

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

BUDGET AND FINANCE SUB-COMMITTEE SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Malia Cohen, Chair
Budget and Finance Sub-Committee

FROM: Linda Wong, Assistant Clerk

DATE: April 24, 2017

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, April 25, 2017

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting on Tuesday, April 25, 2017, at 2:00 p.m. This item was acted upon at the Sub-Committee Meeting on Thursday, April 20, 2017, at 10:00 a.m., by the votes indicated.

Item No. 18 File No. 170351

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates, for an amount not to exceed \$50,000,000 to assist low- and moderate-income, first-time homebuyers in San Francisco.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Malia Cohen - Aye
Supervisor Norman Yee - Aye
Supervisor Katy Tang - Aye

c: Board of Supervisors
Angela Calvillo, Clerk of the Board
Jon Givner, Deputy City Attorney
Alisa Somera, Legislative Deputy Director

File No. 170351

Committee Item No. 7

Board Item No. 18

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date April 20, 2017

Board of Supervisors Meeting

Date April 25, 2017

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date April 14, 2017

Completed by: Linda Wong Date April 24, 2017

1 [Application to the California Debt Limit Allocation Committee - Mortgage Credit Certificates -
2 Not to Exceed \$50,000,000]

3 **Resolution authorizing an application to the California Debt Limit Allocation Committee**
4 **to permit the issuance of Mortgage Credit Certificates, for an amount not to exceed**
5 **\$50,000,000 to assist low- and moderate-income, first-time homebuyers in San**
6 **Francisco.**

7
8 WHEREAS, There is a shortage in the City and County of San Francisco (the City) of
9 decent, safe and sanitary housing, particularly of housing afforded to persons in the lower end
10 of the purchasing spectrum, and a consequent need to facilitate the financing of home
11 purchases by such persons and otherwise to increase the supply of housing in the City for
12 such persons; and

13 WHEREAS, The City has, by Ordinance No. 245-81, adopted by the Board of
14 Supervisors on May 11, 1981, declared its intent to engage in a home finance program
15 pursuant to Part 5 of Division 31 of the Health and Safety Code of the State of California, and
16 to issue bonds pursuant to said Division in furtherance of the home finance program; and

17 WHEREAS, The Congress of the United States by the Tax Reform Act of 1984
18 provided for the issuance of Mortgage Credit Certificates (Certificates) by local government
19 agencies to assist low- and moderate-income, first-time homebuyers; and

20 WHEREAS, Section 146 of the Internal Revenue Code of 1986 (the Code) limits the
21 amount of Certificates that may be issued in any calendar year by entities within a state and
22 authorizes the legislature of such state to provide the method of allocating authority to issue
23 Certificates within such state; and

1 WHEREAS, California Government Code, Sections 8869.80 et seq. governs the process in the
2 State of California of how a local agency may apply for an allocation of a portion of the state ceiling of
3 Certificates (an Allocation of Certificates) established by Section

4 146 of the Code among governmental units in the State having the authority to issue Certificates; and

5 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an
6 application for an Allocation of Certificates with or upon the direction of the California Debt Limit
7 Allocation Committee (CDLAC) prior to the issuance of Certificates; and

8 WHEREAS, CDLAC procedures require an applicant for an Allocation of Certificates to certify
9 to CDLAC that the applicant has on deposit an amount equal to 0.5% (one-half of one percent) of the
10 Allocation request not to exceed one hundred thousand dollars (\$100,000); and

11 WHEREAS, The Board of Supervisors has since 1993 authorized the Director of the Mayor's
12 Office of Housing and Community Development to submit previous applications for Allocations of
13 Certificates for the City's Mortgage Credit Certificate Program (the MCC Program); and

14 WHEREAS, The Mayor's Office of Housing and Community Development finds a continuing
15 need to secure an Allocation of Certificates to assist low- and moderate-income, first-time homebuyers
16 in San Francisco; now, therefore, be it

17 RESOLVED, That the Board of Supervisors of the City hereby authorizes the Director of the
18 Mayor's Office of Housing and Community Development, on behalf of the City and County of San
19 Francisco, to submit an application (the Application), and other documents as may be required, to
20 CDLAC pursuant to Government Code, Section 8869.85 for an Allocation of Certificates in an amount
21 not to exceed fifty million dollars (\$50,000,000); and, be it

22 FURTHER RESOLVED, That an amount equal to one hundred thousand dollars
23 (\$100,000) for the Application is hereby authorized to be held on deposit in connection with
24 the Application and the applicable CDLAC procedures, and the Director is authorized to certify
25 to CDLAC that such funds are available; which deposit shall consist of a restriction on funds in

1 the Home Ownership Assistance Loan Fund established pursuant to Section 10.100-108 of
2 the San Francisco Administrative Code (the Fund); and, be it

3 FURTHER RESOLVED, That if the City receives an Allocation of Certificates and the
4 issuance requirements applicable to Certificates are not met, an outlay depleting the Fund in
5 an amount not to exceed one hundred thousand dollars (\$100,000) is hereby authorized if
6 required by the State of California; and, be it

7 FURTHER RESOLVED, That the Director and the officers and employees of the City
8 are hereby authorized and directed, jointly and severally, to do any and all things necessary or
9 advisable in order to consummate the receipt of an Allocation of Certificates and the issuance
10 of Certificates and otherwise effectuate the purposes of this resolution, and all actions
11 previously taken by such officers and employees in connection with the establishment of the
12 MCC Program and issuance of the Certificates including the submission of the Application to
13 CDLAC, are hereby ratified and approved; and, be it

14 FURTHER RESOLVED, that this Resolution shall take effect from and after its
15 adoption by the Board and approval by the Mayor.

16
17 APPROVED AS TO FORM:
18 DENNIS J. HERRERA, City Attorney

19
20 By: 

21 Mark D. Blake
22 Deputy City Attorney

23 n:\speclas2017\0100007\01183200.docx
24
25



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

1 South Van Ness Avenue, 5th Floor

San Francisco, CA 94103

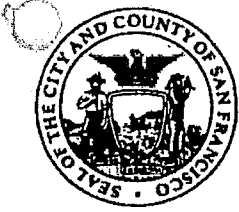
(415) 701-5500

<http://sfmohcd.org>

Mortgage Credit Certificate Application

May 17, 2017

MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO



EDWIN M. LEE
MAYOR

OLSON LEE
DIRECTOR

March 15, 2017

Ms. Jeree Glasser-Hedrick
Executive Director
California Debt Limit Allocation Committee (CDLAC)
915 Capitol Mall, Room 311
Sacramento, CA 95814

Re: Application for Single Family Housing
Mortgage Credit Certificates 2017 Fair Share Allocation

Dear Ms. Glasser-Hedrick:

On behalf of the City and County of San Francisco, I am submitting a Mortgage Credit Certificate Program application for an amount of \$5,518,810.00, the fair share allocation of Single Family Private Activity Bond Funds for the issuance of mortgage credit certificates. I have enclosed the original plus attachments and a duplicate copy of the application. Also enclosed are: the required performance deposit certification, a City Controller's warrant for the application fee of \$1,200, the Resolution authorizing our participation in year 2017 MCC Program.

The City and County of San Francisco looks forward to working with CDLAC in promoting homeownership opportunities in the State of California and especially in the City and County of San Francisco. If you have any questions regarding this MCC application, please call my staff Jeanne Lu (415) 701-5548 or email her at jeanne.lu@sfgov.org

Sincerely,

A handwritten signature in black ink, appearing to read "Olson Lee".

Olson Lee
Director
Mayor's Office of Housing and Community Development

Enclosures

BANK OF AMERICA
San Francisco, CA

CITY AND COUNTY OF SAN FRANCISCO

1600-04685125

PAYABLE AT ANY BANK IF PRESENTED WITHIN NINETY DAYS

11-35
1210

DATE
03/09/2017

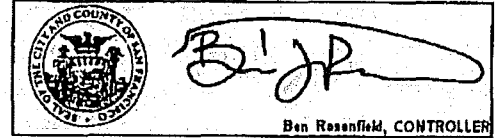
PAY

ONE THOUSAND TWO HUNDRED DOLLARS AND NO CENTS

AMOUNT
\$1,200.00

TO THE
ORDER OF

CALIFORNIA DEBT LIMIT ALLOCATION COMMIT
915 CAPITOL MALL, ROOM 404
SACRAMENTO CA 95814



⑈6004685125⑈ ⑆121000358⑆ 14990⑈80080⑈

C00991 01 03/09/2017 1600 04685125

DOCUMENT NUMBER	DOC REF NUMBER	DESCRIPTION	CONTACT INFORMATION	AMOUNT
PRM01700003701		*MOHCD030317*2017 MCC PRG APPL INITIAL FILING FEE		1,200.00
		IF YOU HAVE QUESTIONS PLEASE CALL EVELYN VALERO-ALAVA MAYOR		415 701-5604
		CHECK TOTAL:		1,200.00

DETACH BEFORE DEPOSITING

Signed Performance Deposit Certification Form

PERFORMANCE DEPOSIT CERTIFICATION FORM
FOR AN APPLICATION FOR AN ALLOCATION OF QUALIFIED PRIVATE ACTIVITY BONDS

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE (CDLAC)
915 Capitol Mall, Room 311
Sacramento, CA 95814
(916) 653-3255

CERTIFICATION OF THE Mayor's Office of Housing and Community Development -City and County of San Francisco (Applicant) REGARDING AN APPLICATION FOR QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION

In connection with the following Qualified Private Activity Bond Application:

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

AMOUNT OF ALLOCATION REQUESTED: \$5,518,810.00

PROJECT NAME/PROJECT TYPE: Mortgage Credit Certification Program

The undersigned officer of the Mayor's Office of Housing and Community Development -City and County of San Francisco (Applicant) hereby certifies as follows:

1. I, Olson Lee (Name), am the Director (Title) of the Mayor's Office of Housing and Community Development -City and County of San Francisco (Applicant), and am duly authorized to make the deposit required below.
2. The Mayor's Office of Housing and Community Development -City and County of San Francisco (Applicant) has collected and has placed on deposit in an account in a financial institution \$27,594, Twenty Seven Thousand five Hundred Ninety Four dollars (write out dollar amount in words), which equals one half of one percent of the amount of the Qualified Private Activity Bond Allocation being requested, not to exceed \$100,000.
3. The deposit will be held until receipt of a written notification from the California Debt Limit Allocation Committee that the deposit is authorized to be released or forfeited, in whole or in part, pursuant to Article 5 of Chapter 1 of the Committee's Regulations.
4. To the extent that any portion of the deposit is forfeited, the Applicant agrees to send the required amount in a check made payable to "The California Debt Limit Allocation Committee." Such check shall be mailed to the Committee at the address noted above immediately upon receipt of the written notification from the Committee.
5. The undersigned has read the Regulations of the California Debt Limit Allocation Committee and understands that if a Qualified Private Activity Bond Allocation is not used for the purpose for which it was granted, the performance deposit must be forfeited to the Committee.



Signature of Senior Official

Olson Lee

Print or Type Name

Director

Title

3/16/17

Date

1. Each Applicant for a Qualified Private Activity Bond Allocation must submit evidence to the Committee that it has on deposit in an account in a financial institution an amount equal to one half of one percent of the amount of Qualified Private Activity Bond Allocation being requested, not to exceed \$100,000. Applicants are advised to read Article 5 of Chapter 1 of the Committee's Regulations.
2. The Performance Deposit Certification Form (see other side) must be filed with the Committee in conjunction with the filing of an Application and by the Application Deadline.
3. The Committee will authorize release or require forfeiture of the deposit as follows:
 - a. If the Committee provides no Allocation, or grants an amount lower than requested by the Applicant, the Committee will authorize release of the deposit or release of a pro rata amount of the deposit so that only one-half of one percent (0.5%) of the Allocation granted is on deposit;
 - b. If the Applicant uses only a portion of the Allocation granted to issue bonds (or convert the Allocation to mortgage credit certificate authority), the Committee will authorize the release of the deposit in accordance with the conditions imposed at the time of Allocation. The Committee will approve the Allocation with the deposit fully refundable if 80% or more of the Allocation is used to issue bonds prior to the expiration date. If less than 80% of the Allocation is used to issue bonds prior to the expiration date, the refundable performance deposit will be pro-rated. For Mortgage Credit Certificate Programs, if 80% or more of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the performance deposit will be refunded in full. If less than 80% of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the refundable performance deposit will be pro-rated.
 - c. If the Applicant does not use any of the Allocation to issue bonds prior to the expiration date (or convert the Allocation to mortgage credit certificate authority and issue at least one mortgage credit certificate prior to the expiration date), the entire deposit will be forfeited; and
 - d. If the Applicant or the Project Sponsor withdraws the Application in writing prior to the Committee's consideration of the Application, the performance deposit shall be automatically released and no written authorization from the Committee shall be necessary.
4. If the Applicant forfeits all or a part of a deposit pursuant to Article 5 of Chapter 1 of the Committee's Regulations, the Applicant shall send the required amount to the Committee in a check made payable to "The California Debt Limit Allocation Committee". Amounts received will be deposited in the Committee's Fund.
5. Project Sponsors bear the risk of forfeiting all or part of their performance deposit if the Allocation is not used in accordance with the conditions and timeframes set forth in the Committee Resolution.

Evidence of Performance Deposit

**MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO**



**EDWIN M. LEE
MAYOR**

**OLSON LEE
DIRECTOR**

March 6, 2017

Ms. Jeree Glasser-Hedrick
Executive Director
California Debt Limit Allocation Committee (CDLAC)
915 Capitol Mall, Room #311
Sacramento, CA 95814

Re: Application for Single Family Housing
Mortgage Credit Certificate 2017 Fair Share Allocation

Dear Ms. Glasser-Hedrick:

Attached please find documentation demonstrating that the City and County of San Francisco has collected and encumbered \$100,000 as a performance deposit as required in the May 17, 2017 Mortgage Credit Certificate Program application. The deposit will be held until receipt of a written notification from CDLAC that the deposit is authorized to be released or forfeited, in whole or in part.

If you need further information, please do not hesitate to contact me at (415) 701-5575 or email benjamin.mccloskey@sfgov.org

Sincerely,

A handwritten signature in black ink, appearing to read "Benjamin McCloskey".

Benjamin McCloskey
Deputy Director – Finance and Administration
Mayor's Office of Housing and Community Development

FAML6051 V5.1

CITY AND COUNTY OF SAN FRANCISCO--NEAMIS
DOCUMENT INQUIRY

03/07/2017
2:20 PM

LINK TO:

FISCAL MO/YEAR : 09 2017 CREATE/UPDTE DT: 03/07/2017 03/07/2017
DOCUMENT : ENMO17000031 DUE DATE :
INDX MYR17SFHOAL MOHCD HOME OWNERSHIP SINGLE CHK IND : NOTEPAD IND: Y
VEND C00991 01 CALIFORNIA DEBT LIMIT TREAS NO :
G/L 470 ENCUMBRANCES UC
SOBJ 03920 LOANS ISSUED BY CITY SBSB
PROJ GRNT MOHOAL MO HOMEOWNERSHIP ASSI
PRDT GRDT 9400 HOME OWNERSHIP ASSIST

S	MAR 2017	APR 2017	PRIOR YEAR
ORIGINAL AMOUNT	100,000.00	100,000.00	.00
ADJUSTMENTS	.00	.00	.00
LIQUIDATIONS	.00	.00	.00
REMAINING BALAN	100,000.00	100,000.00	.00
PAYMENT/RECEIPT	.00	.00	.00
RETAINAGE/LIENS	.00	.00	.00
DELINQUENCY CHA	.00	.00	.00

F1-HELP F2-SELECT F4-PRIOR F5-NEXT
F7-PRIOR-MO F8-NEXT-MO F9-LINK
G014 - RECORD FOUND

Completed and Signed MCC Application



STATE OF CALIFORNIA

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
915 CAPITOL MALL, ROOM 311
SACRAMENTO, CA 95814
TELEPHONE (916) 653-3255
FAX (916) 653-6827
www.treasurer.ca.gov

Jerec Glasser-Hedrick
Executive Director

MEMBERS

John Chang, Chairman
State Treasurer
Edmund G. Brown Jr.
Governor
Betty T. Yee
State Controller

FOR CDLAC USE ONLY

Application No. _____

Analyst: _____

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

ISSUER (Applicant): Mayor's Office of Housing and Community Development-City and County of San Francisco

The Applicant hereby makes Application to the California Debt Limit Allocation Committee ("CDLAC" or "Committee") for the purpose of providing a mortgage credit certificate program as described herein.

The Applicant agrees it is our responsibility to provide the Committee with one original and one duplicate copy of the complete Application, accompanied by a check made payable to the Committee in the amount of \$1200 and a completed Performance Deposit Certification form. We understand that succinct answers providing the requested information are required and if additional space is required, each additional page will be clearly labeled. The Applicant agrees that it is also our responsibility to provide all other information that is deemed by the Committee to be necessary to evaluate the Application. The Applicant understands that the Committee may verify the information provided and analyze materials submitted as well as conduct its own investigation to evaluate the Application. The Applicant recognizes that it has a duty to inform the Committee when any information in the Application or supplemental materials is no longer true and to supply the Committee with accurate information.

The Applicant represents that it has read all Government Code sections relevant to the CDLAC Regulations Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds ("Regulations"). The Applicant acknowledges that the Committee recommends that the Applicant seek advice from tax counsel.

The Applicant acknowledges that all materials and requirements are subject to change by enactment of federal or state legislation.

In carrying out the development and operation of the proposed program, the Applicant agrees to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Committee program requirements.

The Applicant acknowledges that the Application will be evaluated based on federal and state statutes and regulations pertaining to Qualified Private Activity Bonds for existing mortgage credit certificate programs and the

Regulations, which identify the minimum requirements, evaluation criteria, priorities and other standards which will be employed to evaluate Applications.

The Applicant acknowledges that the information submitted to the Committee in this Application or supplemental thereto may be subject to the Public Records Act or other disclosure. The Applicant understands that the Committee may make such information public. The Committee will maintain as confidential, certain financial information, but cannot guarantee confidentiality.

The Applicant declares under penalty of perjury that the information contained in the Application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of its knowledge and belief. The Applicant understands that misrepresentation may result in the cancellation of an Allocation, and other actions which the Committee is authorized to take.

The Applicant agrees to hold the Committee, its members, officers, agents, and employees harmless from any matters arising out of or related to the awarded Allocation.

The Applicant certifies that it is in compliance with all applicable statutes, laws, rules, and regulations necessary for the transaction of its business.

The Applicant acknowledges that all Application materials are to be submitted by 4:00 p.m. on the appropriate date.

The California Debt Limit Allocation Committee
915 Capitol Mall, Room 311
Sacramento, CA 95814



Signature of Applicant's Senior Official

Olson Lee

Print Name

Director of Mayor's Office of Housing and Community
Development

City and County of San Francisco

Title

Date: 3/16/17

Additional information may be obtained by accessing the Committee's web site at <http://www.treasurer.ca.gov/cdlac> or by calling the Committee at (916) 653-3255.

The California Debt Limit Allocation Committee complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of the California Debt Limit Allocation Committee in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact the California Debt Limit Allocation Committee at (916) 653-3255 or TDD (916) 654-9922.

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

All references to federal statute are cited for information only. Tax Counsel must be consulted as the requirements are subject to change.

PART I - FINANCING TEAM INFORMATION

1. Name of Applicant (Entity Converting Bonds): Mayor's Office of Housing and Community Development - City and County of San Francisco

Mailing Address: 1 South Van Ness Avenue, 5th Floor
City, State, Zip Code: San Francisco, CA 94103

Federal Identification No.: 94-6000417

For mailing of official documents:

Name of Senior Official: Olson Lee
Title of Senior Official: Director

Telephone #: (415) 701-5500
Fax #: (415) 701-5501
E-mail: olson.m.lee@sfgov.org

For questions concerning application:

Name of Contact Person: Jeanne Lu
Title of Contact Person: Senior Lending Manager
Mailing Address: 1 South Van Ness Avenue, 5th Floor
City, State, Zip Code: San Francisco, CA 94103

Telephone #: (415) 701-5548
Fax #: (415) 701-5501
E-mail: jeanne.lu@sfgov.org

2. Name of Tax Counsel Firm (if applicable):

Name of Attorney: Stephen A. Spitz
Mailing Address: 405 Howard Street
City, State, Zip Code: San Francisco, CA 94105

Telephone #: (415) 773-5721
Fax #: (415) 773-5759
E-mail: sspitz@orrick.com

3. Name of Financial Advisor Firm:

Name of Agent: John Hamilton
Mailing Address: 1 Post Street, Suite 2130
City, State, Zip Code: San Francisco, CA 94104

Telephone #: (415) 956-2454
Fax #: (415) 956-2856
E-mail: jhamilton@csgadvisors.com

PART II = ALLOCATION INFORMATION

1. Amount of allocation requested: \$5,518,810

(This is the amount of mortgage revenue bond allocation that will be converted to mortgage credit certificate (MCC) authority.)

2. Issuer's adopted resolution(s) approving the Program and authorizing application to the Committee (Section 5033(b)(4) of CDLAC Regulations). Attach (Attachment "A").
3. Date MCCs will be advertised: June 17, 2017

Public notices that MCCs will be issued must be published at least 90 days before any MCC is to be issued. Attach (Attachment "B") a copy of the proposed advertisement.

4. Proposed date of issuance of first MCC: September 17, 2017

If a multiple jurisdictional Program, attach (Attachment "C") a list of the participating jurisdictions in which MCCs will be issued (see Section 5031(b) of the CDLAC Regulations).

5. Provide the month and year in which publicly adopted documents for the continuing participating jurisdictions were last submitted to the Committee (see Sections 5031(b) and 5267(b) of CDLAC Regulations): N/A

Issuers must certify that all necessary resolutions and publicly adopted documents for the continuing participating jurisdictions are in place, or will be in place prior to receiving allocation. If the Program is adding new jurisdictions, attach Attachment "D", if more than one, label each document in sequential order as "D-1", "D-2", etc.) a copy of the publicly adopted document for each new participating jurisdiction (see Section 5031(b) of the CDLAC Regulations).

I HEREBY CERTIFY THAT THE NECESSARY PUBLICLY ADOPTED DOCUMENTS OF ALL CONTINUING PARTICIPATING JURISDICTIONS ARE DULY ADOPTED AND IN EFFECT AS OF THIS DATE. *AL* (Initials of Senior Official signing page 2 of this Application)

I FURTHER CERTIFY THAT ALL CURRENT COUNCIL AND/OR BOARD MEMBERS OF THE PARTICIPATING JURISDICTIONS ARE AWARE OF THIS APPLICATION. *AL* (Initials of Senior Official signing page 2 of this Application)

7. Indicate the number of units expected to be financed and the average mortgage amount:

Unit Type	Number of Units	% of Total	Average Mortgage Amount
New Units	16	43%	\$250,000
Resale Units	14.85	57%	\$350,000
Rehabilitated Units	-0-	%	\$
Totals	30.85	100%	

Indicate if the above numbers of units are estimates or actual program requirements imposed by the Issuer:

Estimates: XX

Program Requirements: _____

PART III - PROGRAM INFORMATION

I. Proposed Program Description.

Attach (Attachment "E") a narrative of the proposed Program that, at a minimum, must include all of the following:

- A. A description of the population to be served (i.e. the ethnicity, family size, and income levels of the expected household participants).
- B. A description of the housing stock expected to be purchased (i.e. the type (detached, condominiums, etc.), units sizes (square footage, bedroom/bath sizes, etc.), and purchase prices).
- C. A description of any specific reservation(s) of MCCs for specific purposes that target lower household incomes, lower purchase prices, new construction units or developments, certain census tracts or neighborhoods, or specific segments of the population to be served. If the program contains a reservation for new construction, include: a) a schedule of when new homes or developments are expected to become available, and b) a description of the mechanism that is in place to use the allocation if construction is postponed or otherwise delayed.
- D. An indication of the expected length of time that the proposed MCCs are expected to be available and the anticipated monthly rate of MCC issuance over the expected term. Include an explanation of the basis for the anticipated issuance rate and a description of the factors that could influence such rate, either positively or negatively.
- E. A description of other homebuyer assistance programs offered by the participating jurisdiction(s) that will be made available to program participants in conjunction with the proposed MCCs.
- F. A description of any other special features that are unique to the proposed Program.

2. Provide the following demand/supply information:

A. Total number of home sales in program jurisdiction during the past 12 months:	<u>6739</u>
B. Total number of above home sales that met program purchase price limits:	<u>752</u>
C. Average sales price of homes in the Program's jurisdiction:	<u>\$1,306,464</u>
D. Total number of for-sale units currently on the market in the program jurisdiction:	<u>547</u>
E. Total number of above for-sale units that meet the program purchase price limits:	<u>33</u>
F. Average sales price of the units currently on the market in the Program jurisdiction:	<u>\$2,159,945</u>

Additional relevant information may be provided (Attachment "F") that explains the number of MCCs anticipated to be issued and the type of housing expected to be available.

3. Indicate the proposed tax credit rate of the MCCs: 15%
Explain any change in the MCC tax credit rate from the most recent Allocation award:
4. Answer "YES" or "NO" to indicate if lenders are required to take into consideration the value of the MCC when qualifying potential homebuyers for a mortgage loan: XX YES NO

If "NO", explain:

5. Attach (Attachment "G") a list of the names and addresses of participating developers and lenders.

6. Answer "Yes" or "NO" to indicate if there are IRS-designated target areas in the jurisdiction(s):

Yes No

If "YES", indicate the percent of MCCs reserved for target areas: 40 %

7. Maximum Purchase Prices For purchase price requirements, refer to Internal Revenue Code Section 143(e). The proposed maximum limits are:

<u>Home Type</u>	<u>Average Area Purchase Price*</u>	<u>Non-Target Area Maximum Purchase Price</u>	<u>Target Area Maximum Purchase Price</u>
New Construction	\$990,581	\$891,523	\$1,089,639
Existing Homes	\$888,171	\$799,354	\$976,988

*This is established by (check one):

As determined by special survey. A copy of survey along with tax counsel certification that survey methodology complies with federal law must be provided (Attachment "H"). Date of survey may not exceed 12 months.

IRS safe harbor limitations as published along with tax counsel certification that the methodology for calculating limits complies with federal law (Attachment "H").

Please note that Issuers may institute lower program limits as desired, however, the purpose of this section is to establish maximum purchase prices per I.R.S. Code.

8. What are the expected average sales prices of the estimated units to be assisted?

New units	\$300,000
Existing units	\$400,000
Rehabilitated units	\$ -0-

9. Maximum Income Limitations For income requirements refer to Internal Revenue Code Section 143(f). Please provide the information requested below.

- a. The maximum Area Median Income* on which maximum program limits are based is: \$147,600
Please include tax counsel certification that the methodology for calculating limits complies with federal law (Attachment "I")

*This maximum Area Median Income is established by (check one):

Local median as determined by special survey. A copy of survey along with tax counsel certification that survey methodology complies with federal law must be provided (Attachment "I"). Date of survey may not exceed 12 months.

HUD Statewide Median

HUD County Median

b. The proposed maximum income limits are:

<u>Household Size</u>	<u>Non-Target Area</u>	<u>Target Area</u>
1-2 persons	\$147,600	\$147,600
3+ persons	\$172,200	\$172,200

PART IV - MINIMUM REQUIREMENTS

Applicants are advised to read Section 5266 of the Committee's Regulations regarding Single-Family Housing Programs when answering the following questions.

1. Attach (Attachment "J") evidence documenting the proposed Single Family Housing Program will meet the following requirements of Section 5266(a):
 - A. A minimum of forty percent (40%) of the participants in the Single Family Housing Program will be households:
 - i. Earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located; or
 - ii. Located in a Qualified Census Tract.

The Executive Director may consider an Applicant's request to use a combination of A or B, above, to meet this minimum requirement.

- B. An Applicant may request an exemption to the above minimum requirement specified in Section 5266(a) of the CDLAC Regulations. However, in no case may less than thirty-five percent (35%) of the participants in the proposed program be households –
 - i. Earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located; or
 - ii. Located in a Qualified Census Tract.

Applicants may use the high-cost area adjustment specifically set forth in 26 U.S.C. Section 143(f)(5) to meet the minimum requirement specified in Section 5266(a) of the CDLAC Regulations.

To be considered for an exemption, attach (Attachment "J-1") convincing documentation, to the satisfaction of the Executive Director, of the programmatic or economic reasons why the minimum requirement specified in Section 5266(a) cannot be met. Attachment J-1 must provide sufficient detailed information to demonstrate that meeting the minimum requirements of Section 5266(a) present an undue financial burden or economic hardship for the Applicant.

2. Attach (Attachment "K") the CDLAC Housing Element Certification Form documenting that the proposed Single Family Housing Program will be consistent with the adopted housing element(s) for the jurisdiction(s) in which the proposed program will be operated. The California Department of Housing and Community Development must have determined the jurisdiction's adopted housing element to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. In addition, as required under Section 65400 of the Government Code, the jurisdiction must have submitted an annual progress report to the California Department of Housing and Community Development for the preceding 12-month calendar year, as required by Section 5267 of the CDLAC Regulations. Certification is to be completed by each participating jurisdiction.
3. The Applicant must meet the minimum requirements of Section 5269 of the CDLAC Regulations that the Applicant:
 - A. Demonstrate that no MCC authority from the year two years prior to the current year remains unused (other than minor amounts that are insufficient to fund one MCC); and
 - B. Certify that any MCC authority remaining from the year prior to the current year will be used before the use of new MCC authority. The Applicant's certification shall be labeled Attachment "L".

Attachment M (described in PART V-EVALUATION CRITERIA) will be used to determine that the minimum requirements specified in A and B, above, have been met.

An Applicant may request an exemption to the above minimum requirements specified in Section 5270 of the CDLAC Regulations. To be considered for an exemption, attach (Attachment "L-1") convincing documentation, to the satisfaction of the Executive Director, of the programmatic or economic reasons why the minimum requirements specified in Section 5270 cannot be met. Attachment L-1 must provide sufficient detailed information to demonstrate the Applicant's need to use new Allocation when unused MCC remains (other than minor amounts that are insufficient to fund one MCC) from prior years.

PART V - EVALUATION CRITERIA

Applicants are advised to read Section 5275 of the Committee's Regulations regarding Single-Family Housing Programs when answering the following questions.

1. Past Program Performance

Attach (Attachment "M", provided with this Application) evidence documenting past Program performance over the last three years.

Attachment M must demonstrate that Mortgage Credit Certificate Program Allocation from prior years has been used to issue Mortgage Credit Certificates.

2. Program Performance Monitoring

Beginning with calendar year 2000 Allocations, Applicants will be required to track the information identified in the Exhibit attached to this form and report that information to Committee as required.

EXISTING MCCP APPLICATION DOCUMENTS CHECKLIST

This checklist is provided to ensure that a completed application package is filed with the Committee. If an attachment does not apply, please write N/A in the space provided.

Your application package must contain the following:

Check Box	Document Description	Attachment Name
✓	\$1200 initial filing fee. (See Section 5033(b)(2) of CDLAC Regulations.)	N/A
✓	<u>Signed</u> Performance Deposit Certification Form. (See Section 5033(b)(1) of CDLAC Regulations.)	N/A
✓	Evidence of Performance Deposit (See Section 5033(b)(1) of CDLAC Regulations)	N/A
✓	Completed and <u>signed</u> Application with copy. Copy shall be bound in a three ring binder with all attachments labeled.*	N/A
✓	Issuer's Adopted Resolution(s) authorizing Program & CDLAC Application (See Section 5033(b)(5) of CDLAC Regulations.)	A
✓	Advertisement of the availability of MCCs (Section 25(e)(5) of the Internal Revenue Code)	B
✓	List of participating jurisdictions (See Section 5031(b) of CDLAC Regulations)	C
N/A	Publicly adopted documents of participating jurisdictions, if applicable (See Section 5031(b) of CDLAC Regulations)	D
✓	Program description narrative	E
N/A	Additional demand/supply documentation, if applicable	F
✓	List of participating developers and lenders, if applicable	G
✓	Tax Counsel Certification and Special Survey regarding average area purchase prices with certification, if applicable (Section 143(d) of the Internal Revenue Code)	H
✓	Tax Counsel Certification and Special Survey regarding area median income with certification, if applicable (Section 143(f) of the Internal Revenue Code)	I
✓	Evidence of Minimum Requirements (Section 5275 of CDLAC Regulations)	J
N/A	Evidence of undue hardship/financial burden regarding Minimum Requirements, if applicable (Section 5275(b)&(c) of the CDLAC Regulations)	J-1
✓	Evidence of housing element compliance (Section 5267 of the CDLAC Regulations)	K
N/A	Certification regarding use of prior year allocation (Section 5269 of the CDLAC Regulations)	L
N/A	Evidence of undue hardship/financial burden re: Minimum Requirements, if applicable (Section 5270 of the CDLAC Regulations)	L-1
✓	Evidence of past Program performance (Section 5275 of the CDLAC Regulations)	M
✓	Required Tracking Information	EXHIBIT
*Any subsequent mailings of additional application materials should be in <u>duplicate</u> .		

ATTACHMENT A

**Issuer's Adopted Resolution(s) authorizing Program
& CDLAC Application**

1 [Application for Mortgage Credit Certificates]

2
3 **Resolution authorizing an application to the California Debt Limit Allocation Committee**
4 **to permit the issuance of Mortgage Credit Certificates.**

5
6 WHEREAS, There is a shortage in the City and County of San Francisco (the City) of
7 decent, safe and sanitary housing, particularly of housing afforded by persons in the lower
8 end of the purchasing spectrum, and a consequent need to facilitate the financing of home
9 purchases by such persons and otherwise to increase the supply of housing in the City for
10 such persons; and

11 WHEREAS, The City has, by Ordinance 245-81, adopted by the Board of Supervisors
12 on May 11, 1981, declared its intent to engage in a home finance program pursuant to Part 5
13 of Division 31 of the Health and Safety Code of the State of California, and to issue bonds
14 pursuant to said Division in furtherance of the home finance program; and

15 WHEREAS, The Congress of the United States by the Tax Reform Act of 1984
16 provided for the issuance of Mortgage Credit Certificates (Certificates) by local government
17 agencies to assist low-and moderate-income, first-time homebuyers; and

18 WHEREAS, Section 146 of the Internal Revenue Code of 1986 (the Code) limits the
19 amount of Certificates that may be issued in any calendar year by entities within a state and
20 authorizes the legislature of such state to provide the method of allocating authority to issue
21 Certificates within such state; and

22 WHEREAS, California Government Code Sections 8869.80 *et seq.* governs the
23 process in the State of California of how a local agency may apply for an allocation of a
24 portion of the state ceiling of Certificates (an Allocation of Certificates) established by Section
25

1 146 of the Code among governmental units in the State having the authority to issue
2 Certificates; and

3 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file
4 an application for an Allocation of Certificates with or upon the direction of the California Debt
5 Limit Allocation Committee (CDLAC) prior to the issuance of Certificates; and

6 WHEREAS, CDLAC procedures require an applicant for an Allocation of Certificates to
7 certify to CDLAC that the applicant has on deposit an amount equal to 0.5% (one-half of one
8 percent) of the Allocation request not to exceed one hundred thousand dollars (\$100,000);
9 and

10 WHEREAS, the Board of Supervisors has since 1993 authorized the Director of the
11 Mayor's Office of Housing to submit previous applications for Allocations of Certificates for the
12 City's Mortgage Credit Certificate Program (the MCC Program), and

13 WHEREAS, the Mayor's Office of Housing finds a continuing need to secure an
14 Allocations of Certificates to assist low-and moderate-income, first-time homebuyers in San
15 Francisco; now, therefore, be it

16 RESOLVED, That the Board of Supervisors of the City hereby authorizes the Director
17 of the Mayor's Office of Housing, on behalf of the City and County of San Francisco, to submit
18 an application (the Application), and other documents as may be required, to CDLAC
19 pursuant to Government Code Section 8869.85 for an Allocation of Certificates in an amount
20 not to exceed forty million dollars (\$40,000,000); and, be it

21 FURTHER RESOLVED, That an amount equal to one hundred thousand dollars
22 (\$100,000) for the Application is hereby authorized to be held on deposit in connection with
23 the Application and the applicable CDLAC procedures, and the Director is authorized to certify
24 to CDLAC that such funds are available; which deposit shall consist of a restriction on funds in
25 the Home Ownership Assistance Loan Fund established pursuant to Section 10.100-108 of

1 the San Francisco Administrative Code (the Fund); and, be it

2 FURTHER RESOLVED, That if the City receives an Allocation of Certificates and the
3 issuance requirements applicable to Certificates are not met, an outlay depleting the Fund in
4 an amount not to exceed one hundred thousand dollars (\$100,000) is hereby authorized if
5 required by the State of California; and, be it

6 FURTHER RESOLVED, That the Director and the officers and employees of the City
7 are hereby authorized and directed, jointly and severally, to do any and all things necessary or
8 advisable in order to consummate the receipt of an Allocation of Certificates and the issuance
9 of Certificates and otherwise effectuate the purposes of this resolution, and all actions
10 previously taken by such officers and employees in connection with the establishment of the
11 MCC Program and issuance of the Certificates including the submission of the Application to
12 CDLAC, are hereby ratified and approved; and, be it

13 FURTHER RESOLVED, that this Resolution shall take effect from and after its
14 adoption by the Board and approval by the Mayor.

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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 101531

Date Passed: December 14, 2010

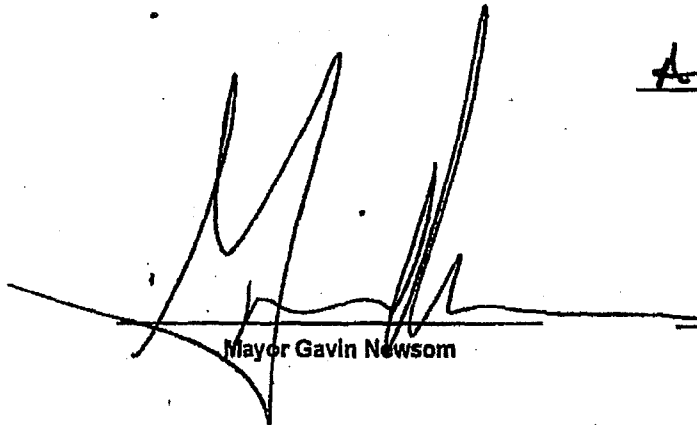
Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates.

December 14, 2010 Board of Supervisors - ADOPTED


Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

File No. 101531

I hereby certify that the foregoing Resolution was ADOPTED on 12/14/2010 by the Board of Supervisors of the City and County of San Francisco.



Mayor Gavin Newsom



Angela Calvillo
Clerk of the Board

12/23/10

Date Approved



City and County of San Francisco
Certified Copy
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

101531 [Application for Mortgage Credit Certificates]

Sponsor: Chu

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates.

12/14/2010 Board of Supervisors - ADOPTED

Ayes: 11 - Alloto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

12/23/2010 Mayor - APPROVED

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

CLERK'S CERTIFICATE

I do hereby certify that the foregoing Resolution is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City and County of San Francisco.

March 07, 2017

Date

Margaret Revin

for Angela Calvillo
Clerk of the Board

ATTACHMENT B

Advertisement of the Availability of MCCs

PUBLIC NOTICE

2017 Mortgage Credit Certificate Program

The City and County of San Francisco has been awarded \$5,518,810 of 2017 Single Family Housing-Private Activity Bonds Allocation to issue mortgage credit certificates (MCCs) to first-time homebuyers in San Francisco. The program will assist approximately 30 homebuyers by reducing their monthly mortgage payment to enable them to afford the costs associated with homeownership. The Board of Supervisors adopted a Resolution that authorized the Mayor's office of Housing and Community Development to submit an application to the state agency California Debt Limit Allocation Committee for the allocation.

The program allows recipients to receive tax credit on their Federal income tax for a portion of the interest paid on their mortgage. Lenders take this credit into account when determining how large of a loan the borrower can afford. The assistance is equivalent to a reduction of about two to three percent in their mortgage interest rate.

The MCC allocation allows the City to expand its homeownership programs to additional low and moderate-income households. Homeownership plays a critical role in stabilizing neighborhoods, so that both the individual families and the City as a whole will benefit.

A MCC Program description explaining the program and its eligibility requirements is available at the Mayor's office of Housing and Community Development. To request a copy of the brochure and list of participating lenders, San Franciscans should call the Mayor's office of Housing and Community Development at (415) 701-5500 or fax (415) 701-5501 or visit our website <http://www.sfmohcd.org> for detail information regarding this program.

MCC Application Fee

A NON-REFUNDABLE application fee of \$696 (cashier check) is payable to the City and County of San Francisco to process your loan package with the MCC tax credit benefit.

MCC homeowners can refinance their mortgage loans and still keep their tax credit by applying for a Reissued Mortgage Credit Certificate (RMCC) from a participating lender. The application fee is required for initial and reissued certificates.

The Fine Print

If you move before 9 years, you must repay the federal government a portion of the tax credit you received. This provision is administered by the Internal Revenue Service (IRS) and is called Recapture Tax.

NO RECAPTURE TAX IS DUE IF:

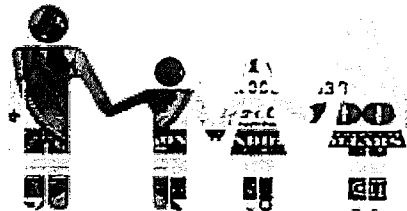
- ✓ The household income does not rise significantly over the life of the loan (generally more than 5% per year).
- ✓ The house is sold after nine years.
- ✓ There is no gain from the sale.

For more information regarding MCC Recapture Tax log on to:
<http://www.irs.gov/instructions/i8828/ch01.html#d0e58>
or consult with a professional tax preparer.

How do I get a MCC?

Choose a lender from the MOHCD list of MCC participating lenders on our website: <http://sfmohcd.org>. Your lender will determine if you are eligible, fill out the MCC application forms, and send them to the City. At the same time the lender is processing your mortgage loan application, the City reviews your MCC package to verify that you and your home qualify for the program. Upon confirming your eligibility, the City will issue your Mortgage Credit Certificate number and commitment.

Once you are issued your certificate and unique number, you will be allowed to take the appropriate income tax credit every year, as long as you keep the same home and the original first mortgage and continue to live in the property as your principal residence. If you refinance your mortgage and would like to continue receiving the mortgage credit, you must ask the lender to apply for a Reissued Mortgage Credit Certificate (RMCC).



We are not tax advisors. If you have any questions about how your taxes will be affected, consult your tax accountant or call the IRS 1-800- 829-3676.

City and County of San Francisco
Mayor's Office of Housing and
Community Development
Edwin M. Lee, Mayor



Mortgage Credit Certificate (MCC)
For First Time Homebuyer

1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Tel. (415) 701-5500
Fax (415) 701-5501
<http://sfmohcd.org>

The Mortgage Credit Certificate (MCC) program can help you qualify for a mortgage loan by increasing your buying power at your current income.

The MCC program, authorized by Congress in the Tax Reform Act of 1984, provides assistance to first-time homebuyers for the purchase of owner-occupied single-family homes, townhomes, and condominiums through tax credits.

The federal income tax advantage provided by the MCC for a homebuyer who keeps the same mortgage loan and lives in the same house in San Francisco is equal to 15% of the mortgage interest paid annually on a dollar for dollar basis. This means the total of 15% of your mortgage interest is deducted directly from your annual tax debt. The remaining 85% of your mortgage interest is taken as a deduction from your gross income in the usual manner.

Most MCC homeowners adjust their federal income tax withholding (W-4) in order to receive the MCC benefit on a monthly basis. By reducing your monthly withholding, you will have more disposable (after-tax) income with which to make mortgage payments.

Property Eligibility

A MCC can be used to purchase any SF property however, there are extra benefits to purchasing a home in a targeted area. Target areas are designated by U.S. Department of Housing & Urban Development and the U.S. Treasury Department to encourage economic growth. Generally, these are areas where there is a need to stimulate development: urban cores, infill and other up-and-coming locations. They are defined by census tract

and other criteria. San Francisco has identified specific Census Tracts as "Target Areas". The MCC allows greater flexibility for properties and homebuyers in Target Areas.

Your real estate agent or lender should be able to assist you in determining whether a particular home is within one of these census tracts. Or, if you already have an address, you can find out whether it is in a targeted area by entering the address at the following website: <http://www.ffiec.gov/geocode/>. You'll be able to get a census tract number.

The following census tract numbers are designated as Target Areas:

San Francisco County 106; 107; 113; 114; 115; 117; 118; 120; 121; 122.01; 122.02; 123.01; 124.01; 125.01; 125.02; 161; 179.02; 231.03; 603; 605.02; 607; 611; 9805.01

Maximum Purchase Price

In order to qualify for the MCC program the home you are buying cannot exceed the following maximum sales prices:

Type of Property	Non-Target Area	Target Area
New Home (Not Previously Owned)	\$891,523	\$1,089,639
Existing Home (Resale)	\$799,354	\$976,955

Buyer Eligibility

A first time homebuyer is someone who has not owned interest in a home within the last three years. If you have claimed mortgage interest deductions on your tax return at any time during the previous three tax years you will not qualify. Please note that you do not have to be a first time homebuyer if you purchase the property in the target area and meet income requirements defined as follows.

Household Income

The total household income of all people residing in the property cannot exceed:

Size of HH	Non-Target Area	Target Area
1-2 Person	\$147,600	\$147,600
3 or more	\$172,200	\$172,200

Owner – Occupied Homes

MCC is not eligible for short or long term property rental. The program will require you to move into the residence that you are buying within 60 days of the date you close escrow.

ATTACHMENT C

List of Participating Jurisdictions

City and County of San Francisco

ATTACHMENT D

**Publicly adopted documents of Participating
Jurisdictions**

Not Applicable

ATTACHMENT E

Program Description Narrative

ATTACHMENT E

MCC 2017

Program Description

The City of San Francisco is requesting an allocation of Mortgage Credit Certificates to meet the rising production of below market rate units. The San Francisco Inclusionary housing ordinance was amended by the Board of Supervisors. Developers are now required to make 15% of newly produced residential units available for purchase at an affordable price to families earning below 100% of the area median income. The Mortgage Credit Certificate Program is administered through the Mayor's Office of Housing and Community Development as authorized through the San Francisco Board of Supervisors and Mayor. There is dedicated staff available to review applications submitted to MOHCD by lending institutions, mortgage bankers and brokers that have agreed to participate in San Francisco's Mortgage Credit Certificate Program and to process eligible homebuyers for MCCs at the time they are determining the borrowers' eligibility for mortgage loans.

The City reserves 40% of its MCC allocation for IRS targeted areas. The success in utilizing the full reserve has primarily been the result of our receiving reservation request for specific developments located in the targeted areas. Any portion of the allocation not used in the targeted areas is released from the set aside after twelve months and becomes available for issuance citywide. In addition, the City targets 40% of its fund authority to assist households purchasing in IRS Qualified Census Tracts and or households at or below 80% AMI.

The City has increased awareness of the program, especially where language or other barriers prevent potential homebuyers from accessing this program through various marketing strategies. Marketing efforts include providing written material about homeownership programs in Chinese, Spanish, and Tagalog in addition to English. MOHCD sponsors and participates in homebuyer workshops and neighborhood fairs. MOHCD has also held some of these informational sessions in the evening for persons unable to attend during the workday. MOHCD has quarterly workshops in different neighborhoods throughout the city. MOHCD in conjunction with HomeownershipSF puts on a homeownership EXPO every summer with roughly 1,000 in attendance. Further, the Housing Email Alert System emails BMR, and market rate opportunities to tens of thousands potential first time homeowners. The purpose is to explain the MCC program and process as well as other homeownership assistance opportunity offered to first-time homebuyers.

San Francisco's population was estimated to be approximately 862,470 as of 2015 and is a racially and ethnically diverse city. Whites comprise a majority of the San Francisco population. The United States Census Bureau reported the 2015 racial makeup of the city at 53.6% White, 5.7% Black or African American, 0.8% Native American, 35.3% Asian, 0.5% Pacific Islander, 4.2% from two or more races. The population is 15.3% Hispanic or Latino.

San Francisco has traditionally had a low proportion of family households and a high proportion of single and unrelated households, compared to the Bay Area as a whole. The most current figures show that families with children under 18 accounted for 18.38%, and households with one or more persons over the age 60 years and older made up 32.07% of the population in 2015. Most recently, 2016 census reports San Francisco's family homes to account for 43.67%.

With the recent marketing of 489 BMR units set to launch over the next 24 months, the immediate need for our next MCC Allocation is apparent. Additionally, 231 units had early 2016 outreach dates and will be launching in fiscal year 2017-2018. The market rate housing stock in the San Francisco Bay Area is becoming more and more competitive and there is a great need for San Francisco first time homebuyers to access the Mortgage Credit Certificate Program. It is evident that the City and County of San Francisco will adequately account for its fair share allocation. Homebuyers purchasing units in San Francisco have been able to purchase existing and new constructed units based on housing availability and household needs in neighborhoods throughout the City. The types of units include single family detached units, condominiums and townhouses. When using city homeownership assisted funds, buyers have been required to purchase units comparable to the household size. For example, a single person would purchase a studio or 1 bedroom unit. A household of three may purchase a 2 or 3 bedrooms unit.

The City and County of San Francisco regards both ownership and rental housing to be in severe crisis of affordability and availability. Low-income households find it extremely difficult to locate rental housing that is both affordable and in acceptable conditions. Low-and-moderate-income households while better able to compete for rental housing, have also no ability to purchase a home. The disparity between those who can only afford to rent and who can buy in San Francisco remains large.

Since the City's bond-financed first-time homebuyer programs began in 1982, the crisis has intensified, and we have seen steadily increasing demand for the 1695 units produced through the program. These units have not been adequate to meet the demand. The large amounts of public subsidy required to build these developments mean that the City's capacity to provide first-time homebuyer opportunities is limited. Available housing subsidy monies must be divided among multifamily projects such as homeless and transitional housing programs, rental housing construction, rehabilitation programs, and single family homeownership programs.

The MCC Program, Downpayment Assistance Loan Program (DALP) and Homeownership Assistance Loan Fund are therefore essential components of the City's Single Family homeownership program. The Homeownership Assistance Loan Fund is limited to qualifying applicants. The MCC program and DALP funds represent the only significant home purchase opportunities in the City for most first-time low and moderate-income homebuyers in the current and foreseeable market.

The City has also adopted a policy of preserving the affordability of both ownership and rental housing to the maximum extent feasible for a period of fifty years. This policy will be applied to those development units and homeownership units that receive both MCCs and down payment assistance loans. The downpayment assistance loans associated with these units will be a second lien with a formula sharing the appreciation between the homeowner and the City. Repayment of shared assistance liens will be used to qualify new low and moderate-income households to purchase the units as they become available for sale. The shared appreciation repayment is an essential component of the City programs to preserve long-term affordability of units that receive downpayment assistance.

MCC allocations awarded in the year 2013, 2014, and 2016 to the City of San Francisco issued mortgage credit certificates to 186 homebuyers. Of the 186 mortgage credit certificates issued through the 2013, 2014, and 2016 allocations: 40% were single-person households, 25% were to small households of 2, 19% were households of 3 or more members. The highest percentage of MCCs issued or committed in that group by race/ethnicity were Asian/Pacific Islanders at 58% followed by Caucasians at 27%, 7%, Hispanics, 4% African American, 1% Filipino, 1% Asian Caucasian mix, and 1% Multiracial, and 1% not disclosed.

The City is committed to assisting low to moderate-income first-time homebuyers to purchase a home in San Francisco. San Francisco is consistently ranked the most expensive for-sale housing in the country. In

this economy the median sales price for a single family home is \$1,375,000 per the California Association of Realtors (C.A.R.). C.A.R.'s 2015 Traditional Housing Affordability Index (HAI) measured monthly payment including taxes and insurance for such a home to have monthly payments of \$6,740. Further the study identifies a minimum qualifying income of \$269,601. The cost of housing continues to be a difficult hurdle; as the number of current homes for sale on the MLS is only 1,152 of San Francisco's overall housing stock of 390,204. Buyer demand is very high while inventory is low, multiple-offers are common, all of which has led to upward pressure on home prices in roughly every neighborhood. Difficulties for households especially those of lower income to compete with moderate or higher income groups and an expanding high-tech economy are real.

According to the San Francisco Planning Department's 2015 Housing Inventory report, released on May 27, 2016, a low turnover rate of roughly 2% - 2.5% of San Francisco resale homes are sold each year, contributing to the city's state of inadequate inventory. U.S. census data reports that approximately 48% of San Francisco's existing housing inventory was built before 1940. Incidentally, today new construction for many luxury condominium units has developers taking advantage of commercial lots, able to convert them for residential use. In 2015 \$73.5 million was collected as in-lieu fees when developers opted to pay the fee "in lieu" of building offsite affordable units themselves or dedicating 15% of their onsite units at a below market rate. These fees traditionally fund multifamily special housing rental projects which are not aimed to assist first time homebuyers. We have found that adjustments to the purchase price limits have been needed to keep up with the increasing costs in the San Francisco housing market. MOHCD's attempt to balance the demand for affordable units has caused the city to reevaluate its resources, adjusting the City's downpayment assistance for market rate homes from \$200,000 to a maximum of \$375,000, and increasing the maximum income limit to 175% area median income.

As part of the goals to meet the needs of lower income, first-time homebuyers, the Board of Supervisors approved legislation amending our existing inclusionary zoning ordinance. As legislation has increased the percentage of units set aside in new developments from 12% to 15%, construction on condominium housing is seemingly more abundant. The San Francisco Planning Department has reported the approval of roughly 23,100 units, not including the long term building of mega projects: 10,500 units at Candlestick; 7,800 units at Treasure Island, and 5,680 units at Park Merced. Another 17,900 approvals are questionable. Estimated completion of units shall reach roughly 4,100 by the end of 2016; coming estimates include 3,200 units in 2017; 2,595 units in 2018; and 1,100 in 2019-2020 a large chunk of which 6,825 is dedicated to rental and are currently under construction. Of this approximately 461 units have unknown tenure, but of those we know there are 3 ownership buildings with: 9, 284, and 168 inclusionary units. The Mayor's Office of Housing and Community Development monitors compliance with the set aside. While no MCCs are reserved for these units, the homebuyers are informed about the MCC Program and encouraged to take advantage of the tax credit as well as other city homeownership assistance programs.

As predicted the issuance of the approved 2013, 2014, and 2016 Mortgage Credit Certificate allocations are almost exhausted and the small remaining 2016 Mortgage Credit Certificate allocation are near committed. MCC's available citywide have a reputation of being totally committed in less than six months, as evident over the past several years. The anticipated monthly rate of MCC issuance is between 5 to 10 issuances per month. This figure is based on our anticipation of a number of new BMR units in multiple projects becoming available during this period, which are expected to average between 5 and 20 affordable units per project. Factors that could have an adverse impact on the issuance of MCCs within this timeframe would be the continued escalation in demand for San Francisco homes that have led to a spike in bidding and an increase in the purchase price of market rate units, larger lottery pools of the stock of affordable housing units available for sale, and stricter lending requirements. Moreover, the rapid development of new affordable BMR units, the rising re-sale of existing units and the continued escalation of interest is also a factor. On the other hand, the same issues can be positively interpreted; impacts including the

construction of affordable housing units, an increase in the number of below market rate units set aside for first-time homebuyers, interest rates remaining steady, and the availability of silent second down payment assistance loan funds that homebuyers can use to help keep their first mortgage payments affordable.

In addition to the MCC, the City of San Francisco offers homeownership opportunities through its Downpayment Assistance Loan Program (DALP), a silent second program that offers loans of up to \$375,000 as of July 2016 for down payment of the sale or resale of existing or newly constructed market rate homes, as well as up to 15% in assistance for below-market rate condominiums, townhouses and Inclusionary units. Some of these units have funds that are recycled into the program from the original sales proceeds borrowed by the seller. Moreover, the City also has down payment assistance programs including \$20,000 for San Francisco Unified School District Teachers called Teacher Next Door (TND), which can be layered for income qualified Teachers also applying for DALP. We also have a downpayment assistance program for uniformed officers to ensure their accessibility to San Francisco residents in state of emergency. This program is the First Responders DALP (FRDALP). Funding balance includes: \$1,228,405 for our market rate and below market rate DALP, \$0 for FRDALP and \$0 and \$743,014 for TND until funds replenish with the resurgence of our fiscal year, July 2017. Of the MCC Amount Allocation awarded in 2013, 2014, and 2016 MOHCD has issued, 73% of the households also received downpayment assistance loan funds.

MOHCD offers RMCC, reissuing of the MCCs, to those MCC holders seeking to refinance their property for better interest rates. In 2013, 2014, and as of March 2016, MOHCD has issued 149 RMCC's to existing MCC holders. With this unpredictable political climate and its affect on interest rates, activity in this program area is expected to increase, as homeowners try and take advantage of existing rates in this uncanny market. Another added feature, MOHCD is implementing our paperless uniformity policy across our housing program applications portfolio through the Database of Affordable Housing Listings, Information, and Applications (DAHLIA). Loan Officers use this system to upload loan applications. To insure first-time homebuyers are informed of the responsibilities of being a homeowner, MOHCD funds Housing Counseling Agencies to perform pre-and post counseling. MOHCD also requires homebuyer education for all first-time homebuyer recipients of our DALP assistance.

The City and County of San Francisco continues to look at ways to improve our delivery of services to low-and-moderate income, first-time homebuyers. We see the programs and services provided as necessary to enable the broadest spectrum of socio-economic populations to continue to live in this high cost market. We will continue to look for resources at the federal, state, and local levels that can help us meet these challenges. We also are reviewing our policies to make sure that we are using any resources available in the most efficient and effective manners pursuant to our mission, goals and objectives. The Mortgage Credit Certificate Program is an important resource that we appreciate offering to eligible households who need this added assistance.

ATTACHMENT F

Additional Demand/Supply Documentation

Not Applicable

ATTACHMENT G

List of Participating Developers and Lenders

BMR, DALP, MCC Lender List*Note: Other languages spoken are noted underneath the name*

Lending Institution	Name	Email Address	Phone	MLS	BMR	DALP	MCC
All California	Susan Willis	SWillis@allcalifornia.com	415-464-8248	289526		X	X
Banc Home Loans	Cynthia Lowary	cynthia.lowary@banchomeloans.com	925-357-6951	295272		X	X
Banc Home Loans	Eleanor Ng	eleanor.ng@banchomeloans.com	925-357-6266	459567		X	X
Banc Home Loans	Kenny Stephen	kenny.stephen@banchomeloans.com	415-412-3363	250703		X	X
Banc Home Loans	Leslie Harvey	leslie.harvey@banchomeloans.com	925-357-6264	417783		X	X
Banc Home Loans	Sharon Nguyen	sharon.nguyen@banchomeloans.com	408-472-5959	404847		X	X
Banc Home Loans	Shawn Augustus	Shawn.Augustus@banchomeloans.com	925-705-0161	340938		X	X
Banc Home Loans	Tina Archuleta	tina.archuleta@banchomeloans.com	925-357-6290	955040		X	X
Banc Home Loans	Tom Murphy	Tom.murphy@banchomeloan.com	925-222-6845	208320		X	X
Bank of America	Ana Wyatt <i>Spanish</i>	ana.wyatt@bankofamerica.com	415-939-0600	461755		X	X
Bank of America	Derek Kam <i>Cantonese, Mandarin</i>	derek.kam@bankofamerica.com	510-676-8883	633695		X	X
Bank of America	Donald E. Hinton	don.hinton@bankofamerica.com	925-639-6508	455106		X	X
Bank of America	Eric Fukumae	eric.fukumae@bankofamerica.com	415-859-1947	1325665		X	X
Bank of America	Mya (Jasmine) Aye	mya.aye@bankofamerica.com	415-913-5908	483427		X	X
Bank of America	Reagan Lee	reagan.lee@bankofamerica.com	415-857-3882	941995		X	X
Bank of America	Roddy Cheung <i>Cantonese</i>	roddy.s.cheung@bankofamerica.com	415-913-5866	482433		X	X
Bank of America	Steven Chu	Steven.chu@bankofamerica.com	415-509-1007	1563724		X	X
Bank of America	Tai V. Tu	tai.tu@bankofamerica.com	415-913-5877	483747		X	X
Bank of America	Yuri Feng	Yuri.feng@bankofamerica.com	415-215-4201	1568318		X	X

Bank of America	Yolanda Obregon	Yolanda.obregon@bankofamerica.com	408-318-3510	1370612		X	X
Best Capital Funding (Merwest Mortgage)	Kevin Brindley	Kevin@myhomegateway.com	415-751-3400	353910	X	X	X
Boston Private	Martha Morales <i>Spanish</i>	MMorales@bostonprivate.com	669-220-4995	247622	X	X	X
California Consumer Lending	Albert Lee <i>Cantonese</i>	albertlee@sbcglobal.net	415-269-3800	303447		X	X
California Consumer Lending	Vicki Yue <i>Cantonese, Mandarin</i>	vicki.yue@cclfinance.com	650-364-9800x115	275113		X	X
Chase Home Finance	Alice Leach	alice.leach@chase.com	415-348-1030	692746		X	X
Chase Home Finance	Hong Dao	hong.dao@chase.com	415-788-0785	672908		X	X
Chase Home Finance	Liu, Hui	Judy.liu@chase.com	415-238-1980	724358		X	X
Chase Home Finance	Pamela Chan <i>Cantonese, Mandarin</i>	pamela.y.chan@chase.com	415-823-6626	242912		X	X
Chase Home Finance	Rene Perez	Rene.Perez@chase.com	415-295-2113	799392		X	X
Chase Home Finance	Ronald Chiu <i>Cantonese, Mandarin</i>	ronald.chiu@chase.com	650-270-7802	448559		X	X
Envoy Mortgage	Kelle Murphy	Kmurphy@envoymortgage.com	925-642-0900	218870	X	X	X
Envoy Mortgage	Kacey Murphy-Davis	Kdavis@envoymortgage.com	925-812-1928	459451	X	X	X
First Republic Bank	Dan Murphy	dmurphy@firstrepublic.com	415-288-8003	487268	X	X	X
First Republic Bank	Sean Fitzgerald	sfitzgerald@firstrepublic.com	415-296-5775	656025	X	X	X
First Republic Bank	Derrick Yee	dyee@firstrepublic.com	925-926-7035	654284	X	X	X
First Republic Bank	Evan Sanchez	esanchez@firstrepublic.com	415-262-8643	763141	X	X	X
First Republic Bank	Hilary Byrde	hbyrde@firstrepublic.com	415-834-7239	1157843	X	X	X
First Republic Bank	Michael Schwartz	mpschwartz@firstrepublic.com	650-234-8831	1165483	X	X	X
First Republic Bank	Mike Ostby	mostby@firstrepublic.com	415-296-5922	1189665	X	X	X
Fremont Bank	Leeza Mak	Leeza.Mak@fremontbank.com	877-403-6345	483485		X	X
Fremont Bank	Lorie Dunn	lorie.dunn@fremontbank.com	510-207-7696	713638		X	X
Guarantee Mortgage	Donna R Aldrich	donna@donnaaldrich.com	415-345-4320	238083	X	X	X
Guarantee Mortgage	Bob Bednarz	bbednarz@guaranteemortgage.com	415-891-3405	259771	x	X	X

Guaranteed Rate	Jay Sondhi	jay.sondhi@guaranteedrate.com	415-694-5512	286674	X	X	X
Guaranteed Rate	Jeff Parrott <i>Spanish</i>	jeff.parrott@guaranteedrate.com	415-694-5518	318227	X	X	X
Guaranteed Rate	Glenn Rodriguez	Glenn.Rodriguez@rate.com	415-570-0400	238969	X	X	X
Guarantee Rate	May Montana	may.montana@guaranteedrate.com	415-429-4972	239533		X	X
Guild Mortgage	Sandra Smith	sandras@guildmortgage.net	510-301-0198	255924	X	X	X
Homestreet Bank	Thomas Murray Jr.	thomas.murray@homestreet.com	415-489-7713	236149		x	x
Homestreet Bank	Jason Lockhart	Jason.Lockhart@homestreet.com	415-489-7716	1197973		X	X
Homestreet bank	Zachary Wamer	zachary.wamer@homestreet.com	415-489-7704	1586364		X	X
KL Capital Partners, Inc.	Casey Mondragon	cm@klcap.com	415-230-4324	343983		X	X
KL Capital Partners, Inc.	Karlo Agustin	ka@klcap.com	415-230-4303	332741		X	X
KAL Financial	Mark Harris	mark@kalfinancial.com	415-519-6275	1406936		X	X
KAL Financial	Ryan Leeder	ryan@kalfinancial.com	608-516-7221	963159		X	X
Land & Property Investment, Inc.	Henry Low	henrylow@lpirealtor.com	415-731-0303	116919		X	X
Land & Property Investment, Inc.	Tom Chan	tomchan@lpirealtor.com	415-731-0303	343800		X	X
Mason McDuffie Mortgage Corporation	Karen Creagmile	kcreagmile@mmcdcorp.com	925-380-2388	240283	X	X	X
Mason McDuffie Mortgage Corporation	Cyndi Fazzio	cfazzio@mmcdcorp.com	925-242-4440	240968	X	X	x
Mason McDuffie Mortgage Corporation	Ray Gin	rgin@mmcdcorp.com	916-929-8130	246802	X	X	X
Mortgage Center Corp	Simon Kim Lee	skwlee3388@msn.com	650-652-9000	323481		X	X
OMNI Fund, Inc.	Shawn Maxwell	Shawnrmaxwell@gmail.com	650-759-4094	246933		X	X
OPES Advisors	Dan Arron	Daaron@opesadvisors.com	415-350-5564	703128		X	X
OPES Advisors	Paula J. Harrell	pharrell@opesadvisors.com	510-915-2580	354400	X	X	X
OPES Advisors	Steven M. Hook	thehook@opesadvisors.com	415-869-6131	303544	X	X	X
OPES Advisors	Thomas Joseph Barnes <i>German</i>	tbarnes@opesadvisors.com	415-710-4682	1025428	X	X	X
OPES Advisors	Tracy A. Andreini	tandreini@opesadvisors.com	415-869-6102	306980		X	X

People's Home Equity, Inc.	John Ruiz	jruiz@peoplehomeequity.com	708-925-5148	560079		X	X
People Home Equity	Sean Crowley	scrowley@peoplehomeequity.com	415-574-0264	997988		X	X
Pinnacle Capital Mortgage Corp	Leman J. Woo	lwoo@everfundinggroup.com	415-946-2138	916227		X	X
Pinnacle Capital Mortgage Corp	Sue Florence	sue@ashwellflorence.com	415-812-9508	280604		X	X
Princeton Capital	Gary Chan	garychan@princetoncap.com	415-613-0706	281016		X	X
Princeton Capital	Robert Jocson	robertjocson@princetoncap.com	415-338-0213	502239		X	X
RPM Mortgage	Carrie Sanford	csanford@rpm-mtg.com	925-788-1029	286517		X	X
RPM Mortgage	Raymond Glover	rglover@rpm-mtg.com	925-788-8150	1298161		X	X
Self-Help Federal Credit Union	Vanessa Diaz	vdiaz@self-helpfcu.org	707-674-3322	902221	X	X	X
SF Fire Credit Union	Simon Chiu	schiu@sffirecu.org	415-345-5466	1112648		X	X
SF Police Credit Union	Ellen Lee	ellenl@sfpcu.org	415-682-3351	675558		X	X
SF Police Credit Union	Judy Chan	judyc@sfpcu.org	415-682-3386	342702		X	X
TSE Financial	Agnes Tse <i>Cantonese, Spanish</i>	agnesptse@yahoo.com	415-566-5363	241519		X	X
TSE Financial	Gina Tse <i>Cantonese, Spanish</i>	ginatselouie@tsefinancial.biz	415-566-5363	247148		X	X
TSE Financial	Matthew Henderson	hendersonmatthew@yahoo.com	415-729-6020	333882		X	X
TSE Financial	Susan Sanders	susans@RERevolution.biz	949-939-2545	209516206		X	X
Union Bank	Jenifer Burns	Jenifer.Burns@unionbank.com	415-765-2180	511056		X	X
Union Bank	Daniel Wong	Daniel.Wong@uninbank.com	650-245-1234	483481		X	x
Union Bank	Elaine Doucet	Elaine.Doucet@unionbank.com	415-358-1023	692531		X	x
Umpqua Bank	Johnny Chin	johnnychin@umpquabank.com	415-515-3329	721184	X	X	X
Umpqua Bank	Nelson Wong	nelsonwong@umpquabank.com	415-268-8057	206278	X	X	X
Umpqua Bank	Wency Estrera	wencyestrera@umpquabank.com	415-268-8035	360174	X	X	X
Umpqua Bank	Maris Gelfman	marisgelfman@umpquabank.com	925-219-5003	461988	X	X	X
Universal American Mortgage Company of California	Dana Bracco	danabracco@uamc.com	415-741-7683	258928		X	X

ATTACHMENT H

**Tax Counsel Certification and Special Survey
regarding average area purchase prices with
certification**



Orrick, Herrington & Sutcliffe LLP
The Orrick Building
405 Howard Street
San Francisco, CA 94105-2669
+1 415 773 5700
orrick.com

March 9, 2017

Ms. Jeanne Lu
Senior Loan Manager
Mayor's Office of Housing
City and County of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Stephen A. Spitz

E sspitz@orrick.com
D +1 415 773 5721
F +1 415 773 5759

Re: City and County of San Francisco: Purchase Price and
Income Limits for Mortgage Credit Certificates

Dear Ms. Lu:

This letter addresses the purchase price and income limits applicable to the City and County of San Francisco Mortgage Credit Certificate Program. As the City's tax counsel for its mortgage credit certificate program, we have determined that the methodology used by Vernazza Wolfe Associates, Inc., in connection with its report, dated March 2, 2017, relating to average area purchase prices in the San Francisco-Oakland-Hayward, CA MSA (the "VWA Study") utilizes more accurate and comprehensive data than are used as the basis for the applicable "safe harbor" average area purchase prices published by the Internal Revenue Service. As such, the use of the VWA Study complies with the requirements of Section 143 of the Internal Revenue Code of 1986.

Based on the VWA Study, the maximum permissible purchase prices for Mortgage Credit Certificates are as follows:

New Construction	
Non-Targeted Areas:	\$ 891,522.90
Targeted Areas:	\$1,089,639.10
Existing Housing	
Non-Targeted Areas:	\$ 799,353.90
Targeted Areas:	\$ 976,955.10

The income limit calculations are based on Rev. Proc. 2016-25, Rev. Proc. 2016-26, the VWA Study and the HUD Fiscal Year 2016 income limits for the San Francisco HMFA. Based on the "high



Ms. Jeanne Lu
March 9, 2017
Page 2

housing cost area" adjustment described in Internal Revenue Code Section 143(f)(5), the maximum permissible incomes for Mortgage Credit Certificates are as follows:

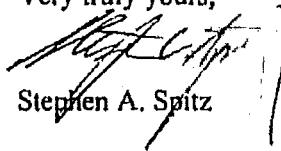
Non-Targeted Areas

One and Two Person Families:	\$147,600.00
Three or More Person Families:	\$172,200.00

Targeted Areas

One and Two Person Families:	\$147,600.00
Three or More Person Families:	\$172,200.00

Very truly yours,



Stephen A. Spitz

ATTACHMENT I

**Tax Counsel Certification and Special Survey
regarding area median income with certification**

ATTACHMENT I

**Tax Counsel Certification and Special Survey
regarding area median income with certification**



Orrick, Herrington & Sutcliffe LLP
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March 9, 2017

Ms. Jeanne Lu
 Senior Loan Manager
 Mayor's Office of Housing
 City and County of San Francisco
 One South Van Ness Avenue, 5th Floor
 San Francisco, CA 94103

Stephen A. Spltz

E sspitz@orrick.com
 D +1 415 773 5721
 F +1 415 773 5759

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Ms. Jeanne Lu
March 9, 2017
Page 2

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Three or More Person Families:	\$172,200.00

Targeted Areas

One and Two Person Families:	\$147,600.00
Three or More Person Families:	\$172,200.00

Very truly yours,

A handwritten signature in black ink, appearing to read "Stephen A. Spitz". The signature is written in a cursive style and is enclosed within a hand-drawn bracket on the right side.

Stephen A. Spitz

San Francisco –Income Limits

Average Area Purchase Price – New	\$990,581
Average Area Purchase Price – Existing	\$888,171
National Average Purchase Price	\$266,400

Median Income (2x Very Low)	\$123,000
National Median Income	\$ 65,700

A) AAPP - New 3.71839715
National

B) AAPP – Existing 3.33397523
National

C) Income 1.87214612
National

D) Lesser of A or B 1.78083067
C

E) 1 + 2 Person Adjustment: = 1.2
Lesser of (D - .2) or 1.2

F) 3+ Person Adjustment: = 1.4
Lesser of 1.15 (D - .2) or 1.4

G) 1 + 2 Person Income Limit = \$147,600.00
Median Income x greater of 1.00 or E

H) 3 + Person Income Limit = \$172,200.00
Median Income x greater of 1.15 or F

I) 1 + 2 Person Limit Target Area = \$147,600.00
Median Income x greater of 1.2 or E

J) 3 + Person Limit Target Area = \$172,200.00
Median Income x greater of 1.4 or F

ATTACHMENT J

Evidence of Minimum Requirements

EVIDENCE OF MEETING MINIMUM REQUIREMENT FOR 2017 (40%)

The City and County of San Francisco currently has several mechanisms established to enable it to meet the 40% minimum requirement that households benefiting through the MCC Program are at or below 80% of the applicable area median income or will reside in a unit purchased in Qualified Census Tract(s) as defined in Section 2 of the CDLAC procedures.

The following represents evidence of the City's objectives to maintain and increase its goals:

1. Allocation tracking system. The City and County of San Francisco monitors the MCC allocation to insure that the reservation for targeted areas and or low-income benefit goals are maintained. The City will reserve the minimum required allocation at a level not less than 40% of the total allocation. In the past the City has not only met its allocation goals but has exceeded them.
2. Marketing. The City and County of San Francisco will focus its marketing on first-time homebuyers that are at or below 80% AMI and those purchasing in the targeted areas. Although the program is set up to make commitments on a first come, first served basis, priority when necessary will be given to low-income households or those purchasing in qualified census tracts to insure that the 40% minimum goal is met.
3. MCC and Other Homeownership Programs. The City and County of San Francisco has demonstrated its commitment to see that low-income homebuyers have the opportunity to use its homeownership programs that include its City Second Loan, Downpayment Assistance Loan and Inclusionary Housing (BMR) Programs. MOHCD offers downpayment assistance to first-time homebuyers purchase single family residential units. In addition, there are affordable units built with both public and private funds that are either dedicated to low-income households or low-income households are given the first opportunity to purchase these units with restricted incomes or purchase price limits.

As of July 2016, MOHCD has been provided DALP deferred loans up to \$375,000 to low to middle income first time homebuyers. The City and County of San Francisco request that the minimum requirement be combination of targeting to first time homebuyer at or below 80% of AMI and household purchase properties in the qualified Census Tracts Area.

The City and County of San Francisco is committed to meet the 40% minimum requirement that households benefiting through the MCC Program are at or below 80% of the applicable area median income or will reside in a unit purchased in Qualified Census Tract(s) as defined in Section 2 of the CDLAC procedures.

ATTACHMENT J-1

**Evidence of undue hardship/financial burden
regarding Minimum Requirements**

Not Applicable

ATTACHMENT K

HOUSING ELEMENT CERTIFICATION FORM FOR APPLICATION FOR AN ALLOCATION OF QUALIFIED PRIVATE ACTIVITY BONDS FOR A SINGLE FAMILY HOUSING MORTGAGE CREDIT CERTIFICATE PROGRAM

Note: To be completed by each participating jurisdiction.

Certification of the Mayor's Office of Housing and Community Development- City and County of San Francisco (Participating Jurisdiction)

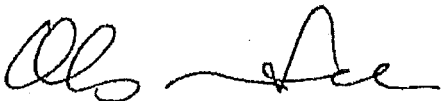
In connection with the following Qualified Private Activity Bond Application:

APPLICANT: Mayor's Office of Housing and Community Development- City and County of San Francisco
for a Mortgage Credit Certificate Program.

The undersigned officer of Mayor's Office of Housing and Community Development- City and County of San Francisco (Participating Jurisdiction) hereby certifies as follows:

1. I, Olson Lee (Name), am the Director (Title) of Mayor's Office of Housing and Community Development- City and County of San Francisco (Participating Jurisdiction); which is a participating jurisdiction of the proposed Single Family Housing Mortgage Credit Certificate program.
2. The proposed Single Family Housing Program is consistent with the adopted housing elements for Mayor's Office of Housing and Community Development- City and County of San Francisco (Participating Jurisdiction) in which the proposed program will operate.

The California Department of Housing and Community Development has determined the jurisdiction's adopted housing element to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. In addition, as required under Section 65400 of the Government Code, the jurisdiction submitted an annual progress report to the California Department of Housing and Community Development for the preceding 12-month calendar year, pursuant to Section 5267 of the California Debt Limit Allocation Committee Regulations.



Signature of Senior Official

Olson Lee

Print or Type Name

Director
Title

3/16/17
Date

ATTACHMENT K

Evidence of Housing Element Compliance



HOUSING ELEMENT



PART II: OBJECTIVES & POLICIES

AN ELEMENT OF THE GENERAL PLAN
OF THE CITY AND COUNTY OF SAN FRANCISCO



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I. SUMMARY OF OBJECTIVES & POLICIES

ISSUE 1: ADEQUATE SITES

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

POLICY 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

POLICY 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

POLICY 1.4

Ensure community based planning processes are used to generate changes to land use controls.

POLICY 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

POLICY 1.6

Consider greater flexibility in number and size of units within established building envelopes in community based planning processes, especially if it can increase the number of affordable units in multi-family structures.

POLICY 1.7

Consider public health objectives when designating and promoting housing development sites.

POLICY 1.8

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

POLICY 1.9

Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

ISSUE 2: CONSERVE AND IMPROVE EXISTING STOCK

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

POLICY 2.3

Prevent the removal or reduction of housing for parking.

POLICY 2.4

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

POLICY 2.5

Encourage and support the seismic retrofitting of the existing housing stock.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

POLICY 3.2

Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

POLICY 3.3

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

POLICY 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

POLICY 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

ISSUE 3: EQUAL HOUSING OPPORTUNITIES

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

POLICY 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

POLICY 4.3

Create housing for people with disabilities and aging adults by including universal design principles in new and rehabilitated housing units.

POLICY 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

POLICY 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

POLICY 4.6

Encourage an equitable distribution of growth according to infrastructure and site capacity.

POLICY 4.7

Consider environmental justice issues when planning for new housing, especially affordable housing.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

POLICY 5.1

Ensure all residents of San Francisco have equal access to subsidized housing units.

POLICY 5.2

Increase access to housing, particularly for households who might not be aware of their housing choices.

POLICY 5.3

Prevent housing discrimination, particularly against immigrants and households with children.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

POLICY 6.1

Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

ISSUE 4:

FACILITATE PERMANENTLY AFFORDABLE HOUSING

OBJECTIVE 7

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, state and federal levels.

POLICY 7.3

Recognize the importance of funds for operations, maintenance and services to the success of affordable housing programs.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

POLICY 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

POLICY 7.7

Support housing for middle income households, especially through programs that do not require a direct public subsidy.

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

POLICY 8.1

Support the production and management of permanently affordable housing.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

POLICY 8.3

Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

POLICY 9.2

Continue prioritization of preservation of existing affordable housing as the most effective means of providing affordable housing.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

I. SUMMARY OF OBJECTIVES & POLICIES

ISSUE 5:
REMOVE CONSTRAINTS TO
THE CONSTRUCTION AND
REHABILITATION OF HOUSING

OBJECTIVE 10
**ENSURE A STREAMLINED, YET
THOROUGH, AND TRANSPARENT
DECISION-MAKING PROCESS**

POLICY 10.1

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.

POLICY 10.2

Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.

POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA.

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

ISSUE 6:
MAINTAIN THE UNIQUE
AND DIVERSE CHARACTER
OF SAN FRANCISCO'S
NEIGHBORHOODS

OBJECTIVE 11
**SUPPORT AND RESPECT THE DI-
VERSE AND DISTINCT CHARACTER
OF SAN FRANCISCO'S NEIGHBOR-
HOODS.**

POLICY 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

POLICY 11.2

Ensure implementation of accepted design standards in project approvals.

POLICY 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

POLICY 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

POLICY 11.5

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

POLICY 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

POLICY 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

POLICY 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

POLICY 11.9

Foster development that strengthens local culture sense of place and history.

ISSUE 7:
BALANCE HOUSING
CONSTRUCTION AND
COMMUNITY INFRASTRUCTURE

OBJECTIVE 12
**BALANCE HOUSING GROWTH WITH
ADEQUATE INFRASTRUCTURE THAT
SERVES THE CITY'S GROWING
POPULATION.**

POLICY 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

POLICY 12.2

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

POLICY 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

ISSUE 8:
PRIORITIZING SUSTAINABLE
DEVELOPMENT

OBJECTIVE 13
**PRIORITIZE SUSTAINABLE DEVEL-
OPMENT IN PLANNING FOR AND
CONSTRUCTING NEW HOUSING.**

POLICY 13.1

Support "smart" regional growth that locates new housing close to jobs and transit.

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

POLICY 13.3

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

POLICY 13.4

Promote the highest feasible level of "green" development in both private and municipally-supported housing.



PART II

OBJECTIVES & POLICIES

Please note that this text contains *Part 2: Objectives and Policies* of the Housing Element. *Part 1: Data and Needs Analysis* and *Appendix C: Implementation Measures* are available separately.



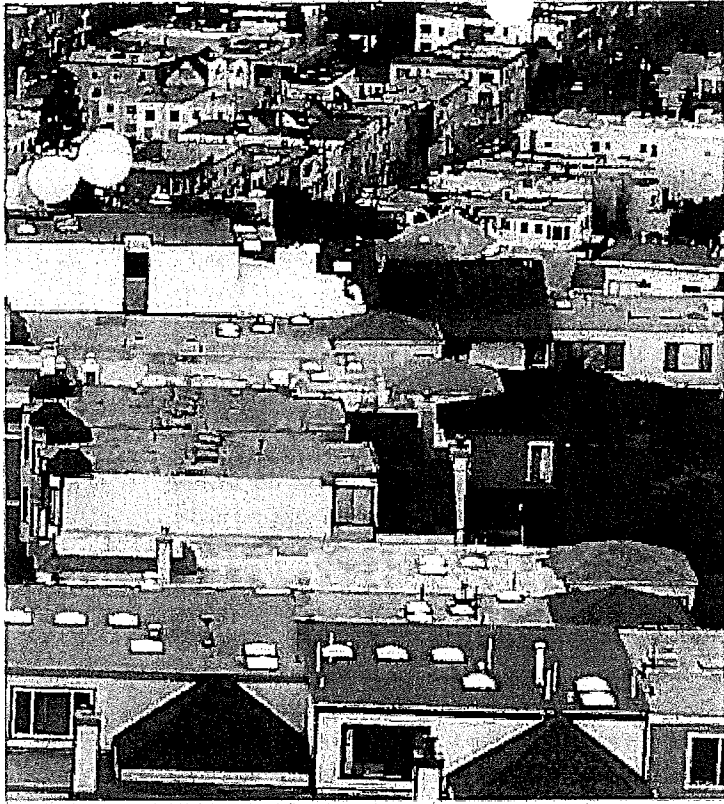
INTRODUCTION

Housing element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The City of San Francisco has embraced this requirement as an opportunity for a community based vision for San Francisco's future. Part 2 of the *Housing Element* sets forth objectives, policies, and programs to address the housing needs identified in Part one. The Housing Element is intended to provide the policy background for housing programs and decisions; and to provide broad direction towards meeting the City's housing goals. As with other elements of the General Plan, it provides the policy framework for future planning decisions, and indicates the next steps the City plans to take to implement the Housing Element's objectives and policies. Adoption of the Housing Element does not modify land use, specify areas for increased height or density, suggest specific controls for individual neighborhoods, implement changes to the Zoning Map or Planning Code, or direct funding for housing development. Any such changes would require significant community and related legislative processes, as well as review and public hearings before the Planning Commission and Board of Supervisors.

Why is Housing an Issue?

San Francisco's population continues to grow; now surpassing the 1950s population peak, with over 800,000 residents. As a hub for the region, San Francisco hosts a significant proportion of the City's jobs, as well as the core of local transportation infrastructure. Despite the recent economic impacts of the national recession, industries in San Francisco are - slowly - growing, particularly in the categories of financial and professional services, and knowledge industries such as biotechnology, digital media, and clean technology. With new employment opportunities comes the increased demand for a variety of housing types.

Affordable housing is the most salient housing issue in San Francisco and the Bay Area. ABAG projects that at least 39% of new housing demands will be from low and very low income households (households earning under 80% of area median income), and another 22% affordable from households of moderate means (earning between 80 and 120% of area median income). The policies and programs offer strategies to address these specific housing demands.



Based on the growing population, and smart growth goals of providing housing in central areas like San Francisco, near jobs and transit, the State Department of Housing and Community Development (HCD), with the Association of Bay Area Governments (ABAG), estimates that San Francisco must plan for the capacity for roughly 31,000 new units, 60% of which should be suitable for housing for the extremely low, very low, low and moderate income households, in the next Housing Element period to meet its share of the region's projected housing demand. Because San Francisco also shares these state and regional objectives to increase the supply of housing, improve the regional jobs-housing balance, protect the environment, and promote a more efficient development pattern, this Housing Element works to meet those targets.

The City's Housing Values

In developing the 2009 Housing Element Update, the City worked closely across agencies and broadly with San Francisco neighborhoods, community organizations, housing

advocates, and residents. Through a broad outreach process that included a Community Advisory Body, stakeholder sessions, over 30 community workshops, monthly office hours, and interactive web outreach including an online survey, four housing values were developed to guide the 2009 Housing Element:

1. *Prioritize permanently affordable housing.* Across the City, participants acknowledged that the cost of housing in San Francisco was an issue affecting everyone, from working families to the very poor. Thus the Housing Element focuses on creating the right type of housing, to meet the financial, physical and spatial needs of all of our residents who cannot afford market-rate housing. This requires not only creating new housing, but addressing the numerous housing types needed for San Francisco's diverse population, and preserving and maintaining the existing housing stock, which provides some of the City's most affordable units.
2. *Recognize and preserve neighborhood character.* Residents of San Francisco, from its wealthiest neighborhoods to its lower income areas, prioritized their own neighborhoods' physical and cultural character. Therefore the Housing Element recognizes that any plans for housing, from individual projects to community plans, need to acknowledge the unique needs of individual neighborhood which they are located. No individual strategies proposed in this Housing Element are appropriate universally; each needs to be considered within the neighborhood context. By using community planning processes that are driven by the input of the community itself, the City can ensure that the best qualities of neighborhoods are not only maintained, but strengthened.
3. *Integrate planning of housing, jobs, transportation and infrastructure.* Participants stressed that housing does not occur in a vacuum- that successful housing must be considered as a part of a whole neighborhood, one that includes public infrastructure such as transit, open space and community facilities, and privately provided infrastructure such as retail and neighborhood services. As one considers the needs of various household types, steps must be taken to encourage amenities required by families, such as child care, schools, libraries, parks and other services.

4. *Cultivate the City as a sustainable model of development.* The City's residents recognized the City's social, practical and legislative responsibility to address housing needs from both the local and the regional perspective, given San Francisco's role as a job center and a transit nexus. Thus, the Housing Element prioritizes increasing transit availability and accessibility, and prioritizing housing development where transit and other mode options are improved, to reduce the impacts of greenhouse gas emissions. It promotes "green" development in both new and reconstruction. It does not, however, promote growth at all costs: the Housing Element recognizes that a truly sustainable San Francisco balances housing production with other major values discussed above, in the context of affordability needs, infrastructure provision, and neighborhood culture and character.

Challenges Ahead: Balancing Goals with Resources and Realities

In an effort to plan for and respond to growing housing demands, the Planning Department has engaged several neighborhoods in specific community planning efforts. Ten community plans – the Candlestick and Hunters Point Shipyard Plans, Rincon Hill, Market & Octavia, Central Waterfront, East SoMa, Mission, Showplace Square/Potrero Hill and Balboa Park Area Plans, and the Visitacion Valley Master & Redevelopment Plan – have been adopted since the 2004 Housing Element update. Together these recently adopted Plan Areas are projected to add growth of almost 40,000 new units, which, in combination with citywide infill potential provides sites which can accommodate over 6,000 new units, as cited in Part 1 of the Housing Element. Ongoing community planning efforts, including major redevelopment plans at Mission Bay, Treasure Island and Hunter's Point Naval Shipyard, will add even more capacity over the next 20 years.

Implementation of these plans, both on the housing and infrastructure side still requires significant planning and support. The City has made strides in developing new housing to serve that growing population – about 18,960 new housing units were added to the City's housing stock since 2000 – housing affordability continues to be a major policy issue. Even with very successful policies and programs, and an all-time high average production rate of over

2000 units per year, San Francisco achieved only 67% of its housing goals for very low and low production, and a total of 47% of all affordable housing production.¹ Because of the high cost of housing subsidies required to provide a unit to low and very low income households ranges from \$170,000 to \$200,000 per unit. Total costs to meet the total need projected by the RHNA's exceed \$2 billion dollars, significantly more than funding has allowed in previous years. Given current economic conditions this level of funding is far more than can be realistically expected in the short term.

This Housing Element addresses residential development during a period of national recession, against a backdrop of reductions in sale and rental values, backlogs of unsold units, and a dearth of funding for new housing development. Working within this context, the Housing Element stresses stabilization strategies that respond to the economic downturn. Creative new context specific strategies include:

- Small-site acquisition and rehabilitation, where the City takes an active role in securing and stabilizing existing units as permanently affordable housing.
- Owner-initiated rehabilitation, where the City supports financially or otherwise – owner or landlord initiated improvements to existing housing, particularly at-risk rental units.
- Project partnerships, fostering relationships between affordable and market rate developers on new sites, or on projects which may have stalled, to expand affordable housing opportunities.
- Providing assistance in foreclosures, including assistance to existing homeowners and working to secure foreclosed units as affordable opportunities.

However, even with these strategies the City will not likely see the development 31,000 new units, particularly its affordability goals of creating over 12,000 units affordable to low and very low income levels projected by the RHNA. There are adequate sites to meet projected housing needs, and the policies of this Housing Element support further housing development. However, realizing the City's housing targets requires tremendous public and private financing – given the state and local economy and private finance conditions is not likely to be available during the period of this Housing Element.

¹ Note: Other major cities, such as Oakland and Los Angeles, faced the same challenges, meeting on average only 30% of their affordability targets.

For the City to be truly successful in achieving the type and amount of housing targeted by the RHNAs and mandated by local and regional sustainability goals, a full partnership with the state and the region is required. Funding at the state and regional levels need to continue to consider – and prioritize – San Francisco's share of the statewide housing, particularly its affordability challenges, when allocating funding for affordable housing and for public infrastructure. Only through this partnership, and if infrastructure and housing funding priorities are coordinated with regional growth objectives, can the City truly move towards these housing production targets.

Acknowledging Tradeoffs

The Housing Element is intended to be an integrated, internally consistent and compatible statement of policies for housing in San Francisco, based upon the goals of the citizens of the City. However, many of these goals have a natural tension between them. For example, the relationship of market rate to affordable housing can often seem competitive, and even oppositional. Yet increased levels of affordable housing cannot be achieved without the private development sector, which brings significant funding towards affordable housing and its needed services through tax revenues, inclusionary requirements and other fees. In balancing this relationship, the City needs to consider how all types of housing contribute to overall goals.

Another tension exists between the demand for more housing in San Francisco and the impact – real or perceived – that new development can have on neighborhoods. To meet local and regional sustainability goals, more housing and greater density is required, but growth needs to be shaped so that it does not occur at the expense of valued San Francisco neighborhood qualities. Community plans balance these factors to increase housing equitably while still preserving what people love about their neighborhoods.

Another major issue to balance is the relationship between housing and infrastructure. The City's goal is to locate housing in areas that already have access to infrastructure and services, many sites large enough for affordable housing are often found in transitioning areas that require additional infrastructure. The City needs to seek equilibrium for housing opportunities by prioritizing increased infrastructure or services to these transitioning areas.

The purpose of this Housing Element is not to resolve all of those tensions, but to provide a framework the City can use to highlight concerns that should be balanced by decision makers, to achieve the City's stated housing goals.

The Document

The *objectives and policies* that follow are intended to address the State's objectives and the City's most pressing housing issues: identifying adequate housing sites, conserving and improving existing housing, providing equal housing opportunities, facilitating permanently affordable housing, removing government constraints to the construction and rehabilitation of housing, maintaining the unique and diverse character of San Francisco's neighborhoods, balancing housing construction with community infrastructure, and sustainability. Each set of objectives and related policies is accompanied by *implementing programs* – a detailed schedule of actions that will implement the housing element including timelines, steps, projected outcomes and entities responsible for each action. Also, each set of objectives and policies is followed by a series of *strategies for further review* – ideas which were raised over the course of the Housing Element development and outreach, which require further examination, and potentially long-term study, before they can be directly implemented. These strategies will be examined in more detail with the appropriate agencies over the course of the draft Housing Element's review, to determine if such strategies are possible and can be pursued as implementation programs.

Issue 1: Adequate Sites

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Even during declining economies, housing demand in San Francisco continues. Families continue to grow, life expectancy has increased, and more people seek to live closer to where they work. The need for housing comes from households of all income levels.

In an effort to manage the regional growth and accommodate projected housing needs throughout the Bay Area, the Association of Bay Area Governments (ABAG) allocates a number of housing units at various income levels to each community in the region based on projected job growth. ABAG has allocated more than 31,000 new housing units in City and County of San Francisco through the year 2014, with over 60% of those units required to be affordable to households of moderate income (defined as 120% of Area Median Income) or below.



Reaching these ABAG goals will require the implementation of a number of strategies, including planning and constructing new permanently affordable housing, for which land must be identified. Housing sites must be considered carefully in order to make the most of a limited land supply while ensuring that new housing is in keeping with existing neighborhood character. Specific criteria should be considered when planning for, and securing, sites for housing. To enable easy access and movement throughout the City, housing should be located close to transit, and to other necessary public infrastructure such as schools, parks and open space, as well as quasi-public or privately provided services such as child care and health facilities. To enable access to retail and services, new housing should be located throughout the City in a mixed-use fashion. To ensure the health of residents, housing should be located away from concentrations of health-impacting land uses. New housing is not the only answer to addressing housing needs in San Francisco. Other strategies, such as retention of existing units, and making existing units permanently affordable, as discussed in Objectives 2 and 3, enable the City to meet many of its housing affordability goals.

POLICY 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

San Franciscans are a diverse population, with a diverse set of housing needs. Future housing policy and planning efforts must take into account the diverse needs for housing. The RHNA projections indicate housing goals for various income levels, these provide basic planning goals for housing affordability. San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups,

such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes.

POLICY 1.2

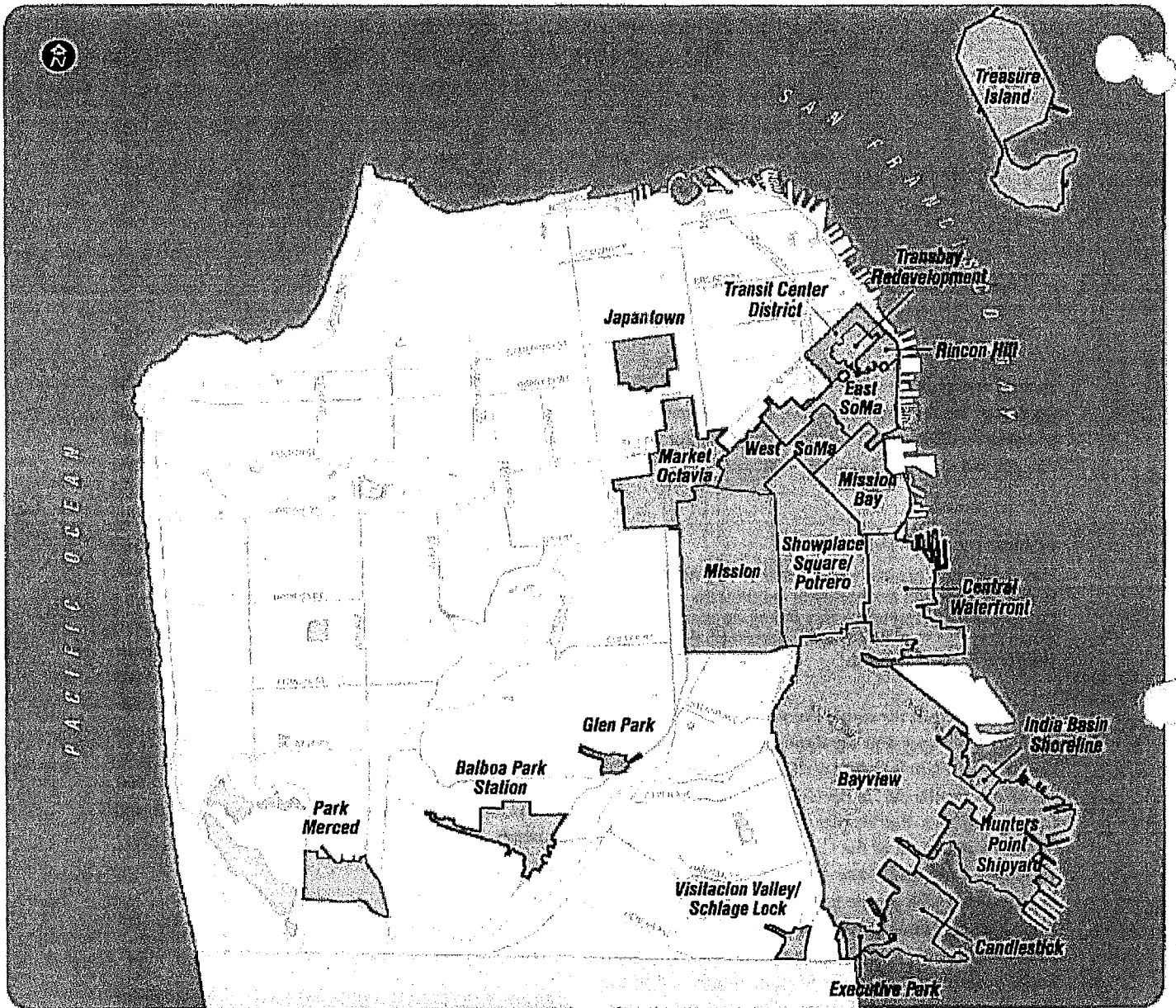
Focus housing growth and infrastructure-necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

In order to increase the supply and affordability of housing, the City has engaged in significant planning for housing through Area Plans (portions of the General Plan which focus on a particular part of the City), Redevelopment Plans (community revitalization plans authorized and organized under the provisions of the California Community Redevelopment Law), and major development projects created in partnership with private sponsors. Adopted community plans include Balboa Park, Market and Octavia and the Central Waterfront neighborhoods; the Eastern Neighborhoods program including the Mission, South of Market, Showplace Square and Potrero Hill; Candlestick, and Hunters Point Shipyard; and several Redevelopment Area Plans, most recently Visitacion Valley/Schlage Lock.

Plans underway include Japantown, Glen Park, Western SoMa and Executive Park. Other major projects in development with the City include Treasure Island, Park Merced and the Transbay Transit Center. These ongoing community planning efforts should continue. These projects could result in a community accepted housing vision for the neighborhood, related zoning changes and neighborhood specific design guidelines that will encourage housing development in appropriate locations.

Together, these planning efforts could provide capacity for significantly more than the 31,000 units allocated for this planning period (2007-2014). However these plans will require significant investment in infrastructure and supporting services in order to support this growth. Each adopted plan contains related programs for affordable housing (directing the mix of housing types, tenures and affordability needs), infrastructure and community services, they also contain design guidelines and community review procedures. The City should prioritize public investment in these plan areas, according to each plans' infrastructure and community improvement program. These plans will also require diligence in their application: each plan contains numerous policies and principles intended to ensure neighborhood consistency and compatibility, and it is up to Planning Department staff and the Planning Commission to uphold those principles in project review and approvals.









Plan Areas

0 Miles 1

MAP 01

-  Adopted Area Plan
-  Pending Adoption
-  Plan Areas Under Development
-  Plan Areas In Coordination With Redevelopment Authority or Other Groups

Plan Area / Major Project	Estimated New Housing Construction Potential*
Balboa Park Area Plan	1,800
Market/Octavia Area Plan	6,000
Central Waterfront Area Plan	2,000
Mission Area Plan	1,700
East SOMA Area Plan	2,900
Showplace Square/Potrero Hill Area Plan	3,200
Rincon Hill Area Plan	4,100
Visitacion Valley Redevelopment Plan	1,500
Transbay Redevelopment Plan	3,400
Mission Bay Redevelopment Plan	3,000
Hunters Point Shipyard/ Candlestick Point	10,000
Total Adopted Plans & Projects:	39,800
Executive Park	1,600
Glen Park	100
Japantown	To be determined
Park Merced	5,600
Transit Center District	1,200
West SOMA	2,700
Treasure Island	7,000
Total Plans & Projects Underway:	18,200
TOTAL	57,800

* From individual NOP and EIR, rounded

POLICY 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

While in previous years land prices have dramatically increased, current land prices seem to have stabilized. This may provide opportunity for sites for permanently affordable housing development that should be aggressively pursued.

Publicly-owned land offers unique opportunity for development of affordable housing. The City should regularly review its inventory of surplus, vacant or underused public property, through an annual reporting process that provides such information to the Mayor's Office of Housing.

Public property no longer needed for current or foreseeable future public operations, such as public offices, schools or utilities should be considered for sale or lease for development of permanently affordable housing. The City should ensure that future land needs for transit, schools and other services will be considered before public land is repurposed to support affordable housing. Where sites are not appropriate for affordable housing, revenue generated from sale of surplus lands should continue to be channeled into the City's Affordable Housing Fund under the San Francisco Administrative Code Sections 23A.9 - 11.

The City's land-holding agencies should also look for creative opportunities to partner with affordable housing developers. This may include identifying buildings where air rights may be made available for housing without interfering with their current public use; sites where housing could be located over public parking, transit facilities or water storage facilities; or reconstruction opportunities where public uses could be rebuilt as part of a joint-use affordable housing project. Agencies should also look for opportunities where public facilities could be relocated to other, more appropriate sites, thereby making such sites available for housing development. For example, certain Muni fleet storage sites located in dense mixed-use or residential areas could be relocated, thereby allowing in-fill mixed use or residential development. The City should proactively seek sites for affordable housing development by buying developments that are no longer moving towards completion. This may include properties that have received some or all City land use entitlements, properties that have begun construction but cannot continue, or properties that have completed construction, but whose owners must sell.

POLICY 1.4

Ensure community based planning processes are used to generate changes to land use controls.

Community plans are an opportunity for neighborhoods to work with the City to develop a strategic plan for their future, including housing, services and amenities. Such plans can be used to target growth strategically to increase infill development in locations close to transit and other needed services, as appropriate. Community plans also develop or update neighborhood specific design guidelines, infrastructure plans, and historic resources surveys,

as appropriate. As noted above, in recent years the City has undertaken significant community based planning efforts to accommodate projected growth. Zoning changes that involve several parcels or blocks should always involve significant community outreach. Additionally zoning changes that involve several blocks should always be made as part of a community based planning process.

Any new community based planning processes should be initiated in partnership with the neighborhood, and involve the full range of City stakeholders. The process should be initiated by the Board of Supervisors, with the support of the District Supervisor, through their adoption of the Planning Department's or other overseeing agency's work program; and the scope of the process should be approved by the Planning Commission. To assure that the Planning Department, and other agencies involved in land use approvals conduct adequate community outreach, any changes to land use policies and controls that result from the community planning process may be proposed only after an open and publicly noticed process, after review of a draft plan and environmental review, and with comprehensive opportunity for community input. Proposed changes must be approved by the Planning Commission and Board of Supervisors at a duly noticed public hearing. Additionally, the Department's Work Program allows citizens to know what areas are proposed for community planning. The Planning Department should use the Work Program as a vehicle to inform the public about all of its activities, and should publish and post the Work Program to its webpage, and make it available for review at the Department.

POLICY 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

Secondary units (in-law" or "granny units") are smaller dwelling units within a structure containing another much larger unit, frequently in basements, using space that is surplus to the primary dwelling. Secondary units represent a simple and cost-effective method of expanding the housing supply. Such units could be developed to meet the needs of seniors, people with disabilities and others who, because of modest incomes or lifestyles, prefer or need small units at relatively low rents.

Within a community planning process, the City may explore where secondary units can occur without adversely affecting the exterior appearance of the building, or in the case of new construction, where they can be accommodated within the permitted building envelope. The process may also examine where existing secondary units can be legalized, for example through an amnesty program that requires building owners to increase their safety and habitability. Secondary units should be limited in size to control their impact.

POLICY 1.6

Consider greater flexibility in number and size of units within established building envelopes in community based planning processes, especially if it can increase the number of affordable units in multi-family structures.

In San Francisco, housing density standards have traditionally been set in terms of numbers of dwelling units in proportion to the size of the building lot. For example, in an RM-1 district, one dwelling unit is permitted for each 800 square feet of lot area. This limitation generally applies regardless of the size of the unit and the number of people likely to occupy it. Thus a small studio and a large four-bedroom apartment both count as a single unit. Setting density standards encourages larger units and is particularly tailored for lower density neighborhoods consisting primarily of one- or two-family dwellings. However, in some areas which consist mostly of taller apartments and which are well served by transit, the volume of the building rather than number of units might more appropriately control the density.

Within a community based planning process, the City may consider using the building envelope, as established by height, bulk, set back, parking and other Code requirements, to regulate the maximum residential square footage, rather than density controls that are not consistent with existing patterns. In setting allowable residential densities in established neighborhoods, consideration should be given to the prevailing building type in the surrounding area so that new development does not detract from existing character. In some areas, such as RH-1 and RH-2, existing height and bulk patterns should be maintained to protect neighborhood character.

POLICY 1.7

Consider public health objectives when designating and promoting housing development sites.

A healthy neighborhood has a balance of housing and the amenities needed by residents at a neighborhood level, such as neighborhood serving retail, particularly stores offering fresh produce, childcare and medical services. Community planning efforts should include requirements, incentives or bonuses to encourage necessary amenities as appropriate.

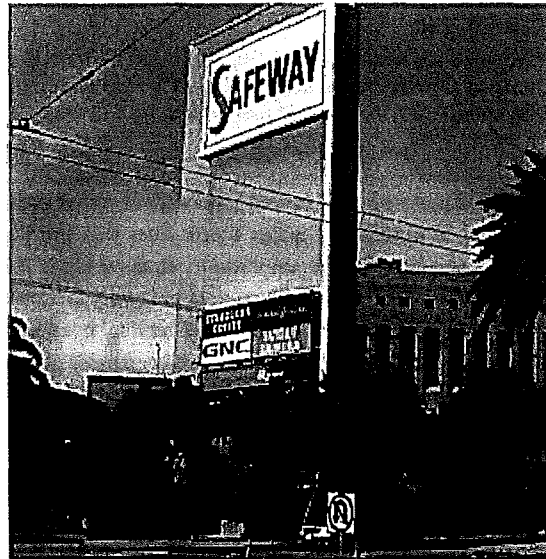
Land use and transportation planning decisions are directly related to environmental health and justice issues in San Francisco. For example, SFPDH environmental health inspectors frequently observe that families live in buildings that cause a variety of health outcomes such as asthma and lead poisoning. Understanding the impacts of past uses on the soil, the proximity to currently operating heavy industrial uses, and the surrounding air quality are critical when developing housing.

In 2007 the San Francisco Department of Public Health completed the Healthy Development Measure Tool (HDMT), a system to evaluate health impacts of new development. The HDMT proposes a checklist for evaluating a range of project types from smaller housing developments to neighborhood wide community plans. The HDMT covers six topics: environmental stewardship, sustainable and safe transportation, public infrastructure (access to goods and services), social cohesion, adequate and healthy housing, and a healthy economy, with over 100 benchmarks in total. The level of analysis the tool provides can be very useful in developing housing policy and programs for a large area, as it can aide in identifying gaps in services and amenities to be addressed at a policy level. Because of HDMT tool's breadth, it is important that it be used in the appropriate context. Therefore the HDMT should be used to provide a general review of overall context, particularly in the development of community plans.

POLICY 1.8

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

San Francisco has a strong tradition of mixed-use neighborhoods, allowing residents to take advantage of the City's rich mix of services and amenities on foot and by transit. Mixed-use buildings in San Francisco allow residents to live above street-front commercial space, services or institutional uses. Housing should continue to be considered as a joint use with all compatible non-residential uses. While separation of some uses will always be required to protect public health, the majority of the City's non-residential uses, such as retail, services and workplaces, are compatible with, and can be improved by, the inclusion of housing.

**POLICY 1.9**

Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

New commercial or other non-residential development projects increase the City's employment base, thereby increasing the demand for housing. Similarly, institutions of higher education provide needed services and contribute to the intellectual and cultural life of the City, while at the same time create a demand for housing by students, which can pressure on existing housing stock.

The City's Jobs-Housing Linkage Program, which collects fees for affordable housing production from commercial developments, should continue to be enforced and monitored. Higher educational institutions should assist in the provision of additional housing, including affordable housing, as well. The City should use the institutional master plan (IMP) process required by the City's Planning Code to encourage institutions to provide housing, should support new construction of student housing that could reduce pressure on the existing housing stock, and should consider incentives for student housing development.

POLICY 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

San Francisco enjoys an extensive network of transit lines, including a number of major transit lines that provide nearby residents with the opportunity to move about the City without need of a car. Because of proximity to transit and bicycle networks, neighborhood serving businesses and job centers, some 29% of the City's households do not own cars and 33% of San Franciscans take public transit to work, with higher rates for households in transit-rich areas. Infill housing in transit-rich areas can provide lower income households, affordable unsubsidized housing opportunities. Housing with easy access to transit facilitates the City's efforts to implement the City's Transit First policy. Additionally housing near transit can provide site-efficient and cost effective housing.

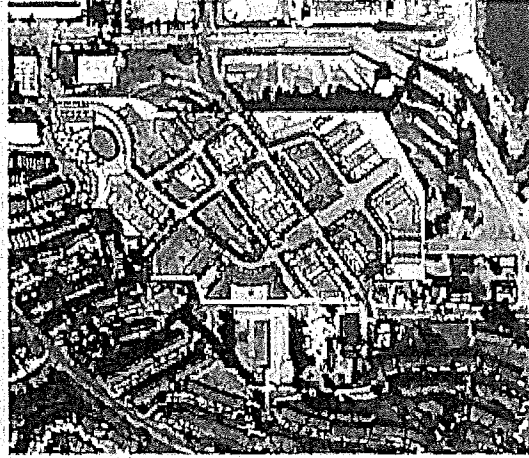
In reviewing reliance on public transportation, it is important to distinguish areas that are "transit-rich," and located along major transit lines, from those that are simply served by transit. For the purposes of this Housing Element, "major transit lines" are defined as those that have significant ridership and comprehensive service – meaning almost 24-hour service with minimal headways. This network of major transit lines includes BART's heavy rail lines, MUNI Metro's light rail system including the F, J, K, L, M and N lines, and Muni's major arterial, high-ridership, frequent service local network lines. These lines are defined and

prioritized in Muni's Transit Effectiveness Project (TEP) as the "Rapid Network," pending environmental review. The Department should support housing projects along these major transit lines provided they are consistent with current zoning and design guidelines.



A Model of Efficient Site Development: HOPE SF

HOPE SF is a local initiative, jointly managed by the San Francisco Housing Authority and the Mayor's Office of Housing, to rebuild many of San Francisco's public housing communities. HOPE SF grew out of the federal initiative called HOPE VI (Housing Opportunities for People Everywhere), with the goal of transforming public housing developments from large, disconnected developments into mixed income, mixed use neighborhoods. These neighborhoods will provide a range of housing options that will allow residents throughout various phases in their life to move up the housing ladder, and include community building components that will assist in moving households from crisis to stability and economic advancement.



There are currently 4 HOPE SF projects currently underway, with an additional 3 sites anticipated over the next decade. The land that once held nearly 2,500 public housing units will be developed with 6,000 housing units (at one-for-one replacement of public housing), parks, and other necessary amenities to make a neighborhood whole. These projects exemplify context appropriate redevelopment that increases the number of housing units while increasing neighborhood amenities.

Issue 2: Conserve and Improve Existing Stock

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

The majority of San Francisco's housing stock is over 60 years old – it is an important cultural and housing asset that the City must protect for future generations. Nearly all of San Francisco households will make their home in existing housing – RHNA goals for new housing represent less than one percent of the existing housing stock. Therefore, conserving and improving the existing stock is critical to San Francisco's long term housing strategy. Retaining existing housing reduces the needs for resources to build new housing. Policies and programs under this objective facilitate conservation and improvement of the variety of unit types physical conditions.

Housing maintenance includes routine maintenance, major repair projects, and preventive care – especially seismic work. The health of the existing housing stock requires that all types of maintenance be pursued to the extent possible, while not overburdening low-income groups. The seismic sustainability of the existing stock is of particular local concern.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

Demolition of existing housing often results in the loss of lower-cost rental housing units. Even if the existing housing is replaced, the new units are generally more costly. Demolition can result in displacement of residents, causing

personal hardship and need to relocate. Older housing stock should only be considered for demolition and replacement when the resulting project results in a significant increase in unit affordability.

There are environmental and natural resources considerations when demolishing housing stock that is physically sound. Therefore, a determination of 'sound housing' should be based on physical condition, not economic value. San Francisco's Planning Code and Planning Commission guidelines require public hearing and deliberation for demolition of units, discourage the demolition of sound housing stock, especially historically significant structures, and require that replacement projects be entitled before demolition permits are issued. The City should continue these policies.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

San Francisco is vulnerable to both subdivisions and unit mergers in response to short term market trends. The City must protect the existing units and their relative affordability while recognizing the need for some flexibility to support family housing. Merging of two units, especially small units, can allow a family to grow without leaving their community. Yet mergers also result in a net loss of housing units in the City, where the resulting unit is often less affordable, thus amplifying both problems of housing supply and affordability. All proposals to merge units should be carefully considered within the local context and housing trends to assure that the resulting unit responds to identified housing needs, rather than creating fewer, larger and more expensive units.

POLICY 2.3**Prevent the removal or reduction of housing for parking.**

Maintaining existing space in buildings that is dedicated to housing reduces the need for the production of new housing to support existing and future households. The more habitable space in a structure, the greater the ability of the structure to adapt to a variety of lifecycles, and the more flexibility provided for the growth of families. Space currently dedicated to housing people should not be converted into parking. Furthermore, the City should encourage the conversion of ground floor space to housing, provided such a conversion does not impact the long term seismic sustainability of the existing structure.

POLICY 2.4**Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.**

As the City's housing stock ages, maintenance becomes increasingly important. The majority of San Francisco housing is more than 60 years old. Property owners should be encouraged and supported in efforts to maintain and improve the physical condition of housing units.

Maintenance is generally the responsibility of property owners, with the City enforcing appropriate seismic and safety standards. But in some circumstances such as low income homeowners, senior homeowners, or neglected or abandoned property, the City should take a more active role through funding and programs in order to facilitate maintenance and improvements and ensure the long term habitability of the housing stock.

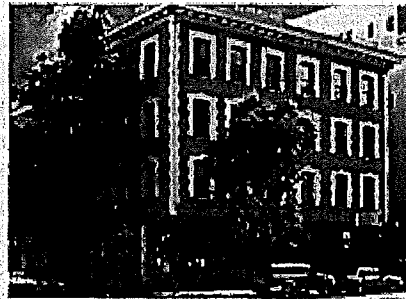
Although code enforcement should be actively pursued, flexibility should be granted to low-income households where Code violations do not create a public safety hazard or a serious household safety condition. Legalization of existing secondary units should be considered, where Code violations do not create a public safety hazard, in exchange for designating the unit permanently for senior or affordable housing.

POLICY 2.5**Encourage and support the seismic retrofitting of the existing housing stock.**

A major earthquake could jeopardize 8,600 to 100,000 housing units. Seismic retrofitting of the existing housing stock increases the possibility of sound housing after a seismic event.

Neighborhood Preservation: Chicago's Upkeep and Repair Services Program

As residents age it often becomes harder to upkeep a home. The City of Chicago in partnership with local non-profit HOME (Housing Opportunities and Maintenance for the Elderly) has established a program for elderly residents to receive assistance with regular home maintenance. Types of repairs include: light plumbing, replacing faulty light fixtures or switches, repairing or maintaining weather stripping and caulking. They also support universal design retrofits, such as installing handicap access grab bars and railings and other similar repairs. In 2009 \$300,000 in funding (from both the City of Chicago and private foundations) made 720 repairs possible in the homes of 407 low-income elderly homeowners.



The City should prioritize public resources to address the most imminent risks: 1) structures at high risk of collapse and therefore pose the highest public safety risk, such as soft-story buildings; 2) structures that house low income or vulnerable populations; and 3) structures that are vulnerable due to construction type. DBI should focus seismic upgrade programs towards vulnerable geographies and soils types (as identified by CAPPs), populations (areas with low median incomes or high population of seniors) and building types (older, rent-controlled and soft story).

The City should also continue to educate and assist property owners in their efforts to make seismic safety improvements. Currently property owners can find information on DBI's earthquake preparedness website, attend lunchtime talks, or reference the Seismic Safety FAQ for building owners sheet.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

San Francisco is a city of renters – which enables incredible diversity of age, income, and household type. Students, young professionals, artists, new families, low income households, and many others rely on the availability of rental housing to live in San Francisco. The City's market-rate rental units generally provide moderately priced housing options, while rent controlled units and permanently affordable rental units meet needs at lower income levels. Thus the availability of sound and affordable rental housing is of major importance to meet the City's housing needs.

Regulations protecting the affordability of the existing housing stock have traditionally focused on rental housing, such as rent control and its associated tenants rights laws, and condominium conversion limits. Both rent control and condominium conversion limits evoke an impassioned public discussion around housing rights, private property rights, and quality of life in San Francisco, and property owners continue to emphasize the negative effects of rent control policies on the supply of housing. This discussion warrants continued public engagement in the ongoing effort to provide a balance of housing opportunities to support San Francisco's diverse population.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

Sixty-two percent of San Francisco's residents are renters. In the interest of the long term health and diversity of the housing stock the City should work to preserve this approximate ratio of rental units. The City should pay particular attention to rent control units which contribute to the long term existence and affordability of the City's rental housing stock without requiring public subsidy, by continuing their protection and supporting tenant's rights laws. Efforts to preserve rental units from physical deterioration include programs that support landlord's efforts to maintain rental housing such as: maintenance assistance programs, programs to support and enhance property management capacity, especially for larger companies, and programs to provide financial advice to landlords.

POLICY 3.2

Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

As the majority of San Francisco's housing units are over 60 years old, maintenance issues, particularly in rental properties, often impact the overall livability of some housing. The level of investment required for significant maintenance can jeopardize the affordability of the unit, putting low income tenants at risk. To balance the need for affordable, yet safe, housing, affordable housing funds should be invested into rehabilitation of existing stock. As a cost effective way for the City to secure permanently affordable housing, this strategy must occur with full participation of the property owner, and must not result in displacement of existing tenants.

POLICY 3.3

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

The intent of maintaining a balance of housing opportunities is to maintain housing for a diversity of household types and income categories.

Units in limited equity cooperatives remain affordable because they are deed-restricted to an affordability level, so that the owner can sell his/her unit for a price up to that maximum affordability level. Opportunities to create affordable homeownership opportunities through programs such as limited equity cooperatives should be supported.

Limited conversions of rental stock to condominiums also help achieve affordable homeownership, providing a category of housing stock for moderate income housing needs. Thus, while the City needs to consider the impact of conversion of rental units to ownership status, as it will impact preservation of rental units, this issue should be balanced with the need for a diversity of housing choices. Conversion of rental housing to time share or corporate suite use should be prohibited.

POLICY 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

A review of current sales prices reveals that new homes are priced considerably higher than existing, older housing stock. This is particularly true of smaller units, such as the mid-century construction in certain lower density residential neighborhoods. These housing units provide a unique homeownership opportunity for new and smaller households. While higher density housing generally results in more shared costs among each unit, the pre-existing investment in lower density housing generally outweighs the benefits of higher density in terms of housing affordability. To the extent that lower density older housing units respond to this specific housing need, without requiring public subsidy, they should be preserved. Strategies detailed under Objective 2, to retain existing housing units, and promote their life-long stability, should be used to support this housing stock.

POLICY 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

Residential or single-room occupancy hotels (SROs) offer a unique housing opportunity for lower income elderly, disabled, and single-person households. The proximity of most SROs to the downtown area has fueled pressure to

convert SRO's to tourist hotels. In response to this, the City adopted its Residential Hotel Ordinance, which regulates and protects the existing stock of residential hotels. This ordinance requires permits for conversion of residential hotel rooms, requires replacement on a 1 to 1 level, and requires 80% of the cost of replacement to be provided to the City in the case of conversion or demolition.

Residential hotels located in predominantly residential areas should be protected by zoning that does not permit commercial or tourist use; in non-residential areas, conversion of units to other uses should not be permitted or should be permitted only where a residential unit will be, or has been, replaced with a comparable unit elsewhere. For those hotels that are operated as mixed tourist/permanent resident hotels, strict enforcement is needed to ensure that the availability of the hotel for permanent residential occupancy is not diminished. City programs should support the retention of residential hotels, restrict conversions and demolitions, and require mitigations to any impacts on the affordable housing stock.

Issue 3: Equal Housing Opportunities

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Population diversity is one of San Francisco's most important assets; San Francisco's residents span ethnicities, income levels, household types and sizes. Supporting household diversity requires the City support a variety of housing opportunities, so that everyone has the opportunity to live in a suitable home that they can afford.

A diverse housing stock provides housing for people throughout their lifecycle, as they move from being a single household, to families with children, to aging and elderly. It accommodates different types of households, from traditional married couples to cooperative living households,

from female-headed households to multigenerational families with adult children who live at home. It provides a range of housing options for people's varying needs, which might span illness, disability, or unique supportive service needs. Designing housing that can accommodate all physical abilities is critical to maintaining housing diversity.

A diverse housing stock provides unit types that span financial abilities as well as personal choice, in diverse, economically integrated neighborhoods that offer a positive quality of life. Households should be able to choose the form of tenure most suited to their needs, from either a rental or an ownership housing stock. And they should be able to find suitable, affordable places to live in healthy neighborhoods, free from concentrations of pollutants such as aging industrial uses, power plants, and sewage treatment facilities.



POLICY 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Families with children are very much part of the City's vitality and diversity. While currently families with children constitute a small portion of San Francisco households, with only 12% of the City's total population being 14 years old and younger, the changing demographics of the City illustrate that the need for family housing is growing, as larger, extended families increase and as more and more households desire to stay in the City as they have children.

Much of the new housing constructed in the last decade was smaller studios and one-bedroom units. New multi-bedroom units are often too expensive for the average San Francisco family. Many large families, especially those newly immigrated to the United States, are crowded into units designed for much smaller households. As a result, San Francisco's families with children are leaving or are experiencing overcrowded conditions.

While all agencies in the City acknowledge the need for housing for families with children, particularly low and very low family needs, there still is no accepted definition of family housing. The Department of Children Youth and Families has developed a number of recommendations for action towards family housing, including a proposed definition of family-friendly housing. This work should be codified into a formal city definition that can be used to shape housing requirements, and inform housing construction approvals.

Recent community planning efforts promote the construction of new housing for families by requiring that a minimum 40% of new units constructed have two-bedrooms or more. This practice should be continued where appropriate. Existing units can also offer opportunities for "family-sized" housing through expansion and in some cases unit mergers. A number of existing units are already sized for family households, especially single family homes. The City should offer support for elderly people who seek to downsize their homes, and encourage people who may be better served by alternatives, particularly in term of size, upkeep and budget, to downsize.

For family sized units to work for families the City needs to look beyond the provision of housing to ensure that the other amenities critical to families are provided. Proximity to schools, to open space, and to affordable child care are critical for the well-being of families.

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

There are a number of groups in the City in need of special housing consideration. Populations in need of support include the physically and mentally disabled; those suffering from mental illness, cognitive impairment; or dementia; or those suffering from severe illness such as AIDs. They also include people undergoing transitions, such as those trying to exit homelessness, aging out of foster care, leaving a hospital or institutional care; or populations in need of special security, such as transgender individuals. Many of these groups need housing with supportive services provided either on-site or nearby; many face bias in their existing housing situations, and many are at risk of losing housing due to disruptive behavior, deteriorating medical conditions, or an inability to afford rent.

Another category of at-risk individuals includes the City's recent immigrants, particularly refugees and undocumented workers, including day laborers and domestic workers. Many of these new arrivals need low cost housing and support services including multicultural and multilingual assistance. Many have families whom they support, and are stressed from overcrowding and substandard living conditions; many are homeless.

The City should take an active role to encourage the construction of new facilities, and the expansion of the available housing units, in appropriate locations suited to needs of these groups. The City should also support efforts by potential sponsors to identify and develop sites for special users and work cooperatively with social service agencies and housing providers. The City should also seek to reduce institutional barriers to development of innovative forms of housing that would better serve these individuals, from group housing to supportive housing to residential treatment facilities. One category of need that is expected to

increase dramatically in coming years, due to a reduction in custodial care for older adults at hospitals and in nursing facilities, is dementia care. Also, there will be a growing population of people with cognitive impairment and dementia in San Francisco between 2010 to 2030. A broad range of residential care facilities will be needed to provide step-down 24-hour care. A range of care settings, from Residential Care Facilities for the Elderly or Residential Care Facilities for the Chronically Ill to new, more flexible models, such as the GreenHouse model, a group-home facility for seniors, should be explored.

Of particular importance are the ancillary social and medical service facilities, employment or advocacy services that enable positive living for members of in-need populations. The link to services is critical: in some cases, intensive case management and availability of services can make the difference between someone becoming institutionalized or homeless, or remaining in their own home. Therefore, support facilities need to be located on-site, or integrated into neighborhoods within close pedestrian or transit access from residences. In particular, board and care facilities, group homes, and services that allow at-risk or disabled persons to live at home while still receiving daily support, should be permitted to locate close to their clients. Where new residential care facilities are constructed, they should be located close to existing services, and in underserved neighborhoods to allow clients to remain meaningfully engaged in their community.

POLICY 4.3

Create housing for people with disabilities and aging adults by including universal design principles in new and rehabilitated housing units.

Despite the cost of housing, San Francisco remains attractive to seniors and people with disabilities because of the City's transportation, health services, and other resources. While some of the disabled and elderly will require housing that provides supportive, long-term care arrangements as discussed above, many will remain largely independent for longer periods of time, needing only physical accommodations to enable active living. Yet people with disabilities and aging San Franciscans often have difficulty finding housing constructed to meet their physical accessibility needs. While the current San Francisco Building Code requires all new construction except one and two-family dwellings

to comply with the Code's disability access requirements, much of the City's existing stock is inaccessible, and existing privately funded multi-family dwellings are not required to include accessibility upgrades when completing alterations. Those with physical disability issues are further at risk in obtaining housing because they often have lower than average incomes.

The City's community planning processes should foster private and publicly supported housing designed according to universal design principles, meaning that it is accessible, or can be made adaptable, to the disabled or elderly. "Accessible" means that the housing presents no physical barriers to handicapped or elderly people. "Adaptable" means housing whose entry and circulation are designed and constructed so that relatively minor adjustments and additions can make the unit fully accessible. Existing housing may be more difficult to retrofit, and more costly, when it is being rehabilitated as permanently affordable housing, so accessibility and adaptability design requirements should be made flexible for reconstruction projects.

Similar to the discussion above regarding housing for people with supportive needs, of particular importance are the everyday services and activities that sustain healthy, independent living for those with cognitive impairments, physical constraints and low mobility. Community planning processes should also foster direct, walkable access to recreational facilities and open space, to commercial areas and shopping, and to community services. They should go beyond physical access to ensure that people with cognitive impairment, dementia, other disabilities and aging adults feel comfortable and safe. Inclusion of public realm features that promote security, such as clearly visible signage, bright lighting and surveillance features that improve public safety, can go a long way towards creating age and disability friendly communities.

POLICY 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

In recent years the production of new housing has yielded primarily ownership units. However, this trend may be shifting, as low vacancy rates and high rents indicate a strong demand for rental housing, and as lending practices

shift in favor of projects with a long-term source of income (rents). The City should make a concerted effort to do what is within its control to encourage the continued development of rental housing throughout the City, including market-rate rentals that can address moderate and middle income needs.

Recent community planning efforts have explored incentives such as fee waivers, or reductions in inclusionary housing requirements, in return for the development of deed-restricted, long-term rental housing. The City should also seek new ways to promote new, permanently affordable rental housing, such as by looking to existing sites or buildings for acquisition by the City as permanently affordable units; this would require a local fund that is structured to act quickly to enable such purchases as they become available.

POLICY 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

Economically-integrated, diverse neighborhoods provide residents with a number of benefits. Crime levels, school attendance and graduation rates, employment opportunity and health status of residents tend to be markedly improved in integrated neighborhoods, as compared to exclusively lower-income areas.

While San Francisco's neighborhoods are more economically integrated than its suburban counterparts, concentrations of low-income households still exist. Special efforts should be made to expand housing opportunities for households of lower-income levels in other areas of the city, and community planning efforts should include policies and programs that foster a diverse, integrated housing stock. These planning efforts should also include protections against the displacement of existing low- and moderate-income households by higher income groups.

The City's Inclusionary Housing Program, which requires that affordable housing units be provided on-site, provides one method for on-site integration (Map II-2: Below Market Rate Housing Projects). Construction of new af-

fordable housing projects should likewise be distributed throughout the City, to ensure equitable neighborhoods as well as equal access to residents living in different parts of San Francisco (Map II-3: Affordable Housing Projects). For example, the homeless population lives in many neighborhoods throughout the City and would benefit from having housing resources in the neighborhood in which they work and live. All neighborhoods of the city should be expected to accept their fair share of affordable housing, whether it is through the City's inclusionary affordable housing policies, construction of new 100% affordable projects, or rehabilitation projects.

POLICY 4.6

Encourage an equitable distribution of growth according to infrastructure and site capacity.

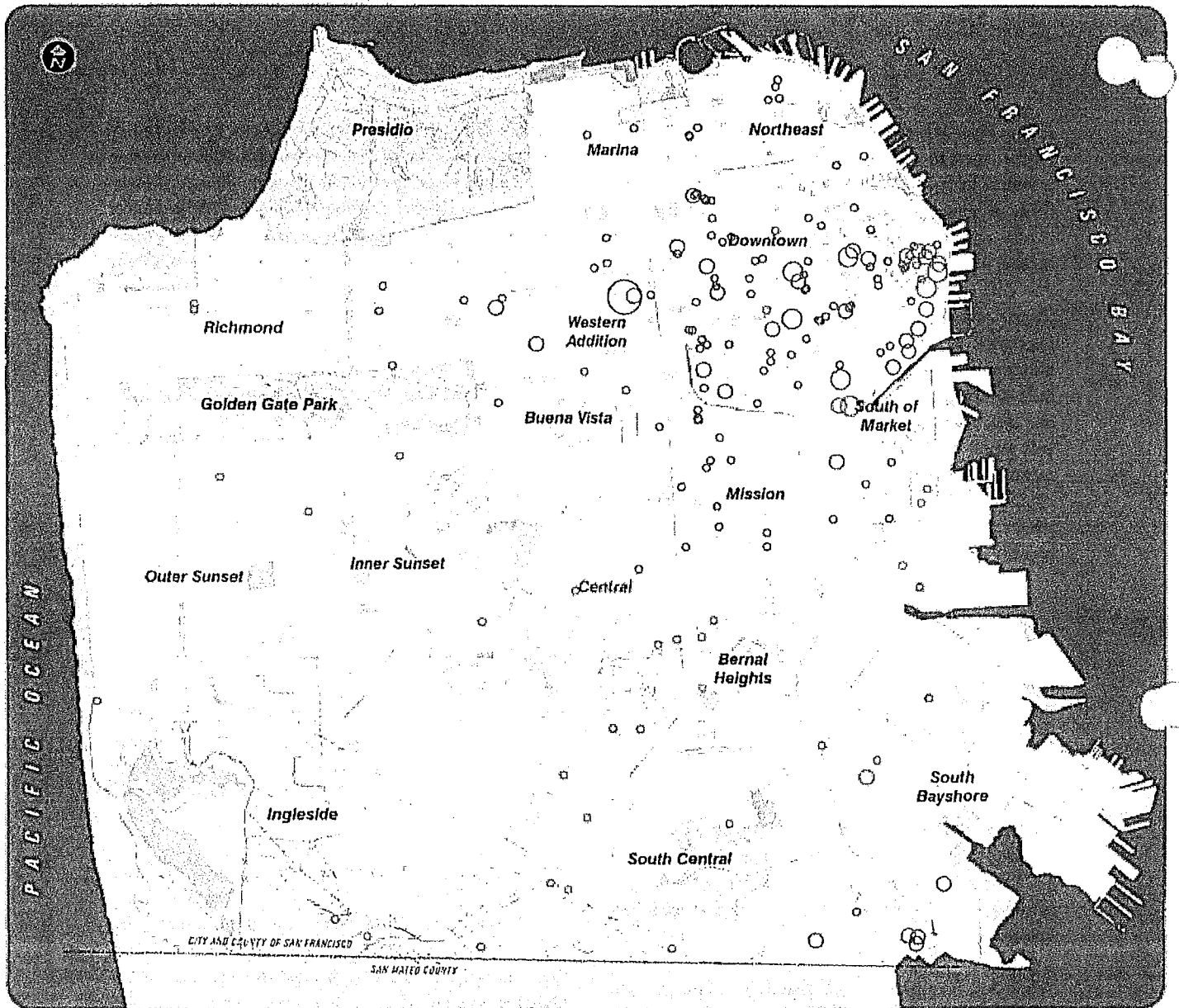
Equitable growth brings economic opportunity to all residents, provides for intelligent infrastructure investment and offers a range of housing choices. Distributing growth equitably means that each part of the City has a role in planning for growth, and receives an equitable distribution of growth's benefits. It is as much about revitalizing and redeveloping transitioning parts of the City such as the Eastern Neighborhoods, as it is about guiding new communities in areas such as Treasure Island.

Whether in existing or new neighborhoods, all of the City's residents should have access to public infrastructure, services and amenities. In ideal circumstances, infrastructure will be available before or in concert with new housing. Therefore growth should be directed through community planning to areas where public infrastructure exists and is underutilized; or where there is significant site capacity and new infrastructure is planned in cooperation with new development.

POLICY 4.7

Consider environmental justice issues when planning for new housing, especially affordable housing.

The term "environmental justice" was born out of a concern that minority and low-income populations bear a disproportionate share of adverse health and environmental impacts because of where they live. Proximity to undesirable



Below Market Rate Housing Projects

0 0.5 Miles 1
MAP 02

- UNITS
- < 10
 - 11 - 50
 - 51 - 200
 - > 201

land uses, substandard housing, housing discrimination, personal safety in housing, and community displacement are environmental justice issues that need to be addressed in many of the City's neighborhoods.

Housing is an important component of addressing environmental justice. The City should promote new, and rehabilitated, low-income housing on sites that do not have negative health impacts, near services and supplies so that residents have access to transit and healthy fresh food, jobs, child care and youth programs. The City needs to also ensure that the costs of housing do not lead to other environmental justice impacts, such as sacrificing nutrition, healthcare, and the needs of their children.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Previous policies have discussed the need to maintain and add new housing to meet San Francisco's identified needs; the policies that follow under this Objective are intended to make sure that all residents have access to those units. Governmental 'red tape', including byzantine application systems and disparate housing application processes, can make accessing the supportive housing system extremely difficult, particularly for people already burdened by language or other social barriers. Social and economic factors can discriminate against certain population groups and limit their access to housing opportunities, leading to patterns of economic and racial segregation. And even when people have successfully entered the supportive housing system, options seldom provide an exit strategy towards independence.

POLICY 5.1

Ensure all residents of San Francisco have equal access to subsidized housing units.

Federal fair housing laws prohibit discrimination against protected classes of people as described below in Policy 6.4; they also prohibit most types of preference so as to avoid discrimination. Many communities, including San Francisco, have adopted some form of local preference,

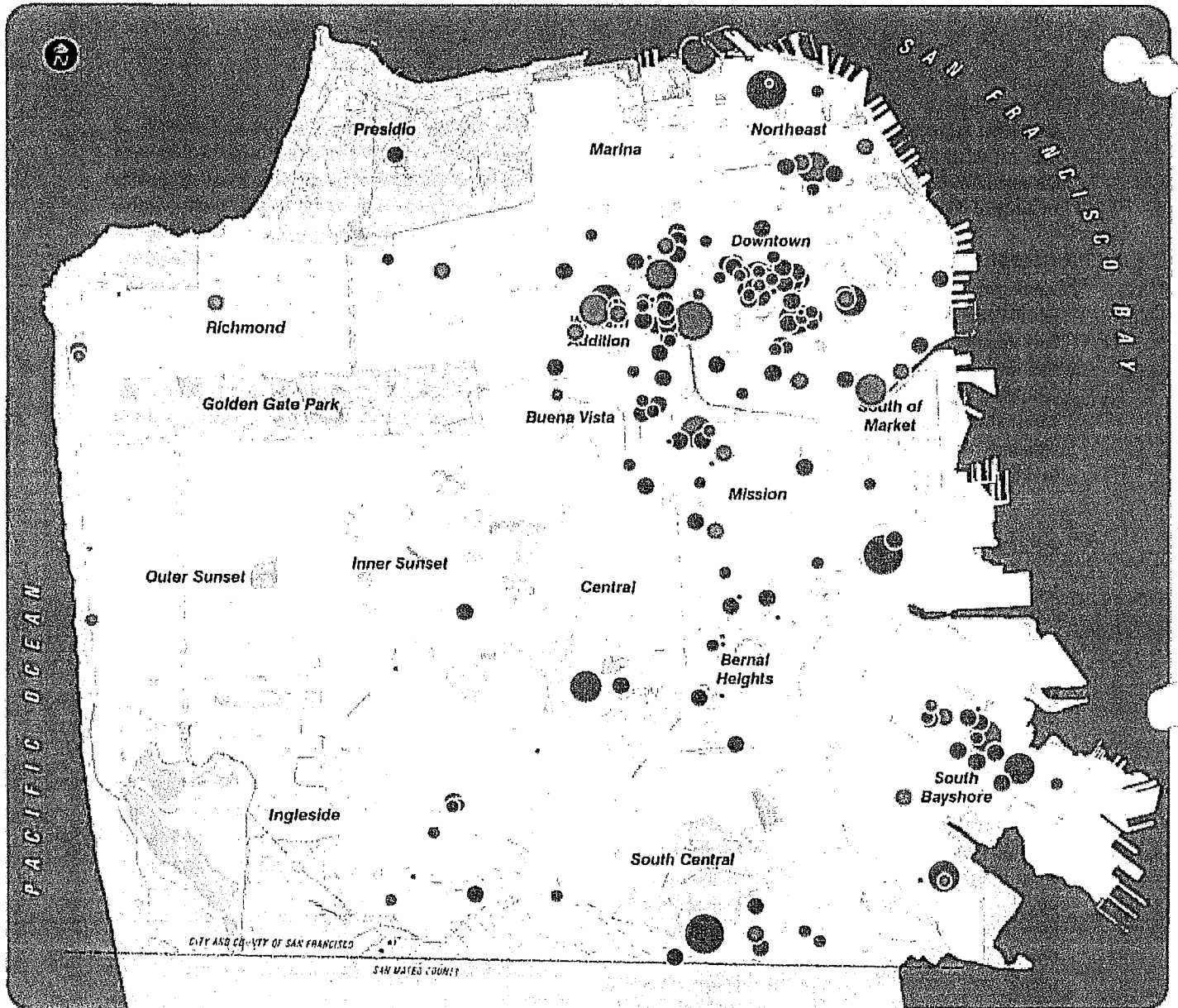
providing priority for people who live and/or work in the municipality to affordable and/or workforce housing sponsored and/or supported by the City. However, smaller geographic preference areas, or any specific racial or other preference, put local governments at risk of violating fair housing laws and constitutional law. To ensure all residents have access to housing, public agencies should make special efforts to attract cultural, racial or ethnic groups who might not normally be aware of their housing choices, particularly those who have suffered discrimination in the past. Marketing and outreach efforts should encourage application by households who are least likely to apply because of characteristics protected by fair housing law.

POLICY 5.2

Increase access to housing, particularly for households who might not be aware of their housing choices.

Currently, subsidized housing is offered through a number of City agencies, including the San Francisco Housing Authority, the San Francisco Redevelopment Agency, the Mayor's Office of Housing, and the Department of Health and Human Services; by nonprofit entities managing their own housing developments; and even by market-rate developers in the case of the City's Inclusionary Housing Program. The result of so many programs, with different administrating entities, creates difficulty in navigating the City's affordable housing placement system, and places a high burden on housing advocates and service providers. A comprehensive, single-stop source of all available housing is needed to link residents to prospective homes in a timely matter.

Efforts to improve access should focus particularly on groups who might not be aware of their housing choices, including those with lower incomes, language and comprehension barriers, and those who have suffered discrimination in the past. The City should therefore partner with community providers already serving those groups. Available housing should be advertised broadly, with targeted outreach to at-risk populations and communities, in multi-lingual media to ensure fair marketing practice. And information about housing rights, such as safeguards against excessive rent increases, should be given the same marketing and outreach.



Affordable Housing Projects

0 Miles 1

MAP 03

- UNITS**
- < 10
 - ◐ 11 - 50
 - ◑ 51 - 200
 - 201 - 300
 - > 301

Moving up the Housing Ladder: Galvin Apartments

The Galvin Apartments located in San Francisco's SOMA district provide low income households permanently affordable studio apartments. The 56 units were constructed in 2006 as an off-site requirement of the City's Inclusionary Zoning ordinance. As opposed to an SRO unit, the studios at the Galvin have full private baths and kitchenettes with a stove and a microwave. This type of development fills a niche in the housing market that allows SRO tenants move up the housing ladder into a more permanent housing type.

Rental units constructed under the Inclusionary Zoning requirement are required to be affordable to a resident earning 60% of the area median income. However, the developer of the Galvin Apartments partnered with Tenderloin Housing Clinic to construct units that could be rented at 35% of area median income.



POLICY 5.3

Prevent housing discrimination, particularly against immigrants and households with children.

Housing discrimination is defined as the denial of rights to a group of persons by direct providers of housing whose practices making housing unavailable to certain groups of people. Discrimination can be based on race, color, or national origin; religion; sex or gender; familial status; and disability; and furthermore on factors such as HIV/AIDS status, weight or height, source of income, and economic discrimination. Discrimination in housing is governed primarily by the federal Fair Housing Act. To ensure housing opportunities for all people, the City should assist in the implementation of fair housing and anti-discrimination laws. The Human Rights Commission enforces the City's Fair Housing Law and handles complaints of housing discrimination.

Households with children are one group that is often cited as having difficulty finding suitable housing because some landlords discriminate against children as tenants. The City should continue enforcement of the 1987 ordinance prohibiting residential apartment owners from discriminating against families based on household size unless the

Building Code does not permit occupancy of the dwelling by a family of that size. In publicly subsidized housing, households with dependent children should have multiple bedroom units.

The State and City have developed numerous tenants' rights laws and fair housing statutes. Education of residents and tenants is critical to ensure implementation of these laws, and the City should work not only to uphold such laws, but to broaden their affect by partnering with community service providers and housing rights advocates to expand both knowledge and protections.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

Changes in life stage or household type, such as a personal need, illness or disability; the birth of a child; or a change in economic situation or job opportunity, can affect the type of unit a household requires. Once residents do achieve housing, they are also challenged in moving beyond that unit to another housing unit that may be more appropriate

Centralized Information: Washington DC Housing Search Website

In late 2008, Washington DC introduced a website that aggregates the City's affordable rental and for sale property listings: <http://www.dchousingsearch.org>. All of the affordable housing development projects funded by the DC Department of Housing and Community Development are required to list available units on DCHousingSearch. DC Housing Authority developments, Section 8 rental and for sale properties, and other managed developments are also included. Both publicly subsidized units as well as privately owned units are searchable on the website.

The online housing locator service is free to both prospective tenants and landlords. Listings for apartments include the number of bedrooms and baths, rent and deposit costs, a map of location, and if the unit is handicap accessible. In addition to the housing listings, the website also provides housing information and resources such as an affordability calculator, links to tools and services for renters and low-income households, and renter rights and responsibilities information.

for their current life stage. To meet the diversity of need demanded by the residents of San Francisco, a range of housing types must be provided, and the ability to move between these types – often referred to as “moving up the housing ladder” must be available.

Supportive housing, or housing for the formerly homeless, is often the first step on the ladder for many individuals. However, much of the housing aimed at meeting this need is temporary, renting by the week or month, and intended only to provide short-term housing until another option can be found. Other options, and support service that help move people between these options, is required. To make such movement possible, the City needs to make a concerted effort to link its various programs, and provide counseling for residents in aspects of those programs so they have the ability to move between them. The City also needs to provide financial support needed to start at the next level, whether that is a rental deposit for an apartment or a down payment for a first home. The City should also look to helping people on the other side of the housing ladder, such as those who might be downsizing, particularly from single family homes into either smaller units/condos or rental units.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

Over the last Housing Element period, San Francisco has made strides in addressing homelessness, with documented decreases in population living on the street. The policies of the 1980s that regarded temporary shelter as an acceptable housing plan for homeless households has been superseded by an increased focus on permanent supportive housing programs, as well as programs such as Project Homeless Connect (where volunteers connect homeless individuals to services), Care Not Cash (which redistributes general relief support in the form of housing & other services), and eviction prevention services that attempt to stem the onset of homelessness before it starts.

However, homelessness continues, and recent figures show that homelessness figures have increased as unemployment has risen. Statistics show that the category at most risk for homelessness is middle-aged individuals, particularly males, of all races; immigrants and families. Special categories of risk include veterans, those with substance abuse problems, and transgendered individuals.

POLICY 6.1

Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

While shelters can provide an alternative to sleeping on the streets, they do little to address the underlying causes. A permanent solution to homelessness requires permanent affordable housing. San Francisco has focused homeless housing efforts on providing very low-income homeless singles and families a range of supportive options that are intended to stabilize their housing situation for the long term. Programs sponsored by the Human Services Agency include Permanent SRO Housing for Single Adults through the Master Lease Program, Rental Housing Subsidies for Single Adults and Families with Disabilities including mental health, substance abuse and/or HIV/AIDS, and Permanent Supportive Housing for Families.

In addition to permanent housing, temporary shelters and services are still needed, particularly services that provided in an unbiased, multi-lingual and multicultural context. Immediate housing will be needed to serve socio-economic groups that will be particularly impacted by the recent economic trends. In particular, more home-improvement workers and day laborers, facing more competition and a dwindling number of construction jobs, are becoming homeless. Yet few flexible options for housing - meaning, housing that is not already reserved for a specific program - exist in the neighborhoods they call home, resulting in people shuttling from neighborhood to neighborhood to find an open bed.

The City's "Continuum of Care: Five-Year Strategic Plan," created by the San Francisco Local Homeless Coordinating Board (the primary City policy board responsible for planning and coordinating homeless programs in the city), is intended to provide a comprehensive roadmap for policy and services directed towards people who are homeless and at risk for homelessness. Its "priority" sectors of action include permanent, subsidized housing; transition from incarceration, foster care and hospitals as well as avoiding evictions; interim housing in shelters as a stopgap until permanent housing is available; improvement of access to housing and support services; increased economic stability

through employment services and education; and respectful, coordinated Citywide action dedicated to individual's rights. The City's "10 Year Plan to End Chronic Homelessness" focuses more deeply upon permanent supportive housing for the chronically homeless including families, which make up an estimated 20% of San Francisco's homeless population. Both plans should continue to be executed and implemented, and creation of the housing types they promote - both permanently affordable and necessary additional shelters - should be located equitably across the City according to need.

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

Between 60 to 80% of all homeless individuals in San Francisco may suffer from physical disability, mental illness, or substance addiction. The City's "Continuum of Care" plan prioritizes stable, permanent housing for this group.

Families, while not the highest incidences of homelessness (last year's count by the Human Services Agency found that 91% of the homeless were single adults, and 9% were in families) are an important category of need. Homeless family housing is extremely limited; focusing on the City's chronically homeless often leaves out families, who tend to become homeless situationally, based on current job or economic conditions.

Refugees and immigrants also face housing hardship. Language barriers and, frequently, the additional hurdle of illegality can create unique barriers to housing access. Homeless people who are undocumented can face prejudice in trying to secure beds or units, inability to communicate, and frequently have difficulty accessing beds on a regular basis, or the more stable, long-term forms of housing that might enable them to move up the housing ladder. Both families and immigrants should be given particular consideration in the City's homeless policies and housing creation.

Issue 4: Facilitate Permanently Affordable Housing

OBJECTIVE 7

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

Responding to the needs for affordable housing is the most critical housing objective in San Francisco. San Francisco's projected affordable housing needs far outpace the capacity for the City to secure subsidies for new affordable units. A successful funding strategy will require a range of resources including federal, state, and regional partners, and the City.

First, the City must continue to proactively pursue additional federal, State and regional affordable housing and infrastructure dollars to support projected housing needs. Second, the City must continue to aggressively develop local programs to fund affordable housing, including strategies that more efficiently use existing subsidies to work towards the desired mix of affordable housing options. Third, the City needs to look beyond dollars for creative ways to facilitate affordable housing development that make sense in the current economic climate, such as land subsidy programs, process and zoning accommodations, and acquisition and rehabilitation programs.

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

San Francisco should continue to be a leader in identifying, securing and mandating funding for permanently affordable housing. Building on a good track record for securing federal and state funds, the City shall continue to lobby for

necessary funding in coordination with regional entities. Local programs such as HOPE-SF, inclusionary housing and 50% set asides of Redevelopment Areas' Tax Increment Financing dollars demonstrate a strong dedication to providing local funding to affordable housing. These programs should be continued and expanded as feasible.

The State should also consider methods of increasing funding for affordable housing. Ballot measures do not promote long-term security for affordable housing, and given recent ballot trends, asking voters to go further into debt every four years is a risky proposition. The City should support state efforts to identify a permanent state fund that would finance housing for low- and middle-income households.

A dedicated, permanent source of local funding for housing programs will also help address the need for affordability over the long-term. Currently, local funding for affordable housing is dependent on annual budgeting, which makes long-term planning difficult. It also creates a situation where affordable housing funding is dramatically effected by downturns in the economy, which further exacerbates issues already faced by low-income families. Ultimately San Francisco's affordable housing programs should have a permanent funding source.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, state and federal levels.

Housing affordability in San Francisco is not an issue that may be addressed in isolation from other municipalities in the region. Because the region's growth forecast is based on increased housing development that supports alternative transportation modes, the State and region's policies project that a large proportion of the region's growth will



continue in San Francisco. Thus, the City needs to advocate strongly for a coordinated regional strategy that takes into account the planning and capital required to accommodate the household growth in a sustainable way.

Also, because the RHNA's originate from state allocations, state funding sources need to program funding for affordable housing and infrastructure according to growth forecasts. Senate Bill 375, California's landmark smart growth bill adopted in 2008, legislates the reduction of greenhouse gases through regional and local planning efforts, and requires that any transportation projects and programs that receive state funding must be consistent with these greenhouse gas reduction plans. However, the State should seek to go further in tying funding to smart growth allocations, by directing housing and infrastructure funds towards jurisdictions accommodating that smart growth; and federal stimulus fund efforts should follow this same model. The City needs to use its planning and redevelopment efforts, which outline a land use and infrastructure framework for growth, to more strongly advocate at the state and federal funding world.

POLICY 7.3

Recognize the importance of funds for operations, maintenance and services to the success of affordable housing programs.

A holistic approach to affordable housing includes careful consideration of the operation, services and maintenance programs necessary to maintain the housing once it is built. As the income level of households decreases, the income subsidy needed to cover the gap between eligible operating costs and project income becomes deeper.

Operations and maintenance costs should be considered as a necessary aspect of publicly subsidized affordable housing projects. One potential strategy is the development of a fund earmarked for operations and maintenance costs affordable to very low-income persons, based on the supplement to rent revenue required to cover ongoing operating expenses. Services plans should include resident placement and supportive services, including job placement, as needed.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

Land costs are a considerable portion of affordable housing development costs. Land trusts and land dedication programs can reduce those costs — thus reducing the overall subsidies required to build new affordable housing units. The City shall support and encourage land based subsidies, especially when land is well suited for affordable housing development.

Land trusts rely on individuals or groups to purchase the land and later devote that land to affordable development entities; this model is appropriate for public agencies or larger employers as a way of supporting affordable housing development. The San Francisco Community Land Trust is one example of how a nonprofit can purchase land and maintain permanent affordability by creating long term ground leases that include re-sale restrictions.

Land dedication allows property owners to designate their land for an affordable housing project; this model could most likely be used by private citizens or private developers wishing to provide community benefits. The Trust for Public Land has a program which promotes dedication for open space purposes by providing major tax deductions; a similar program could be developed for charitable contribution of land for housing purposes.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

Public processing time, staffing, and fees related to City approval make up a considerable portion of affordable housing development costs. The City should expedite the review process and procedures as appropriate; to reduce overall development costs and increase the performance of public investment in affordable housing.

Local planning, zoning, and building codes should be applied to all new development, however when quality of life and life safety standards can be maintained zoning accommodations should be made for permanently affordable housing. For example exceptions to specific requirements including open space requirements, exposure requirements, or density limits, where they do not affect neighborhood quality and meet with applicable design standards, including neighborhood specific design guideline, can facilitate the development of affordable housing. Current City policy allows affordable housing developers to pursue these zoning accommodations through rezoning and application of a Special Use District (SUD).

City review and approval of affordable housing projects should be improved to reduce costly delays. Affordable housing projects already receive Priority Application Pro-

cessing through coordination with the Planning Department, Department of Building Inspection, and Department of Public Works. This process could be further enhanced by designating a planner(s) to coordinate governmental activities related to affordable housing.

POLICY 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

The City's existing housing stock provides a resource which can be used to fulfill a number of affordable housing needs. The City should pursue and facilitate programs that enable households to better access existing housing stock. By acquiring and rehabilitating such units, the City can use affordable housing funds in a cost-effective way that provides stability in existing low-income neighborhoods, where units may be at risk of poor safety or conversion. Such housing acquisition and rehabilitation should happen only on a voluntary basis, and must not displace occupants.

San Francisco should also explore opportunities to take advantage of projects that are delayed, abandoned or are on the market. Having a readily accessible pool of funding available for purchase of such projects would enable affordable housing developers to take over the land and entitlements of such projects. The City should explore a number of options to assist in securing these opportunities for permanently affordable housing, co-ops or land-trust housing, including subsidies, affordable housing programs, new tax incentives or government intervention.

POLICY 7.7

Support housing for middle income households, especially through programs that do not require a direct public subsidy.

Market rate housing in the City of San Francisco is generally available to households making at or above 180% of median income. Affordable housing programs, including City subsidized affordable housing and inclusionary housing, are provided to households at or below 120% of median income. This leaves a gap of options for households in between those two categories, referred to as "middle income" households and defined for the purposes of this Housing Element as housing affordable to households

making between 120 and 150% of median income. Unfulfilled demand for middle income housing impacts the supply and pressure on housing stock for lower income households.

San Francisco prioritizes federal, state, and local subsidies for lower income households; therefore the City should support innovative market-based programs and practices that enable middle income housing opportunities. Creating smaller and less expensive unit types that are "affordable by design" can assist in providing units to households falling in this gap. Development strategies that reduce construction costs, such as pre-fabricated housing and other low cost construction types can decrease overall housing costs, making it affordable to middle income households without subsidy. Industrialized wood construction techniques used in lower density housing and light-weight prefabricated, pre-stressed concrete construction in moderate and high density housing also have the potential of producing great savings in construction time and cost.

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

Affordable homeownership opportunities are part of providing a diversity of housing opportunities in the City.

San Francisco should continue homeownership assistance programs including counseling, down payment assistance, silent second mortgages and programs that support teachers. Other programs that reduce the burden of homeownership such as limited equity cooperatives, which can be created through community land trusts and are discussed in Policy 3.2, should be supported by the City.

Recent homeownership and foreclosure trends have resulted in potential opportunities for affordable homeownership programs. To the extent that San Francisco experiences foreclosures, San Francisco should provide assistance to existing homeowners and work to secure foreclosed units as affordable ownership opportunities. Where larger, multi-unit buildings become available via foreclosures, the City should look to acquire them as permanently affordable

units; this would require the ability to reformulate related programs to access funding, or a designated local fund that is structured to act quickly to enable such purchases as they become available.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

The development of affordable housing is critical to the long term health, sustainability and diversity of San Francisco. In order to successfully deliver affordable housing the City and private sector must have the tools they need to develop and rehabilitate affordable housing. It is in the interest of the City to ensure that both public and private entities that participate in the delivery and maintenance of affordable housing have resources and materials, in addition to funding that are necessary to deliver affordable housing. Key functions include technical support and services, and political support and development of public awareness.

POLICY 8.1

Support the production and management of permanently affordable housing.

Non-profit housing development corporations develop most of San Francisco's subsidized affordable housing. The City should continue to provide technical and financial assistance to support continued operations and enhanced capacity of these entities. One strategy is to facilitate partnerships, such as linking nonprofits with private developers for joint development opportunities, or with lenders to expand funding options. Another is providing information and advice, such as training on design, green building and energy efficient remodeling, and information about construction products.

Additionally the City should invite partnerships towards affordable housing development with market rate developers, major employers, religious organizations, other philanthropic organizations and trade unions. These organizations may offer development or organizational capacity, funding or land resources.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

Local employers, particularly larger employers, have a vested interest in securing housing necessary to support their work force. The City should foster stronger housing advocacy among employers, who could advocate for housing projects and types. The City should also connect major employers to both market-rate and affordable developers, especially those with a vested interest in workforce housing; such partnerships could provide developers with a funding resource, or a pool of committed residents, which could reduce the risk of developing a project, while securing housing for employees.

POLICY 8.3

Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

Affordable housing projects are sometimes delayed or withdrawn because of community opposition. Greater public awareness of affordable housing challenges and potential solutions would generate broader long-term support for housing. San Franciscans, faced with one of the most expensive housing markets in the City, generally support the notion of providing more affordable housing options and understand the range and severity of affordable housing needs in the City. However when individual projects are presented the macro understanding of the affordable housing crisis gets lost in fears about changes to an individual neighborhood or block. The City, in coordination with affordable housing providers, should work to showcase successful affordable housing projects that improve neighborhoods, help households, and provide much needed workers for our City.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

In 1997, in response to a change in federal guidelines that allowed the affordability provisions on subsidized housing to expire, San Francisco created a program to preserve affordable housing. Through this program the Mayor's Office of Housing and the San Francisco Redevelopment Agency has acquired and transferred a number of at-risk developments to non-profit entities for permanent affordability.

Continuing to maintain the existing stock of subsidized units is a critical component of San Francisco's affordable housing strategy. As units provided by the Redevelopment Agency and MOH, which currently apply life-long affordability restrictions to their projects, are not particularly at risk, efforts need to focus on properties not financed by these entities. Additionally, the City should continue to provide long term funding strategies to new subsidized units, to protect the public's investment in affordable housing and maintain housing stability.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

Existing affordable housing units should be maintained and preserved at their current levels of affordability. Through the Housing Preservation Program (HPP), the City's housing agencies work to restructure funding terms of Community Development Block Grant funds and housing office bonds to extend affordability terms of subsidized developments. In most cases, the land is purchased by the Redevelopment Agency, with long-term affordability contracts required for the units. The City should continue these efforts to ensure that subsidized units remain affordable when a specific subsidy expires. To protect affordability, preservation program efforts need to begin early, prior to the contract's expiration date, so careful tracking of existing subsidized housing and coordinated planning among various agencies should be continued.

The City also has additional ordinances that limit profit from market-rate conversions of restricted units, thereby motivating HUD contract renewals. These include the Rent Control Ordinance (Administrative Code, Chapter 37), the Assisted Housing Preservation Ordinance (Administrative Code, Chapter 60), the Source of Income Ordinance (City Police Code, Article 33, Section 3304), and the Just Cause Eviction Ordinance (Residential Rent Stabilization and Arbitration Ordinance, Chapter 37.9). The implementation of these ordinances should be continued.

POLICY 9.2

Continue prioritization of preservation of existing affordable housing as the most effective means of providing affordable housing.

Financial support is required to continue to support the preservation of existing affordable housing. The HPP program has used tax-exempt bond financing, low income tax credits and federal funds to finance acquisition and rehabilitation costs. In addition, the Agency has engaged tenants and built organizing capacity to support acquisition negotiations with owners of such developments. The City should continue these mechanisms to complete acquisitions of existing, at-risk subsidized units.

Additionally, other agencies in the City should look to retain existing affordable housing stock with supportive programs and policies. Privately owned and operated rental housing is under continuing pressure to convert to market rate housing, and programs such as the acquisition and rehabilitation model discussed previously can aid in their retention.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

The San Francisco Housing Authority is the largest landlord in San Francisco with over 6,200 units, and is one of the most important sources of permanently affordable housing for low-income households. The devolution of responsibility for public housing from a federal to local level requires increased local responsibility for public housing developments. The City should continue to pursue innovative local financing techniques, energy efficiency measures, and creative property management and customer service. Innovative programs such as HOPE SF, which distinguish San Francisco as a leader in public housing redevelopment should be continued with City investment and support.

Small Site Acquisition and Rehabilitation: Curtis Johnson Apartments

Beyond Shelter Housing Development Corporation (BSHDC) is a non-profit in Los Angeles that is dedicated to both providing housing to people and families that are either homeless or at-risk of becoming homeless. In their recent development, the Curtis Johnson Apartments located in South Los Angeles, BSHDC partnered with the California Community Reinvestment Corporation Affordable Housing Partners (CCRC) to transform 48 "at-risk" multifamily housing projects into a model of scattered-site, service-enriched housing available for very low-income families. The existing housing units were acquired and rehabilitated to provide a combination of studios, one and two bedroom units, with new kitchens, bathrooms, as well as on-site laundry facilities. Residents have access to a BSHDC services coordinator and may also access services through the Family Services Center at nearby BSHDC development. These units were individual properties scattered across several sites within close proximity to one another, which allowed for easier rehabilitation management, with a services coordinator, access to a nearby family services center, and ongoing property management.



Issue 5: Remove Constraints to the Construction and Rehabilitation of Housing

OBJECTIVE 10

ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS.

Many factors can constrain the development, maintenance, and improvement of the housing stock. Market conditions, such as the cost of land, the availability of materials, and the rate of labor, are difficult to affect through government actions. Local requirements, such as noticing procedures, review periods and public comment periods, are necessary to ensure opportunities for neighborhood participation. However, providing clarity of planning and permitting requirements, processing time, application and review procedures, and environmental review requirements, can reduce unnecessary delays.

POLICY 10.1

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.

There is a clear public benefit to creating, and applying, a strict approach to regulatory land use controls. Certainty in the development regulations simplifies the process for applicants, and allows neighbors to understand and anticipate the likely outcomes of changes in their neighborhood. It also reduces misunderstandings between developers and communities before proposals have been designed to a level of detail where change can be very costly or time-consuming. The ultimate goal of a "certain" development entitlement process is to create greater transparency and accountability in the process for all parties, empowering both the public and developers.

A goal of recent Planning Department community planning processes is to use the intensive neighborhood-based planning process to coordinate citywide goals with the needs of individual neighborhoods. The resulting adopted area plans have directed both land use and urban form to create development that is of a character and quality specified by the community, through clear Planning Code provisions as well as neighborhood specific Design Guidelines.

It is critical that the spirit and letter of these adopted area plans are implemented. Full implementation of the Community's vision requires consistent application of plan policies and project review. Once such controls are in place, it is the responsibility of planning and permitting staff to adhere to consistent and clear application of Planning Code, Design Guidelines, and other adopted requirements. Monitoring reports adopted as a part of each area plan should be used to improve consistency and results of the regulatory process.

Affordable housing projects are often granted exceptions to general requirements to further the City's ability to meet affordable housing objectives. Often simple exceptions raise confusion and concern among community members. Where additional support may be required for projects which meet the City's targeted housing needs, such as permanently affordable housing for very-low and low-income households, the City should explore methods such as designating Planning staff, or taking an active role in mediating disputes with neighbors. Such a function could either be provided within the City or contracted with an outside non-profit entity to provide free mediation services.

POLICY 10.2

Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.

As part of the Action Plan, the Planning Department is exploring a number of procedural and operational reforms intended to reduce project delays and increase community review.

To provide a more efficient review process that also provides the potential for earlier community review, the Planning Department is implementing a "Revised Development Review Process," based on the concept that earlier input and coordination by all divisions of the Planning Department on larger, more complex projects results in a more efficient review overall. The efficiency is gained by identifying and addressing significant project issues, and providing developers more comprehensive procedural information

early in the review process. This approach also improves the likelihood that communities surrounding potential development projects will be more aware early in the review process. Together, these features reduce the overall review time for a project, allow for earlier community awareness, and—perhaps most importantly—ultimately result in better projects being approved and built.

To initiate neighbor communication early on in the development process, and provide the project sponsor the opportunity to address neighbor concerns about the potential impacts of the project prior to submitting an application, the Department has also implemented a required Pre-Application Process that requires eligible project sponsors to conduct community meetings prior to filing any entitlement, inviting all relevant Neighborhood Associations, abutting property owners and occupants. This process allows the community access to planned projects, and allows the project sponsor to identify, and address, issues and concerns early on.



POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA.

The California Environmental Quality Act was initiated to open development decisions so that action could be taken to offset negative environmental effects, and as a mechanism for community review of projects. At its basis, CEQA offers a tool to balance environmental values with concrete development decisions, and as such, was one of the early tools citizens and agencies had to promote environmentally favorable projects, and reject, or reduce the impact of, negative ones. However, its provisions have created numerous concerns about delay and misuse of CEQA; policymakers have recently started discussing reform of CEQA to help address concerns about misuse and delays to good housing projects. Reform should be pursued in a way that does not unduly limit neighborhood participation in review of development proposals.

Using best practices, Community Plan exemptions and tiered environmental reviews can help enable CEQA to be more closely tuned to its initial intent, and to become a strong mechanism for smart growth planning and development. In particular, the City should explore mechanisms that will maintain the strength of CEQA and its use as a tool for environmental protection while eliminating aspects of its implementation that are not appropriate to the City's context. One such improvement underway is the recent Board of Supervisors direction to study the updating of automobile "Level of Service" (LOS) with Auto Trip Generation (ATG) as a more meaningful measure of traffic impacts in an urban context. The City should ensure best practices do not impact any community's ability to understand, and provide input towards, impacts of proposed projects. Residents should continue to have due process available to them to participate in future of their neighborhoods.

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

Senate Bill 375 legislates the reduction of greenhouse gases through regional and local planning efforts, to achieve state-wide sustainable development goals. SB 375 provides some regulatory relief for "sustainable projects" to reduce project costs, processing time and legal risks, including reducing some CEQA provisions. It also hints at linking future State infrastructure funding, specifically transportation funds, to achievement of smart growth goals, including lower vehicle miles traveled. Allocation of affordable housing resources, particularly for new production, should be consistent with smart growth principles.

SB375, and future regional and state efforts, should be accompanied by the kind of funding that will enable growth to truly be "smart". Linking funding directly to efficient land use, rather than to population or regions, would encourage smart land use patterns. The implementation of SB375 should be monitored, and addressed with amendments if necessary, to ensure it successfully provides the tools necessary to meet its smart growth goals in San Francisco.

Issue 6: Maintain the Unique and Diverse Character of San Francisco's Neighborhoods

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

San Francisco is a City of neighborhoods, each with a distinct character and quality. While the Housing Element provides a citywide housing strategy, no policy should be applied without first examining its applicability to each specific neighborhood's unique context. Its implementation should be applied and expressed differently in each neighborhood. The existing character, design context (including neighborhood specific design guidelines), historic and cultural context, and land use patterns of each neighborhood shall inform and define the specific application of Housing Element policies and programs. As each neighborhood progresses over time the distinct characters will form the foundation to all planning and preservation-work in the area. Just as the City seeks a variety of housing types to meet the diversity of needs, the City also values a variety of neighborhood types to support the varying preferences and lifestyles of existing and future households. Changes planned for an area should build on the assets of the specific neighborhood while allowing for change.

POLICY 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

San Francisco has a long standing history of beautiful and innovative architecture that builds on appreciation for beauty and innovative design. Residents of San Francisco should be able to live in well-designed housing suited to their specific needs. The City should ensure that housing provides quality living environments and complements the character of the surrounding neighborhood, while striving

to achieve beautiful and innovative design that provides a flexible living environment for the variety of San Francisco's household needs.

The City should continue to improve design review to ensure that the review process results in good design that complements existing character. The City should also seek out creative ways to promote design excellence. Possibilities include design competitions that foster innovative thinking, and encouraging designers to meet with other local architects to provide peer review. New York City recently implemented a similar initiative that awards public projects, including affordable housing, based on talent and experience rather than to the lowest bidder, which has resulted in several buildings with lauded design.

POLICY 11.2

Ensure implementation of accepted design standards in project approvals.

As the City's Residential Design Guidelines state, San Francisco is known for its neighborhoods and the visual quality of its buildings. Its architecture is diverse, yet many neighborhoods are made up of buildings with common rhythms and cohesive elements of architectural expression. For all new buildings and major additions, the fundamentals of good urban design should be followed, respecting the existing neighborhood character, while allowing for freedom of architectural expression. A variety of architectural styles (e.g. Victorian, Edwardian, Modern) can perform equally well. Proposed buildings should relate well to the street and to other buildings, regardless of style. New and substantially altered buildings should be designed in a manner that conserves and respects neighborhood character. High quality materials, and a strong attention to details, should be carried across all styles. And buildings should represent their era, yet be timeless.

Planning Department review of projects and development of guidelines should build on adopted local controls, including recently adopted Area Plans, neighborhood specific design guidelines, and historic preservation district documents. Planning staff should be aware of, and be a resource for, on-going individual community efforts that support good planning principles, such as neighborhood-specific Covenants, Conditions, and Restrictions (CC&R's) and design guidelines. New development and alterations or additions to existing structures in these neighborhoods should refer to these controls in concert with the citywide Residential Design Guidelines, although only those guiding documents approved by the Planning Commission may be legally enforced by Planning staff. Also projects in historic preservation districts should refer to related design documents.

POLICY 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Accommodation of growth should be achieved without damaging existing residential neighborhood character. In community plan areas, this means development projects should adhere to adopted policies, design guidelines and community review procedures. In existing residential neighborhoods, this means development projects should defer to the prevailing height and bulk of the area.

To ensure character is not impacted, the City should continue to use community planning processes to direct growth and change according to a community-based vision. The Planning Department should utilize residential design guidelines, neighborhood specific design guidelines, and other documents describing a specific neighborhoods character as guideposts to determine compatibility of proposed projects with existing neighborhood character.

The Department should support the adoption of neighborhood-specific design standards in order to enhance or conserve neighborhood character, provided those guidelines are consistent with overall good-planning principles and help foster a more predictable, more timely, and less costly pre-development process. To this end, the Depart-

ment should develop official procedures for submittal of neighborhood-initiated design guidelines, for review by Department staff, and for adoption or endorsement.

POLICY 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Current zoning districts result in land use and density patterns shown on the accompanying Generalized Permitted Housing Densities by Zoning District, Map 6; and the accompanying table illustrating those densities, Table I-64, in Part I of the Housing Element. The parameters contained in the Planning Code under each zoning districts can help ensure that new housing does not overcrowd or adversely affect the prevailing character of existing neighborhoods. The City's current zoning districts conform to this map and provide clarity on land use and density throughout the City. When proposed zoning map amendments are considered as part of the Department's community planning efforts, they should conform generally to these this map, although minor variations consistent with the general land use and density policies may be appropriate. They should also conform to the other objectives and policies of the General Plan.

POLICY 11.5

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

Residential density controls should reflect prevailing building types in established residential neighborhoods. Particularly in RH-1 and RH-2 areas, prevailing height and bulk patterns should be maintained to protect neighborhood character. Other strategies to maintain and protect neighborhood character should also be explored, including "neighborhood livability initiatives" that could examine guidelines and principles to preserve what is beloved about the area. Such an initiative could result in strategies to improve the appearance and accessibility of neighborhood commercial districts, or neighborhood specific design guidelines for specific RH-1 and RH-2 neighborhoods.

POLICY 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Buildings define the public realm. Building height, setback, and spacing define the streets, sidewalks, plazas, and open space that provide the setting for people to meet and interact informally and shape the neighborhood's range of social experiences and offerings. Buildings shape views and affect the amount of sunlight that reaches the street. And the frontage of buildings can encourage interaction, while providing safety and increasing surveillance of the street. Thus, buildings should be designed with a human scale, consistent with each individual area's traditional pattern of development. Design features such as regular entrances and windows along the street, seating ledges, outdoor seating, outdoor displays of wares, and attractive signage, the use of stoops and porticos, and limiting blank walls all assist in ensuring an inviting community environment.

The uses of buildings and their relationships to one another can also affect the variety, activity, and liveliness of a place. Zoning for a mix of use, open spaces and community facilities in appropriate locations, such as neighborhood commercial centers, can increase opportunities for social

interaction. Mixing compatible uses within buildings, such as housing with retail, services or small-scale workplaces, can build activity for friendly streets and public spaces. In the best cases, the defining qualities of buildings along the street create a kind of "urban room" where the public life of the neighborhood can thrive.

POLICY 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

Landmarks and historic buildings are important to the character and quality of the City's neighborhoods and are also important housing resources. A number of these structures contain housing units particularly suitable for larger households and families with children.

New buildings adjacent to or with the potential to visually impact historic contexts or structures should be designed to complement the character and scale of their environs. The new and old can stand next to one another with pleasing effects, but only if there is a successful transition in scale, building form and proportion, detail, and materials.



POLICY 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The scale and design of permitted commercial and institutional buildings should acknowledge and respond to the surrounding neighborhood context, incorporating neighborhood specific design guidelines whenever possible. To ensure a successful integration of these uses, especially large institutions, the City should pay close attention to plans for expansion through master planning efforts. Analysis should include needs generated for housing, transportation, pedestrian amenities, and other services.

POLICY 11.9

Foster development that strengthens local culture sense of place and history.

In addition to the factors discussed above, including physical design, land use, scale, and landmark elements, neighborhood character is also defined by long-standing heritage, community assets, institutional and social characteristics. Maintaining the linkages that such elements bring, by connecting residents to their past, can contribute to the distinctiveness of community character and unique sense of place; as well as foster community pride and participation.

Elements of community heritage can include the public realm, including open space and streets; and the built environment, institutions, markets, businesses that serve local needs, and special sites. Other, non-physical aspects can include ethnicity, language, and local traditions. Development of new housing should consider all of these factors, and how they can aide in connecting to them. Housing types that relate to the community served, particularly the income, household and tenure type of the community, can help to address negative changes in socioeconomic conditions, and reduce displacement. Constructing housing that includes community components that build upon this sense of place, such as public plazas, libraries, community facilities, public art, and open spaces, can build a stronger sense of community heritage. And the development of neighborhood-specific design guidelines, as discussed above, should review local neighborhood characteristics that contribute to and define its character beyond the physical.

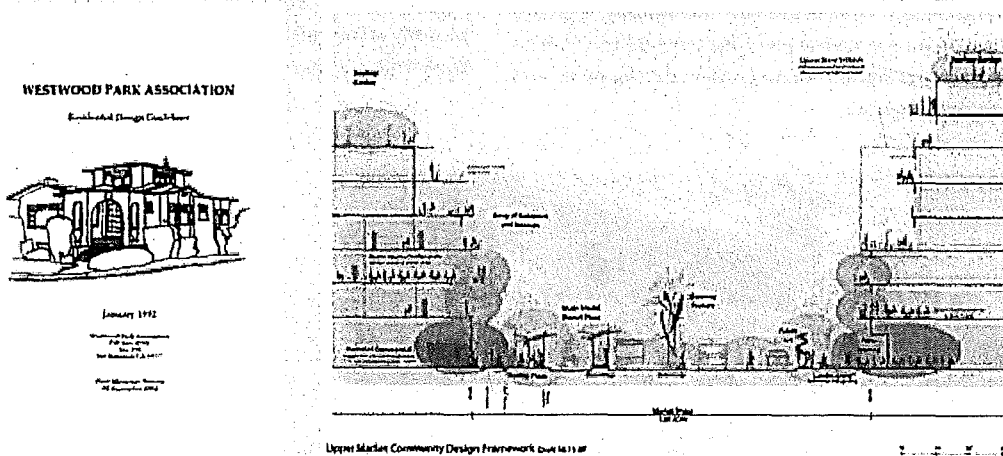
Historically, neighborhoods in San Francisco have become identified with certain cultural groups, including ethnic-communities that have settled within corridors or areas of larger neighborhoods. It is important to recognize, however, that local culture is not static- San Francisco's cultural character and composition have shifted as social, ethnic, and political groups have moved across the City's landscape. Plans and programs, including housing developments, need to recognize the duality of changing environments when they occur, and work to both preserve the old while embracing the new.

Community Design Guidelines: Westwood Park and Upper Market

Several of San Francisco's neighborhoods have developed design guidelines specific to their neighborhood. These adopted guidelines are used by the neighborhood, city staff and commissions to evaluate proposed projects within the two neighborhoods. This case study looks at two neighborhoods, Westwood Park and Upper Market, which used different methods for the development of the guidelines, either of which might be appropriate for other neighborhoods throughout the city.

In 1992, the Westwood Park Neighborhood Association initiated and completed a set of design guidelines for their neighborhood. The Westwood Park Residential Design Guidelines recognize the cohesiveness of style in a neighborhood built over 2 decades, and provide a general context for neighborhood character. The guidelines specifically cover both physical criteria for residential lots as well as design aesthetics for residential buildings. Topics included in the guidelines range from front and rear yard setbacks to appropriate materials for windows and garage doors. The guidelines were incorporated into the City's Planning Code as a part of the Westwood Park Residential Character District.

In 2008, in the face of increasing development opportunities, District 8 Supervisor Duffy initiated a planning process to give residents, developers, merchants, and community members the opportunity to develop design parameters for the Upper Market corridor. The San Francisco Planning Department, in conjunction with Supervisor Duffy, hired an urban planning and design consultant team to lead the public series of community workshops held throughout the fall of 2007. The outcome of the community process was a set of guidelines that cover topics such as designing an inviting ground floor design, active upper story design, natural systems in building design, and context-sensitive architecture. The Planning Commission adopted the Upper Market Development Design Guidelines as a policy of the Planning Commission, requiring adherence to the Guidelines as a driving criteria for project review and approval.



Issue 7: Balance Housing Construction and Community Infrastructure

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

San Francisco's planning should take into account all elements of a whole neighborhood in coordination with new housing. Citywide and neighborhood specific planning should consider neighborhood infrastructure such as parks, recreational facilities and schools, and neighborhood services such as grocery stores, drug stores and other commercial services.

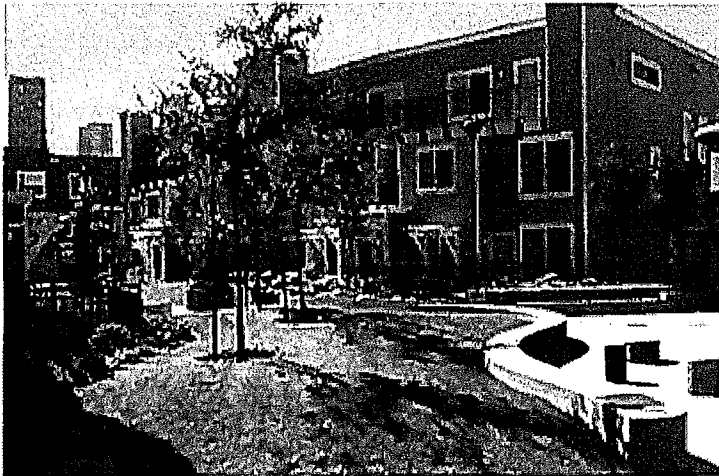
The City must continue to plan for the necessary infrastructure, especially transportation and water services, to support existing and new households. These fundamental services should be planned at a system level by each relevant agency and coordinated with new growth. Additionally, standard development project review procedures should continue to consider the relationship between new development and necessary infrastructure.

Other important neighborhood elements maintain the health, well-being, and social standards of our City, including publicly provided functions such as schools, parks, libraries; as well as privately developed ones such as grocery stores and neighborhood retail, child care, art and cultural facilities. These elements are critical to maintaining and enhancing the quality of life in San Francisco and should be encouraged and supported.

POLICY 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

New residents require access to neighborhood serving businesses, employment centers, recreation facilities, and regional centers. To the extent possible these trips should be easily accommodated on the existing transportation network with increased services. To that end the city should



promote housing development in areas that are well served with transportation infrastructure including Bart trains, and Muni light rail trains. However, changes to the Planning Code to further accommodate housing near transit will occur through a community based planning process. Encouragement of the use of public transit and car-sharing must be accompanied by improving the reliability and usability of public transportation and broadening access to and location of car share options, as ways to make these alternatives more attractive. Additionally, bicycle amenities can and should be an integral component to housing and supporting the City's Transit First policy. The City must maintain and improve the transportation network in coordination with new development. Long range transportation planning should consider actual and projected growth patterns. Tools such as impact fees should facilitate the coordination of new growth with improved transportation infrastructure. As the City has been directing planning efforts to shape housing construction in transit-rich locations through its Redevelopment, Better Neighborhoods and other community planning processes, its funding efforts should prioritize these parts of the City. To ensure that new neighborhood infrastructure, particularly transit, is provided concurrently with new growth, agencies within the City should prioritize funding or planning efforts within these planned areas, especially for discretionary funding application processes such as the state's Proposition 1C.

POLICY 12.2

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

San Francisco's neighborhoods' support a variety of life choices through the quality of life elements they provide. Such elements include open space, child care facilities and

other neighborhood services such as libraries, neighborhood-serving retail (including grocery stores), community centers, medical offices, personal services, locally owned businesses, and a pedestrian and bike-friendly environment. These elements enable residents to continue to live in their neighborhood as their needs change, and encourage neighborhood relationships. Access to these amenities and services at a neighborhood level enables residents to make many trips on foot or public transportation.

Some of these amenities are maintained by the City, such as open space and some child care facilities. The City should consider projected growth patterns in plans for the growth and maintenance of these quality of life amenities. Other neighborhood services such as grocery stores, drug stores, and restaurants are provided by private parties – the City should support and encourage the adequate provision of these services whenever possible.

POLICY 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

Projected growth will affect our local public infrastructure systems, especially transportation infrastructure and systems such as water, sewer and power. Realizing this, the City and County of San Francisco has taken a proactive effort in working towards interagency solutions. However, because provision of major infrastructure transcends City boundaries, long-term strategic planning also requires coordination with, and support from, State and regional agencies. It is critical that State and regional infrastructure funding be directly linked to the Regional Housing Needs Allocations (RHNA), and award plans for infill growth, rather than awarding vehicular capacity throughout the region.

With regards to transportation, the City's long-range Countywide Transportation Plan guides future investment decisions. Managed by the San Francisco County Transportation Authority, the Plan looks at projected growth in jobs and housing in San Francisco, regional trends and changing needs, to provide the city's blueprint for transportation system development and investment over the next 30 years.

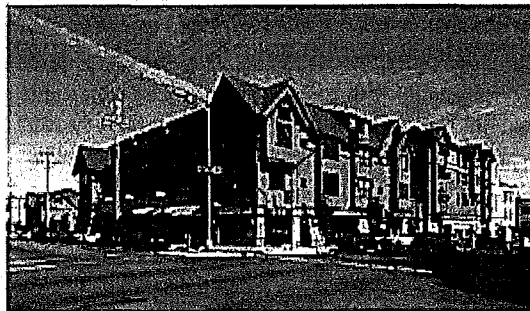
With regards to water supply, the San Francisco Public Utilities Commission (SFPUC) plans for growth via the Urban Water Management Plan, which is updated every five years, and is pursuing strategies to addressing increased growth by means such as innovative conservation practices, use of recycled water, and increased use of groundwater. In

conjunction with these plans, the PUC has established new connection fees to ensure that new development pays for the impact it places upon the supply network. The PUC has also recently adopted rate increases to fund voter-approved seismic improvements to the pipe network and the combined sewer/stormwater system.

The City's power networks need to be given the same co-operative consideration. While the City is currently well supplied with power, and is supplementing that system regularly with new technologies such as wind and solar, aging infrastructure, funding constraints and deferred maintenance highlight the need for continued master planning if the emerging vision for a more sustainable system is to be achieved.

Housing and Community Infrastructure: Broderick Place

Faletti's Plaza, constructed in 2005 at the corner of Fell and Broderick Streets, is a model development that successfully integrated needed community infrastructure with the construction of new housing. The development involved relocating an existing branch bank and parking lot to create 119 housing units in a mixed use project with a neighborhood market, additional retail uses and a new bank building. Faletti's, a neighborhood grocer that closed in 1999, leaving the community without everyday food access, was brought back to the neighborhood with the development, enabling residents access to a full service grocery store. The retail uses physically wrap the development's parking garage so that it is virtually unseen from the sidewalk. The parking garage provides spaces for the residential and retail uses, as well as bicycle parking and car share parking spots.



Issue 8: Prioritizing Sustainable Development

OBJECTIVE 13

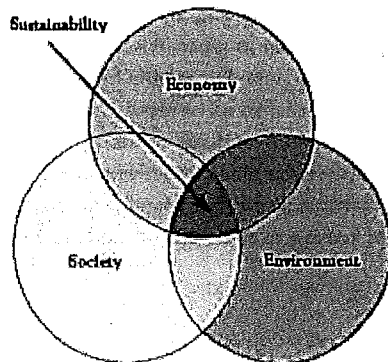
PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

The United Nations' definition of sustainability, also used by the San Francisco Sustainability Plan, states that "A sustainable society meets the needs of the present without sacrificing the ability of future generations to meet their own needs." Accordingly, sustainable development in San Francisco aims to meet all human needs – environmental, economic and social – across time.

San Francisco is often seen as a leader in urban sustainable development, because of its early adoption of a Sustainability Plan (1997), and subsequent policies, from prohibitions on plastic bags and bottled water to the recently adopted Green Building Ordinance. However, sustainable development does not focus solely on environmental issues. It should encompass the way we promote economic growth, so that the most vulnerable, disadvantaged residents get an

equal share of the benefits of growth. Also critical is the concept of social equity, which embraces a diversity of values that are not perhaps as easily quantified as greenhouse gas emissions or marketplace dollars, such as housing & working conditions, health, educational services and recreational opportunities, and general quality of life.

While San Francisco's transit accessibility and role as a regional job center does promote its role as a nexus for new housing development, sustainability does not mean growth at all costs. A truly sustainable San Francisco balances housing production with affordability needs, infrastructure provision, and neighborhood culture and character. Thus, as the City prioritizes sustainability in housing development, all actions need to keep in mind its broad range of environmental, economic and social components, by ensuring that housing development does not degrade environmental quality, or contribute emissions that further impact our resources; by promoting economic vitality so that all citizens have access to housing that is within their means and close to their workplace; and by protecting the rights of all citizens, including preventing their displacement.



POLICY 13.1

Support "smart" regional growth that locates new housing close to jobs and transit.

In San Francisco, and in many of the other job centers in the Bay Area, workers struggle to find housing they can afford. At the same time, employers have difficulty recruiting employees, because of the lack of affordable options near their locations. These trends exacerbate long-distance commuting, one of the primary sources of greenhouse gas emissions; they also negatively impact the working families struggling with such commutes by demanding more travel time and higher travel costs.

The City should support efforts to construct more housing near jobs, and near transit. Yet, sustainable development requires consideration of the impacts of new housing. Plans for smart growth must work to prevent the unintended consequences on low-income residents, such as gentrification and displacement, and to maintain the character and composition of neighborhoods for the long-term.

This answer of new housing near jobs does not apply to San Francisco alone. As part of the larger regional economy of the Bay Area, decisions made by one community - to limit commercial or residential growth - affect other communities in the region. SB 375 attempts to address this at a state level, but continued efforts are required to ensure new residential development is planned region wide to take advantage of the availability of employment opportunities, efficient transportation systems, and community services. It is imperative that governing entities such as the Association of Bay Area Governments and the State structure funding and other incentives to direct local government policies to house their fair, "smart" share of the labor pool, particularly those locations close to transit. San Francisco should take an active role in promoting such policies, and discouraging funding that would enable housing development that is not attached to the use of public transit. The City should also play a greater role in ensuring local and regional growth management strategies are coordinated and complementary.

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

Because the need for housing relates to jobs which are provided across the region, planning for housing requires a regional strategy. In a true jobs-housing balance, the workers are the residents of nearby housing, and housing costs are affordable to the local workforce. Provided the type and cost of housing constructed are taken into account, smart growth strategies can address the housing needs of low-income residents, while contributing to diverse communities.

Construction of housing affordable to a mix of incomes must be provided not only in San Francisco, but throughout the region, to allow low-income residents to reach jobs as well as needed services like grocery stores and child-care. At the present time, most of the region's subsidized housing for low- and moderate-income households is concentrated in the central cities, including San Francisco. Communities throughout the Bay Area, particularly those who provide working opportunities for this same population, should accept responsibility for housing low- and moderate-income households as well. One way of addressing affordability needs across municipal boundaries is to explore the creation of a regional affordable housing fund, which could accept funds from both public and private sources. Another is a permanent state fund that would finance housing for low- and middle-income households, which would ease some of the funding uncertainty that occurs during difficult budget years.

POLICY 13.3

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

Sustainable land use patterns include those located close to jobs and transit, as noted above. But they also include easy access to, and multiple travel modes between, other services, shopping and daily needs. This could mean all services needed are located within an easy walk of the nearby housing; it could also mean that such services are available by bike or transit, or in the best cases, by all modes. The common factor in sustainable land use patterns is that the need for a private car is limited.

To encourage walking, cycling and transit use, comprehensive systems must be in place. A Citywide network of walkable streets, bike lanes that are safe for children as well as the elderly, and reliable, convenient, transit must be in place. The City should continue efforts to improve such networks, to make them more attractive to users. The City should also continue requirements and programs that link developers of housing to contribute towards such systems.

Sustainable design that includes improved streets and transit stops adjacent to developed property, as well as the inclusion of mid-block crossings, alleys and bike lanes at larger, multi-block developments, can further incentivize non-automotive movement.

POLICY 13.4

Promote the highest feasible level of "green" development in both private and municipally-supported housing.

Green development specifically relates to the environmental implications of development. Green building integrates the built environment with natural systems, using site orientation, local sources, sustainable material selection and window placement to reduce energy demand and greenhouse gas emissions.

San Francisco has for several years had a municipal green building ordinance, and in [give year] adopted strict green building standards for private construction as well. The City also promotes several incentive programs to encourage development to go beyond the requirements of the ordinances, including Priority permitting for LEED Gold certified projects, solar rebates at the local, state and federal level, and rebates for energy and water efficiency.

Preservation and rehabilitation of existing buildings is in and of itself a "green" strategy, normally consuming far less energy than demolition and new construction. But truly addressing climate change must include upgrades to these buildings as well. Often, features that add to the initial cost of a structure are highly cost-effective in terms of the life cycle or operating costs. For example, weatherization of existing housing can usually pay for itself in a short time, resulting in lower utility bills and housing costs. Energy costs, particularly, can be a burden on low-income families; reducing energy costs, can leave more money for housing. Where the City coordinates on implementation of sustainability programs, priority should be given to programs based on their effectiveness and feasibility.



Portland's Clean Energy Fund

A partnership between municipal governments and power companies in the Portland, Oregon area are currently piloting a Clean Energy Fund that provides a financial mechanism for making green retrofits in residential buildings possible without upfront prohibitive costs. The goal of the program is to provide homeowners a loan that covers the cost of materials and installation for energy improvements. The loan for such improvements is paid back over time through the savings they reap from the improvements on their utility bills. The partnership is using 2009 Federal Stimulus dollars as the seed money for this program.

Homeowners are provided with a home energy assessment that is conducted by both a professional Building Performance Institute contractor and an "Energy Advocate" that helps explain potential improvements. This team assists the team from the beginning with financing options all the way through the installation process. The Portland area pilot is focusing on energy improvements that include: basic weatherization (insulation, air sealing, duct sealing), space heating (furnace or heat pump), hot water (gas, electric, tankless gas), solar hot water, solar photovoltaic, and windows.



ABBREVIATIONS

ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
AGI	Adjusted Gross Income
AMI	Area Median Income
BART	Bay Area Rapid Transit
BIC	Building Improvement Committee
CAPSS	Community Action Plan for Seismic Safety
CEQA	California Environmental Quality Act
CERF	Code Enforcement Rehabilitation Fund
CHRP	San Francisco Community Housing Rehabilitation Program
CPC	Capital Planning Committee
DAAS	Department of Aging and Adult Services
DAH	Direct Access to Housing Program
DALP	Down Payment Assistance Loan Program
DBI	Department of Building Inspection
DPH	Department of Public Health
DCYF	Department of Children Youth and Families
DHS	Department of Human Services
DOE	Department of the Environment
DPW	Department of Public Works
DR	Discretionary Review
HSA	Human Services Agency
HDMT	Healthy Development Measurement Tool
HOPE VI	Housing Opportunities for People Everywhere
HOPE SF	Housing Opportunities for People Everywhere San Francisco
HPP	Housing Preservation Program
HRC	Human Rights Commission
LEED	Leadership in Energy and Environmental Design
MOH	Mayor's Office of Housing
MONS	Mayor's Office of Neighborhood Services
MTC	Metropolitan Transportation Commission
MUNI	San Francisco Municipal Railway
NC	Neighborhood Commercial
OEWD	Office of Economic and Workforce Development
Prop 1C	State of California Proposition 1C Grant Program
RHNA	Regional Housing Needs Assessment
RPD	City and County of San Francisco Recreation and Park Department
SB 375	State of California Senate Bill #375
SFHA	San Francisco Housing Authority
SFMTA	San Francisco Municipal Transportation Agency
SFPUC	San Francisco Public Utilities Commission
SFRA	San Francisco Redevelopment Agency
SFUSD	San Francisco United School District
SOMA	South of Market
SRO	Single-Room Occupancy Units
SUD	Special Use District
TDM	Transportation Demand Management
TEP	Transit Effectiveness Project
TIDF	Transportation Impact Development Fee
VMT	Vehicle Miles Traveled

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San Francisco's 2009 Housing Element update is the result of input from countless community members. The comprehensiveness of the document relies on the San Francisco's strong civic engagement.

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The following community members and organizers warrant special thanks:

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Marc Duffett, *District 4 Representative*
Jason Henderson, *District 5 Representative*
Jenifer Friedenbach, *District 6 Representative*
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Joe Curtain, *District 8 Representative*
Nick Pagoulatos, *District 9 Representative*
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Judy Berkowitz, *Neighborhood Advocate*
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ATTACHMENT L

Certification regarding use of prior year allocation

Not Applicable

ATTACHMENT L-1

**Evidence of undue hardship/financial burden
regarding Minimum Requirements**

Not Applicable

ATTACHMENT M

Evidence of Past Program Performance

ATTACHMENT M

(page 1)

In the table below, please provide the information requested that pertains to the allocation awarded:

<u>Year</u>	<u>Amount of Allocation Awarded</u>	<u>Amount of Allocation Used</u>	<u>Number of Loans Originated</u>	<u>Outstanding MCC Authority*</u>
2013	\$5,391,249	\$5,390,504	33	\$186
2014	\$16,526,618	\$16,523,821	107	\$699
2016	\$8,829,698	\$6,632,364	46	\$549,334

*Please explain the reason for any outstanding MCC authority, the federal expiration date for using the MCC authority, and the Applicant's plan for expending the MCC authority prior to the expiration date or reasons for not expending the MCC authority prior to the federal expiration date.

The October 19, 2016 Allocation leaves a remaining "Outstanding Authority" of \$145,502 when including that which has already been committed. We expect more MCC applications to be submitted with the marketing of large BMR projects through 2018. Further, the market rate housing stock in the San Francisco Bay Area is becoming more and more competitive and there is a great need for San Francisco first time homebuyers to access the Mortgage Credit Certificate Program. For many households in San Francisco the more flexible income cap yields middle income San Francisco households whom we have recently accommodated by raising the acceptable area median income for our down payment assistance programs. Combining the MCC program with our other first time homebuyer programs will also help this niche group with home buying power in opposition to the city's growing tech population. It is evident that the City and County of San Francisco will adequately account for its fair share allocation.

In the tables below relating to program performance in the past 3 years, please provide the information that pertains to the number of MCCs issued in a year, regardless of the year in which the allocation was awarded.:

Note: Incomes are as adjusted for family size.

<u>Year</u>	<u>Total Number of Households Assisted</u>	<u>Number of Households Assisted in Qualified Census Tracts</u>	<u>Percent (%) of Households Assisted in Qualified Census Tracts</u>
2013	33	14	42%
2014	107	43	40%
2016	46	19	41%

<u>Year</u>	<u>Program Area Median Income</u>	<u>No. of Households Assisted with Incomes Below 50% of Area Median</u>	<u>No. of Households Assisted with Incomes Between 51-80% of Area Median</u>	<u>No. of Households Assisted with Incomes Between 81-100% of Area Median</u>	<u>No. of Households Assisted with Incomes Between 101-120% of Area Median</u>	<u>No. of Households Assisted with Incomes Between 121-140% of Area Median</u>
2013	\$132,200	0	8	14	10	1
2014	\$132,200	1	41	46	16	3
2016	\$137,015	0	16	28	0	2

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Year	Average Area Purchase Price (AAPP) of an Existing Home	Number of Existing Homes Assisted Below 70% of AAPP	Number of Existing Homes Assisted Between 71-90% of AAPP	Number of Existing Homes Assisted Between 91-110% of AAPP
2013	\$748,462	13	0	0
2014	\$748,462	22	24	17
2016	\$655,317	4	21	13

Year	Average Area Purchase Price (AAPP) of a New Home	Number of New Homes Assisted Below 70% of AAPP	Number of New Homes Assisted Between 71-90% of AAPP	Number of New Homes Assisted Between 91-110% AAPP
2013	\$748,462	14	6	0
2014	\$748,462	20	11	14
2016	\$655,317	1	4	3

Year	Number of Rehabilitation Homes Assisted	Average Rehabilitation Loan Amount	Range of Rehabilitation Loan Amounts
2013	0	\$	\$
2014	0	\$	\$
2016	0	\$	\$

Required information to be tracked for MCC-funded mortgage loans

Issuers of Mortgage Credit Certificate Programs shall collect the following information for individual mortgage credit certificate recipients and report such data to CDLAC on an annual basis as requested by the Committee's Executive Director. The Committee's staff will consider the information as part of its evaluation of Applications for Allocation of the State Ceiling.

- **Date (month/year) MCC issued**
- **Size of Household** – number of persons in the household
- **Household income** – total household income used for qualification
- **Census tract for home purchased**
- **Mortgage Credit certificate rate**
- **Total home price (\$)**
- **Down payment assistance provided (\$)** – dollar amount of down payment assistance provided by public assistance
- **First mortgage amount (\$)**
- **First mortgage initial interest rate (annual rate %)**
- **Term of first mortgage (term in months)**
- **Year of MCC allocation**
- **Ethnicity of purchaser**
- **Homeownership Assistance loaned/granted on a per 1st mortgage basis**

MCC Number	MCO Issued Date	HH Size	EN	HH Income	Census Tract	MCC Credit Rate	Purchase Price	Downpayment Assistance Provided (\$)	First Mortgage Amount	Mortgage Interest Rate	Term of First Mortgage	MCO Year Allocation	Ethnicity	Downpayment Amount Paid by Purchaser	Homeowner Credit Asst/ Loaned/granted
14N-1013	6/30/2014	1	N	\$42,291	110.00	15%	\$242,868	\$ 57,000	\$145,720	4.50%	360	2013	Asian	\$40,148	N/A
12N-1051	1/23/2014	1	E	\$57,883	168.02	15%	\$239,683		\$191,683	4.500%	360	2013	White	\$48,000	N/A
12N-1053	11/18/2013	1	E	\$59,943	168.02	15%	\$281,677		\$200,000	2.950%	360	2013	Asian	\$81,677	N/A
14N-1003	3/31/2014	1	N	\$60,708	168.02	15%	\$281,677		\$225,341	4.500%	360	2013	Asian	\$56,336	N/A
13N-1025	11/18/2013	1	E	\$61,941	227.04	15%	\$298,748		\$238,000	4.250%	360	2013	White	\$60,748	N/A
14N-1014	6/30/2014	1	N	\$64,200	168.02	15%	\$241,415	\$ 57,000	\$172,344	3.88%	360	2013	White	\$12,071	N/A
14N-1006	6/30/2014	1	N	\$65,649	110.00	15%	\$243,120		\$175,000	4.500%	360	2013	Asian	\$68,120	N/A
13N-1027	11/18/2013	1	E	\$66,166	170.00	15%	\$605,000		\$453,750	4.625%	360	2013	White	\$151,250	N/A
14N-1040	12/19/2014	1	E	\$66,865	161.00	15%	\$271,618	\$ 57,000	\$174,000	3.85%	360	2013	White	\$40,618	N/A
13N-1035	3/31/2014	1	E	\$71,157	615.00	15%	\$334,411		\$215,000	4.350%	360	2013	Asian	\$119,411	N/A
14N-1012	6/3/2014	1	N	\$72,446	110.00	15%	\$242,868	\$ -	\$200,000	4.500%	360	2013	Asian	\$42,868	N/A
13N-1032	12/17/2013	1	E	\$72,517	153.00	15%	\$500,000	\$ 70,000	\$300,000	4.375%	360	2013	White	\$130,000	N/A
14N-1038	9/30/2014	1	E	\$74,109	615.00	15%	\$317,439	\$ 57,000	\$235,439	3.90%	360	2013	Asian	\$25,000	N/A
14N-1004	4/22/2014	1	E	\$77,892	201.00	15%	\$393,397		\$353,397	3.875%	360	2013	Asian	\$40,000	N/A
13N-1028	11/18/2013	1	E	\$78,172	614.00	15%	\$475,000	\$ 70,000	\$380,000	4.750%	360	2013	n or Other	\$25,000	N/A
14N-1011	6/30/2014	1	N	\$79,062	110.00	15%	\$242,868	\$ 60,000	\$158,000	4.500%	360	2013	White	\$24,868	N/A
13N-1026	11/18/2013	1	E	\$80,803	260.03	15%	\$455,000		\$409,450	4.750%	360	2013	White	\$45,550	N/A
14N-1008	6/3/2014	1	N	\$87,192	227.04	15%	\$520,000		\$300,000	4.500%	360	2013	Asian	\$220,000	N/A
14N-1016	9/30/2014	2	N	\$51,331	110.00	15%	\$272,464		\$195,000	4.50%	360	2013	Asian	\$77,464	N/A
13T-1029	12/17/2013	2	E	\$54,113	213.02	15%	\$430,000	\$ 64,500	\$245,000	4.630%	360	2013	Asian	\$120,500	N/A
14N-1010	6/3/2014	2	N	\$60,564	162.00	15%	\$265,858	\$ 57,000	\$195,565	4.250%	360	2013	n/a	\$13,293	N/A
12N-1060	3/31/2014	2	E	\$66,820	168.00	15%	\$318,346		\$254,000	3.625%	360	2013	White	\$64,346	N/A
14N-1001	2/6/2014	2	E	\$75,476	615.00	15%	\$325,897		\$260,717	4.250%	360	2013	Asian	\$65,180	N/A
14N-1007	4/22/2014	2	N	\$80,795	176.01	15%	\$311,752	\$ 75,705	\$220,000	4.375%	360	2013	Indie Eastern	\$16,047	N/A
14N-1009	6/3/2014	2	E	\$92,272	256.00	15%	\$615,000	\$ 140,000	\$417,000	4.750%	360	2013	White	\$58,000	N/A
14N-1005	6/3/2014	3	N	\$63,366	110.00	15%	\$238,788		\$172,788	3.875%	360	2013	Caucasia n / Asian	\$66,000	N/A
13N-1034	2/6/2014	3	E	\$69,023	264.04	15%	\$500,000	\$ 75,000	\$391,000	4.500%	360	2013	Asian	\$34,000	N/A
13N-1030	2/6/2014	3	E	\$75,489	314.00	15%	\$579,000	\$ 86,850	\$375,000	4.625%	360	2013	Asian	\$117,150	N/A

13N-1036	1/23/2014	3	E	\$92,892	311.00	15%	\$585,000	\$ 70,000	\$468,000	4.375%	360	2013	White	\$47,000	N/A
14N-1002	3/31/2014	4	N	\$67,507	168.02	15%	\$218,726		\$175,000	4.500%	360	2013	White	\$43,726	N/A
13N-1037	2/6/2014	4	E	\$77,705	230.01	15%	\$538,000	\$ 80,700	\$410,000	4.63%	360	2013	Asian	\$47,300	N/A
14N-1015	9/30/2014	4	N	\$85,040	120.00	15%	\$309,975	\$ 52,690	\$247,980	4.62%	360	2013	White	\$9,305	N/A
14N-1017	9/30/2014	4	E	#####	234.00	15%	\$600,000	\$ 140,000	\$430,000	4.38%	360	2013	White	\$30,000	N/A
14N-1023	08/12/14	2	E	\$111,602	234.00	15%	\$628,000		\$500,000	4.125%	360	2014	Asian	\$128,000	N/A
14N-1018	08/18/14	2	E	\$87,643	158.01	15%	\$485,000	\$ 140,000	\$320,500	4.500%	360	2014	White	\$24,500	N/A
14N-1019	09/30/14	1	N	\$64,464	168.02	15%	\$241,028		\$198,972	4.375%	360	2014	Asian	\$42,056	N/A
14N-1020	09/30/14	4	N	\$97,643	168.02	15%	\$314,806		\$275,000	4.375%	360	2014	Asian	\$39,806	N/A
14N-1021	09/30/14	4	E	\$91,339	217.00	15%	\$288,650	\$ 28,866	\$245,352	4.500%	360	2014	Asian	\$14,432	N/A
14N-1022	08/18/14	1	E	\$71,265	301.00	15%	\$625,000	\$ 140,000	\$267,000	3.750%	360	2014	White	\$218,000	N/A
14N-1024	08/18/14	1	E	\$76,549	104.00	15%	\$520,000	\$ 52,000	\$348,000	4.250%	360	2014	White	\$120,000	N/A
14N-1025	9/30/2014	2	E	\$67,373	262.00	15%	\$499,000	\$ 200,000	\$249,500	4.250%	360	2014	White	\$49,500	N/A
14N-1027	09/30/14	3	E	\$97,317	234.00	15%	\$540,000	\$ 200,000	\$313,000	4.500%	360	2014	White	\$27,000	N/A
14N-1029	08/08/14	1	E	\$120,000	313.02	15%	\$481,000		\$360,750	4.250%	360	2014	Asian	\$120,250	N/A
14N-1032	09/30/14	1	E	\$67,500	179.01	15%	\$328,059	\$ 56,000	\$255,000	3.900%	360	2014	Asian	\$17,059	N/A
14T-1033	06/30/15	1	E	\$77,714	125.00	15%	\$515,000		\$386,250	4.375%	360	2014	White	\$128,750	N/A
14N-1034	09/30/14	2	E	\$91,167	264.02	15%	\$650,000	\$ 140,000	\$417,000	4.375%	360	2014	Asian	\$93,000	N/A
14N-1036	09/30/14	3	E	\$81,330	610.00	15%	\$630,000		\$390,000	4.250%	360	2014	Asian	\$240,000	N/A
14N-1037	09/30/14	2	E	\$92,034	313.02	15%	\$426,000	\$ 140,000	\$259,000	4.375%	360	2014	panic or La	\$27,000	N/A
14N-1039	9/30/2014	4	E	\$63,241	264.04	15%	\$600,000	\$ 200,000	\$300,000	4.375%	360	2014	Asian	\$100,000	N/A
14N-1042	12/19/14	4	E	\$71,546	232.00	15%	\$629,000	\$ 200,000	\$320,000	4.375%	360	2014	Asian	\$109,000	N/A
14N-1043	12/19/14	5	E	\$92,288	264.00	15%	\$500,000	\$ 200,000	\$275,000	4.250%	360	2014	panic or La	\$25,000	N/A
14N-1044	03/31/15	4	E	\$90,757	254.01	15%	\$520,000	\$ 200,000	\$268,000	4.000%	360	2014	Asian	\$52,000	N/A
14N-1045	12/19/14	1	E	\$66,864	210.00	15%	\$216,839	\$ 57,000	\$148,997	3.950%	360	2014	White	\$10,842	N/A
14N-1047	03/31/15	1	E	\$67,558	201.00	15%	\$330,000	\$ 57,000	\$241,800	4.125%	360	2014	White	\$31,200	N/A
14N-1048	06/30/15	1	E	\$64,407	155.00	15%	\$256,707	\$ 38,506	\$205,300	4.375%	360	2014	Asian	\$12,901	N/A
14N-1049	03/31/15	4	N	\$93,772	110.00	15%	\$315,336	\$ 57,000	\$242,569	4.250%	360	2014	White	\$15,767	N/A
14N-1050	03/31/15	2	N	\$75,425	110.00	15%	\$315,336	\$ 57,000	\$168,872	4.250%	360	2014	Asian	\$89,464	N/A
14N-1051	03/31/15	3	N	\$82,463	254.03	15%	\$380,000	\$ 57,000	\$284,000	3.800%	360	2014	Asian	\$39,000	N/A
15N-1003	06/30/15	2	N	\$90,688	253.00	15%	\$314,785	\$ 57,000	\$242,045	4.250%	360	2014	Hispanic	\$15,740	N/A
15N-1004	3/31/2015	3	N	\$71,184	201.00	15%	\$284,993	\$ 57,000	\$213,746	3.500%	360	2014	Filipino	\$14,247	N/A

15N-1005	03/31/15	2	N	\$81,260	110.00	15%	\$315,872	\$ 57,000	\$215,572	4.250%	360	2014	White	\$43,300	N/A
15T-1008	06/30/15	3	N	\$110,888	168.02	15%	\$239,615		\$191,692	3.650%	360	2014	White	\$47,923	N/A
15T-1007	06/30/15	3	N	\$91,637	168.02	15%	\$239,615		\$215,654	3.350%	360	2014	Asian	\$23,961	N/A
15N-1009	06/30/15	1	N	\$67,810	109.00	15%	\$316,939	\$ 57,000	\$195,000	3.950%	360	2014	Asian	\$64,939	N/A
15N-1010	06/30/15	4	N	\$91,716	257.01	15%	\$671,000	\$ 200,000	\$417,000	4.000%	360	2014	Asian	\$54,000	N/A
15N-1011	06/30/15	1	N	\$66,838	615.00	15%	\$218,703	\$ 57,000	\$150,767	4.125%	360	2014	Asian	\$10,936	N/A
15N-1012	06/30/15	4	N	\$79,460	227.04	15%	\$272,120	\$ 40,818	\$217,696	4.400%	360	2014	Asian/White	\$13,606	N/A
15N-1013	06/30/15	1	N	\$84,607	201.00	15%	\$367,954	\$ 57,000	\$292,556	4.125%	360	2014	White	\$18,398	N/A
15N-1016	06/30/15	4	N	\$81,176	264.01	15%	\$670,000	\$ 200,000	\$402,000	3.750%	360	2014	White	\$68,000	N/A
15N-1017	06/30/15	2	N	\$69,231	229.01	15%	\$323,281	\$ 57,000	\$227,000	3.500%	360	2014	White	\$39,281	N/A
15N-1024	06/30/15	1	N	\$65,000	201.00	15%	\$378,551	\$ 56,782	\$227,623	3.600%	360	2014	White	\$94,146	N/A
15N-1025	6/30/2015	3	N	\$81,566	177.00	15%	\$308,572		\$293,143	4.125%	360	2014	Asian	\$15,429	N/A
15N-1028	06/30/15	3	N	\$48,354	178.01	15%	\$266,195		\$133,100	3.625%	360	2014	Asian	\$133,095	N/A
15N-1043	02/29/16	4	E	\$71,878	235.00	15%	\$339,000	\$ 115,000	\$207,050	4.125%	360	2014	Hispanic	\$16,950	N/A
15N-1036	02/29/16	3	E	\$60,624	610.00	15%	\$487,762	\$ 57,000	\$243,881	3.400%	360	2014	Asian	\$186,881	N/A
15N-1032	09/30/15	1	E	\$55,000	227.04	15%	\$299,179	\$ 44,876	\$170,000	3.750%	360	2014	White	\$84,303	N/A
16N-1064	12/30/16	2	E	\$69,606	263.02	15%	\$630,000	\$ 283,500	\$315,000	3.375%	360	2014	Asian	\$31,500	N/A
15N-1040	02/29/16	1	E	\$59,021	607.00	15%	\$324,676	\$ 48,702	\$259,741	3.450%	360	2014		\$16,233	N/A
16N-1037	07/29/16	1	E	\$63,315	157.00	15%	\$278,250	\$ 41,737	\$180,600	3.350%	360	2014	White	\$55,913	N/A
15N-1041	02/29/16	1	E	\$51,768	124.02	15%	\$246,750		\$160,388	3.550%	360	2014	Asian	\$86,362	N/A
16N-1028	06/30/16	3	E	\$89,076	614.00	15%	\$421,493	\$ 57,000	\$329,500	4.125%	360	2014	White	\$34,993	N/A
15N-1034	2/29/2016	1	E	\$66,693	607.00	15%	\$306,907		\$150,000	4.000%	360	2014	Asian	\$156,907	N/A
15N-1042	12/29/15	1	E	\$66,326	201.00	15%	\$396,637	\$ 57,000	\$253,637	4.125%	360	2014	Asian	\$86,000	N/A
15N-1035	12/29/15	4	E	\$94,516	354.00	15%	\$554,000	\$ 57,000	\$393,000	4.125%	360	2014	White and Asian	\$104,000	N/A
15N-1021	09/30/15	4	E	\$65,501	178.01	15%	\$362,265	\$ 36,225	\$307,925	3.450%	360	2014	White	\$18,115	N/A
15N-1038	12/29/15	1	E	\$68,000	263.03	15%	\$500,000	\$ 200,000	\$275,000	4.125%	360	2014	Asian	\$25,000	N/A
16N-1057	12/30/16	2	E	\$83,420	261.00	15%	\$660,000	\$ 218,000	\$330,000	3.375%	360	2014	Black	\$112,000	N/A
15N-1039	12/29/15	1	E	\$69,948	162.00	15%	\$321,634	\$ 48,245	\$220,900	4.000%	360	2014	Hispanic or Latino	\$52,489	N/A
16N-1020	6/30/2016	2	E	\$77,844	201.00	15%	\$410,000	\$ 57,000	\$288,500	4.125%	360	2014	White	\$64,500	N/A
15N-1037	2/29/2016	2	E	\$80,975	162.00	15%	\$238,470	\$ 35,770	\$190,776	3.400%	360	2014	Hispanic or Latino	\$11,924	N/A
15N-1031	12/29/2015	2	E	\$82,946	264.03	15%	\$399,900	\$ 57,000	\$309,400	4.000%	360	2014	Asian	\$33,500	N/A
16N-1067	02/17/17	3	E	\$99,240	158.00	15%	\$665,000	\$ 299,250	\$332,500	3.750%	360	2014	White	\$33,250	N/A

15N-1051	02/29/16	4	E	\$105,150	230.00	15%	\$640,000	\$ 200,000	\$408,000	3.875%	360	2014	Asian	\$32,000	N/A
15N-1033	09/30/15	1	E	\$79,124	610.00	15%	\$399,000	\$ 57,000	\$319,200	3.800%	360	2014	Asian	\$22,800	N/A
16N-1003	02/29/16	3	E	\$103,531	610.00	15%	\$449,837	\$ 57,000	\$355,000	3.500%	360	2014	spanic/Lati	\$37,837	N/A
15N-1020	06/30/15	1	E	\$80,298	263.02	15%	\$466,000		\$406,000	4.125%	360	2014	Asian	\$60,000	N/A
16N-1071	12/30/16	1	E	\$86,819	201.00	15%	\$640,000	\$ 288,000	\$320,000	3.500%	360	2014	White	\$32,000	N/A
16N-1065	02/17/17	2	N	\$33,174	162.00	15%	\$377,455	\$ 57,000	\$283,250	3.875%	360	2014	Black	\$37,205	N/A
16N-1006	04/26/16	1	N	\$45,203	176.01	15%	\$268,332	\$ 40,250	\$194,500	4.250%	360	2014	Asian	\$33,582	N/A
16N-1030	06/30/16	4	N	\$64,762	176.01	15%	\$301,943		\$215,000	3.875%	360	2014	Asian	\$86,943	N/A
16N-1085	02/17/17	1	N	\$50,721	162.00	15%	\$266,421	\$ 32,591	\$180,000	3.600%	360	2014	spanic/Lati	53830	N/A
16N-1016	06/30/16	3	N	\$67,420	9806.00	15%	\$220,417		\$166,417	3.875%	360	2014	Asian	54000	N/A
16N-1076	02/17/17	3	N	\$59,113	9806.00	15%	\$261,555	\$ 39,225	\$165,000	4.250%	360	2014	Asian	57330	N/A
16N-1005	03/07/16	2	N	\$67,662	176.01	15%	\$302,336	\$ 45,350	\$241,889	4.500%	360	2014	White	15117	N/A
16N-1075	2/17/2017	1	N	\$58,611	162.00	15%	\$215,917	\$ 52,387	\$152,734	3.875%	360	2014	Asian	10796	N/A
16N-1042	07/29/16	5	N	\$85,673	176.01	15%	\$300,151		\$285,143	4.125%	360	2014	Asian	15008	N/A
15N-1045	02/29/16	3	N	\$71,690	176.01	15%	\$327,254	\$ 49,088	\$173,166	3.875%	360	2014	Asian	105000	N/A
16N-1008	4/26/2016	1	N	\$57,330	176.01	15%	\$268,976	\$ 40,340	\$210,000	3.875%	360	2014	r African A	18636	N/A
16N-1010	04/26/16	1	N	\$58,369	176.01	15%	\$268,332	\$ 40,249	\$205,000	4.000%	360	2014	Asian	23083	N/A
15N-1052	02/29/16	2	N	\$66,645	176.01	15%	\$300,151	\$ 45,022	\$210,000	4.125%	360	2014	Asian	45129	N/A
16N-1013	06/30/16	2	N	\$66,606	176.01	15%	\$301,943	\$ 41,291	\$241,555	4.125%	360	2014	Asian	19097	N/A
16N-1022	06/30/16	3	N	\$75,299	176.01	15%	\$392,895	\$ 57,000	\$313,895	4.125%	360	2014	White	22000	N/A
15N-1047	04/25/16	1	N	\$58,891	176.01	15%	\$268,117	\$ 40,217	\$214,494	4.500%	360	2014	Asian	13406	N/A
15T-1006	3/31/2015	10	N	\$73,048	230.03	15%	\$665,000	\$ 200,000	\$333,000	3.875%	360	2014	Asian	132000	N/A
15N-1023	09/30/15	4	N	\$82,574	178.01	15%	\$367,030	\$ 55,054	\$291,678	3.500%	360	2014	Asian	20298	N/A
15N-1002	06/30/15	2	N	\$66,868	260.03	15%	\$540,000	\$ 200,000	\$270,000	4.125%	360	2014	White	70000	N/A
15N-1026	09/30/15	1	N	\$62,404	615.00	15%	\$133,200		\$220,904	3.500%	360	2014	Asian	85655	N/A
15N-1019	03/07/16	1	N	\$60,000	202.00	15%	\$245,519	\$ 36,500	\$184,100	4.000%	360	2014	White	24919	N/A
17N-1008	02/28/17	1	N	\$79,827	201.00	15%	\$357,581		\$321,822	4.625%	360	2014	White	35759	N/A
15N-1022	06/30/15	1	N	\$60,272	168.02	15%	\$172,407	\$ 25,861	\$137,926	3.500%	360	2014	panic or La	8620	N/A
16N-1015	6/30/2016	1	N	\$63,600	176.01	15%	\$268,224	\$ 40,200	\$201,100	4.125%	360	2014	Asian	26924	N/A
16N-1029	06/30/16	4	N	\$91,994	176.01	15%	\$300,151	\$ 3,007	\$282,135	4.375%	360	2014	White	15009	N/A
15N-1018	12/29/15	2	N	\$70,126	168.02	15%	\$308,926	\$ 57,000	\$236,480	3.450%	360	2014	White	15446	N/A
16N-1066	2/28/2017	1	N	\$68,910	151.00	15%	\$250,901	\$ 28,000	\$210,355	3.250%	360	2014	Asian	12546	N/A

15N-1046	02/29/16	1	N	\$74,560	176.01	15%	\$301,943	\$ 20,000	\$243,000	3.700%	360	2014	Asian	38943	N/A
16N-1004	02/29/16	4	N	\$93,081	176.01	15%	\$327,254	\$ 32,725	\$278,166	4.500%	360	2014	Asian	16363	N/A
15N-1048	04/26/16	1	N	\$65,592	176.01	15%	\$268,976	\$ 40,346	\$215,181	4.625%	360	2014	Asian	13449	N/A
16N-1012	04/26/16	2	N	\$75,181	176.01	15%	\$300,151	\$ 45,000	\$237,250	4.000%	360	2014	White	17901	N/A
16N-1018	04/26/16	1	N	\$67,855	176.01	15%	\$268,117	\$ 40,217	\$214,493	3.750%	360	2014	r African A	13407	N/A
16N-1025	07/29/16	1	N	\$62,748	176.01	15%	\$268,332		\$214,665	3.350%	360	2014	White	53667	N/A
16N-1019	04/26/16	2	N	\$76,342	176.01	15%	\$301,907	\$ 32,000	\$254,811	4.125%	360	2014	White	15096	N/A
16N-1011	4/26/2016	2	N	\$78,000	176.01	15%	\$302,336	\$ 39,000	\$242,128	3.850%	360	2014	Asian	21208	N/A
16N-1009	04/26/16	1	N	\$67,053	176.01	15%	\$268,833		\$215,000	3.650%	360	2014	Asian	53833	N/A
15N-1044	2/29/2016	1	N	\$70,000	176.01	15%	\$268,332	\$ 40,249	\$214,666	4.125%	360	2014	Asian	13417	N/A
15N-1050	04/26/16	1	N	\$68,581	176.01	15%	\$268,833	\$ 40,325	\$215,066	4.000%	360	2014	Asian	13442	N/A
16N-1002	12/30/16	1	N	\$69,697	176.01	15%	\$268,976	\$ 40,346	\$215,180	4.500%	360	2014	spanic/Lati	13450	N/A
15N-1053	02/29/16	1	N	\$70,402	176.01	15%	\$268,833	\$ 40,324	\$215,066	4.250%	360	2014	White	13443	N/A
17N-1015	2/17/2017	3	N	\$96,403	176.01	15%	\$301,369		\$286,300	4.125%	360	2014	White	15069	N/A
16N-1001	02/29/16	2	N	\$101,302	176.01	15%	\$327,254		\$261,754	3.875%	360	2014	Asian	65500	N/A
15N-1027	9/30/2015	1	N	\$78,186	119.01	15%	\$500,000	\$ 200,000	\$275,000	3.875%	360	2014	White	25000	N/A
16N-1060	12/30/16	1	E	\$41,903	227.04	15%	\$221,984	\$ 33,298	\$130,970	4.250%	360	2016	White	57716	N/A
16N-1047	12/30/16	1	E	\$54,000	615.00	15%	\$215,747	\$ 32,362	\$130,000	3.100%	360	2016	Asian	53385	N/A
16T-1059	12/30/16	1	E	\$56,663	607.00	15%	\$306,895	\$ 57,000	\$186,200	4.250%	360	2016	Asain	63695	N/A
16N-1063	12/30/2016	1	E	\$57,618	607.00	15%	\$328,216	\$ 57,000	\$188,000	4.125%	360	2016	Asian	83216	N/A
16N-1027	12/30/2016	1	E	\$68,000	259.00	15%	\$436,551	\$ 57,000	\$344,240	3.400%	360	2016	White	35311	N/A
16N-1056	12/30/16	3	E	\$89,288	234.00	15%	\$329,000		\$263,200	3.625%	360	2016	Asian	65800	N/A
16N-1068	12/30/2016	2	E	\$85,859	615.00	####	\$402,980	\$ 57,000	\$300,000	3.500%	360	2016	White	45980	N/A
16N-1024	12/30/2016	3	E	\$104,068	610.00	####	\$578,550	\$ 57,000	\$417,000	3.150%	360	2016	Asian	104550	N/A
16N-1054	12/30/2016	3	N	\$57,036	176.01	####	\$301,369	\$ 45,205	\$220,128	3.625%	360	2016	Asain	36036	N/A
16N-1051	12/30/2016	3	N	\$58,482	176.01	####	\$301,907	\$ 45,286	\$241,525	3.400%	360	2016	Asian	15096	N/A
16N-1041	12/30/2016	5	N	\$70,970	176.01	####	\$301,369	\$ 45,175	\$256,163	4.500%	360	2016	Asian	31	N/A
16N-1040	12/30/2016	3	N	\$65,833	176.01	####	\$302,659	\$ 45,399	\$222,800	3.750%	360	2016	Asian	34460	N/A
16N-1072	2/28/2017	1	N	\$55,000	162.00	####	\$306,299	\$ 45,945	\$245,039	3.750%	360	2016	Asian	15315	N/A
16N-1026	12/30/2016	2	N	59935	176.01	0.15	302336	\$ 45,350	226752	0.04125	360	2016	Asian	30234	N/A
16T-1052	12/30/2016	1	N	55500	231.03	0.15	171780		163191	0.03875	360	2016	Asian	8589	N/A
17N-1005	2/28/2017	3	N	72033	615.00	0.15	248563	\$ 17,399	198850	0.04375	360	2016	Asian	32314	N/A

16N-1069	2/17/2017	1	N	56179	162.00	0.15	266421	\$ 57,000	196099	0.0425	360	2016	White	13322	N/A
16N-1080	2/28/2017	2	N	64768	151.00	0.15	258989		206175	0.045	360	2016	Asian	52814	N/A
16N-1081	2/28/2017	2	N	65883	151.00	0.15	284644		145000	0.034	360	2016	White	139644	N/A
16N-1079	12/30/2016	3	N	71153	176.01	0.15	302228		241782	0.0335	360	2016	Asian	60446	N/A
16N-1033	12/30/2016	2	N	68088	176.01	0.15	302228	\$ 45,300	200000	0.0375	360	2016	Asian	56928	N/A
16N-1039	12/30/2016	4	N	84248	176.01	0.15	300151	\$ 30,015	255128	0.04375	360	2016	panic or La	15008	N/A
16N-1074	12/30/2016	1	N	63575	227.02	0.15	294773	\$ 40,000	224027	0.04	360	2016	Asian	30746	N/A
16N-1032	12/30/2016	2	N	73062	176.01	0.15	301907	\$ 30,000	241525	0.034	360	2016	Asian	30382	N/A
16N-1038	12/30/2016	2	N	73314	176.01	0.15	302659	\$ 45,400	242127	0.04125	360	2016	Asian	15132	N/A
16N-1053	12/30/2016	3	N	81580.9	176.01	0.15	301369		286300	0.04	360	2016	Asian	15069	N/A
16N-1062	12/30/2016	1	N	65050	162.00	0.15	508000	\$ 228,600	254000	0.035	360	2016	Asian	25400	N/A
16N-1061	12/30/2016	2	N	74634	176.01	0.15	301369		241095	0.031	360	2016	Asian	60274	N/A
16N-1073	12/30/2016	4	N	93199	607.00	0.15	249740		237253	0.0375	360	2016	African Am	12487	N/A
16N-1077	2/28/2017	3	N	96950	202.00	0.15	392958		319258	0.0375	360	2016	Asian	73700	N/A
17N-1002	2/17/2017	2	N	76024	168.02	0.15	308147		246517	0.044	360	2016	Asian	61630	N/A
16N-1017	12/30/2016	1	N	64419	176.01	0.15	268117	\$ 40,218	214493	0.04125	360	2016	Asian	13406	N/A
17N-1003	2/17/2017	1	N	67800	151.00	0.15	256120		204896	0.045	360	2016	her/Multirac	51224	N/A
16N-1034	12/30/2016	2	N	80330	176.01	0.15	301261	\$ 45,189	241008	0.04625	360	2016	Asian	15064	N/A
16N-1036	12/30/2016	1	N	71482	160.00	0.15	530000	\$ 200,000	293000	0.03625	360	2016	White	37000	N/A
16N-1050	12/30/2016	3	N	87277	176.01	0.15	301369		286300	0.0413	360	2016	Asian	15069	N/A
16N-1084	2/28/2017	3	N	91635	151.00	0.15	245644		196000	0.05	360	2016	African Am	49644	N/A
16N-1035	12/30/2016	2	N	82834	176.01	0.15	301943	\$ 30,194	256650	0.045	360	2016	Asian	15099	N/A
16N-1007	12/14/2016	2	N	80001	176.01	0.15	302336	\$ 45,350	241868	0.045	360	2016	Asian	15118	N/A
16N-1023	12/30/2016	2	N	80080	176.01	0.15	300151		225000	0.0355	360	2016	Asian	75151	N/A
16N-1043	12/30/2016	2	N	84382	176.01	0.15	302336		250836	0.04125	360	2016	White	51500	N/A
16N-1014	12/30/2016	1	N	70462	176.01	0.15	312521	\$ 46,878	202000	0.038	360	2016	Asian	63643	N/A
16N-1044	12/30/2016	2	N	80273	176.01	0.15	301369		286300	0.0375	360	2016	Asian	15069	N/A
16N-1021	12/30/2016	1	N	66308	176.01	0.15	268224		175000	0.036	360	2016	Asian	93224	N/A
16N-1031	2/17/2017	3	N	91933	176.01	0.15	301907		241525	0.04	360	2016	Asian	60382	N/A
16N-1082	2/17/2017	1	N	105934	980.60	0.15	520800		468720	0.0375	360	2016	Asian	52080	N/A

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Total \$ 43.44

House Account \$ 43.44
MAYOR'S OFFICE HOUSING & COM. DEPARTMENT
KAREN HENDERSON

A handwritten signature in black ink, appearing to read 'KAREN HENDERSON'.

Thank You KAREN HENDERSON

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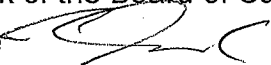
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OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee 
RE: Application for Mortgage Credit Certificates
DATE: April 4, 2017

Attached for introduction to the Board of Supervisors is a resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

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