

1 [Supporting Prevention of Homelessness by Launching the Foreclosure Intervention Housing  
2 Preservation Program]

3 **Resolution supporting efforts to launch California’s Foreclosure Intervention Housing**  
4 **Preservation Program and opposing any further cuts to the homelessness prevention**  
5 **initiative.**

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7 WHEREAS, In 2021, California lawmakers allocated \$485 million to the Foreclosure  
8 Intervention Housing Preservation Program (FIHPP); and

9 WHEREAS, FIHPP is intended to fund nonprofits to acquire and stabilize market-rate  
10 residential buildings between 1 and 25 units at risk of foreclosure or in the foreclosure  
11 process, in order to prevent the displacement of tenants and create new homeownership  
12 opportunities; and

13 WHEREAS, Since 2021, the California Department of Housing and Community  
14 Development has been working with nonprofit housing providers, Community Development  
15 Financial Institutions and others throughout the state to build out the FIHPP program; at the  
16 same time, nonprofit housers have been building capacity and identifying eligible projects in  
17 anticipation of the funds coming online; and

18 WHEREAS, In late 2023, the state announced plans to pause efforts for FIHPP  
19 implementation, and earlier this year, initial budget projections for the coming fiscal year  
20 slashed the program’s budget from \$485 million to \$237.5 million; and

21 WHEREAS, It is broadly accepted that the cornerstones of housing affordability are  
22 known as the Three P’s: Producing new affordable homes, protecting existing low and  
23 moderate income households, and preserving existing buildings with the goal of preventing  
24 displacement of low-income households and stabilizing communities; and

25

1           WHEREAS, The Board of Supervisors unanimously adopted a new Housing Element in  
2 January 2023, that was premised on supporting the Three P’s of housing affordability; and

3           WHEREAS, San Francisco’s Housing Element Appendix A (Housing Needs  
4 Assessment and Assessment of Fair Housing) lists the FIHPP program explicitly as one  
5 source to help us meet our affordable housing targets, noting that FIHPP will provide “\$500  
6 million through June 2026 in loans and grants to nonprofits purchasing and rehabilitating  
7 buildings at foreclosure auction, in the foreclosure process, or at risk of foreclosure;” and

8           WHEREAS, In a May 2022 hearing at the Government Audit and Oversight Committee,  
9 City leaders acknowledged that the City faces a multi-billion dollar funding gap to meet its  
10 state-mandated affordable housing goals under the Housing Element; and

11           WHEREAS, In June 2023, several affordable housing nonprofits confirmed that eligible  
12 applications to preserve more than 300 homes, for a total of \$124 million, had been submitted  
13 to the Mayor’s Office of Housing and Community Development for City acquisition,  
14 demonstrating the great need for additional funding for housing acquisitions; and

15           WHEREAS, Support for the budget request to retain funding for the Foreclosure  
16 Intervention Housing Prevention Program (FIHPP) would allow affordable housing providers  
17 to intervene in the sale of unsubsidized housing that is at-risk of or in foreclosure and maintain  
18 that housing as affordable to low-income households; and

19           WHEREAS, Renters in such buildings — of which there are tens of thousands in  
20 California today — are regularly displaced when their landlords fall into financial distress and  
21 sell the property resulting in increased rents, neglected maintenance, and even tenant  
22 harassment; and

23           WHEREAS, Displaced low-income households frequently must move out of their  
24 communities to find affordable rents and are at risk of becoming homeless, especially in San  
25 Francisco; and

1           WHEREAS, The cost of turning these buildings into permanently affordable housing  
2 through FIHPP is substantially lower than constructing new affordable housing or providing  
3 services to families who have become unhoused; now, therefore, be it

4           RESOLVED, The San Francisco Board of Supervisors urges the leadership of the  
5 State Legislature and Governor Newsom to maintain the appropriated \$237.5 million in  
6 funding for the FIHPP program — a cut of over half its original funding — to allow the program  
7 to demonstrate its efficacy and support displacement prevention and homelessness  
8 prevention efforts in San Francisco; and, be it

9           FURTHER RESOLVED, That copies of this Resolution be transmitted to the Governor,  
10 the Speaker of the Assembly, the President pro Tempore of the Senate, and to Budget Chair  
11 Assembly Member Jesse Gabriel, Budget Chair Senator Scott Wiener, Budget Subcommittee  
12 No. 5 Chair Senator Aisha Wahab, and Budget Subcommittee No. 6 Chair Assembly Member  
13 James Ramos.