

File No. 260375

Committee Item No. _____
Board Item No. 38

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____
Board of Supervisors Meeting

Date: _____
Date: April 14, 2026

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER

- SB 1091 02/16/26
- LCC Standing 04/07/26
- _____
- _____
- _____
- _____
- _____

Prepared by: Calvin Ho
Prepared by: _____

Date: April 10, 2026
Date: _____

1 [Supporting California State Senate Bill No. 1091 (Caballero) - Community Anti-Displacement
2 and Preservation Program]

3 **Resolution supporting California State Senate Bill No. 1091, introduced by Senator**
4 **Anna Caballero, to establish the Community Anti-Displacement and Preservation**
5 **Program and fund the acquisition and rehabilitation of housing and preserve long-term**
6 **affordability.**

7

8 WHEREAS, California continues to be among States with the worst housing
9 affordability in the country; and

10 WHEREAS, California continues to face an extreme shortage of housing, increasing
11 rent prices, and ongoing displacement of low- and moderate-income residents; and

12 WHEREAS, Last fiscal year, tenants in San Francisco experienced more than 3,740
13 eviction cases, a record-breaking high over the last 10 years; and

14 WHEREAS, Rents in San Francisco have increased higher than any other city in the
15 country, with the average rent for a one-bedroom apartment increasing by more than 18%
16 over the past year; and

17 WHEREAS, A significant portion of San Francisco's naturally occurring affordable
18 housing stock - unsubsidized units that remain affordable without deed restrictions - is at risk
19 of loss due to market pressures, speculation, and conversion to higher-cost housing; and

20 WHEREAS, Preservation of existing housing is one of the most cost-effective
21 strategies to maintain and expand the supply of affordable housing while preventing
22 displacement of current residents; and

23 WHEREAS, Senate Bill No. 1091 (SB 1091), introduced by Senator Anna Caballero,
24 would establish the Community Anti-Displacement and Preservation Program to fund the

25

1 acquisition and rehabilitation of existing housing to create long-term, deed-restricted
2 affordable housing, while protecting current tenants against displacement; and

3 WHEREAS, The bill would establish a dedicated state fund to support program
4 operations and provide financing tools, such as loans and grants to nonprofit organizations,
5 mission-driven housing providers, and local jurisdictions; and

6 WHEREAS, The program is designed to stabilize low-income households, prevent
7 homelessness, and expand the long-term supply of affordable homes by preserving existing
8 housing without relying exclusively on construction; and

9 WHEREAS, San Francisco has been a statewide leader in housing preservation
10 strategies, including through the Small Sites program, demonstrating that acquisition and
11 rehabilitation of existing housing is an effective and scalable strategy to prevent displacement,
12 stabilize communities, and maintain affordability; and

13 WHEREAS, SB 1091 would provide essential tools and resources to expand these
14 proven local strategies statewide, enabling nonprofit housing providers and public agencies to
15 acquire and preserve at-risk housing; and

16 WHEREAS, The bill aligns with San Francisco's policy priorities of preventing
17 displacement, preserving affordable housing, and promoting housing stability for low-income
18 residents; now, therefore, be it

19 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
20 supports SB 1091 and urges the California State Legislature and Governor to enact the bill;
21 and, be it

22 FURTHER RESOLVED, That the Clerk of the Board of Supervisors shall transmit a
23 copy of this Resolution to the Governor, the Speaker of the Assembly, the President Pro
24 Tempore of the Senate, and members of the San Francisco State legislative delegation.

25

AMENDED IN SENATE APRIL 6, 2026

SENATE BILL

No. 1091

Introduced by Senator Caballero
(~~Coauthor: Senator Cabaldon~~)
(Coauthors: Senators Arreguín, Cabaldon, and Pérez)
(Coauthor: Assembly Member Haney)

February 13, 2026

An act to add Chapter 4.5 (commencing with Section 50580) to Part 2 of Division 31 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1091, as amended, Caballero. Community Anti-Displacement and Preservation Program.

Existing law establishes the Department of Housing and Community Development in the Business, Consumer Services, and Housing Agency. Existing law, the Governor's Reorganization Plan No. 1 of 2025 (GRP), which became effective on July 5, 2025, transfers the Department of Housing and Community Development to the California Housing and Homelessness Agency, which the GRP also establishes, as of July 1, 2026. Existing law makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program and the California Emergency Solutions Grants Program. Existing law, upon appropriation, authorizes the department to make either or both loans and grants to rehabilitate, capitalize operating subsidy reserves for, and extend the long-term affordability of department-funded housing projects that have an affordability restriction that has expired, that have an affordability restriction with a remaining term of less than 10 years, or are otherwise at risk for conversion, as provided.

This bill would establish the Community Anti-Displacement and Preservation Program for purposes of funding the acquisition and rehabilitation of unrestricted housing ~~units~~ and attaching long-term affordability restrictions on the ~~housing units~~, *housing*, while safeguarding against the displacement of current residents. The bill would require the department to issue a request for qualification to select a private sector entity or consortium to manage the program for a period of 5 years. The bill would require *the department to grant prescribed funds to the program manager to implement the program* and the program manager to make loans to eligible borrowers, as defined, based on underwriting guidelines approved by the department. The bill would authorize the department to issue grants or loans from program funds to local public entities upon request for purposes of allowing the local public entity to use the moneys to issue loans to eligible borrowers within its jurisdiction in accordance with the bill's provisions and department regulations. The bill would require the department to adopt regulations for the operation of the program and would exempt the adoption of regulations by the department for these purposes from the Administrative Procedure Act.

This bill would apply specified tenant protections to projects funded by the program and would require the department to develop technical assistance and capacity building for the development and ongoing operation of projects funded pursuant to the program, as specified.

This bill would establish the Community Anti-Displacement and Preservation Fund in the State Treasury. The bill would make moneys available to the department for purposes of the program, upon appropriation by the Legislature. The bill would set forth requirements for the use of moneys in the fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 4.5 (commencing with Section 50580)
2 is added to Part 2 of Division 31 of the Health and Safety Code,
3 to read:

CHAPTER 4.5. COMMUNITY ANTI-DISPLACEMENT AND PRESERVATION PROGRAM

50580. (a) The Community Anti-Displacement and Preservation Program (CAPP) is hereby established for purposes of funding the acquisition and rehabilitation of unrestricted housing units and attaching long-term affordability restrictions on the housing units, housing, while safeguarding against the displacement of current residents.

(b) For purposes of this chapter, the following definitions apply:

(1) "Capitalized operating subsidy reserve" means funds that are set aside before a property is acquired pursuant to this chapter to cover the property's operating expenses over time.

~~(1)~~

(2) "Department" means the Department of Housing and Community Development.

~~(2)~~

~~(3) "Eligible borrower" means an entity whose primary mission includes the development or ownership of housing that is affordable to low-income households and that has demonstrated experience in acquiring, rehabilitating, and operating multifamily housing for the benefit of low-income households. "Eligible borrower" includes, but is not limited to, the following: an entity that is at least one of the following:~~

~~(A) An eligible nonprofit corporation that has a principal place of business in the state.~~

~~(A) A nonprofit corporation that has a principal place of business in the state and whose primary mission includes the development or ownership of housing that is affordable to low-income households and that has demonstrated experience in acquiring, rehabilitating, and operating multifamily housing for the benefit of low-income households.~~

~~(B) A community land trust, as defined in clause (ii) of subparagraph (C) of paragraph (11) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code.~~

~~(B)~~

(C) A limited partnership in which the managing general partner is an eligible nonprofit corporation described in subparagraph (A) or a community land trust described in subparagraph (B) and that has a principal place of business in the state.

- 1 ~~(C)~~
- 2 (D) A limited liability company in which the managing member
- 3 is ~~an eligible~~ a nonprofit corporation *described in subparagraph*
- 4 *(A) or a community land trust described in subparagraph (B) and*
- 5 *that has a principal place of business in the state.*
- 6 ~~(D) A community land trust, as defined in clause (ii) of~~
- 7 ~~subparagraph (C) of paragraph (11) of subdivision (a) of Section~~
- 8 ~~402.1 of the Revenue and Taxation Code.~~
- 9 (E) A limited-equity housing cooperative as defined in Section
- 10 817 of the Civil Code.
- 11 (F) A local public entity.
- 12 ~~(3)~~
- 13 (4) “Local public entity” means a public entity in the state,
- 14 including a city, county, city and county, public housing authority,
- 15 regional housing finance authority, and successor agency to a
- 16 former redevelopment agency.
- 17 ~~(4)~~
- 18 (5) “Low-income households” has the same meaning as “lower
- 19 income households” in Section 50079.5.
- 20 ~~(5)~~
- 21 (6) “Rehabilitation” means rehabilitation work necessary to
- 22 meet health, safety, and quality of life needs, as determined by
- 23 standards established by the department.
- 24 ~~(6)~~
- 25 (7) “Tenant protections under state law” means the protections
- 26 provided in Chapter 2 (commencing with Section 1940) of Title
- 27 5 of Part 4 of Division 3 of the Civil Code, except for Section
- 28 1947.12 of that code, and in the California Fair Employment and
- 29 Housing Act (Part 2.8 (commencing with Section 12900) of
- 30 Division 3 of Title 2 of the Government Code).
- 31 ~~(7)~~
- 32 (8) “Unrestricted housing” means a housing development, as
- 33 defined in subdivision (i) of Section 65915 of the Government
- 34 Code, that is not currently subject to a recorded deed restriction
- 35 limiting occupancy to households at specified income levels and
- 36 rents to levels affordable at those income levels. Mixed-use
- 37 buildings are eligible if the majority of the building square footage
- 38 is used for residential purposes.
- 39 (c) The department shall adopt regulations for the operation of
- 40 the program. The adoption of regulations pursuant to this

1 subdivision is hereby exempted from the rulemaking provisions
2 of the Administrative Procedure Act (Chapter 3.5 (commencing
3 with Section 11340) of Part 1 of Division 3 of Title 2 of the
4 Government Code).

5 50581. (a) (1) The Community Anti-Displacement and
6 Preservation Fund is hereby created as a fund in the State Treasury.
7 All money in the fund shall be available, upon appropriation by
8 the Legislature, to the department for purposes of this chapter.

9 (2) The administrative expenses of the department shall not
10 exceed ~~five~~ 5 percent of the moneys deposited in the fund for the
11 purposes of this chapter.

12 (3) Up to an additional ~~five~~ 5 percent of the moneys may be
13 expended to provide technical assistance and capacity building to
14 eligible borrowers pursuant to Section 50586.

15 (b) The following moneys shall be paid into the fund:

16 (1) Any moneys appropriated and made available by the
17 Legislature for purposes of the chapter.

18 (2) Any moneys that the department receives in repayment of
19 loans made from the fund, including interest therefrom.

20 (3) Any other moneys that may be made available to the
21 department for purposes of this chapter from any other source.

22 50582. (a) (1) The department shall issue a request for
23 qualification to select a private sector entity or consortium to
24 manage the program for a period of five years.

25 (2) The agreement between the department and the private sector
26 entity may be extended in additional five-year increments.

27 (b) (1) The selected program manager shall be responsible for
28 reviewing and approving loan applications, originating and
29 servicing loans, and, subject to department approval, establishing
30 terms and conditions for loan applications, and reporting to the
31 department to demonstrate compliance with program ~~regulations~~.
32 *regulations and summarize program impacts.*

33 (2) The private sector entity shall meet at least all of the
34 following criteria to be eligible to be selected as a program
35 manager:

36 (A) Be a nonprofit lender or consortium of nonprofit lenders,
37 including community development financial institutions and credit
38 unions, with experience making similar loans in the state.

39 (B) Have originated and serviced loans in an aggregate amount
40 of not less than thirty million dollars (\$30,000,000) that were used

1 to develop or acquire affordable housing. At least ten million
 2 dollars (\$10,000,000) or more of the loans shall have been in the
 3 form of an acquisition loan.

4 (C) Provide geographic coverage across the state.

5 (c) In selecting a program manager, the department shall
 6 consider the following objectives:

7 (1) The provision of loans for the longest possible time, up to
 8 15 years.

9 (2) The provision of loans on the most competitive terms.

10 (3) Proposed processes and procedures to ensure timely
 11 application review and loan closing.

12 (4) The ability to work with a variety of borrowers, including,
 13 but not limited to, affordable housing developers, community
 14 development corporations, community land trusts, limited-equity
 15 housing cooperatives, and local public entities.

16 (5) The ability to work with a variety of stewardship models,
 17 including, but not limited to rental housing, affordable
 18 homeownership, and community land trusts.

19 50583. (a) ~~(1) The program~~ *The department shall grant funds*
 20 *to the program manager to implement the program, which shall*
 21 *include funds for all of the following, pursuant to this chapter:*

22 (1) *Loans or grants.*

23 (2) *Capitalized operating subsidy reserves.*

24 (3) *Administrative costs.*

25 (b) (1) *The program manager shall make loans to eligible*
 26 *borrowers based on underwriting guidelines approved by the*
 27 *department.*

28 (2) *Loans shall not exceed the cost of acquisition plus the cost*
 29 *of rehabilitation.*

30 (3) *With the approval of the department, the program manager*
 31 *may establish a maximum loan to value ratio. Based on*
 32 *underwriting guidelines approved by the department, a portion of*
 33 *the loan to be funded with non-program funds may require*
 34 *amortized payments, and a portion funded with department funds*
 35 *shall have deferred interest for the term of the loan.*

36 (4) *The department may establish priority uses of funds or*
 37 *establish set asides for specified project types, for specified types*
 38 *of borrowers, based on levels of affordability, or to ensure*
 39 *geographic equity.*

1 (5) Loans shall not be made for projects within the jurisdiction
2 of a local public entity that has received moneys pursuant to
3 Section 50584 to administer a loan program, unless the program
4 manager determines there is insufficient demand for loans in
5 nondelegated jurisdictions and the department approves the loan.
6 For purposes of this paragraph, “nondelegated jurisdiction” means
7 the jurisdiction of any local public entity that has not received
8 moneys pursuant to Section 50584.

9 ~~(b)~~

10 (c) (1) (A) Properties that will remain rental housing
11 developments following acquisition or rehabilitation with a loan
12 made pursuant to this chapter shall be subject to a recorded
13 regulatory agreement between the borrower and the department
14 that requires that the unit or units, upon the first turnover of
15 tenancy, remain affordable to, and occupied by, low-income
16 households for a term of at least 55 years from the date of the loan
17 closing. However, the term required by a local ordinance, a federal,
18 state, or local grant, a federal or state tax credit, or other project
19 financing shall instead apply if that required term is greater than
20 55 years and the local ordinance, grant, tax credit, or other project
21 financing requires the rental housing development’s units be
22 affordable to and occupied by low-income households for that
23 term.

24 (B) For projects involving properties described in subparagraph
25 (A), the department may convert, upon the borrower’s request, the
26 deferred portion of a loan provided to fund the project into a grant
27 if the department determines that the project meets standards
28 established by the department in program regulations.

29 (2) (A) Properties that will be sold to low-income households
30 at an affordable housing cost shall be subject to a recorded deed
31 restriction of at least 45 ~~years~~, *years* or a community land trust
32 ground lease of 99 ~~years~~, or a recorded equity sharing agreement.
33 *years*.

34 (B) For projects involving properties described in subparagraph
35 (A), the department may convert, upon the borrower’s request, ~~to~~
36 ~~convert~~ the deferred portion of the loan, or part of it, into a grant,
37 pursuant to conditions determined by the department and as
38 promulgated in its regulations.

39 (e)

1 (d) The department shall monitor borrower compliance with
2 the terms of the recorded regulatory agreement or recorded deed
3 restriction, except when the agreement or restriction is related to
4 properties funded by a local public entity pursuant to Section
5 50584. In those circumstances, the local public entity shall monitor
6 borrower compliance and submit annual reports pursuant to
7 subdivision (b) of Section 50584.

8 50584. (a) (1) The department may issue grants or loans from
9 the program funds to local public entities upon request.

10 (2) (A) A local public entity that receives a grant or loan
11 pursuant to this section shall use the moneys to issue loans to
12 eligible borrowers within its jurisdiction in accordance with this
13 chapter and department regulations.

14 (B) Notwithstanding subparagraph (A), the department, at its
15 sole discretion, may waive program requirements under this chapter
16 and the department’s regulations with respect to loans issued by
17 a local public entity that receives a grant or loan under this section
18 if the waiver would facilitate integration of state and local funds.

19 (3) The department shall select local public entities based on
20 the local public entity’s capacity to manage program funds and
21 adequately monitor borrower compliance within their jurisdiction.

22 (b) A local public entity that receives a grant or loan pursuant
23 to this section shall file annual reports with the department
24 demonstrating that the financed developments are rented *or sold*
25 in accordance with the applicable recorded regulatory agreement
26 or recorded deed restriction, as described in Section 50583, and
27 properly maintained.

28 (c) Any loans issued by a local public entity pursuant to this
29 section shall not be managed by the program manager.

30 50585. (a) Notwithstanding any other law, all tenant
31 protections under state law, or a more protective local policy, other
32 than rent stabilization, shall apply to tenants of projects funded
33 pursuant to this chapter.

34 (b) Notwithstanding any other law, the department shall require,
35 in its regulations and regulatory agreement, standards for annual
36 rent increases, with a goal of ensuring affordability for current and
37 future residents.

38 (c) Notwithstanding any other law, a household or member of
39 a household that resides ~~in the property~~ *at a property purchased*
40 *or rehabilitated with funds from the program* at the time of its

1 acquisition *by an eligible borrower* shall not be evicted, nor shall
2 their tenancy be terminated on the ground of their income or other
3 eligibility requirements for deed-restricted units in the property.

4 (d) Notwithstanding any other law, the department shall require,
5 in its regulations and in each regulatory agreement, borrowers to
6 include language that implements the protections of this section
7 in its tenant leases. The just cause protections in Section 1946.2
8 of the Civil Code or a more protective local policy shall also be
9 incorporated in the lease notwithstanding any basis for exemption
10 in statute or local ordinance.

11 50586. (a) The department shall develop technical assistance
12 and capacity building for the development and ongoing operation
13 of projects funded pursuant to this chapter.

14 (b) (1) The technical assistance and capacity building shall
15 support eligible borrowers in navigating the requirements and
16 processes to apply for a loan pursuant to this chapter.

17 (2) The technical assistance and capacity building shall support
18 collaboration and peer-to-peer learning amongst eligible borrowers.

19 (c) The department shall contract with third-party consultants
20 to assist with the development, implementation, and administration
21 of the technical assistance and capacity building. The department
22 shall contract with consultants possessing specific areas of
23 expertise, including, but not limited to:

24 (1) Resident engagement and education.

25 (2) Property assessment and due diligence.

26 (3) Affordable housing operations management.

27 (4) Financial assistance for projects involving the acquisition
28 and rehabilitation of property.

29 (5) Construction and property management.

30 (6) A spectrum of ownership and stewardship models, including
31 rental housing, homeownership, community land trusts,
32 limited-equity housing cooperatives, workforce housing
33 cooperative trusts, and nonprofit affordable housing cooperatives.

34 (7) Capacity and experience in advancing racial equity.

35 (d) The department or third-party consultants shall develop
36 technical assistance tools including, but not limited to, all of the
37 following:

38 (1) Training modules.

- 1 (2) Specific financing templates and guidance, such as proformas
- 2 and worksheets, relating to the acquisition and rehabilitation of
- 3 property.
- 4 (3) Best practice guides for engaging tenants before and after
- 5 property acquisition, managing safe and accessible rehabilitation
- 6 of occupied buildings, facilitating resident ownership, and any
- 7 other topic deemed appropriate by the department.
- 8 (e) The department may integrate the technical assistance and
- 9 capacity building with technical assistance funded through other
- 10 department programs that have similar goals and eligible
- 11 borrowers.



Search Results

Tuesday, April 7, 2026

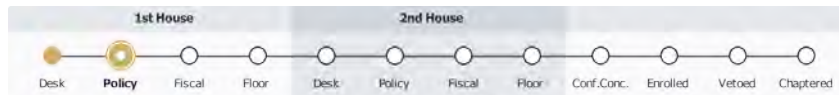
SB 1091 (Caballero, D) Community Anti-Displacement and Preservation Program.

Existing law establishes the Department of Housing and Community Development in the Business, Consumer Services, and Housing Agency. Existing law, the Governor's Reorganization Plan No. 1 of 2025 (GRP), which became effective on July 5, 2025, transfers the Department of Housing and Community Development to the California Housing and Homelessness Agency, which the GRP also establishes, as of July 1, 2026. Existing law makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program and the California Emergency Solutions Grants Program. Existing law, upon appropriation, authorizes the department to make either or both loans and grants to rehabilitate, capitalize operating subsidy reserves for, and extend the long-term affordability of department-funded housing projects that have an affordability restriction that has expired, that have an affordability restriction with a remaining term of less than 10 years, or are otherwise at risk for conversion, as provided. This bill would establish the Community Anti-Displacement and Preservation Program for purposes of funding the acquisition and rehabilitation of unrestricted housing and attaching long-term affordability restrictions on the housing, while safeguarding against the displacement of current residents. The bill would require the department to issue a request for qualification to select a private sector entity or consortium to manage the program for a period of 5 years. The bill would require the department to grant prescribed funds to the program manager to implement the program and the program manager to make loans to eligible borrowers, as defined, based on underwriting guidelines approved by the department. (Based on 04/06/2026 text)

Cal Cities Position: Track

Primary Lobbyist: [Caroline Grinder](#)

Policy Committee: [CS](#)



Introduction Form

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor inquires..."
- 5. City Attorney Request
- 6. Call File No. from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: