

# Mayor's Office of Housing and Community Development

City and County of  
San Francisco

June 8, 2026



# **Today's Presentation**

- 1. Affordable Housing Portfolio and Production**
- 2. Affordable Housing Financing**
- 3. Populations Served**

# **Affordable Housing Portfolio and Production**

# Affordable Housing Agency Ecosystem

## MOHCD

- Lead agency for affordable housing policy and programs
- Funding for new construction, preservation, homebuyers, and homeowners
- DAHLIA housing portal
- Housing Stabilization
- HOPE SF/RAD

## San Francisco Housing Authority (SFHA)

- Administers more than 16,700 federal housing vouchers
- Voucher waitlist
- Oversees remaining Public Housing

## Office of Community Investment and Infrastructure (OCII)

- Funding for new construction in former Redevelopment Agency areas

## Homelessness & Supportive Housing (HSH)

- Rapid Rehousing
- Coordinated Entry
- Permanent Supportive Housing
- Rental subsidies and vouchers
- Master leased SROs

## Privately Owned

- SROs
- Rent controlled units
- HUD-funded Coops
- Inclusionary units
- ADUs

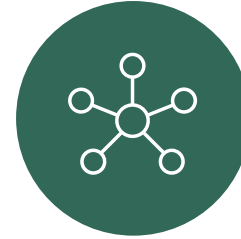
# MOHCD Housing Programs



New construction, acquisition, preservation and rehabilitation



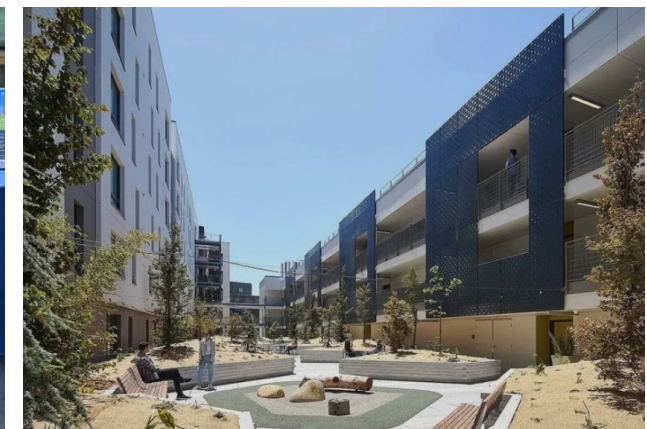
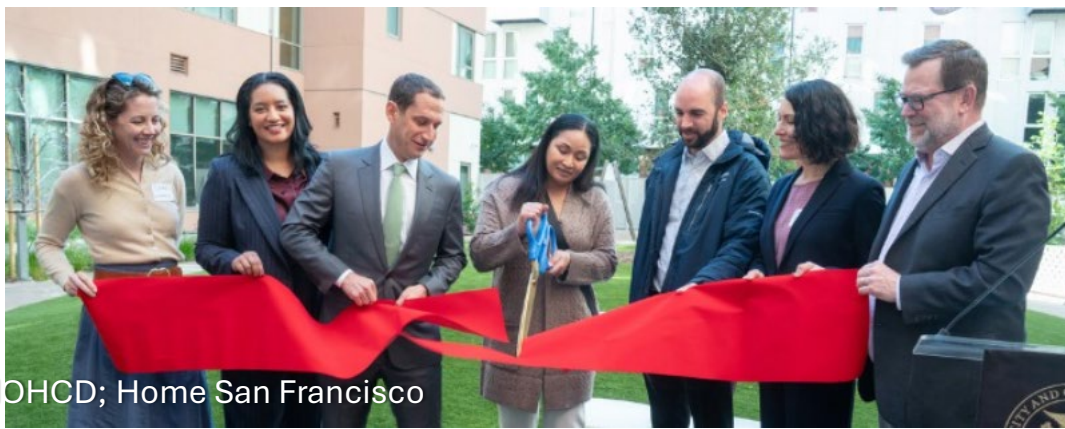
Downpayment loan assistance and homebuyer education



Housing services and place-based programs



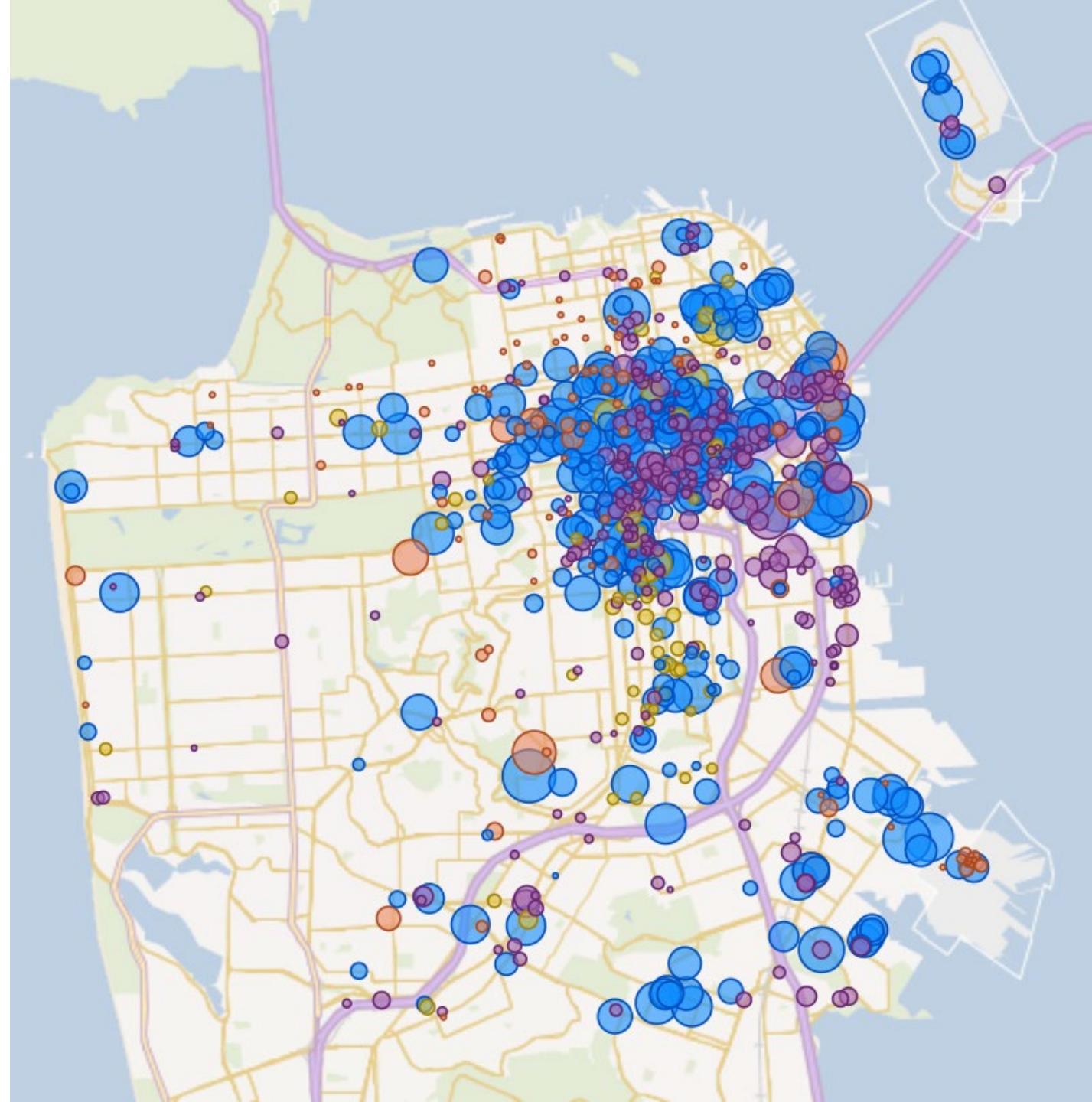
Tenant legal services, eviction prevention and conflict mediation



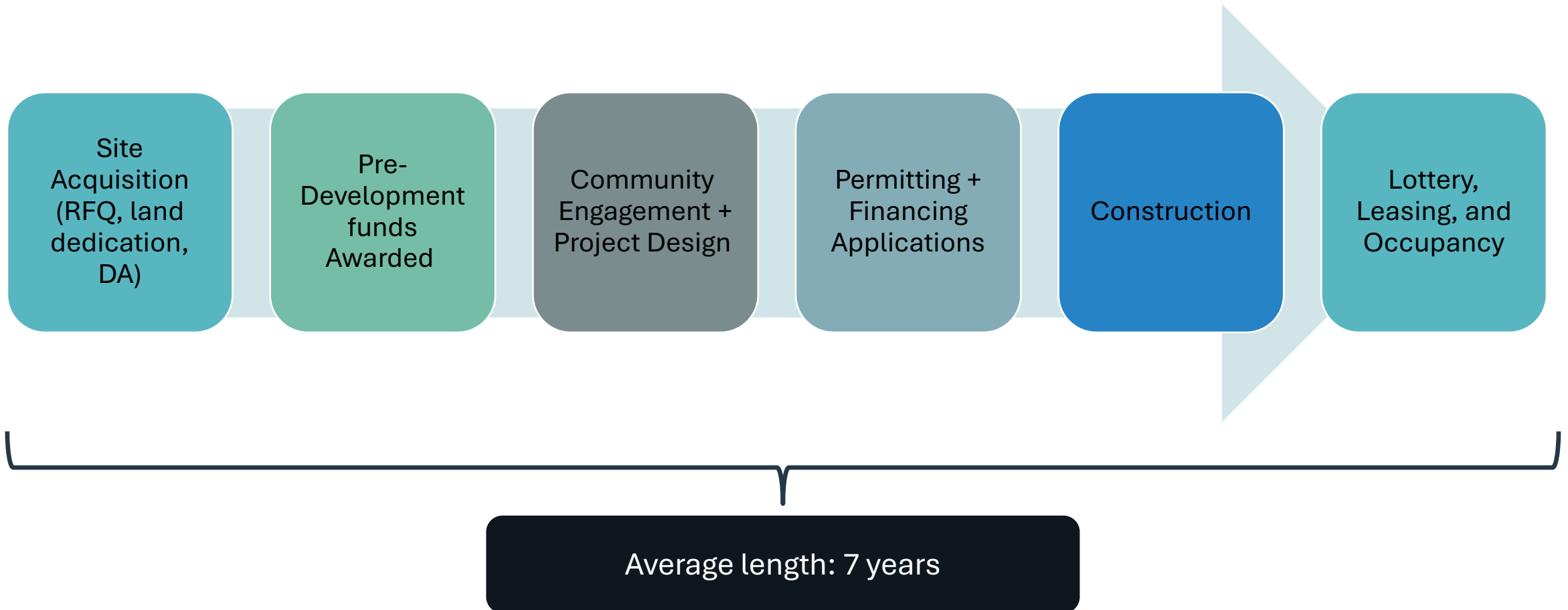
# Affordable Housing Portfolio

**35,200 units**

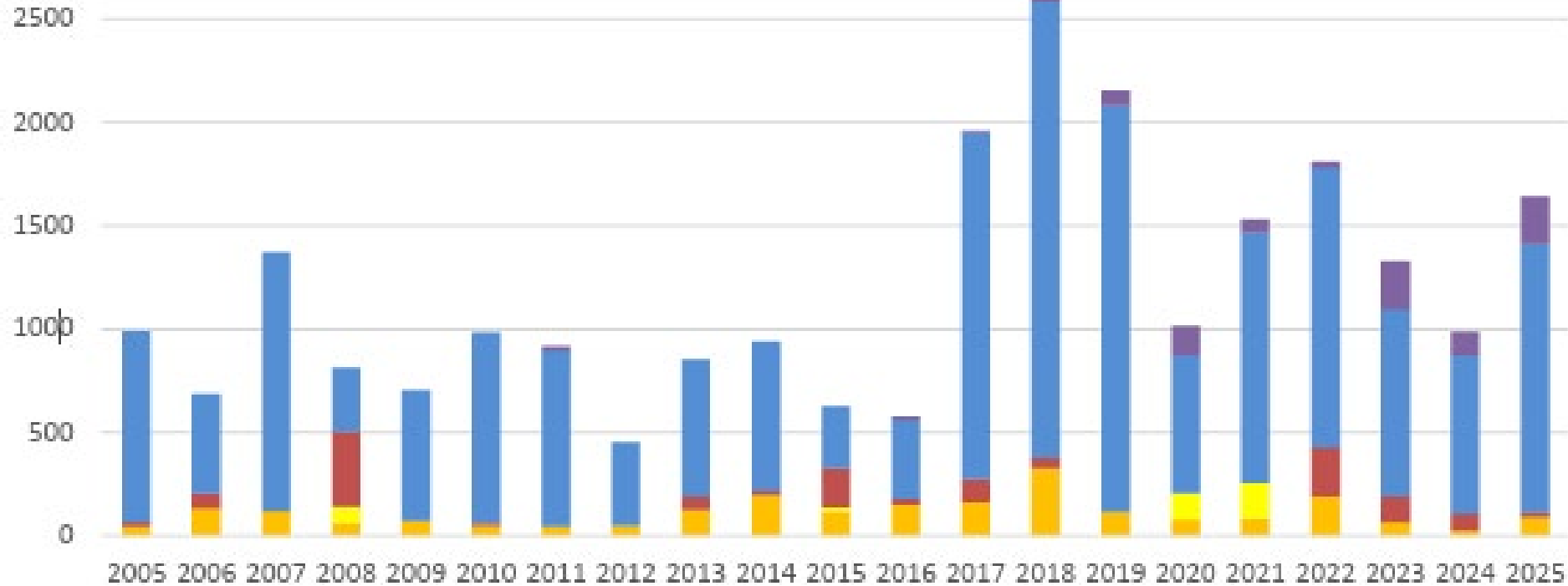
- 27,290 new construction units (78%)
- 4,640 Inclusionary rental and ownership units (13%)
- 1,735 Ownership program units (5%)
- 1,540 Preservation units (4%)



# New Affordable Development Process



# Annual Affordable Housing Production

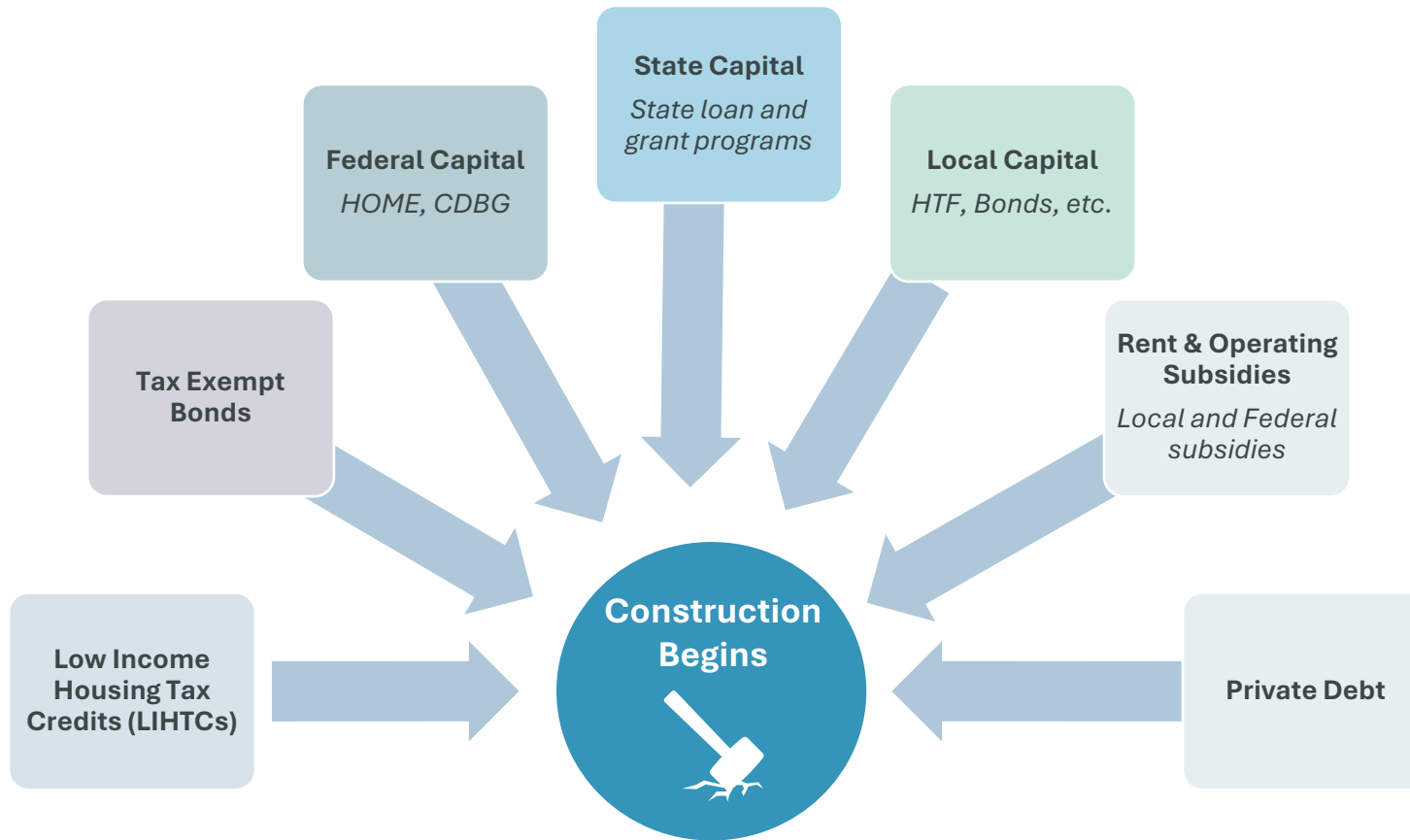


- MOHCD 100% Affordable Preservation
- Inclusionary Housing: Development Agreement or Special Program
- MOHCD 100% Affordable New Development
- Inclusionary Housing: Bond-Financed Inclusionary
- Inclusionary Housing: General

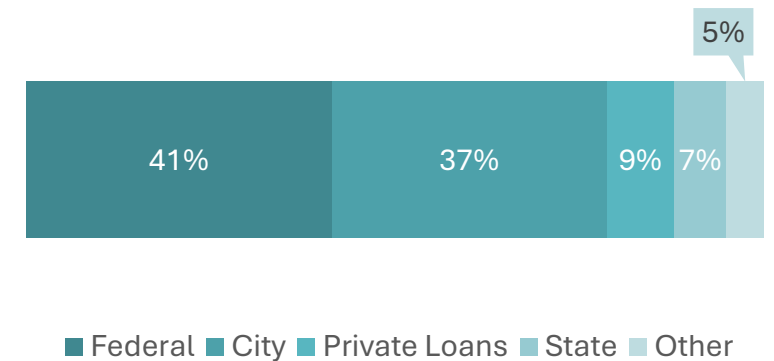
# **Affordable Housing Financing**

# Affordable Housing Funding Stack

Assembling the funding portfolio for affordable housing is complex and dynamic



## Typical Project Capital Stack



Local funds leverage federal and state funds

# Limited/Competitive Federal & State Funding

**Securing funds requires projects to meet specific funding program goals**

## **Federal**

- Tax credits prioritize High Resource Areas & homeless set-asides
- HUD Housing Choice Vouchers (HCV or "Section 8") provide rent subsidies that can help support debt

## **State**

- Tax credits deepen affordability; require building average of 60% AMI
- IIG requires infrastructure projects that enable development
- MHP requires developer experience and 15% PSH units
- AHSC requires adjacent transportation project

# Local Funding Sources

**Most sources are targeted and have specific constraints**

Source	Restrictions
General Obligation (GO) Bonds	Voter-approved: measure language specifies eligible uses Can only be used for capital, not operations
Housing Trust Fund	Generally flexible for construction, acquisition, and rehabilitation of affordable rental and ownership up to 120% AMI
Certificate of Participation (COP) Bonds	Board of Supervisors approval needed Can only be used for capital, not operations
Area-Specific Impact Fees	<i>e.g., Eastern Neighborhoods, Market-Octavia, Van Ness Residential SUD</i> Funds can only be spent on eligible projects within the geographic area as specified
Citywide Fees	<i>e.g., Jobs-Housing Linkage, Inclusionary, Condo Conversion Fees</i> Eligible uses codified in the Charter via ordinance or ballot measure
Project-Specific Development Agreements	Funds can only be spent on projects within a specific range of the project, usually with AMI restrictions
Subsidy Programs	<i>e.g., Local Operating Subsidy Program, Affordable Housing Opportunity Fund</i> Restricted to specific populations and AMIs



# Local Financing Tools

## A diverse toolbox of funds



### Low-interest loans for capital projects

"Soft" loans for predevelopment, rehabilitation, acquisition, preservation and new construction are repaid only if there is excess cashflow. Structured as loans and not grants to comply with tax credits

"Hard" loans must make regular payments

Long-term, low-interest loans → leverage additional state or federal funds



### Long-term subsidies for operations

Long-term rental subsidies for seniors, people living with disabilities, formerly homeless

Subsidies ensure projects can remain financially stable and not risk default or foreclosure



### Revolving funds for Downpayment Loan Assistance

Support first-time homebuyers

Options for purchasing income-restricted or market-rate units

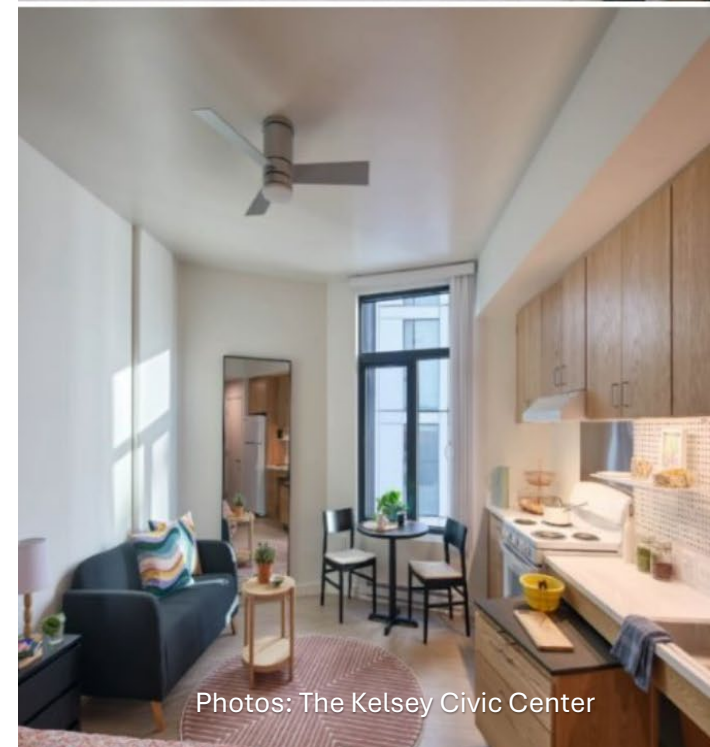
Layered with homeownership education programs



### Grants for housing services

Nonprofits administer housing access and stabilization programs

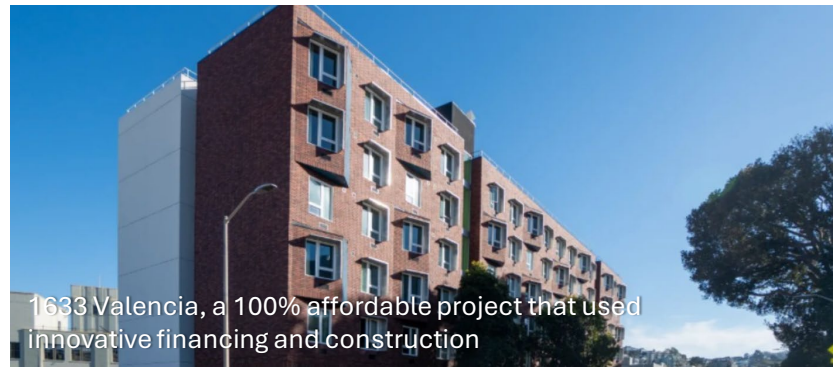
Emergency rental assistance to support eviction prevention



Photos: The Kelsey Civic Center

# New and Emerging Funding & Financing

<i>Name</i>	<i>Description</i>	<i>Timeline</i>
<b>Affordable Housing Opportunity Fund</b>	Charter amendment requiring annual appropriation of at least \$8.25 million to fund project-based rental subsidies for seniors, families and persons with disabilities	Implemented; first NOFA issued February 2026
<b>Expansion of Housing Trust Fund</b>	Proposed charter amendment to more than double annually allocated amount	Nov. 2026 ballot
<b>Statewide Affordable Housing Bond</b>	\$10 billion for existing programs placed on ballot via legislation	Nov. 2026 ballot
<b>Regional Financing Agency &amp; Affordable Funding Measure</b>	Supported creation of Bay Area Housing Finance Authority in 2019; ballot measure pending	Nov. 2028 ballot



# Example New Construction: 1515 South Van Ness

Funding Source	Amount	Restrictions / Terms
Limited Partner Equity	\$78.5 M	Tax credit equity, 15-year investment
MOHCD Gap Loan	\$43.6 M	57 yrs @ 1.75% interest, residual receipts payments
HCD MHP Loan	\$37.9M	55 yrs @ 3% interest
Private Permanent Loan	\$3.9 M	15 years @ 2% interest
Deferred Developer Fees, General Partner Equity and Accrued Interest	\$2.1 M	Generates additional tax credit equity with no cost
FHLB AHP Loan	\$1.6 M	Bridge Loan
<b>Total</b>	<b>\$167.6 M</b>	



168 family units  
Completion March 2027

City cost per unit \$259,700  
Total cost per unit \$998,000



# Populations Served

# Affordable Housing Residents

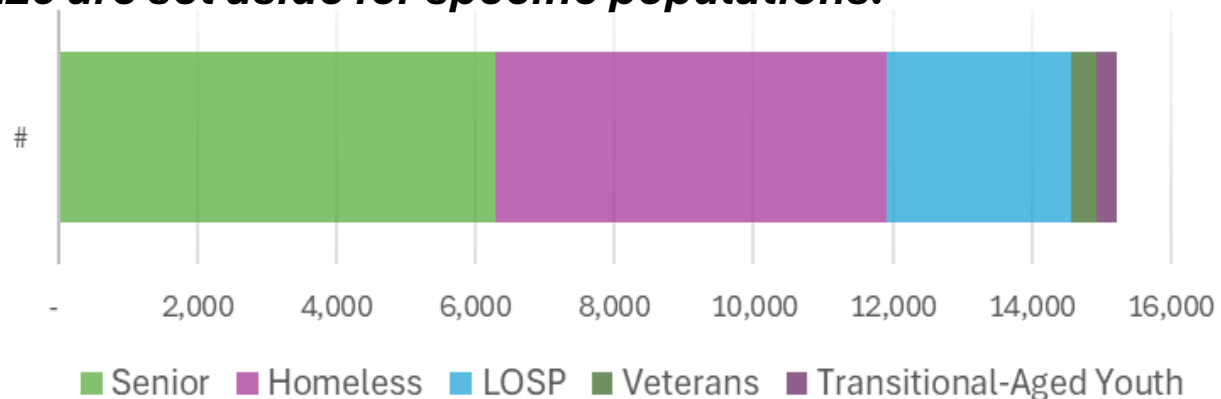
Out of 35,204 affordable units...

**49%** households with seniors

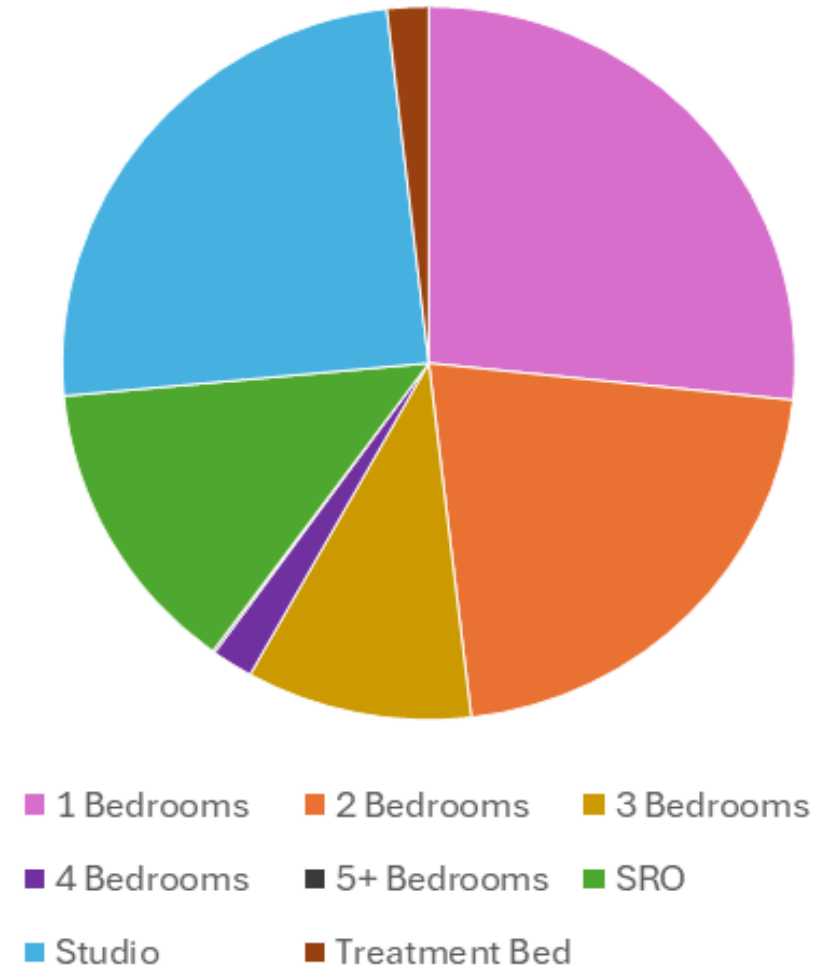
**36%** households with families and children \*

**81%** non-white residents \*

15,229 are set aside for specific populations:

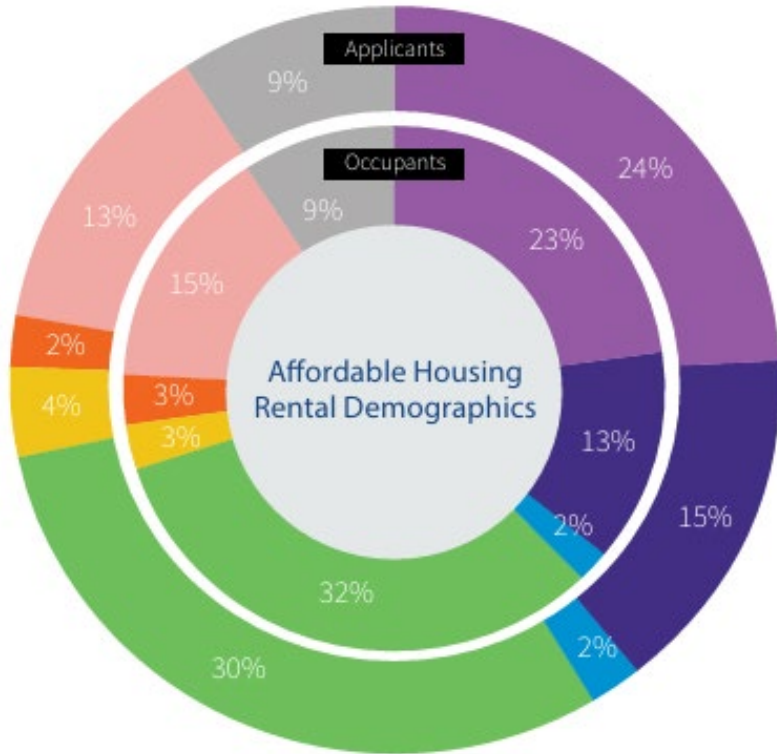


Portfolio by Unit Type



\* - based on self-reported data from 28,197 survey respondents

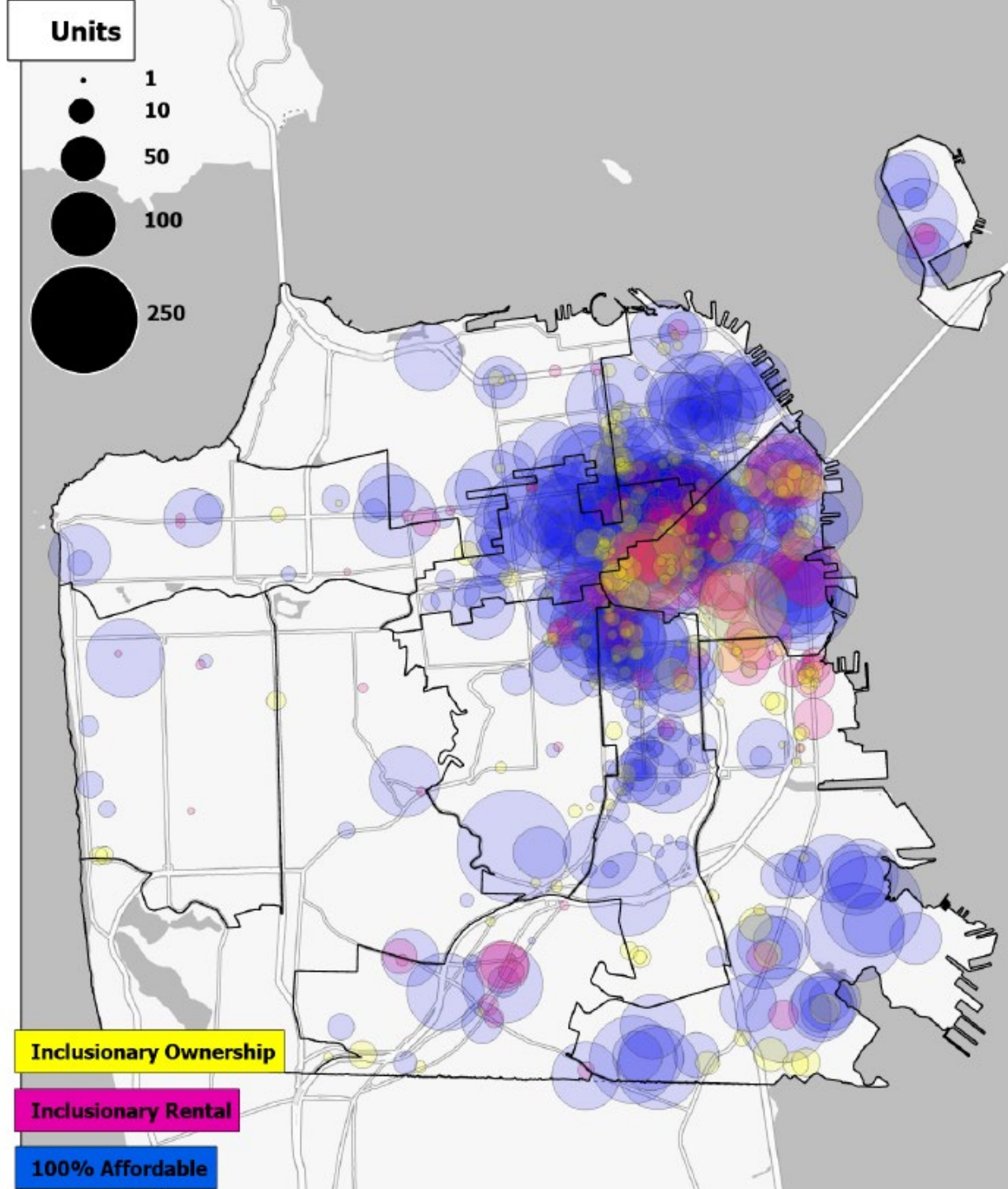
# Housing applicants and placements (FY24/25)



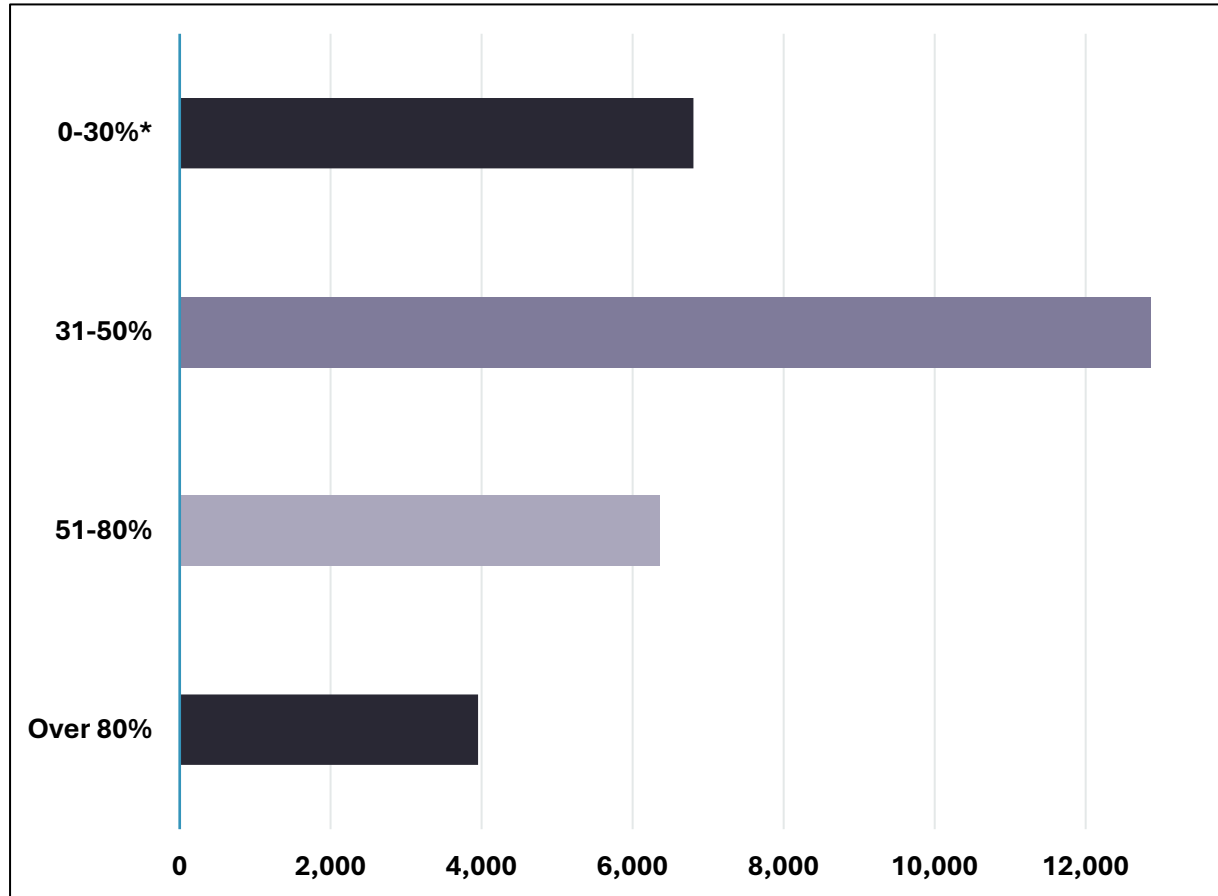
Applicants	Total	%	Placements	Total	%
Asian	27,190	24%	Asian	144	23%
Black	16,879	15%	Black	81	13%
Indigenous	2,441	2%	Indigenous	12	2%
Latino	33,792	30%	Latino	200	32%
Middle Eastern/West African or North African	4,604	4%	Middle Eastern/West African or North African	18	3%
Pacific Islander	1,757	2%	Pacific Islander	16	3%
White	14,749	13%	White	93	15%
Unknown	9,953	9%	Unknown	57	9%
<b>Total Applications</b>	<b>111,365</b>	<b>100%</b>	<b>Total Placements</b>	<b>621</b>	<b>100%</b>

**Note:** Data is not unduplicated (e.g., two people may have each submitted an application for one household, or one person submitted two applications)

# Geography of Affordable Housing Opportunities




# Rental Housing for a Range of AMIs



- Historically, State & Federal funding required 60% AMI average
- The tax credit program now allows more flexibility via "income averaging" up to 80% AMI
- Lower AMI units require an operating subsidy as well (see footnote)

**Note:** \*0-30% AMI includes many units that are deed-restricted at higher AMI levels but also receive Project Based Vouchers and other subsidies that bring cost of rent below 30% AMI. Subsidies include Local Operating Subsidy Program, Section 8 Housing Choice Voucher, Senior Operating Subsidy, Veterans Affairs Supportive Housing, and Project Rental Assistance Contract.

# Keeping people housed


**Strategy** 

Housing Placed-Based Services

**Performance Measure**

Residents participating in community building activities across HOPE SF, RAD and SRO sites

FY 24-25 Goal	Actual	% of Goal
4,000	19,476	487%


**Strategy** 

Tenant Right to Counsel, Tenant-Based Rental Subsidies, and Tenant Counseling and Education

**Performance Measure**

Individuals receiving full legal representation

FY 24-25 Goal	Actual	% of Goal
1,730	2,191	127%


**Strategy** 

Tenant Right to Counsel, Tenant-Based Rental Subsidies, and Tenant Counseling and Education

**Performance Measure**

Individuals whose evictions have been prevented

FY 24-25 Goal	Actual	% of Goal
865	1,081	125%


**Strategy** 

Immigration and Family Law Legal Services

**Performance Measure**

Individuals receiving legal representation

FY 24-25 Goal	Actual	% of Goal
2,829	2,848	101%

**Strategy** 

Rental Housing Counseling

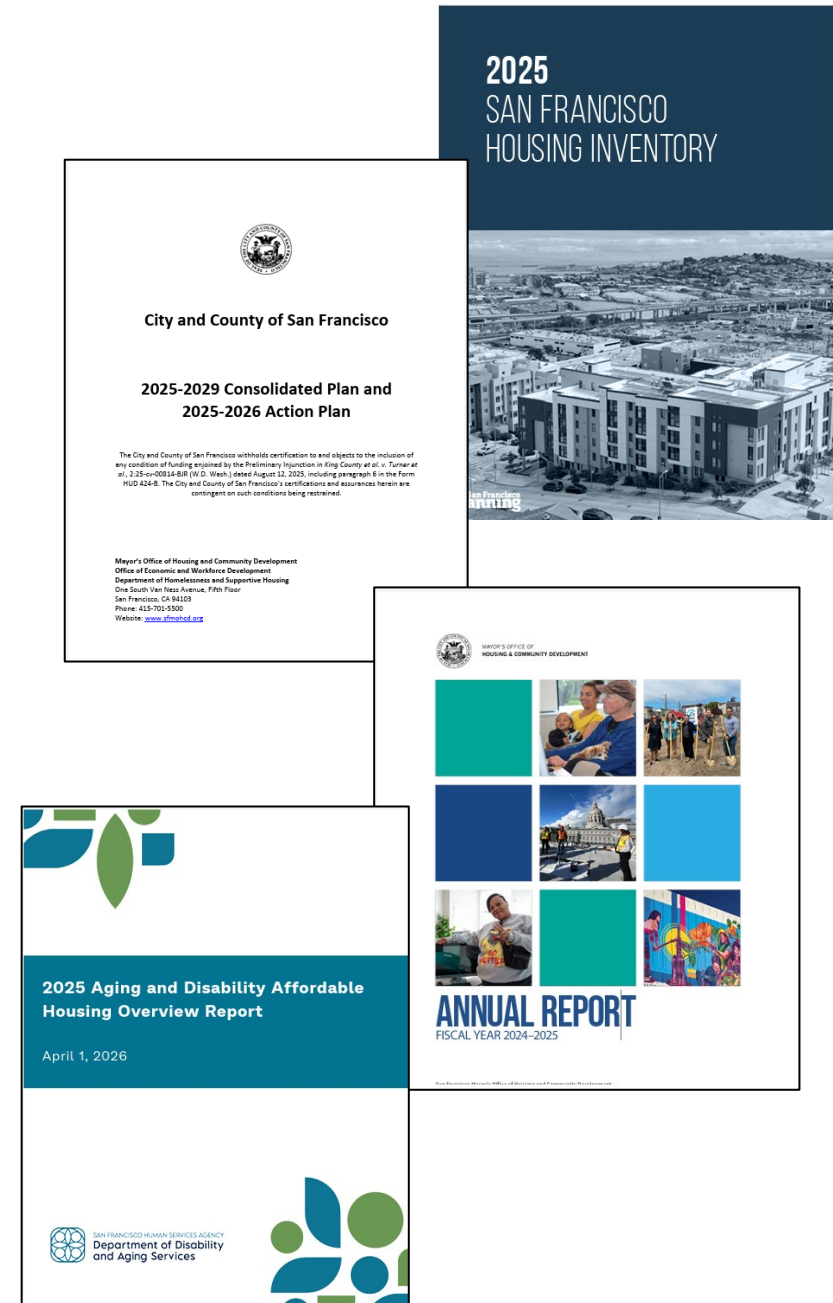
**Performance Measure**

Individuals receiving assistance in accessing housing, including preparing for successful rental application

FY 24-25 Goal	Actual	% of Goal
2,619	3,439	131%

# Reporting on progress

- MOHCD Annual Report
- Online housing data dashboard
- HUD Consolidated Plan goals and reports
- Housing Element annual progress report
- Planning Dept. Housing Inventory
- Planning Dept. Housing Balance Report
- Needs assessment for Senior and Disabled housing
- Affordable housing pipeline reports to the Board



# Challenges Facing Affordable Housing

## **State and Federal Challenges**

- Housing production mandate with no new housing development money
- Federal tax credit resources (administered by the State) remain constrained
- State subsidy funds remain extremely competitive
- Ongoing federal funding uncertainty

## **Local Challenges**

- Operating expenses (insurance, utilities, maintenance, staffing) are increasing faster than rental income
- Local funding is limited and insufficient to meet production goals without state/federal leverage
- Lack of commercial and market rate residential production has resulted in drastic reduction in JHL and Inclusionary fees
- Legacy housing stock is deteriorating

# What's Working

## Financing

- Local subsidy programs deepen affordability
- HAF partnership helps expedite deals
- Public lands development decreases acquisition cost
- SF is competitive at the State for tax credits

## Process

- State regulations create ministerial pathways for entitlement
- State bonus programs increase unit density and decrease per unit cost
- Local streamlining reduces time to save money
- Knowledgeable development partners know how to work in SF

## Programs

- Tenant Right to Counsel and Rent Control help people stay housed
- DAHLIA housing portal increases access to housing opportunities
- Housing counseling helps households get the housing and supports they need

## By the Numbers

- More per capita affordable units than any other CA city
- \$1.5B in local investment in the past 5 years
- \$3.4B in State funding since 2018
- 65% of units under construction today in SF are affordable

# Thank you

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