

File No. 211232 Committee Item No. 1  
Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date July 11, 2022

Board of Supervisors Meeting Date \_\_\_\_\_

**Cmte Board**

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | Public Correspondence                        |

**OTHER (Use back side if additional space is needed)**

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral FYI 120321</u>             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Presidential Action Memo 011322</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral FYI 011822</u>             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MOHCD PPT 013122</u>                |
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Completed by: Erica Major Date July 7, 2022  
Completed by: Erica Major Date \_\_\_\_\_

1 [Administrative Code - Housing Innovation Program]

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

12  
13 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
14 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
16 **Board amendment additions** are in double-underlined Arial font.  
17 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
18 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
19 subsections or parts of tables.

20 Be it ordained by the People of the City and County of San Francisco:

21 Section 1. The Administrative Code is hereby amended by adding Chapter 85,  
22 consisting of Sections 85.1 through 85.6, to read as follows:

23 ///

24 ///

25 ///

**CHAPTER 85: THE HOUSING INNOVATION PROGRAM**

1           **SEC. 85.1. FINDINGS.**

2           *The Board of Supervisors finds and declares the following:*

3                   (a) *San Francisco faces a severe and continuing housing crisis. This crisis is caused*  
4 *by a shortage of affordable rental housing as well as a shortage of affordable homeownership*  
5 *opportunities. The City is committed to responding to this housing crisis with a multifaceted and*  
6 *innovative approach.*

7                   (b) *A housing innovation program can: (1) promote homeownership and housing*  
8 *preservation, especially for communities that are at high risk of displacement and have been*  
9 *historically denied equal access to capital; (2) develop and finance the construction of additional*  
10 *housing units that provide low-income and moderate-income homeowners the ability to leverage their*  
11 *assets to support multi-generational living and/or support their ability to age in place; and (3) explore*  
12 *creative prototypes for construction designs and financing options to provide housing for low-income*  
13 *and moderate-income residents.*

14                  (c) *Further, a housing innovation program can create additional housing*  
15 *opportunities and complement the existing housing opportunities and resources administered by the*  
16 *Mayor’s Office of Housing and Community Development, such as homeownership programs that*  
17 *provide income-eligible residents with grants or loans to purchase or rehabilitate single-family homes,*  
18 *including for the development of additional units.*

19  
20           **SEC. 85.2. DEFINITIONS.**

21           *For purposes of this Chapter 85, the following definitions apply:*

22                   “*Accessory Dwelling Unit*” *has the meaning set forth in Section 102 of the Planning Code, as it*  
23 *may be amended from time to time.*

24                   “*Area Median Income*” *means the median income of a household for the County of San*  
25 *Francisco, adjusted for household size, as annually published by the California Department of Housing*

1 and Community Development under California Code of Regulations Title 25 Section 6932 and pursuant  
2 to the authority granted under California Health and Safety Code Section 50093, as it may be amended  
3 from time to time.

4 “Board” means the Board of Supervisors.

5 “City” means the City and County of San Francisco.

6 “Family Child Care Program” means a State-licensed childcare program provided by a Family  
7 Child Care Provider in accordance with all applicable laws, regulations, and other requirements.

8 “Family Child Care Provider” means a State-licensed child care provider as defined in  
9 California Health and Safety Code Section 1596.791, as it may be amended from time to time.

10 “Low-Income and Moderate Income” has the same meaning as “Persons and families of low or  
11 moderate income” as set forth in California Health and Safety Code Section 50093, as it may be  
12 amended from time to time.

13 “MOHCD” means the Mayor’s Office of Housing and Community Development, or any  
14 successor agency, department, or office.

15 “New Unit(s)” means one or more new Accessory Dwelling Units or other units constructed in  
16 accordance with the Program on the real property in San Francisco owned by the Property Owner.

17 “Partner Organization” means an organization with the experience and capacity to administer  
18 the Program.

19 “Program” means the Housing Innovation Program authorized by this Chapter 85.

20 “Property Owner” means the legal owner of record of a single-family property in San  
21 Francisco the Residence who has owned the Residence for at least five years prior to their  
22 application for assistance under the Program. For the purposes of establishing eligibility under  
23 the Program, a property owner who has inherited the Residence, including any inheritance in  
24 or through a trust, from a blood, adoptive, or step family relationship, specifically from a  
25 grandparent, parent, sibling, child, or grandchild, or the spouse or registered domestic partner

1 of such relations, or the property owner’s spouse or registered domestic partner (each an  
2 “Eligible Predecessor”), may add an Eligible Predecessor’s duration of ownership of the  
3 Residence to the property owner’s duration of ownership of the Residence.

4 “Residence” means the real single-family property, without regards to zoning  
5 classification, in San Francisco owned and occupied by the Property Owner and for which the  
6 Property Owner is applying for assistance under the Program.

7 “State” means the State of California.

8  
9 **SEC. 85.3. HOUSING INNOVATION PROGRAM.**

10 (a) **Establishment.** There is hereby created a Housing Innovation Program for the City to  
11 be administered by MOHCD.

12 (b) **Purpose.** The purpose of the Program is to develop additional housing opportunities  
13 that complement the existing housing opportunities and resources offered through programs  
14 administered by MOHCD, including, but not limited to (1) promoting homeownership and housing  
15 preservation, especially for communities that are at high risk of displacement and have been  
16 historically denied equal access to capital; (2) financing the construction of additional housing units  
17 that support Low-Income and Moderate-Income homeowners with multi-generational living and/or the  
18 ability to age in place; and (3) exploring creative prototypes for housing and financing options for  
19 Low-Income and Moderate-Income residents.

20 (c) **Duties.** To administer the Program, MOHCD shall:

21 (1) Provide grants to organizations, including a Partner Organization, of up to 10%  
22 of each disbursement of Program funds for the following purposes:

23 (A) to establish marketing and educational materials about wealth-building and  
24 homeownership, with the goal of promoting racial equity and increasing participation in the Program

1 by current and displaced San Francisco residents who have been historically disadvantaged by  
2 government and private actions; and

3 (B) to provide professional development, capacity building, and training for staff  
4 to implement the purposes of the Program;

5 (C) to develop creative construction design prototypes that could be pre-  
6 approved for simplified permitting and financing options for Low-Income and Moderate-Income  
7 residents, especially to add additional dwelling units to single family homes;

8 (2) Provide loans and technical assistance for Low-Income and Moderate-Income  
9 Property Owners to construct the New Unit(s), with the goal of supporting multi-generational living  
10 and/or aging in place, provided that the following conditions shall apply to these loans:

11 (A) the value of the Residence shall not be considered when assessing the  
12 Property Owner's eligibility for a loan;

13 (B) as long as the borrower is not in default and as long as the borrower  
14 continues to occupy the Residence or one of the New Unit(s) as their primary residence  
15 (except in extenuating circumstances as determined by MOHCD): (i) repayment shall be  
16 deferred until the earlier of: five years after the first certificate of occupancy is issued for the  
17 New Unit(s), or seven years after the deed of trust for the loan is recorded on the Residence  
18 or New Unit(s) for a five-year term, except as described in subsection (c)(2)(C) below, (ii) the  
19 loan shall not accrue interest prior to the maturity date, and (iii) the loan shall be repaid in full on the  
20 maturity date;

21 (C) if the borrower enters into an agreement, effective upon  
22 commencement of the loan, to receive referrals of households with rental subsidies from the  
23 San Francisco Housing Authority and/or the Department of Homelessness and Supportive  
24 Housing or any successor agency to fill any and all vacancies in the New Unit(s) or the  
25 Residence during the loan term, repayment shall be deferred until the earlier of: 10 years after

1 the first certificate of occupancy is issued for the New Unit(s), or 12 years after the deed of  
2 trust for the loan is recorded on the Residence or New Unit(s):

3 ~~(D)~~ ~~(C)~~ if the New Unit(s) is sold, separately or in conjunction with the sale of  
4 the Residence, prior to the ~~maturity date~~ ~~end of the five-year loan term~~, the loan shall either be (i)  
5 assumed by the new owner of the New Unit(s), if the new owner meets all other loan eligibility  
6 requirements, for the remainder of the ~~five-year~~ loan term, or (ii) repaid in full with interest  
7 immediately upon the sale of the New Unit(s):

8 ~~(E)~~ ~~(D)~~ the Property Owner enters into one or more ~~agreement~~s with the City  
9 (i) subjecting the New Unit(s) to Administrative Code Chapter 37, as it may be amended from time to  
10 time, including but not limited to the rent increase limitations of Chapter 37, and (ii) waiving the  
11 Property Owner's ability to displace one or more tenants in the New Unit(s) in accordance with  
12 the Ellis Act, California Government Code Sections 7060, et seq., as it may be amended from  
13 time to time:

14 ~~(F)~~ ~~(E)~~ within the ~~five~~ 10 years prior to the Property Owner's application for  
15 the loan, and continuing until the commencement of the loan, the Property Owner has not at the  
16 Residence: (i) displaced one or more tenants in accordance with the Ellis Act, California Government  
17 Code Sections 7060, et seq., as it may be amended from time to time; (ii) recovered possession of a unit  
18 pursuant to Administrative Code Section 37.9(a)(8), as it may be amended from time to time; (iii)  
19 recovered possession of a unit pursuant to a Buyout Agreement as defined in Administrative Code  
20 Section 37.9E, as it may be amended from time to time; or (iv) otherwise withdrawn any rental unit  
21 from rental housing use;

22 ~~(G)~~ ~~(F)~~ the Property Owner has not received a notice of violation of  
23 Administrative Code Chapter 37 within the ~~five~~ 10 years prior to the Property Owner's application for  
24 the loan, and continuing until the commencement of the loan; and

1 (H) (G) MOHCD shall require any other loan terms it deems necessary, except  
2 that MOHCD may not impose any conditions or restrictions that prohibit the inheritance of the New  
3 Unit(s) or Residence by the heir(s) of the Low-Income and Moderate-Income Property Owners; and

4 (3) Provide down payment assistance loans for:

5 (A) the acquisition of units by Low-Income and Moderate-Income tenants who:  
6 (i) are at risk of displacement from their rental unit due to the anticipated sale of their tenancy-in-  
7 common building, and (ii) desire to purchase their rental unit;

8 (B) the acquisition of single-family homes, condominiums, and residential units  
9 by Low-Income and Moderate-Income tenants who: (i) are at risk of displacement due to sale or  
10 conversion of the single-family home, condominium, or residential unit that they are currently renting,  
11 and (ii) desire to purchase that single-family home, condominium, or residential unit; and

12 (C) Family Child Care Providers who desire to purchase a residence to operate  
13 a Family Child Care Program; and

14 ~~(4) Provide loans to Low-Income and Moderate-Income tenants in existing~~  
15 ~~rental housing cooperatives that are converting to Limited Equity Housing Cooperatives, as~~  
16 ~~defined in Subdivision Code Section 1399.3, as it may be amended from time to time, who~~  
17 ~~wish to purchase a share in the Limited Equity Housing Cooperative, with the goal of reducing~~  
18 ~~tenant displacement and supporting homeownership.~~

19  
20 **SEC. 85.4. ADMINISTRATION OF PROGRAM.**

21 (a) MOHCD may administer the Program through one or more Partner Organizations,  
22 subject to this Chapter 85 and any rules or regulations adopted by MOHCD. If MOHCD administers  
23 the Program through one or more Partner Organizations, MOHCD shall comply with Administrative  
24 Code Chapter 21 and Chapter 21G, as applicable, and give preference to Partner Organizations that



1 demonstrate successful prior experience working with initiatives similar to the Program in historically  
2 disadvantaged communities in San Francisco.

3 (b) The Program shall be funded through the General Fund, subject to the City's annual  
4 appropriations ordinance. MOHCD shall establish an account for \$10 million appropriated to  
5 MOHCD under Ordinance No. 108-21 for the creation of additional affordable housing opportunities  
6 and innovation. MOHCD, and the Partner Organizations if applicable, shall administer the Program in  
7 a manner that can leverage any applicable external funding, including but not limited to funding  
8 administered by the State, federal government, private foundations, or lenders.

9 (c) MOHCD may adopt rules or regulations to administer the Program consistent with this  
10 Chapter 85, including but not limited to rules or regulations designed to avoid abuse and fraud,  
11 provided that MOHCD shall not require any Partner Organization, as a condition of assistance, to use  
12 a Citywide housing portal for any units constructed or assisted under the Program for the purpose of  
13 registration, marketing, or leasing.

14 (d) MOHCD shall support Property Owners with the rental of any vacant New  
15 Unit(s) to tenants receiving rental assistance from any federal, State, local, or nonprofit-  
16 administered benefit or subsidy program.

17 (e)(d) MOHCD shall annually report to the Board of Supervisors regarding the  
18 implementation and results of the Program.

19  
20 **SEC. 85.5. UNDERTAKING FOR THE GENERAL WELFARE.**

21 In enacting and implementing this Chapter 85, the City is assuming an undertaking only to  
22 promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an  
23 obligation or duty for breach of which it is liable in money damages or any other relief to any person  
24 who claims that such a breach proximately caused injury or damages, including but not limited to any  
25 claims by landlords, tenants, or property owners affected by assistance offered under the Program.

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**SEC. 85.6. SEVERABILITY.**

If any section, subsection, sentence, clause, phrase, or word of this Chapter 85, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Chapter. The Board hereby declares that it would have enacted this Chapter and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Chapter or application thereof would be subsequently declared invalid or unconstitutional.

Section 2. Chapter 37 of the Administrative Code is hereby amended by revising Sections 37.2 and 37.3, to read as follows:

**SEC. 37.2. DEFINITIONS.**

\* \* \* \*

(r) **Rental Units.** All residential dwelling units in the City and County of San Francisco together with the land and appurtenant buildings thereto, and all housing services, privileges, furnishings, and facilities supplied in connection with the use or occupancy thereof, including garage and parking facilities.

\* \* \* \*

The term "rental units" shall not include:

\* \* \* \*

(4) Except as provided in subsections (A)-(D), dwelling units whose rents are controlled or regulated by any government unit, agency, or authority, excepting those unsubsidized and/or unassisted units which are insured by the United States Department of

1 Housing and Urban Development; provided, however, that units in unreinforced masonry  
2 buildings which have undergone seismic strengthening in accordance with Building Code  
3 Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the  
4 ordinance is not in conflict with the seismic strengthening bond program or with the program's  
5 loan agreements or with any regulations promulgated thereunder;

6 \* \* \* \*

7 (D) The term "rental units" shall include (i) Accessory Dwelling Units  
8 constructed pursuant to Section 207(c)(4) of the Planning Code and that have received a  
9 complete or partial waiver of the density limits and the parking, rear yard, exposure, or open  
10 space standards from the Zoning Administrator pursuant to Planning Code Section 307(l), and  
11 (ii) New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85.

12  
13 **SEC. 37.3. RENT LIMITATIONS.**

14 \* \* \* \*

15 (g) **New Construction and Substantial Rehabilitation.**

16 (1) An owner of a residential dwelling or unit which is newly constructed and  
17 first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June  
18 13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation,  
19 may establish the initial and all subsequent rental rates for that dwelling or unit, except:

20 (A) where rent restrictions apply to the dwelling or unit under Sections  
21 37.3(d) or 37.3(f);

22 (B) where the dwelling or unit is a replacement unit under Section  
23 37.9A(b);

24 (C) as provided for certain categories of Accessory Dwelling Units and  
25 New Unit(s) under Section 37.2(r)(4)(D); and

1 (D) as provided in a development agreement entered into by the City  
2 under Administrative Code Chapter 56.

3  
4 Section 3. Effective Date. This ordinance shall become effective 30 days after  
5 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
6 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
7 of Supervisors overrides the Mayor's veto of the ordinance.

8  
9 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
10 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
11 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
12 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
13 additions, and Board amendment deletions in accordance with the "Note" that appears under  
14 the official title of the ordinance.

15  
16 Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word  
17 of this ordinance, or any application thereof to any person or circumstance, is held to be  
18 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
19 shall not affect the validity of the remaining portions or applications of the ordinance. The  
20 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
21 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
22 unconstitutional without regard to whether any other portion of this ordinance or application  
23 thereof would be subsequently declared invalid or unconstitutional.

24  
25 APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

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By: /s/  
JESSICA ALFARO-CASSELLA  
Deputy City Attorney

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**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.

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# Housing Innovation Program

Mayor's Office of Housing and  
Community Development

Sheila Nickolopoulos

Director of Policy and Legislative Affairs

January 31, 2022





# Housing Innovation Program

1

Organizational  
Capacity Building +  
Homeownership  
Education +  
Prototype Design

2

Loans to low-  
income owners to  
construct ADUs

3

Downpayment  
assistance for low-  
income residents

4

Loans to low-  
income owners for  
limited equity  
Coops

# MOHCD Program Areas

## Community Development

- Public Services
- Housing Services
- Community Building & Neighborhood Planning
- Digital Equity
- Data, Evaluation, & Compliance

## Homeowner & BMR

- Lending
- BMR ownership
- BMR rental / housing lottery
- Dream Keeper Initiative
- Compliance and Monitoring

## New Construction

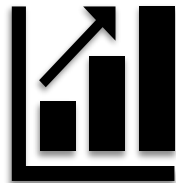
- Portfolio Management & Preservation
- Acquisition / Rehab
- Asset Management
- Housing Development
- Construction Services
- Public Housing Initiatives

# The Dream Keepers Initiative

- The **Dream Keeper Initiative (DKI)** invests \$120 million over the next two years into San Francisco's Black and African-American communities.
- DKI seeks to **increase opportunities** for the Black community to **feel seen and valued** through programs that focus on:



Education



Economic  
Mobility



Homeownership



Health



Wellbeing



DREAM KEEPER

# MOHCD's Dream Keeper Homeownership Program

- MOHCD Dream Keeper Downpayment Assistance Loan Program (DK DALP) seeks to **widen the path to homeownership** for historically marginalized and underresourced communities by:
  - **Providing** up to *\$500,000 in down payment assistance loans* (no monthly payment)
  - **Offering** up to *\$30,000 in wealth building grants* to cover costs of the transaction
  - **Committing** to working closely with each applicant
  - **Facilitating** peer support for success
  - **Connecting** participant to real estate professionals and loan products



DREAM KEEPER

# Locally Funded Affordable Housing

MAP 6E.

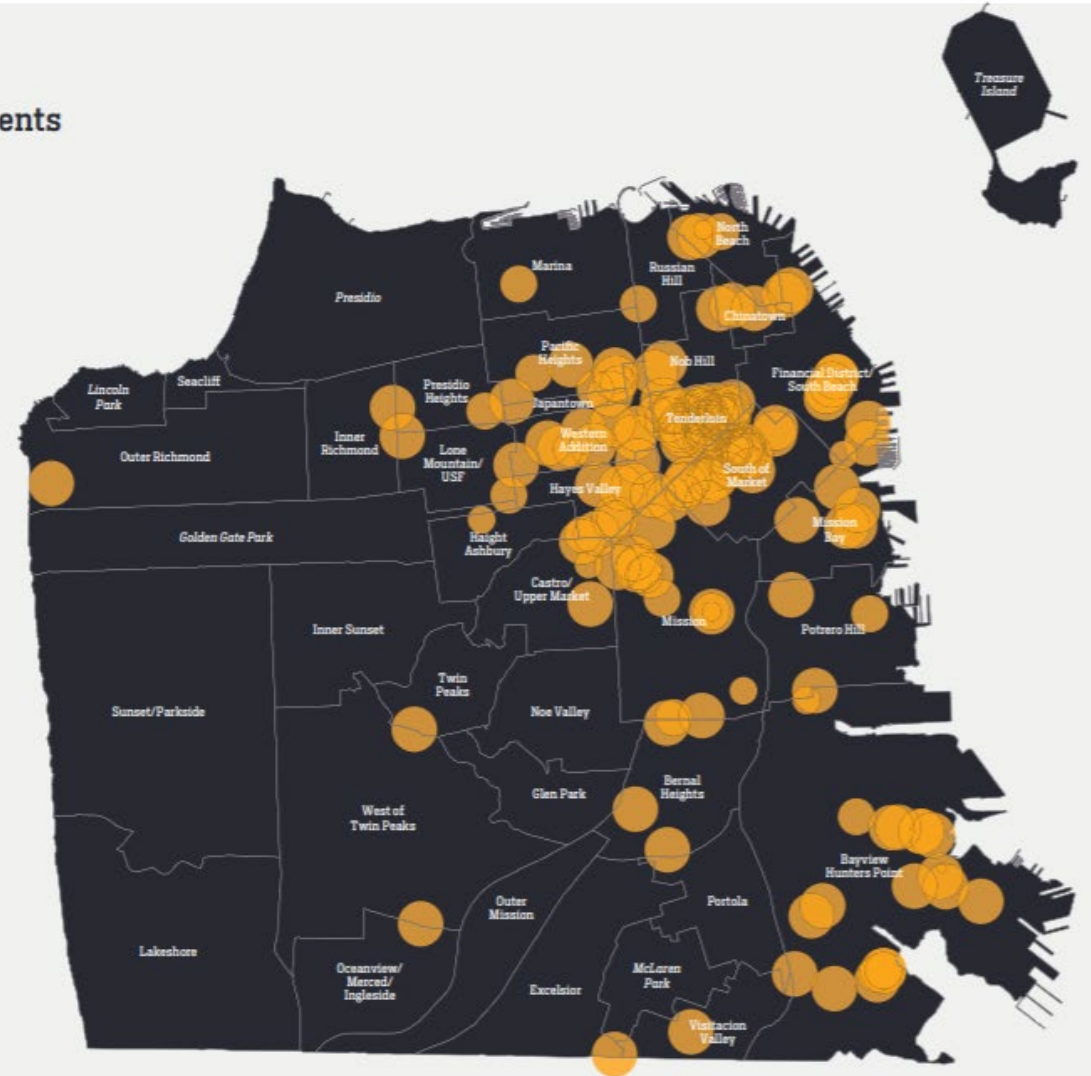
## Location of Affordable Housing Developments in San Francisco, by Type and Size

LIHTC & MOHCD

**15,611**

Total LIHTC and MOHCD Units

Source: State and federal data provided by California Housing Partnership Corporation (CHPC). Local funding data provided by MOHCD. Public Housing data provided by HUD eGIS.



# Federal & State Funded Affordable Housing

MAP 6C.

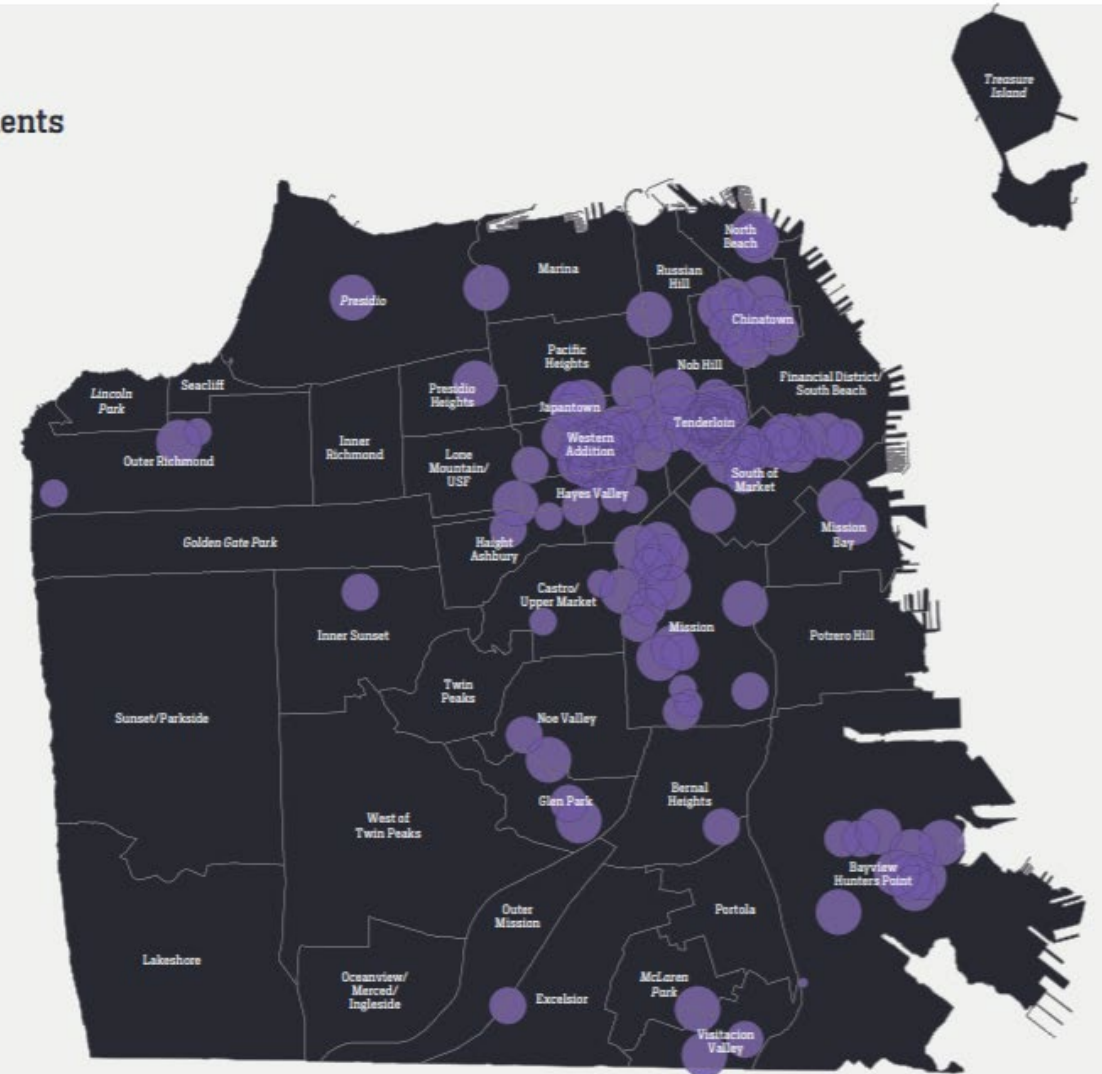
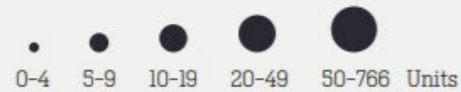
## Location of Affordable Housing Developments in San Francisco, by Type and Size

Federal & State

**11,051**

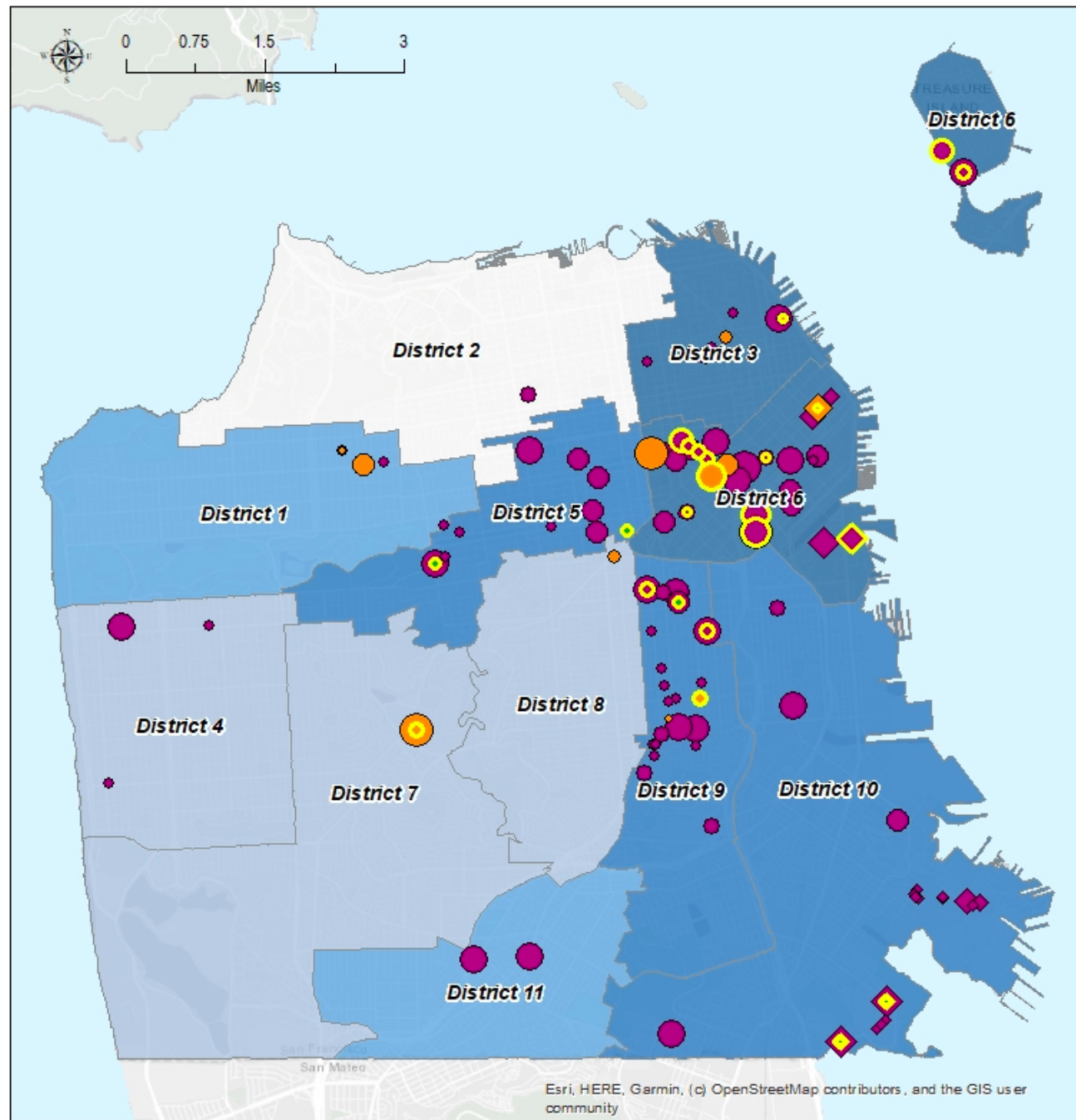
Total Federal or State Funded Affordable Units

Source: State and federal data provided by California Housing Partnership Corporation (CHPC). Local funding data provided by MOHCD. Public Housing data provided by HUD eGIS.





# MOHCD Affordable Housing Pipeline



## Pipeline of Affordable Housing Developments

This map shows the entire MOHCD- and OCII-sponsored affordable housing development pipeline without regards to available funding or scheduling.

There are 10,289 total affordable units across 138 developments as of October 30, 2020

**Extremely Low Income**

- 13%-15%
- 16%-17%
- 18%-20%
- 21%-32%
- 33%-38%

**Affordable Units**

- 1 - 35
- 36 - 80
- 81 - 118
- 119 - 179
- 180 - 274

**Lead Agency**

- MOHCD
- OCII

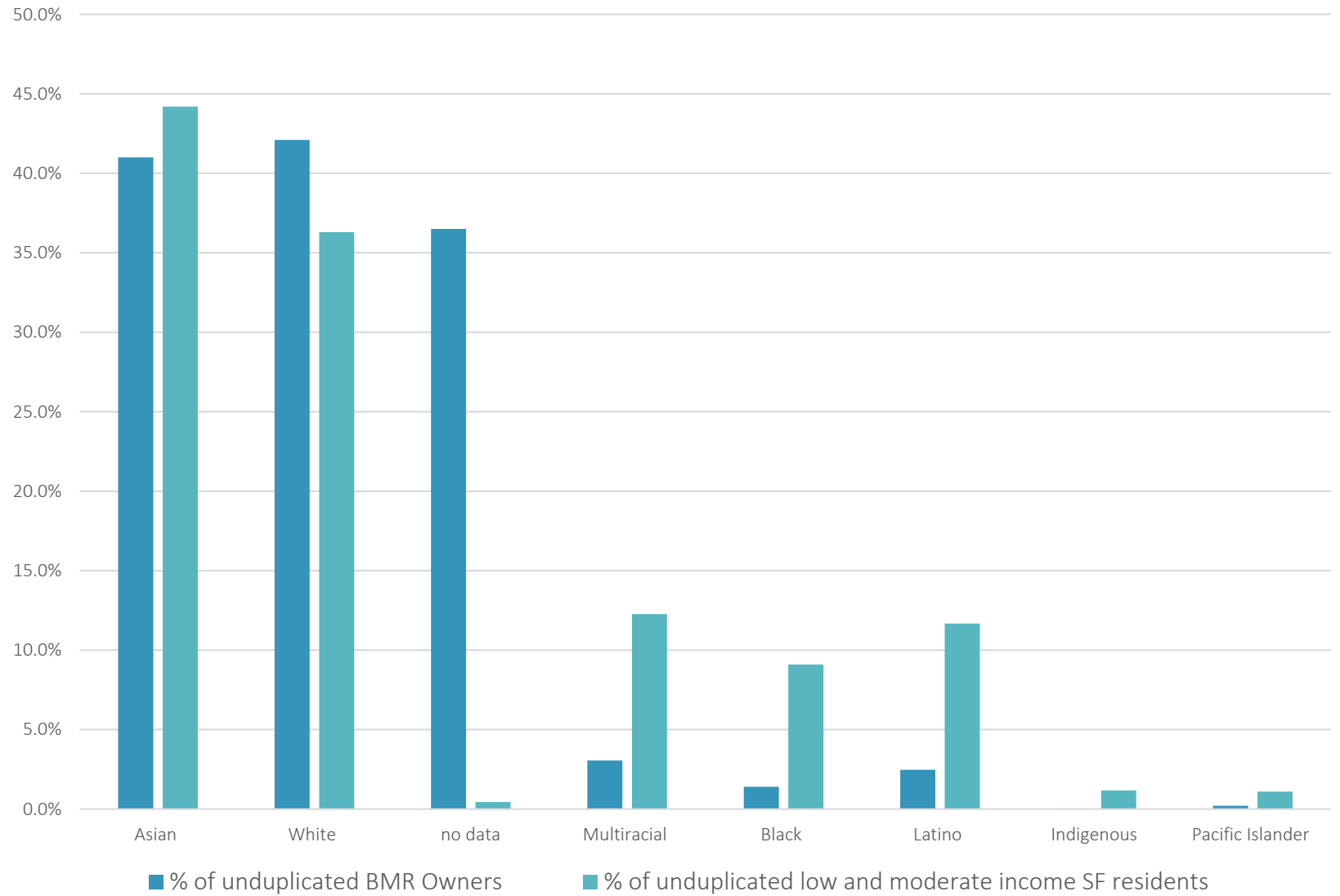
**Housing Type**

- Family Housing (8,516 Units)
- Senior Housing (1,359 Units)
- TAY Housing (100 Units)
- Supportive Housing (1,947 Units)



# MOHCD BMR Owners

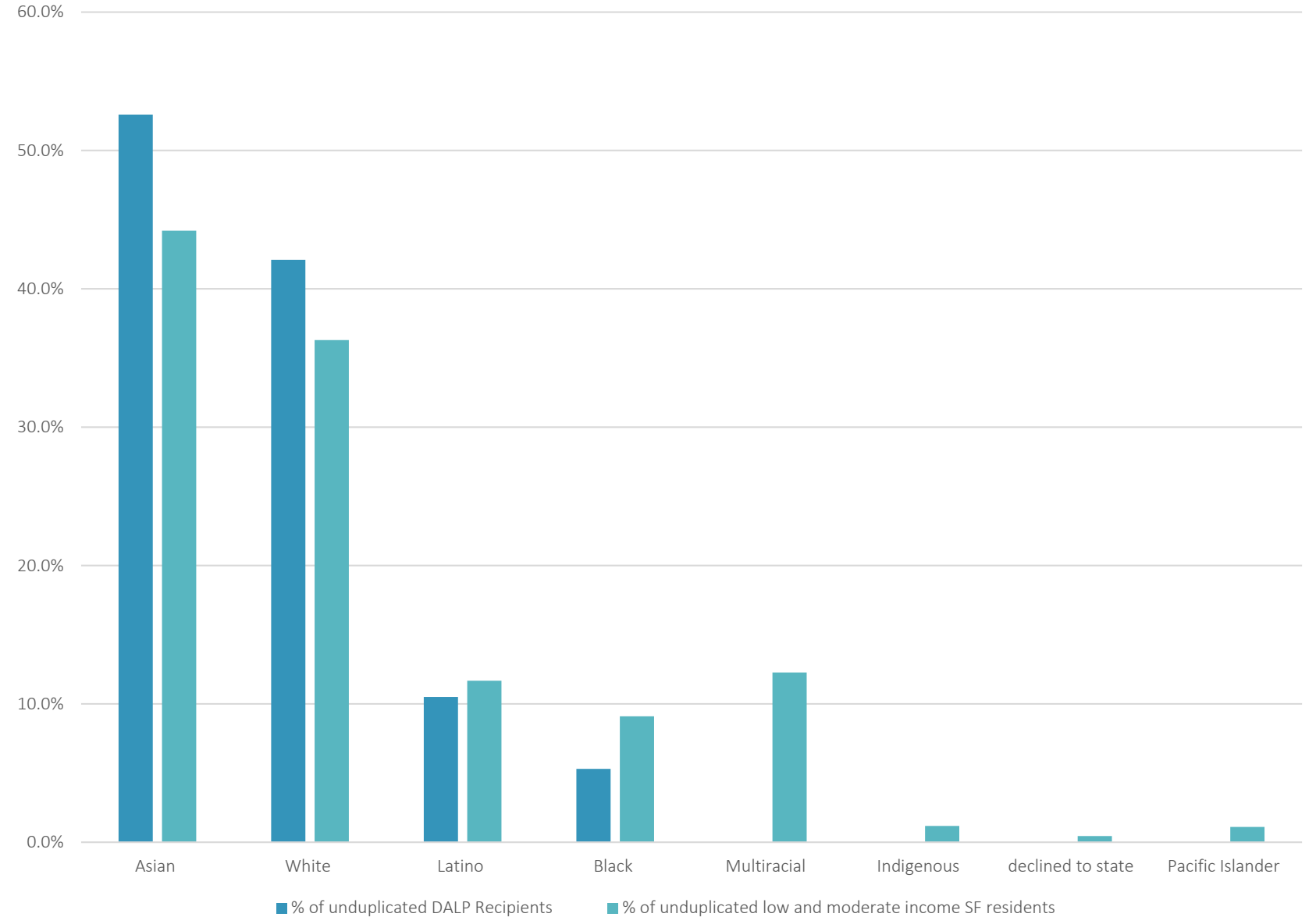
2020/21 BMR Ownership by Race/Ethnicity





# MOHCD Downpayment Assistance Loan Program (DALP) participants

2020/21 DALP participants by Race/Ethnicity



# HIP Alignment with Existing Programs

1

## HIP Program Area 1

Education on Wealth  
Building

Organizational  
Capacity Building

Prototype Design



CBO partnerships for counseling  
Homeownership SF

Annual Homeownership Fairs

Dream Keepers

Training for counseling agencies

ADU Handbooks

Modular ADU products

# HIP Alignment with Existing Programs

2

HIP Program Area 2

Loans for low- and moderate-income owners to add ADUs



No current public programs

# HIP Alignment with Existing Programs

3

## HIP Program Area 3

Down Payment Assistance Loan Program (DALP) for low- and moderate-income tenants



DALP (Housing Trust Fund)

Dream Keeper

Educator DALP (SFUSD)

First Responder DALP

BMR DALP

Designated Child Care Units

# HIP Alignment with Existing Programs

4

HIP Program Area 4

Loans for low- and moderate-income tenants to form Limited Equity Cooperatives



SF Community Land Trust

# RFP Timeline





# Thank you

Sheila Nickolopoulos

*MOHCD Director of Policy*

[Sheila.Nickolopoulos@sfgov.org](mailto:Sheila.Nickolopoulos@sfgov.org)

Maria Benjamin

*MOHCD Director of Homeownership & BMR Programs*

[Maria.Benjamin@sfgov.org](mailto:Maria.Benjamin@sfgov.org)

Aneka Harrell

*Dream Keeper Initiative*

[Aneka.Harrell@sfgov.org](mailto:Aneka.Harrell@sfgov.org)



**From:** [Molly Goldberg](#)  
**To:** [Melgar, Myrna \(BOS\)](#); [Preston, Dean \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [Major, Erica \(BOS\)](#)  
**Cc:** [Mandelman, Rafael \(BOS\)](#); [Angulo, Sunny \(BOS\)](#); [Kyle Smeallie](#); [Low, Jen \(BOS\)](#)  
**Subject:** File #211232- Housing Innovation Program  
**Date:** Monday, June 13, 2022 10:53:34 AM  
**Attachments:** [2022-6-13 SFADC re Housing Innovation Program.pdf](#)

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Committee Chair Melgar and Supervisors Preston and Peskin,

I am writing on behalf of the San Francisco Anti Displacement Coalition regarding Housing Innovation Program legislation sponsored by Supervisors Melgar, Mar, and Mandelman scheduled for committee hearing today.

We are pleased to see that the updated legislation addresses many of the concerns we raised in January when it was initially introduced. The new language includes stronger protections against no-fault evictions before, during, and after the loan period, disincentivising use of this program by speculators. It also incentivises the rental of new units to tenants receiving rental subsidies, increasing the likelihood that this program will benefit the low and middle income families and seniors in need of affordable housing options.

We hope that the Housing Innovation Program will be an effective tool in an expanding city toolbox aimed at stabilizing low-income homeowners and renters and supporting housing development that creates the affordable units we so clearly need.

Sincerely,

Molly Goldberg  
Director, San Francisco Anti-Displacement Coalition  
SFADC.org



June 13, 2022

San Francisco Board of Supervisors  
Chair Myrna Melgar, Land Use and Transportation Committee  
1 Dr Carlton B Goodlett  
San Francisco, CA 94102



Re: File #211232- Housing Innovation Program

Dear Committee Chair Melgar and Supervisors Preston and Peskin,

I am writing on behalf of the San Francisco Anti Displacement Coalition regarding Housing Innovation Program legislation sponsored by Supervisors Melgar, Mar, and Mandleman scheduled for committee hearing today.

We are pleased to see that the updated legislation addresses many of the concerns we raised in January when it was initially introduced. The new language includes stronger protections against no-fault evictions before, during, and after the loan period, disincentivising use of this program by speculators. It also incentivises the rental of new units to tenants receiving rental subsidies, increasing the likelihood that this program will benefit the low and middle income families and seniors in need of affordable housing options.

We hope that the Housing Innovation Program will be an effective tool in an expanding city toolbox aimed at stabilizing low-income homeowners and supporting housing development that creates the affordable units we so clearly need.

Sincerely,

Molly Goldberg  
Director, San Francisco Anti-Displacement Coalition  
SFADC.org

Cc: Supervisors Mandleman and Mar

**From:** [CPAC San Francisco](#)  
**To:** [Melgar, Myrna \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [Preston, Dean \(BOS\)](#); [Major, Erica \(BOS\)](#)  
**Cc:** [Hepner, Lee \(BOS\)](#); [Smeallie, Kyle \(BOS\)](#); [Low, Jen \(BOS\)](#)  
**Subject:** Support Letter: File 211232 [Housing Innovation Program]  
**Date:** Monday, January 31, 2022 2:01:55 PM  
**Attachments:** [Housing Innovation Legislation Support Letter.pdf](#)

---

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello Supervisors,

Please find attached a letter of support from the early care and education community for the Housing Innovation Program legislation being heard in Land Use Committee today.

Regards,  
Shahde Tavakoli

**CPAC COORDINATOR**  
San Francisco Child Care Planning & Advisory Council  
Direct: 415.309.4900  
Email: [CPACsanfrancisco@gmail.com](mailto:CPACsanfrancisco@gmail.com)  
Sign up for our mailing list! <http://eepurl.com/dPCaL5>



Website: <http://sfcpac.org/>

*"Setting and driving the early care and education agenda for San Francisco's children and their families"*



January 31, 2022

San Francisco Board of Supervisors  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Re: Housing Innovation Program

Dear Supervisors Melgar, Preston, and Peskin,

As a coalition of San Francisco early care educators, parents, child care resource and referral agencies, and child care stakeholders we write to advocate for essential local, statewide and federal financial support during the COVID-19 pandemic, and during recovery.

Our top priority as San Francisco early care and education (ECE) advocates is to stabilize funding for existing child care educators and programs, as well as provide increased funding for the reduced child to staff ratios, sanitation, and PPE required to continue service to essential workers, vulnerable populations, and reopen to support San Francisco's return to work.

We are writing to support **File 211232 [Administrative Code - Housing Innovation Program]** introduced by Supervisor Melgar and co-sponsored by Supervisor Mar. This program will invest in new ways to support working families who want to stay in San Francisco. Additionally, it provides an incentive for those interested in the early care and education field. Many of the eligible uses of this program would benefit early care educators. Family child care providers who do not own their homes are at high risk of displacement. By offering family child care providers the support to purchase their own homes, they will be provided long-term stability and the ability to run their early care education programs. We would welcome the inclusion of rental security deposits, monthly subsidies, or other mechanisms. We need to expand our tools to keep our essential early care educators housed in San Francisco, both our home-based family providers and center teachers.

We thank you for your consideration and we urge your support.

Thank you,

**San Francisco Child Care Planning & Advisory Council**  
**San Francisco Early Care and Education Advocacy Coalition**  
African American Early Childhood Educators  
Children's Council of San Francisco  
Early Care Educators of San Francisco  
Family Child Care Association of San Francisco

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

TO: Eric D. Shaw, Director, MOHCD

FROM: Victor Young, Assistant Clerk

A handwritten signature in cursive script that reads "Victor Young".

DATE: December 3, 2021

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed legislation:

**File No. 211232**

**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, 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.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [victor.young@sfgov.org](mailto:victor.young@sfgov.org).

- c. Lydia Ely, MOHCD
- Brian Cheu, MOHCD
- Maria Benjamin, MOHCD

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. No. (415) 554-5184  
Fax No. (415) 554-5163  
TDD/TTY No. (415) 554-5227

## MEMORANDUM

TO: Eric D. Shaw, Director, Mayor's Office of Housing and Community Development

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: January 18, 2022

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Melgar on January 11, 2022:

### **File No. 211232**

**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.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [erica.major@sfgov.org](mailto:erica.major@sfgov.org).

cc: Lydia Ely, Mayor's Office of Housing and Community Development  
Brian Cheu, Mayor's Office of Housing and Community Development  
Maria Benjamin, Mayor's Office of Housing and Community Development

President, District 10  
BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. No. 554-6516  
Fax No. 554-7674  
TDD/TTY No. 544-6546

**Shamann Walton**

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**PRESIDENTIAL ACTION**

Date: 1/13/2022

To: Angela Calvillo, Clerk of the Board of Supervisors

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Madam Clerk,  
Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. [redacted]

[redacted]  
(Primary Sponsor)

Title. [redacted]

Transferring (Board Rule No 3.3)

File No. 211232

Melgar

(Primary Sponsor)

Title. [Administrative Code - Housing Innovation Program]

From: Rules

Committee

To: Land Use & Transportation

Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor: [redacted]

Replacing Supervisor: [redacted]

For: [redacted]

(Date)

[redacted]  
(Committee)

Meeting

Start Time: [redacted] End Time: [redacted]

Temporary Assignment:  Partial  Full Meeting

  
Shamann Walton, President  
Board of Supervisors

# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp  
or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor  inquiries"
- 5. City Attorney Request.
- 6. Call File No.  from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

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

Sponsor(s):

Subject:

The text is listed:

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.

Signature of Sponsoring Supervisor: /s/Myrna Melgar

---

For Clerk's Use Only