other evidence of occupancy.
- In the case of a homeownership opportunity, to exercise a DTHP certificate means to execute a deed and/or promissory note and the closing of escrow.

A DTHP certificate holder may apply for an unlimited number of housing opportunities until the DTHP holder exercises the DTHP certificate, and, in general, may turn down offers for City Affordable Housing Units without affecting the holder's priority status.

If a Household intending to reside together contains multiple holders of DTHP certificates, the Household only needs to exercise one of the certificates for a specific

housing opportunity. It is up to the members of that Household to determine which certificate will be exercised upon occupancy.

A DTHP certificate is not transferable by any means, whether voluntarily, by inheritance, by operation of law, or otherwise.

A Displaced Tenant is not entitled to DTHP priorities until a DTHP certificate has actually been issued to such tenant.

5.6. Certificate Expiration

DTHP certificate holders may apply the preference for up to six (6) years from the date the landlord filed the NOI or Eviction Notice with the Rent Board. For Displaced Tenants with an NOI or Eviction Notice filed prior to January 2, 2016 the expiration date will be January 2, 2022 regardless of when they apply for a DTHP certificate. For Tenants Displaced by Fire the certificate will last for three (3) years from the date of the fire. For Expiring Affordability Restrictions certificates will expire six (6) years from the date the restrictions expire. Expiration dates will be clearly marked on the certificate.

After expiration, the DTHP certificate becomes null and void.

5.7. Questions and Appeals

Inquiries about documentation required for the DTHP certificate application, and other questions regarding the application process, should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5613, via TDD at (415) 701-5503 or at dthpcertificate@sfgov.org.

Disputes and Appeals

Applicants who wish to dispute MOHCD's initial eligibility determination may request, in writing, that the Deputy Director - Homeownership & Below Market Rate Programs

review and reconsider their application within 30 days after the date of MOHCD's determination. Any supplementary materials or additional information demonstrating eligibility must be submitted at the same time as the request for reconsideration. Requests for reconsideration may be emailed to dthpcertificate@sfgov.org with the subject heading "Request for DTHP Application Reconsideration."

Requests for reconsideration may be delivered by mail or in person to:

Director of Below Market Rate Programs
Displaced Tenant Housing Preference Program
Mayor's Office of Housing and Community Development
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

Upon receipt of the request for reconsideration, the complete application package will be reviewed by the Deputy Director - Homeownership & Below Market Rate Programs, and a final MOHCD determination of whether or not the applicant is eligible shall be made within seven (7) calendar days.

Appeals for the denial of a DTHP Certificate

Applicants who wish to dispute the final MOHCD determination made by the Deputy Director - Homeownership & Below Market Rate Programs are entitled to a hearing conducted by a Rent Board Administrative Law Judge ("ALJ").

The request for an ALJ hearing must be in writing within 7 days of receipt of notice of the decision of the Deputy Director - Homeownership and Below Market Rate Programs and may be delivered via email to dthpcertificate@sfgov.org with the subject heading "Request for DTHP Rent Board Administrative Law Judge Hearing".

Requests for a Rent Board hearing may be delivered by mail or in person to:

Request for DTHP Rent Board Hearing Administrative Law Judge
Displaced Tenant Housing Preference Program
Mayor's Office of Housing and Community Development
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

Upon receiving the written request for an ALJ hearing, MOHCD will provide the ALJ with all application materials and any supplementary information from the applicant, as well as contact information for the applicant and any named representatives indicated in the request for ALJ hearing. The ALJ will then send a Notice of Hearing at least 10 days before the hearing date to MOHCD and to the applicant and their named representatives.

Requests for postponements must be submitted in writing to the ALJ and will be granted only when there is good cause. Evidence supporting the good cause must be submitted with the request for postponement.

On the hearing date, the applicant and MOHCD may each appear to present evidence and argue their position. The hearing process is designed so that no one needs an attorney, although parties are entitled to have an attorney or other authorized representative assist them at the hearing. The parties or their representatives are permitted to present testimony and evidence, and to cross-examine the other parties and their witnesses. The ALJ may also ask questions of the parties and witnesses to ensure that all pertinent facts are brought out. The record may be held open for the submission of additional evidence after the hearing.

After the record is closed, the ALJ will issue a written decision that will be mailed to all the parties and their representatives.

For more information on the hearing process, including deadlines and procedures for filing appeals, refer to the Rent Board website at <http://sfrb.org>.

6. Neighborhood Resident Housing Preference

The Neighborhood Resident Housing Preference (NRHP) is designed to benefit residents living in the same Neighborhood as a City Affordable Housing Project, Households living in the same neighborhood are those households living in the same Supervisorial District or within a ½ mile radius of a project will be eligible for the NRHP.

The NRHP applies only to new residential developments with 5 or more City Affordable Housing Units and is limited to 40% of the lottery units in the development.

6.1. Applying for Preference Status

An applicant who believes they are eligible for the NRHP must indicate on the application form for the preference when applying for a City Affordable Housing Unit and must provide proof of residency along with the lottery application for that unit. MOHCD will use its Geographic Information System (GIS) to determine which applicant addresses are eligible for the preference. After the application deadline, and no less than seven (7) days prior to the housing lottery, MOHCD will post on the MOHCD website or DAHLIA – San Francisco Housing Portal and, when available, project website, the list of applicants (identified by their unique ‘lottery ticket’ numbers) who have qualified for the NRHP for that lottery.

6.2. Eligibility

To be eligible for the NRHP, a Household applicant must include at least one member who, at the time that the applicant submits the application, has a primary residence that is:

- (1) Located within the same Supervisorial District as the unit or project to which the applicant has applied. (Supervisorial Districts are defined and established in the San Francisco Charter, Appendix E.)

Or

(2) Located within a ½ mile buffer around the location of the unit or project to which the applicant has applied. For NRHP eligibility purposes, the ½ mile buffer shall be defined as a zone extending from the edge of the parcel or parcels containing the unit or project to include all parcels that intersect the ½ mile buffer either whole or in part.

An applicant who lives at an eligible address as of the date of submitting a housing lottery application, but later moves outside the Neighborhood, may still qualify for NRHP. Applicant Households made up of individuals who do not currently live together at the time of application may be eligible for NRHP so long as at least one member lives at an eligible address at the time of lottery application.

While the Household composition may change after the Household's lottery application is submitted, Household members who qualified a Household for the NRHP must sign the lease or purchase agreement for the City Affordable Housing Unit and occupy such unit or the Household will lose its preference status (the Household may remain on the general lottery list or on any other preference lists for which it remains qualified).

Eligibility for the NRHP does not guarantee that the holder will be eligible for a City Affordable Housing Unit. All applicants will still be required to meet all other eligibility requirements of the unit (e.g. income eligibility, household size requirements, etc.).

6.3. Documentation

In order to benefit from NRHP an applicant Household must provide documentation at the time of its lottery application sufficient to establish, in MOHCD's reasonable discretion, that at least one member of the Household resided at the listed eligible

address at the time of the application. Applicants who do not submit documentation or whose documentation is not current, will not be eligible for the NRHP.

Acceptable documentation will include, but not be limited to, any one (1) of the following:

- Cable or internet bill
- Gas bill
- Electric bill
- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the applicant's name and current address and be dated within 45 days of the date of the lottery application. MOHCD reserves the right to request additional information and documentation.

Applicants who are homeless at the time of application may demonstrate eligibility for the NRHP by providing a letter from a case manager or homeless shelter attesting to the fact that the applicant is homeless and identifying where they are currently staying. Letters must be signed, dated and on official letterhead from an agency that provides health, mental health or housing services to the homeless.

In the event that MOHCD determines that any applicant has provided falsified documentation of any kind, the application will be disqualified, removed from consideration and will not be included in the lottery.

6.4. Questions and Appeals

Inquiries about eligibility for the NRHP and other questions regarding the application process should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5500, via TDD at (415) 701-5503 or lottery appeal@sfgov.org.

Disputes for the denial of the Neighborhood Resident Housing Preference

Applicants who wish to dispute MOHCD's determination regarding eligibility for the NRHP may request, in writing, that the Deputy Director - Homeownership & Below Market Rate Programs review and reconsider their preference eligibility. A request for review must be received by MOHCD at least 48 hours prior to the scheduled lottery. In some cases, applicants may be granted preliminary NRHP status while MOHCD completes further research on the eligibility of the address in question. If MOHCD determines that a disputed address does not qualify for preference after the lottery, the applicant will be removed from the NRHP lottery pool. (The applicant could remain on the general lottery list and any other preference lists for which they are eligible.) Final determination on the eligibility of an address must be made before a Household is offered a unit for lease or purchase.

Any supplementary materials or additional information demonstrating eligibility must be submitted at the same time as the request for reconsideration. Requests for reconsideration may be emailed to lotteryappeal@sfgov.org with the subject heading "Request for Neighborhood Preference Reconsideration."

Requests for reconsideration may be delivered by mail or in person to:

Deputy Director - Homeownership & Below Market Rate Programs Mayor's
Office of Housing and Community Development
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

Upon receipt of the request for reconsideration and all related materials, the complete application package will be reviewed by the Deputy Director - Homeownership & Below Market Rate Programs, and a final MOHCD determination of whether or not the applicant is eligible shall be made within fourteen (14) calendar days after receipt of the request (Final MOHCD Determination).

Appeals for the denial of NRHP

Applicants who wish to dispute the final MOHCD determination made by the Deputy Director - Homeownership & Below Market Rate Programs are entitled to a hearing conducted by an ALJ.

The request for an ALJ hearing must be in writing within 7 days of receipt of notice of the decision of the Deputy Director - Homeownership and Below Market Rate Programs and may be delivered via email to lotteryappeal@sfgov.org with the subject heading "Request for NRHP Rent Board Administrative Law Judge Hearing".

Requests for a Rent Board hearing may be delivered by mail or in person to:

Request for NRHP Rent Board Administrative Law Judge Hearing
Neighborhood Housing Preference Program
Mayor's Office of Housing and Community Development
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

Upon receiving the written request for an ALJ hearing, MOHCD will provide the ALJ with all application materials and any supplementary information from the applicant, as well as contact information for the applicant and any named representatives indicated in the request for ALJ hearing. The ALJ will then send a Notice of Hearing at least 10 days before the hearing date to MOHCD and to the applicant and their named representatives.

Requests for postponements must be submitted in writing to the ALJ and will be granted only when there is good cause. Evidence supporting the good cause must be submitted with the request for postponement.

On the hearing date, the applicant and MOHCD may each appear to present evidence and argue their position. The hearing process is designed so that no one needs an attorney, although parties are entitled to have an attorney or other authorized representative assist them at the hearing. The parties or their representatives are permitted to present testimony and evidence, and to cross-examine the other parties and their witnesses. The ALJ may also ask questions of the parties and witnesses to ensure that all pertinent facts are brought out. The record may be held open for the submission of additional evidence after the hearing.

After the record is closed, the ALJ will issue a written decision that will be mailed to all the parties and their representatives.

For more information on the hearing process, including deadlines and procedures for filing appeals, refer to the Rent Board website at <http://sfrb.org>.

7. Live/Work Preference

MOHCD has adopted a policy of applying a preference in selecting residents for City Affordable Housing Projects to Households that live or work in San Francisco whenever possible (Live Work Preference or LWP).

7.1. Applying for the Preference

To be eligible for the LWP, an applicant must indicate on his or her application that he or she currently lives or works at least 75% of his or her working hours in San Francisco and must provide proof of residency or employment along with the application. If

acceptable proof is not provided with the application, applicants will not be eligible for the LWP regardless of the location of residency or employment. Project Sponsors will provide this documentation to MOHCD for determination of eligibility for the LWP.

7.2. Eligibility

Any applicant Household with at least one member who currently lives in the City and County of San Francisco or works at least 75% of their working hours within the City may be eligible for the LWP.

Applicants who live at an eligible address on the date that they submit their housing application but later move outside the City will receive the LWP.

Applicant Households made up of individuals who do not currently live together at the time of application may be eligible for LWP so long as at least one member lives at an eligible address or works at least 75% of their working hours in the city at the time of application.

While the Household composition may change after the Household's application, Household members who qualified a Household for the LWP must sign the lease or purchase agreement for the City Affordable Housing Unit and occupy the unit or the Household will lose its preference status (the Household may remain on the general lottery list and on any other preference lists for which it remains qualified).

7.3. Documentation

To be considered a Household that lives or works in San Francisco, at least one member of the Household must provide the following proof of either residency or employment:

Residency

To establish residency, the Household member must provide supporting documentation verifying that he or she lives in San Francisco, including at least one (1) of the following:

- Cable or internet bill
- Gas bill
- Electric bill
- Garbage bill
- Water Bill
- Paystub
- Public benefits records (e.g. SSI/SSP, MediCal, GA, Unemployment Insurance, CalFresh)
- School records

All documentation must list the household member's name and current address and be dated within 45 days of the date of the lottery application. MOHCD reserves the right to request additional information and documentation.

Applicants who are homeless at the time of application may demonstrate eligibility for the live/work preference by providing a letter from a case manager or homeless shelter attesting to the fact that the applicant is homeless and identifying where they are currently staying. Letters must be signed, dated and on official letterhead from an agency that provides health, mental health or housing services to the homeless.

Employment

To establish that a Household member is employed in San Francisco for purposes of the LWP, such member must provide supporting documentation verifying that the he or she is employed in San Francisco.

The Project Sponsor shall verify that a Household member works in San Francisco by reviewing the Household member's paystubs. If the member's employer is not based in San Francisco, or if the paystubs do not reflect a San Francisco work address, the Household member must supply a letter from the employer stating that the person works primarily in San Francisco and that at least 75% of their working hours are in San Francisco. MOHCD reserves the right to request additional information and documentation.

In the event that MOHCD determines that any applicant has provided falsified documentation of any kind, the application will be disqualified, removed from consideration and will not be included in the lottery.

7.4. Questions

Inquiries about eligibility for the LWP and other questions regarding the application process should be addressed to the Mayor's Office of Housing and Community Development at (415) 701-5613, via TDD at (415) 701-5503 or via email at sfhousinginfo@sfgov.org.

8. Priorities for Accessible Units

Project sponsors must give first priority in allocating units with accessibility features (accessible units) to Households with documented need for one or more of the specific accessibility features present in the available unit.

Applicants in need of an available accessible unit will be evaluated and offered the unit in lottery rank order. If no applicant has a documented need for an accessible unit, the units will be offered to other eligible applicants according to the same lottery preference ranking used for other City Affordable Housing Units. Should the unit be offered to an applicant who does not require accessibility features, they will be required to sign an

agreement to transfer to a comparable non-accessible unit within the project should a tenant or applicant require an accessible unit in the future. Failure to transfer as agreed shall be deemed non-compliance with the Lease.

Applicants who request priority for accessible units will also be included in the general lottery pool and any preference lottery pools for which they are eligible.

8.1. Applying for an Accessible Unit

Households with a member who needs accessibility features may indicate the need for an accessible unit on the lottery application and provide a short description of the accessibility features needed.

8.2. Eligibility

The specific accessibility features included in designated accessible units will vary from one unit to another. To be eligible for a specific accessible unit, an applicant must include a Household member with a documented need for the specific features included in the available accessible unit. For example, an applicant who uses a wheelchair would not receive priority for a unit designed for a person with visual impairments.

While the Household composition may change after the application, the Household member with documented needs for an accessible unit must sign the lease or purchase agreement and occupy the unit, or the Household will lose its priority status.

8.3. Documentation

Applicants requesting accessible units will be asked to provide a letter from their doctor or other licensed medical professional stating that the applicant has a medical condition or disability and needs the features of the unit as an accommodation to his or her condition. The letter does not need to state the nature of the medical condition that leads to the need for the accessibility features. Documentation will be requested after

the lottery as part of the applicant eligibility screening process. MOHCD reserves the right to request additional information and documentation.

In the event that MOHCD determines that any applicant has provided falsified documentation of any kind the application will be disqualified, removed from consideration and will not be included in the lottery.

9. The Lottery and Selection Process

9.1. Preference Order

Project Sponsors with occupied projects or projects required to have a Marketing Plan for initial and ongoing marketing of the City Affordable Housing Units and a written Resident Selection Criteria for initial and ongoing renting of affordable units are required to work closely with MOHCD to incorporate the housing preferences, lottery and lease-up policies and procedures to the extent that they are consistent with the requirements of existing project financing. Where there are conflicts, this policy is not intended to and does not preempt the requirements of state or federal financing or housing subsidy programs.

The procedures and policies outlined here are, however, intended to guide the development of Marketing Plans for new and existing City Affordable Housing Projects seeking MOHCD approval. However, even for new projects, regulations for state or federal financing sources may prevent the application of locally imposed preferences or outline selection procedures that may contradict the procedures described here. In these cases, MOHCD may approve Marketing Plans that outline or preferences or selection procedures that differ from the ideal described below.

Table: Summary of the Order of Preferences

Project Type	New and Vacant Buildings	Rerentals and Resales
INCLUSIONARY BMR PROJECTS	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Displaced Tenant Housing Preference (up to 20% of City Affordable Housing Units) 3. Neighborhood Preference (up to 40% of City Affordable Housing Units) 4. Live or Work in San Francisco 5. General Pool <p>*Accessible Units Priority</p>	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Displaced Tenant Housing Preference (if less than 20% of units were filled by tenants using DTHP certificates). 3. Live or Work in San Francisco 4. General Pool <p>*Accessible Units Priority</p>
OCII PROJECTS	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Rent Burdened/Assisted Housing Residents 3. Displaced Tenant Housing Preference (up to 20% of City Affordable Housing Units) 4. Neighborhood Preference (up to 40% of City Affordable Housing Units) 5. Live or Work in San Francisco 6. General Pool <p>*Accessible Units Priority</p> <p>In certain projects, there may be special preferences that will be prioritized.</p>	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Rent Burdened/Assisted Housing Residents 3. Displaced Tenant Housing Preference (up to 20% of City Affordable Housing Units) 4. Live or Work in San Francisco 5. General Pool <p>*Accessible Units Priority</p> <p>In certain projects, there may be special preferences that will be prioritized.</p>
OTHER CITY AFFORDABLE HOUSING PROJECTS	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Displaced Tenant Housing Preference (up to 20% of City Affordable Housing Units) 3. Neighborhood Preference (up to 40% of City Affordable Housing Units) 4. Live or Work in San Francisco 5. General Pool <p>*Accessible Units Priority</p> <p>In certain projects, there may be special preferences that will be prioritized.</p>	<ol style="list-style-type: none"> 1. Certificate of Preference 2. Displaced Tenant Housing Preference (up to 20% of City Affordable Housing Units) 3. Neighborhood Preference (up to 40% of City Affordable Housing Units) 4. Live or Work in San Francisco 5. General Pool <p>In certain projects, there may be special preferences that will be prioritized.</p>

For the purpose of determining the number of units to which the Displaced Tenant Housing Preference (DTHP) and Neighborhood Resident Housing Preferences (NRHP) are applied, fractional units are ignored. For example, in a new project with ten (10) City Affordable Housing Units, up to 20% or two (2) units would be set aside for Households with DTHP certificates and an additional 40% or four (4) would be set aside for applicants with the Neighborhood Resident Preference. But in a new project with 9 units, there would be only one (1) DTHP unit and three (3) Neighborhood Resident Preference units. Neither preference will be applicable to City Affordable Housing Projects with fewer than five (5) units.

9.2. Bringing Units to the Market

Racial Equity Policy

Under the leadership of Mayor Breed, and in partnership with city and community leaders, MOHCD seeks to advance opportunities and improve programmatic outcomes for Black, Brown, and other low-income residents of historically and systematically marginalized populations who have faced barriers to accessing affordable housing opportunities. As such, MOHCD is assessing programs, contracts, and procurements to ensure they advance the City's racial equity goals. MOHCD will be working closely with our partner organizations to monitor the impact of our investments. MOHCD will provide capacity building, clear information to partnering organizations, and create channels to give and receive feedback to ensure that all parties are aligned in the expectation to create an inclusive and equitable City where all residents have the opportunity to thrive.

Marketing Plan

Sponsors shall submit to MOHCD a complete Marketing Plan based on MOHCD's template for approval at least forty-five (45) calendar days prior to accepting lottery applications and at least one hundred and twenty (120) calendar days prior to the anticipated close of escrow for ownership units or lease origination dates for rental

units. The Marketing Plan as provided to MOHCD shall not be changed without providing MOHCD with fourteen (14) calendar days written notice.

Marketing Plan Requirements

- (1) MOHCD will provide Project Sponsors a template of the Marketing Plan to ensure they meet the marketing plan requirements. Project Sponsors shall only use the most current and approved Marketing Plan template provided by MOHCD. Any Marketing Plan that is not based on MOHCD's template will not be approved.
- (2) Project Sponsors shall demonstrate in the Marketing Plan submission that they are prepared by providing adequate staffing levels to ensure a timely lease-up and sales process. Staff employed to conduct lease-up or sales activities shall have the experience, professional skills, and training necessary to efficiently, effectively and respectfully interact with applicants with the highest level of culturally competent customer service.
- (3) In accordance with MOHCD's racial equity policy described above, the Marketing Plan template will include marketing, outreach, and leasing/sales standards to limit barriers for historically and systematically marginalized populations from accessing affordable housing opportunities. Marketing Plans that present barriers will not be approved until the barriers are eliminated. By way of example only, prohibited barriers including, but are not limited to, a minimum FICO credit score higher than 620; a criminal background screening not in compliance with the City's Fair Chance Ordinance; and establishing excessive guarantor requirements.

Conflict of Interest

The Project Sponsor may not sell or rent a BMR Unit to the Project architect, attorney, prime contractor, or to anyone of its or their employees, directors, officers or agents, or to any of their family members, as determined by MOHCD.

Outreach to COP Holders

Outreach to COP holders is mandatory. To that extent, the City shall:

- Address printed notices to COP Holders created by the Project Sponsor using an MOHCD template.
- Assistance to qualified tenants in filing COP applications or referral to an appropriate housing counseling organization.
- Bill the Project sponsor for the cost of mailing any marketing materials to COP holders.

The Project Sponsor shall:

- Create written notices to COP Holders advising them that units are available using the template provided by MOHCD in the Marketing Plan template.
- Mail the notices prior to the application period. For Office of Community Investment and Infrastructure (OCII) projects, Notices should be mailed at least 15 months before completion of construction as well as prior to the application period.
- Bear the full cost of the mailing.

Outreach to DTHP Certificate Holders

The City shall furnish the following:

- A housing email alert service which provides notices to DTHP certificate holders advising them of available City Affordable Housing Units.
- Assistance to tenants in filing DTHP applications (when possible) or referral to an appropriate housing counseling organization.

Outreach to Neighborhood Residents

Project Sponsors shall take proactive steps to ensure that residents of the Neighborhoods surrounding a project are informed of the availability of the City Affordable Housing Units and the existence of a Neighborhood Resident Housing Preference. Marketing Plans should outline specific steps including but not limited to:

- Posting notices on the project construction site.
- Advertising in community newspapers or websites targeting or serving the Neighborhood.
- Sponsoring community events.
- Notification in District Supervisor's Office for inclusion in E-mail Blasts to residents of the district.
- Mailings or fliers distributed to neighboring businesses and non-profit organizations serving the neighborhood.

Prior to the Lottery, if Neighborhood Residents do not make up a significant share of applicants for a given project, MOHCD may determine that additional Neighborhood outreach is necessary before closing the application period and conducting the lottery.

Application Forms

Applicants must submit a MOHCD application by a specific deadline for each lottery, either through DAHLIA San Francisco Housing Portal or by paper application through MOHCD's Post Office box, as listed on DAHLIA. DAHLIA can be translated into many languages and the paper lottery application is available in the City's official languages, as amended from time to time. Currently these languages are Traditional Chinese, English, Spanish and Filipino. Applicants may only submit one application (whether online or on paper via the MOHCD Post Office box) per lottery. Should an applicant submit more than one application or appear on more than one application, all associated applications will be removed from the lottery. Applicants notified that their

applications have been removed from the lottery have 24 hours to appeal to MOHCD in writing to lotteryappeal@sfgov.org.

All City Affordable Housing Project applications shall include the following questions:

- Do you have a Certificate of Preference from the San Francisco Redevelopment Agency?
- Do you have a Displaced Tenant Housing Preference Program certificate?
- To the best of your knowledge, is one or more of the Household members currently a resident of the supervisorial district including the project you are applying for or a ½ mile buffer surrounding the parcel containing the project?
- Does one or more of the Household members currently live or work in San Francisco?

Applications for projects shall include the following notice placed prominently:

If eligibility for a preference cannot be verified or acceptable documentation to prove eligibility for a preference is not submitted, your Household will not receive the preference for which you indicate eligibility.

Application Submission

An applicant household may only submit one application per lottery. Additionally, any household member may only appear once on an application for a lottery. Any duplicate applications and applications where any household member appears on more than one application will be removed from the lottery.

MOHCD will deny applications and/or terminate program participation of applicants who knowingly provide false, misleading, or inaccurate information or withhold information on all MOHCD lottery and program applications, and may refer such applicants to the City Attorney's Office. "Knowingly" means any of the following where the applicant: (1) has actual knowledge of the information; (2) acts in deliberate ignorance of the truth or

falsity of the information; (3) acts in reckless disregard of the truth or falsity of the information. MOHCD does not have to provide proof of an applicant's specific intent in order to deny and/or terminate program participation. Please refer to the HOUSEHOLD CERTIFICATION AND SIGNATURES page of the program related applications for more details.

Pre-Lottery Application Tracking

No more than seven (7) calendar days after the application deadline, the Project Sponsor must enter all lottery applications into Salesforce and review all flags for duplicate lottery applications. MOHCD will, in turn, audit the paper applications submissions and review flags. No less than three (3) business days prior to the lottery the Project Sponsor will inform all applicants removed from the lottery for duplicate submissions. Applicants have 24 hours to appeal to MOHCD at lotteryappeal@sfgov.org and must provide additional information to substantiate the request.

MOHCD will verify COP or DTHP certificate holders prior to the lottery.

Pre-Lottery NRHP Summary Report

No less than five (5) business days prior to the lottery proceedings, MOHCD will approve a final Pre-Lottery Application NRHP Preference Report which MOHCD will post on DAHLIA-San Francisco Housing Portal or the MOHCD website. This report will include no identifying information about applicants other than their lottery ticket number and will indicate for each applicant whether or not they are qualified for the Neighborhood Resident Housing Preference pool in the upcoming lottery.

Lottery Procedures

Lotteries for City Affordable Housing Units shall be held in a public, accessible location that is arranged and paid for by the Project Sponsor. Applicants shall be invited to attend lotteries, but attendance is not mandatory as lottery results are readily available on DAHLIA - San Francisco Housing Portal.

A representative of MOHCD shall conduct the lottery in tandem with the Project Sponsor. MOHCD shall employ a publicly available computer program to generate a random lottery rank for each and every complete application with no regard for the various preference pools. All applicants with lottery ticket numbers shall be assigned a lottery rank.

This list of all complete applications sorted by lottery rank number constitutes the 'unranked' lottery pool. However, several additional pools must be constructed including only those applicants who qualify for specific preferences. MOHCD will produce a ranked applicant list for each relevant preference pool. Applicants will be included in all preference pools for which they are eligible. Many applicants will be included in multiple preference pools. All DTHP certificate holders will be automatically included in the LWP pool, if applicable, regardless of their current address at the time of application. Each of the preference pools will be sorted in lottery rank order using the same lottery rank numbers (i.e. there is no separate drawing for each pool, applicants receive only one lottery rank number which determines their position on each preference list. For example, an applicant with lottery rank number 10 would be in tenth position in the unranked pool but, they could also be in third position in the LWP pool and first position in the DTHP pool.)

Sample Report:

Rank	Preference Lists					X. Accessible Units
	1. COP	2. DTHP	3. Neighborhood	4. Live/Work	5. General	
	<small>up to 100% of units</small>	<small>up to 20% of units</small>	<small>up to 40% of units</small>	<small>up to 100% of remaining units</small>	<small>Remaining units</small>	
3678-92	3678-91	3678-90	3678-92	3678-92	-	3678-99
3678-90	-	3678-97	3678-97	3678-90	-	-
3678-91	-	3678-109	3678-107	3678-91	-	-
3678-95	-	3678-113	3678-104	3678-95	-	-
3678-99	-	-	3678-101	3678-99	-	-
3678-102	-	-	3678-114	3678-105	-	-
3678-97	-	-	3678-94	3678-107	-	-
3678-105	-	-	3678-110	3678-104	-	-
3678-107	-	-	-	3678-101	-	-
3678-111	-	-	-	3678-114	-	-
3678-104	-	-	-	3678-116	-	-
3678-101	-	-	-	3678-94	-	-
3678-114	-	-	-	3678-109	-	-
3678-116	-	-	-	3678-110	-	-
3678-94	-	-	-	3678-113	-	-
3678-109	-	-	-	3678-115	-	-
3678-110	-	-	-	3678-93	-	-
3678-112	-	-	-	3678-96	-	-
3678-113	-	-	-	3678-98	-	-
3678-115	-	-	-	-	-	-
3678-93	-	-	-	-	-	-
3678-96	-	-	-	-	-	-

Final Lottery List

No later than seven (7) days after the date on which the lottery is held, MOHCD and the Project Sponsor shall publish the final lottery list including the lottery rank assigned to each lottery number in the general pool list and the resulting ranked preference lists for each preference pool.

Lottery results shall be posted on DAHLIA-San Francisco Housing Portal, and only once they are posted are the results final. The lottery results shall not include the names of applicants but only the application ticket numbers. It is the applicants’ responsibility to check their lottery results.

Application Review

Applications shall not be reviewed for eligibility before a lottery, but only after the lottery ranking has been finalized. Post-lottery Project Sponsors shall notify applicants by mail,

email, phone, text messaging and through their alternate contact listed on their lottery application in rank order by preference pool.

The Project Sponsor shall adhere to the rank order of each of the lottery preference pool lists when reviewing applications.

For the sake of efficiency, Project Sponsors may request documentation from multiple applicants with similar rankings; however applicants will be approved, disqualified, or offered the opportunity to select a unit in rank order by preference pool only.

Because Project Sponsors are requesting and reviewing multiple applications simultaneously, the Project Sponsor must inform applicants verbally and in writing that submission of income and asset documentation is not and may not result in an approval or offer for a unit.

Because of the complexity resulting from multiple overlapping preference pools, it is important that a Project Sponsor offer an available unit to only one applicant. MOHCD will validate applicants who are eligible for the COP and DTHP preferences. Proceeding through the list beginning with the applicant with the highest lottery rank number in the first preference pool (generally the COP list), and moving through that list before proceeding to the next preference pool, the Project Sponsor for a rental project will validate an applicant's eligibility for the NRHP and Live Work preference (MOHCD will make such determination in the case of an ownership project). Eligible applicants will be sent an approval letter and given the chance to select a unit in lottery rank order. An applicant that selects a unit will be removed from all subsequent preference pools or the general pool. If an applicant is disqualified or declines a unit (withdraws), they will be removed from all subsequent preference pools or the general pool.

In the event that applicants utilizing DTHP certificates are approved for at least 20% of the total available City Affordable Housing Units in a Project, processing of applicants from the DTHP preference pool will be suspended and applicants from the next

preference pool will be considered next. The ranked DTHP list will be maintained in case any of the selected DTHP certificate holders later withdraws, in which case the next sequential applicant on the DTHP pool list will be considered.

In the event that applicants utilizing the NRHP are approved for at least 40% of the total available City Affordable Housing Units in a Project, processing of applicants from the NRHP pool will be suspended and applicants from the next preference pool will be considered. The ranked NRHP list will be maintained in case any of the selected NRHP applicants later withdraws, in which case the next sequential applicant on the NRHP pool list will be considered.

For rental projects, Project Sponsors may only run rental or credit history checks after income and asset eligibility is finalized. Criminal history may only be run after all other qualifications for affordable housing are finalized in compliance with the San Francisco Police Code Article 49 – Fair Chance Ordinance (FCO).

Response Deadline

An applicant shall have at least five (5) calendar days to respond to the Project Sponsor from the date of the notice to provide documentation for review of their financial qualifications. Failure to respond or request an extension of time will result in a disqualification.

An applicant who has been approved and notified in writing by the Project Sponsor shall have at least seven (7) calendar days thereafter to enter into a lease agreement or a purchase agreement for the available unit, as applicable. If the applicant fails to affirmatively respond to an offer of a unit, the offer of a unit shall be considered 'rejected' by the applicant. Rejection of the unit by an applicant must be shown as Withdrawn on the current status report submitted to MOHCD on a weekly basis. Written notice shall be provided to applicants whose applications are closed due to a lack of response. Applicants may 'reject' units with no consequence for their eligibility for future City Affordable Housing Units.

Unit Selection

Applicants have the opportunity to choose among units that meet the household size in lottery rank by preference.

While Household composition may change after an applicant submits an application under certain qualified events described in the Inclusionary Affordable Housing Program Monitoring and Procedures Manual, as amended from time to time, Project Sponsors shall verify that Household members who qualified as the Household for any preferences are still included in the Household and sign the lease or purchase agreement. In the event that Household composition changes in a way that results in a loss of any preference status, the Household will be removed from the relevant preference list and the available unit shall be offered to the next eligible Household.

In some cases, applicants who are eligible for the overall project may not qualify for any of the remaining available units because of Household size or other factors. If there is no appropriate unit available for the next eligible applicant, the applicant may maintain their position on the list while the Project Sponsor processes the next eligible applicant for whom there is an appropriate available unit. Project Sponsors need not complete all elements of eligibility screening once they have sufficient information to determine that no appropriate unit is available for an applicant.

Coordination Between MOHCD and Project Sponsor

Because of the complexity in implementing the preference rules it is essential for MOHCD and Project Sponsors to coordinate closely as applicants are evaluated. In order to prepare to process applicants in the most efficient manner, Project Sponsors may collect supporting documentation from applicants whose lottery position makes them likely to be considered soon. However, because of the complexity of the preference system, it will not always be possible to know which applicants will be considered next. (For example, if the next applicant in order is being considered for the last available Neighborhood Resident Housing Preference (NRHP) unit, the applicant to be considered after that will depend on whether this first applicant is approved and

accepts a unit or not. In this case a Project Sponsor would want to request documentation from the next one or two applicants on the NRHP list as well as the first applicants in the Live/Work Preference pool.)

In order to facilitate this process, MOHCD will provide Project Sponsors with an applicant tracking tool which identifies the first applicant as well as the likely next applicants in rank order. Sponsors must use this tool to ensure that applicants are screened in the proper rank order.

For rental projects, the Project Sponsor will process all applications in preference rank order and communicate application status back to MOHCD for each application processed before moving to consider the next eligible applicant. Application status may include:

- Processing
- Approved
- Lease Signed (identify unit number)
- Disqualified
- Appeal
- Waitlisted
- Withdrawn

For ownership projects, MOHCD will process all applications in preference rank order and communicate application status to the Project Sponsor and the applicant for each application processed before moving to consider the next eligible applicant. Application status may include:

- Processing
- Conditional Approval
- Purchase Agreement Signed (identify unit number)
- Final Approval

- Disqualified
- Appeal
- Waitlisted
- Withdrawn
- Closed

Disqualification and Appeals

Applicants who are not able to demonstrate eligibility for a housing unit shall be notified in writing of their disqualification. Disqualification letters shall inform applicants that they may appeal to MOHCD or Project Sponsor with a request for Reconsideration within five (5) calendar days from the date of the disqualification letter. For rental projects, applicants disqualified based on criminal background history will have fourteen (14) calendar days from the date of the disqualification letter to appeal to the Project Sponsor in accordance with the San Francisco Police Code Article 49 – Fair Chance Ordinance (FCO).

In the case of an appeal or request for reconsideration, the Project Sponsor and MOHCD shall follow the appeal procedures outlined in this procedures manual, the project’s Marketing Plan, and if applicable, the Resident Selection Criteria. Typically, this will require holding an appropriately sized unit for the disqualified Household while MOHCD or Project Sponsor evaluates the request for reconsideration. However, applicants who are found to be ineligible for DTHP and NRHP have the option to appeal to a Rent Board Administrative Law Judge as described in Section 5.7 of this procedures manual.

Final Documentation for Rental Projects

Within fourteen (14) calendar days after an applicant executes of a lease for a rental unit, the Project Sponsor shall supply MOHCD with a copy of the following for all DTHP and COP applicants:

- Signed copy of lease

- Copy of complete application

Waitlists

For projects that fill vacancies from a waitlist the Project Sponsor must put the following guidelines in place. The number of households on a waitlist should be no more than 500% of the number of City Affordable Housing Units in the lottery. The minimum number of households on the waitlist should be no less than 30% of the number of lottery affordable units. For example, for a project with 100 lottery units there should be a maximum of 500 households on the waitlist and a minimum of 30 households on the waitlist. If the number of households on the waitlist drops below 30% the Project Sponsor must contact MOHCD to refresh the waitlist by submitting a new Marketing Plan. A marketing period will commence, and a lottery conducted thereafter, to determine which households will fill the open vacancies from the waitlist. Households from subsequent lotteries will be placed after the households who were already on the waitlist.

Additionally, the Project Sponsor must contact the households on the waitlist in writing annually to determine if they want to remain on the waitlist. If households do not respond they will be removed from the waitlist.