

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 06/13/2022)

[Administrative Code - Housing Innovation Program]

Ordinance amending the Administrative Code to create the Housing Innovation Program to develop, finance, and support certain additional housing opportunities for low-income and moderate-income residents, including loans and technical assistance for certain low-income and moderate-income property owners to construct accessory dwelling units or other new units on their property, subject to certain conditions, loans for certain low-income and moderate-income tenants who are at risk of displacement and licensed childcare providers, and grants for organizations to create marketing and educational materials about wealth-building and homeownership for residents who have been historically disadvantaged and to develop creative construction design prototypes for low-income and moderate-income residents.

Existing Law

The City and County of San Francisco (the “City”) provides an array of rental housing and homeownership programs. The Mayor’s Office of Housing and Community Development (“MOHCD”) currently administers certain loan and grant programs for the construction, acquisition, and preservation of affordable housing units, such as homeownership programs that provide income-eligible residents with grants or loans to purchase or rehabilitate single-family homes. There is currently no legal requirement that the City create a program for innovative housing solutions to complement the City’s existing housing programs.

Amendments to Current Law

This ordinance would create a new Housing Innovation Program, administered by MOHCD, to complement the existing housing financing programs currently administered by MOHCD by:

- Providing grants to organizations to create marketing and educational materials about wealth-building and homeownership and to increase participation in the Housing Innovation Program, with the goal of increasing housing preservation and participation in homeownership by current and displaced San Francisco residents who have been historically disadvantaged by government and private actions and at high risk of displacement, and to develop creative construction design prototypes that could be pre-approved for simplified permitting and financing options for low-income and moderate-income residents;

- Providing loans and technical assistance for low-income and moderate-income property owners to construct accessory dwelling units or other new units on their property, with the goal of supporting multi-generational living and/or aging in place; and
 - Such loans and technical assistance would be subject to certain conditions, including but not limited to entering into an agreement subjecting the new units to rent control, requiring owners to waive their ability to displace tenants from the new units in accordance with the Ellis Act, accelerating repayment of the loan if the owner no longer uses the residence or the new units as their primary residence, extending the loan repayment period if the owner enters into an agreement to receive referrals of households with rental subsidies to fill vacancies, and prohibiting assistance for property owners who have violated the Residential Rent Stabilization and Arbitration Ordinance or displaced one or more tenants at their property pursuant to the Ellis Act within the prior 10 years;
- Providing down payment assistance loans to low-income and moderate-income tenants for the acquisition of a residence by licensed childcare providers or certain at-risk tenants.

MOHCD would be authorized to administer the Housing Innovation Program through one or more qualified organizations.

n:\legana\as2022\2200183\01602454.docx