



SAN FRANCISCO BOARD OF SUPERVISORS BUDGET & FINANCE COMMITTEE

Housing Budget Preview

CITY AND COUNTY OF
SAN FRANCISCO

MAYOR LONDON N. BREED

JUNE 24, 2020

MOHCD's Mission



MAYOR'S OFFICE OF
HOUSING & COMMUNITY DEVELOPMENT

Who We Are

We support San Franciscans with affordable housing opportunities and essential services to build strong communities.

What We Do

CREATE	PRESERVE	PROTECT	EMPOWER
100% Affordable Housing Multifamily	Former Public Housing Rental Assistance Demonstration	Vulnerable Residents Eviction Prevention Legal Services Job Readiness Financial Education Service Connection Supportive + Transitional Housing	Communities + Neighborhoods Cultural Districts Capacity Building Facility Improvement Leadership Development
Mixed Income Housing Inclusionary	Vulnerable Properties Small Sites Program Preservation + Seismic Safety		People Seeking Housing DAHLIA SF Housing Portal Lottery Preferences Counseling Subsidies
Transformed Communities HOPE SF	Existing Affordable Homes Monitoring + Compliance Rehabilitation		
Affordable Home Ownership Downpayment Assistance Loan Program			

How We Do It

Compassion. Excellence. Commitment. Equity.

MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT



MOHCD Operating Structure

Divisions

Administration and Finance

HBMR

Housing

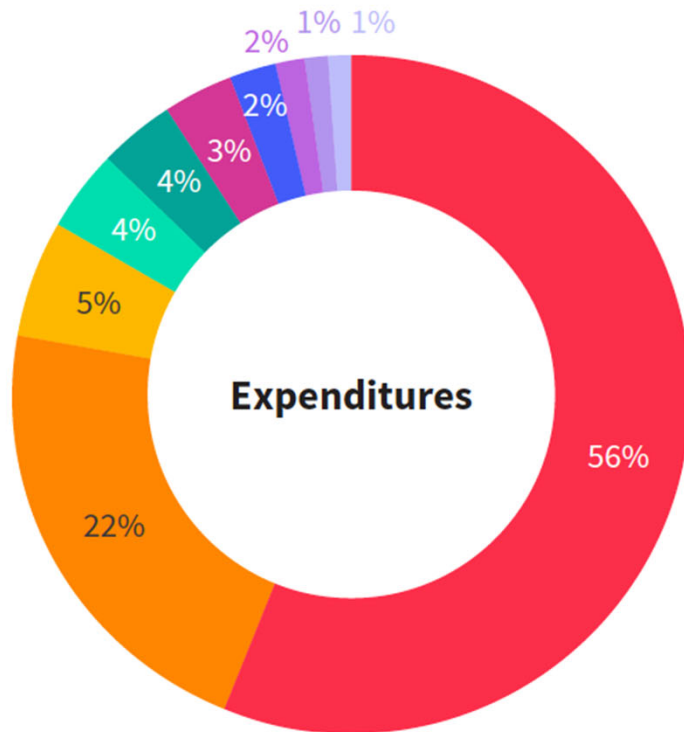
Community Development

TOTAL: 131.54 FTE in FY19-20, of which 17.83 FTE are temporary FTE placeholders for SFHA support

- Permanent Director appointed April 2020



FY2018-19 Expenditures



Expenditure	\$ Amount
Multifamily Housing Grants & Loans	152,563,615
Grants to Nonprofit Organizations	59,149,920
Salaries & Fringe	14,777,744
Homeowner Loans	10,734,711
Purchase & Maintenance of Property	9,681,565
LOSP Program	9,152,898
Services of Other Departments	5,871,319
Debt Service & Issuance	4,168,450
Departmental Non-Personnel	2,878,721
Rental Assistance	2,420,505

TOTAL

\$271,399,447



Existing Affordable Housing

❖ Portfolio

- Multifamily: 377 developments with 23,551 affordable units
- Inclusionary: 1,583 rental units and 2,831 ownership units

❖ Housing Goals

- On track to produce and preserve 10,000 affordable units by 2020 - currently, at 9,694 affordable units
- Mayor Breed's production goal of 5,000 units annually

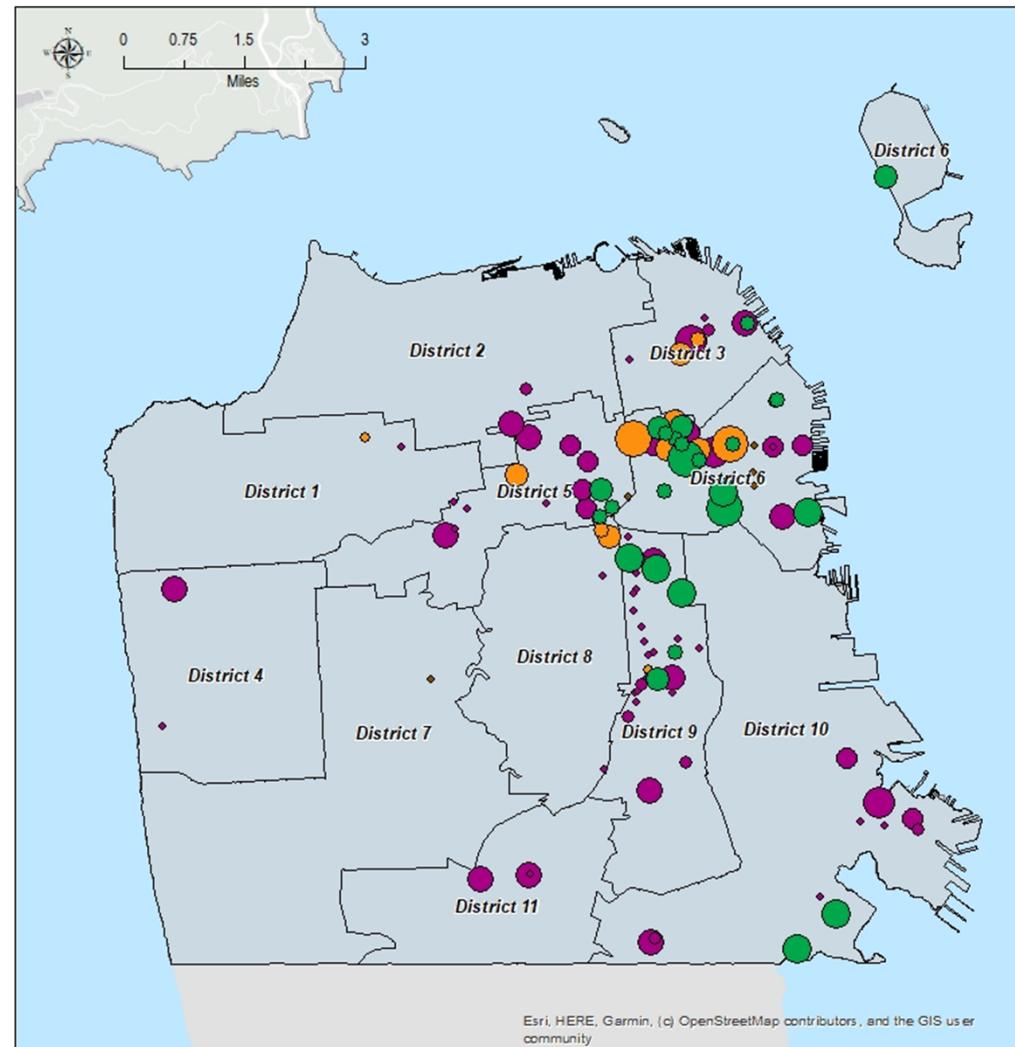
Affordable Housing Pipeline

**Total: 133
projects with
11,725 units**

**Family Housing:
9,729 units**

**Senior Housing:
1,925 units**

**Supportive
Housing:
1,806 units**

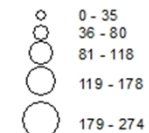


Pipeline of Affordable Housing Developments

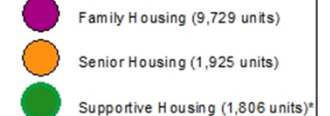
This map shows the entire MOHCD- and OCII-sponsored affordable housing development pipeline of 100% affordable and inclusionary units.

There are 11,725 total affordable units across 133 developments as of June 22, 2020.

Number of Affordable Units



Housing Type



* Homeless Supportive Housing includes 71 units of TAY Housing.



2020 Mayor's Office of Housing and Community Development



Access to Housing

❖ DAHLIA

- FY19-20 to date: 152,732 applicants entered 127 lotteries for 847 units
- FY 18-19: 129,111 applicants entered 89 lotteries for 586 units

❖ Coordinated housing counseling and flow of information

❖ Improved Data Collection and Systems

- Tracking the effects of federal, state and local eligibility requirements that are barriers to applicants
- Monitoring project lease up activities to ensure compliance and culturally appropriate interactions

❖ Neighborhood preference applied to State funded projects in addition to City sponsored projects

❖ Targeted marketing



MOHCD Housing Programs

❖ Production

- 100% Affordable Housing
- BMR Inclusionary Program – rentals and ownership

❖ Preservation

- Acquisition Programs
- RAD and HOPE SF
- Sites with expiring affordability restrictions

❖ Homeownership

- BMR Inclusionary Housing Program
- Downpayment Assistance and Teacher Next Door



Small and Large Sites Preservation

❖ Portfolio and Pipeline

- 40 buildings with 392 residential units, 30 commercial spaces preserved
- Pipeline includes 17 prospect sites with 315 residential units, 14 commercial spaces

❖ Small Sites Capacity Building Grants

- \$3.05 million to provide direct funding for non-profit staff and program innovations
- \$450,000 to fund West Side Initiatives

❖ Funding Sources

- Over \$35 million in PASS financing (since 2019)
- Over \$111 million in gap financing (since 2014)
 - ERAF, 2015 GO bond, Housing Trust Fund, Condo Conversion Fees, 10% of inclusionary and jobs-housing linkage fees, and geographic-specific sources (SOMA Stabilization, Eastern Neighborhoods, 50 1st Street)

❖ Partners

- BHNC, CCDC, MEDA, MHDC, PRC, SFHDC, SFCLT, SFHAF, TNDC, and YCD



Public Housing Preservation

❖ **Developments**

- Alice Griffith completed 333 new affordable homes with 82% retention rate of former public housing residents
- Sunnydale Parcel Q completed 55 units with 41 right-to-return units
- Potrero Block B with 157 units scheduled to start construction in 2021
- Hunters View Phase III with 118 units scheduled to start construction in 2021

❖ **Right to Return Legislation**

- Implemented in January to give former public housing residents at HOPE SF sites the priority to return to a revitalized replacement unit after current HOPE SF residents have returned

❖ **San Francisco Housing Authority**

- Began transition to MOHCD and Controller's Office leadership of essential functions, third party property management, and conversion of public housing units to project-based Section 8



MOHCD Production NOFA and RFQ

❖ 2019 Affordable Multifamily Rental Housing

- \$15M for acquisition/predevelopment for senior housing in underserved districts
- \$15M for acquisition/predevelopment for low and moderate-income housing in underserved districts

❖ Laguna Honda Hospital Campus RFQ

- Developer selection for affordable independent senior housing and master planning of campus



Site Selection and Funding

❖ **How sites come into MOHCD's pipeline**

- Notice of Funding Availability
- Direct acquisition
- Land dedication / development agreements
- Surplus sites

❖ **How projects are advanced in the pipeline**

- Potential projects are assessed for feasibility
- Generally, projects receive funding in order of being added to pipeline and availability of leveraged resources
- MOHCD loan is programmed based on availability of funds and statutory restrictions tied to the sources

❖ **Funding decision approvals**

- Selection panel for NOFA
- Loan committee made up of MOHCD, OCII, HSH and Controller's Office reviews loans and makes recommendations
- Board of Supervisors approves real estate transactions and contracts over \$10MM



Production Highlights

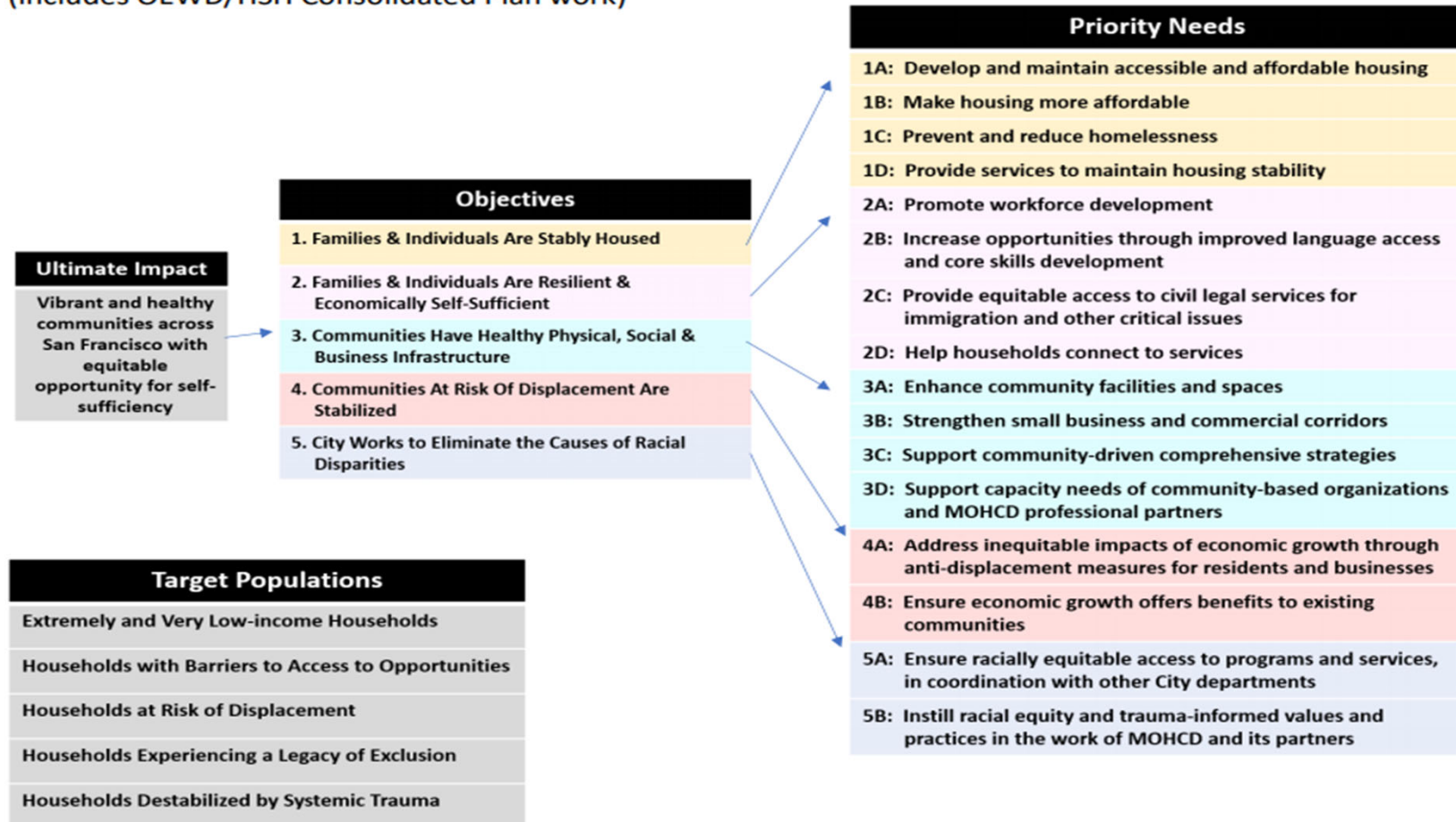
- ❖ MOHCD submits quarterly report on status of 100% affordable new construction projects
- ❖ Highlights from FY19-20 quarterly reports:
 - Started construction on Maceo May, 500 Turk and 1064-1068 Mission
 - Direct acquisition of 1515 South Van Ness and 1939 Market Street
 - Total 685 multifamily units under construction plus 2,036 units in active predevelopment



Consolidated Plan

MOHCD Theory of Change

(includes OEWD/HSR Consolidated Plan work)



Community Development Investments

- ❖ **All CD grants tied to Consolidated Plan and other policy legislative guidance**
- ❖ **CDBG, ESG, and HOPWA funds overseen by 9-member Citizens Committee on Community Development appointed by Mayor and Board of Supervisors**
- ❖ **FY20 Funding Opportunities**
 - 2020-2025 Community Development Services RFP: \$41,743,347
 - General Fund, CDBG and HOPWA
 - Capital Project and Public Space Improvements RFPs: \$1,048,155
 - Board and Mayoral Enhancements RFP: \$7,796,000
 - African American Community Stabilization RFP: \$1,000,000



Grant Funding Process

- ❖ RFP priorities established through extensive neighborhood meetings, surveys, and constituent focus groups
- ❖ Each proposal reviewed and scored by four reviewers (81 separate reviewers participated)
- ❖ Proposals evaluated as to alignment with Consolidated Plan and target populations, commitment to equity, and the agency's past performance and fiscal health
- ❖ Preliminary funding recommendations established based on strategy, racial equity, geographic coverage, continuity and availability of service, and score
- ❖ Citizens' Committee on Community Development approved preliminary recommendations
- ❖ Preliminary recommendations published and public hearing held to receive public oral and written comments
- ❖ Recommendations submitted to Mayor's Office for final approval



Cultural Districts

ALL CULTURAL DISTRICTS MONTHLY MTG:

- Japantown Cultural District
- Calle 24 Latino Cultural District
- SOMA Pilipinas Cultural District
- Transgender Cultural District
- Leather LGBTQ District
- African American Arts & Cultural District
- Castro LGBTQ Cultural District
- American Indian Cultural District

CITY STEERING COMMITTEE MONTHLY MTG:

MOHCD, Planning Department, OEWD & Arts Commission work together to respond to & support real time requests from Districts and support the evolution of each CHHESS process.

COMMUNITY POLICY PLANNING:

Facilitates their CHHESS (Cultural History Housing Economic Sustainability Strategies Report) in partnership with City Depts to be reviewed and approved by BOS.

LEADERSHIP SUPPORT:

Participates in 'Leadership Accelerator' receiving over 30 hours of TA, training, coaching and financial/org plng as well connection to pro-bono legal advice & trng.

FUNDING:

\$230k each for operational needs & activities. Maintains Community Advisory Board, hosts monthly community mtgs, manages District website, and works to be a beacon of resources & info for their cultural communities.



Rental and Operating Subsidies

❖ **Local Operating Subsidy Program (LOSP)**

- 1,175 units in portfolio, 1,328 units in pipeline
- FY20-21 budget is \$12,551,774; FY21-22 budget is \$19,749,743

❖ **Senior Operating Subsidy (SOS)**

- \$5M one-time allocation
- 1296 Shotwell: 20 units at 15% AMI, 20 units at 25% AMI
- Balance of funds for future senior housing projects

❖ **Tenant-Based Rental Subsidies, including HOPWA**

- Seven vulnerable populations
 - \$6.5 million – 566 households

❖ **Emergency Rental Assistance**

- Give2SF & eviction prevention
 - \$10.1 million – at least 1,000 households



Eviction Prevention

❖ Tenant Right to Counsel

- \$9.3 million for FY20-21
- First 6 months of implementation: 1,088 households facing eviction received full scope legal assistance, resulting in 729 households staying in their homes (67% of cases)

❖ Other Strategies

- Rental assistance – \$10.1 million serving at least 1,000 households
- Tenant counseling, outreach & education – \$2 million serving 1,020 households
- Tenant-landlord mediation – \$944,000 serving 950 households



Monitoring, Technical Assistance, Capacity Building

- ❖ Conduct site visits and review self-assessments of all grantees to ensure they are responsible stewards of public funds and in compliance with City regulations and standards
- ❖ Support grantees with advice and assistance related to budgeting, financial reporting, and policies and procedures
- ❖ Provide educational and skill-building workshops, free consulting and coaching opportunities, and direct grants to community groups to ensure sustainability
- ❖ Provides quarterly training opportunities and ongoing assistance for housing counselors and housing case managers





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