September 27th, 2012

Supervisor Olague and Ms. Angela Calvillo, Clerk Board of Supervisors City and County of San Francisco City Hall, Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Re:

Transmittal of Planning Case Number 2012.1066U

BF 120812 Amendments relating to the Administrative Code Public Housing Right to Return to Revitalized Housing

Recommendation: Endorsement of Policy

Dear Supervisor Olague and Clerk Calvillo,

On September 27th, 2012 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearings at a regularly scheduled meeting to consider the proposed Ordinance under Board of Supervisors File Number 12-0812.

At the September 27th Hearing, the Commission voted 7-0 to recommend endorsement of the policy described in the proposed Ordinance which would establish the San Francisco Right to Revitalized Housing Ordinance and set City policy regarding the Right to Return to Revitalized Public Housing Units.

This action will be officially recorded in the minutes for this hearing, which are not yet finalized. In lieu of the official minutes, we submit their endorsement via this transmittal memo and the attached case report for the Board of Supervisor's consideration at the Land Use Committee hearing on October 1, 2012. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

AnMarie Rodgers

Manager of Legislative Affairs

<u>Cc:</u> City Attorneys Jon Givner and Evan Gross

Attachments (one copy of the following):

Department Executive Summary

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Executive Summary Administrative Code Text Change

HEARING DATE: SEPTMEBER 20, 2012

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Project Name: Amendments relating to the Administrative Code:

Public Housing Right to Return to Revitalized Housing

Case Number: 2012.1066U [Board File No. 12-0812]

Initiated by: Supervisor Olague / Introduced July 31, 2012

Staff Contact: Aaron Starr, Legislative Affairs

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Reviewed by: AnMarie Rodgers, Manager Legislative Affairs

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Recommendation: No Action at This Time

ADMINISTRATIVE CODE AMENDMENT

The proposed Ordinance would amend the San Francisco Administrative Code, by adding Chapter 39, Sections 39.1 through 39.9, to establish the San Francisco Right to Revitalized Housing Ordinance and set City policy regarding the Right to Return to Revitalized Public Housing Units.

The Way It Is Now:

There is currently no existing Federal, State or City law that guarantees a person who has been displaced by a public housing revitalization project the right of return to the development once the work is complete. There is existing Federal law that requires that anyone displaced by a public housing revitalization project be provided relocation assistance and to ensure that there is comparable housing or temporary housing. This can either be through the Housing Choice Voucher Program (formerly "Section 8") or placement in temporary or other permanent housing. Because there is no right-of-return there is no process outlining the right-of-return.

Currently, there is an entity called the "San Francisco Relocation Appeals Board" that is under the auspices of the Mayor's Office of Housing. The Appeals Board meets once a year and is described on their web site as "a resource for individuals and families whose residence or business is displaced by public action."

The Way It Would Be:

The proposed Ordinance would establish a right-of-return in the City of San Francisco so that a person who has been displaced by a public housing revitalization project will have the right of return to the development once the work is complete. This would apply only to public housing projects (i.e. projects on property owned by the San Francisco Housing Authority¹) that received money from the Mayor's

¹ The San Francisco Housing Authority is a separate agency not under the control of the City and County of San Francisco. It administers many affordable housing and homeless programs funded by the U.S. Office of Housing and Urban Development (HUD), the U.S. Department of Agriculture (USDA), and the State of California.

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Office of Housing. It would not apply to other projects that receive money from the Mayor's Office of Housing. The Ordinance would also establish a framework for the relocation process and establish the San Francisco Relocation Appeals Board as the appeal body for any relocation appeals.

BACKGROUND

The largest public housing effort underway in San Francisco is HOPE SF. According to the HOPE SF website, the "HOPE SF initiative seeks to transform eight of San Francisco's most distressed public housing sites into vibrant, thriving communities through holistic revitalization. HOPE SF will transform 2,500 severely deteriorated public housing sites into sustainable, mixed-income communities with neighborhood retail, community centers, parks, and playgrounds." Particularly relevant to this proposed Ordinance is the HOPE SF commitment to "replace every public housing unit and add new homes to the eight project sites. The final mix of housing will include public housing, market-rate, and affordable rental and ownership housing²." The five active HOPE SF public housing properties include: Hunters View, Sunnydale-Velasco, Westside Courts, Potrero Terrace and Potrero Annex, Alice Griffith. Two future HOPE SF sites include Hunters Point and Westbrook.

Prior to HOPE SF, San Francisco revitalized five public housing projects with funding from HOPE VI. An evaluation of HOPE VI prepared by the UC Berkeley Health Impact Group, for the purposes of evaluating HOPE VI stated,

"There are major concerns about the time taken for redevelopment (in some cases more than a few years), displacement of population caused by the long redevelopment timelines, and the push towards fewer units and mixed-income housing. Rates of return of original residents back to HOPE VI sites vary considerably, but generally are below 50%, which raises serious questions about how relocations were handled (about a third received section 8 vouchers that could be accepted regionally, about a half were relocated to other public housing sites, and the remainder left the public housing program), and whether this resulted in a major exodus away from the redeveloped sites and ensuing gentrification. Worse, in some cases, poor record-keeping may have prevented some of the original residents in reclaiming their spots in the HOPE VI housing (Peterson 2005). Moreover, new screening criteria for the redeveloped sites may have filtered out some residents from returning. Evidence suggests that on the average, original residents had moved to areas of lower poverty and crime, but it is unclear what economic hardships this has created, or how the disruption of social ties and social services has impacted health3."

ISSUES AND CONSIDERATIONS

Public housing is more than just a physical structure it is a home for the people and families who live within it.

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² This quote was retrieved from http://hope-sf.org/basic.php on September 11, 2012.

³ This quote was retrieved from the report titled "HOPE IV to HOPE SF San Francisco Public Housing Redevelopment A Health Impact Assessment" from report pages Intro 6-7. This document was retrieved from http://www.healthimpactproject.org/resources/document/hope-vi-to-hope-sf-san-francisco-publichousing-redevelopment.pdf on September 11, 2012.

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- Demolishing housing can have a negative effect on a community by breaking community bonds that have taken years to develop. Allowing those what have been displaced to return would help to lessen this impact.
- There are several agencies as well as some private non-profits that are involved with the funding, construction, administration and maintenance of public housing in San Francisco. There are also Federal, State and local laws that govern public housing. Given the complexity of the issues it is important to ensure that these agencies have had the opportunity to comment on the Ordinance before it is adopted.
- Several policy's in the General Plan and Proposition M findings call for not only the retention and reinvestment in affordable housing, but also the preservation of community and cultural history.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

RECOMMENDATION

The Department recommends that the Commission not take a position on the proposed Ordinance at this

BASIS FOR RECOMMENDATION

The Mayor's office of Housing, the Housing Authority and Supervisor Olague's office are still fine-tuning the legislation and, as of the date of this report, the interested parties have not agreed upon a final version of the Ordinance. Some areas of concern include potential conflicts that the proposed Ordinance has with existing Federal and State Law, the wording of certain provisions that define which residents have the right to return and which body will hear relocation appeals. Planning Department staff have been in contact with staff from the Mayor's Office of Housing and the Housing Authority. The Department has requested that staff from these offices attend the planning hearing to help answer questions from the Commission.

The intent of the proposed Ordinance is supported by General Plan and Proposition M Findings which encourage the rehabilitation and conservation of existing affordable housing to serve the City's existing and expanding housing needs. The following policies specifically address those goals:

- Policy 2.4: Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.
- Policy 4.1: Develop new housing, and encourage the remodeling of existing housing, for families with children.
- Policy 4.3: Create housing for people with disabilities and aging adults by including universal design principles in new and rehabilitated housing units.
- Policy 9.3: Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.
- **Prop M Finding 3:** The City's supply of affordable housing will be preserved and enhanced

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At the same time, the General Plan and Proposition M findings encourage the retention of not just housing, but also a neighborhood's sense of community and sense of place:

- **Policy 11.9:** Foster development that strengthens local culture sense of place and history.
- **Prop M Finding 2:** The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

While the overall goal of the legislation is supported by the General Plan, because the final version of the Ordinance is not available, the Planning Department is recommending that the Commission not take an action on the item at this time.

ENVIRONMENTAL REVIEW

CEQA review is not required for this ordinance.

PUBLIC COMMENT

As of the date of this report, the Planning Department has not received any comments on the proposed Ordinance.

RECOMMENDATION: No Action at This Time

Attachments:

Exhibit A: Board of Supervisors File No. 12-0812