

BOARD of SUPERVISORS



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MEMORANDUM

TO: Greg Wagner, City Controller
Anne Taupier, Executive Director, Office of Economic and Workforce Development
Daniel Adams, Director, Mayor's Office of Housing and Community Development

FROM: John Carroll, Assistant Clerk, Land Use and Transportation Committee

DATE: July 31, 2025

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Melgar on July 22, 2025.

File No. 250790

Resolution expressing interest in forming an Enhanced Infrastructure Financing District (EIFD) to support funding Affordable Housing in Well-Resourced Neighborhoods and requesting the Controller's Office, Office of Economic Workforce Development, and Mayor's Office of Housing and Community Development to explore options for establishing an EIFD and other innovative financing options.

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: john.carroll@sfgov.org.

cc:

Office of Chair Melgar
ChiaYu Ma, Office of the Controller
Ayesha Hossain, Office of the Controller
Claire Stone, Office of the Controller
Mark dela Rosa, Office of the Controller
Alesandra Lozano, Office of Economic and Workforce Development
Lydia Ely, Mayor's Office of Housing and Community Development
Maria Benjamin, Mayor's Office of Housing and Community Development
Sheila Nickolopoulos, Mayor's Office of Housing and Community Development
Kyra Geithman, Mayor's Office of Housing and Community Development
Julia Sabory, Mayor's Office of Housing and Community Development

1 [Expressing Interest in the Formation of an Enhanced Infrastructure Financing District to
2 Support Affordable Housing in Well-Resourced Neighborhoods]

3 **Resolution expressing interest in forming an Enhanced Infrastructure Financing**
4 **District (EIFD) to support funding Affordable Housing in Well-Resourced**
5 **Neighborhoods and requesting the Controller's Office, Office of Economic Workforce**
6 **Development, and Mayor's Office of Housing and Community Development to explore**
7 **options for establishing an EIFD and other innovative financing options.**

8
9 WHEREAS, San Francisco's Housing Element was adopted in 2023 and requires
10 the City to implement a plan to meet the goal of constructing 82,069 units by 2030 with a
11 focus on increasing capacity in neighborhoods that historically built less housing; and

12 WHEREAS, The City is facing a significant shortage of affordable housing and has not
13 been able to meet housing goals for low and moderate-income households requiring the need
14 to plan for additional 20,300 very low-income units, 11,640 low-income units, and 8,400
15 moderate-income units; and;

16 WHEREAS, This affordability crisis disproportionately affects low and middle-income
17 residents, many of whom play essential roles in San Francisco's community, and includes
18 educators, healthcare workers, first responders, construction workers, and service workers;
19 and

20 WHEREAS, Building affordable housing is a crucial aspect of any strategy to alleviate
21 San Francisco's affordability crisis, but has been challenging due to limited funding sources
22 such as including investments from regional, State and Federal agency resources (including
23 municipal bonds), tax credits, and developer impact fees, which are subject to the volatility of
24 the market; and

1 WHEREAS, "Well Resourced Neighborhoods" have not seen a proportional share of
2 affordable housing development in decades, leading to geographic wealth inequalities and
3 severely limited housing options; and

4 WHEREAS, The City will be implementing Housing Element through a proposed
5 rezoning effort that will primarily focus on increasing housing capacity in Well-Resourced
6 Neighborhoods, and this effort includes adopting inclusionary housing policies to increase
7 housing opportunities to create a more equitable distribution of housing throughout the city;
8 and

9 WHEREAS, The Housing Element included a goal to build between 25% and 50% of
10 the City's newly permanently affordable housing in Well Resourced Neighborhoods over the
11 next two RHNA cycles, but does not include funding strategies to build housing for low and
12 moderate incomes; and

13 WHEREAS, Enhanced Infrastructure Financing Districts ("EIFDs") could provide a
14 steady source of funding by allowing future property tax revenue growth within set boundaries
15 to be dedicated to affordable housing developments and other infrastructure costs; and

16 WHEREAS, The Housing Element includes an Implementation Program (Action 1.1.4)
17 that suggests exploring the development of public financing tools including EIFDs; and

18 WHEREAS, The City already established EIFDs for large development sites, including
19 Potrero Power Station and more recently for 3333 & 3700 California and Stonestown; and

20 WHEREAS, Exploring the possibility of an EIFD focused on Well-Resourced
21 Neighborhoods is a crucial step towards providing affordable housing and robust
22 infrastructure in Well Resourced Neighborhoods as a component of the City's Housing
23 Element; and

1 WHEREAS, The establishment of an EIFD would potentially allow San Francisco to
2 expedite the development of affordable housing on the Westside, allowing more low and
3 middle-income households to stay in San Francisco; now, therefore, be it

4 RESOLVED, That the Board of Supervisors expresses interest in establishing an
5 EIFD within the boundaries of the Well-Resourced Neighborhoods of San Francisco, with the
6 stated goal of supporting and bolstering affordable housing development and associated
7 infrastructure costs in Well-Resourced Neighborhoods, thereby making housing more
8 affordable and equitable; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors requests the Office of the
10 Controller, Office of Economic & Workforce Development, and the Mayor's Office of Housing
11 and Community Development to explore the formation of the aforementioned EIFD and to
12 provide recommendations on scenario options, including revenue calculations, feasibility,
13 scope, and other implementation considerations by November 1, 2025, and, be it

14 FURTHER RESOLVED, That the Board of Supervisors requests the Office of the
15 Controller, Office of Economic & Workforce Development, and the Mayor's Office of Housing
16 and Community Development to also include in their recommendations other innovative
17 financing tools to support the development of affordable housing in Well-Resourced
18 Neighborhoods and more stable development particularly during economic downturns; and be
19 it

20 FURTHER RESOLVED, That this Resolution is not a "Resolution of Intention" for
21 purposes of California Government Code, Section 53398.59; and

22 FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board
23 to transmit copies of this Resolution to the Office of the Controller, the Office of Economic
24 Workforce Development, and the Mayor's Office of Housing and Community Development.
25

Introduction Form

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

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

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

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

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

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

- ☐ Yes ☐ No

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

Sponsor(s):

Supervisor Melgar

Subject:

Resolution Expressing Interest in the Formation of an Enhanced Infrastructure Financing District to Support Affordable Housing in Well-Resourced Neighborhoods

Long Title or text listed:

Resolution expressing interest in forming an Enhanced Infrastructure Financing District (EIFD) to support funding Affordable Housing in Well-Resourced Neighborhoods and requesting the Controller's Office, Office of Economic Workforce Development, and Mayor's Office of Housing and Community Development to explore options for establishing an EIFD and other innovative financing options.

Signature of Sponsoring Supervisor: /s/Myrna Melgar