

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 10/05/2020)

[Administrative Code - Housing Stability Fund]

Ordinance amending the Administrative Code to establish the Housing Stability Fund for the acquisition, creation, and operation of affordable Social Housing Developments, and establishing the Housing Stability Fund Oversight Board to advise the Board of Supervisors regarding the use of the Housing Stability Fund.

Existing Law

Section 10.100-1 of Article XIII of Chapter 10 of the San Francisco Administrative Code, Administration of Special Funds, establishes fund categories to assist with the financial management of special funds or accounts as such fund accounts are authorized by the City. The City has established special funds or accounts under Section 10.100-1.

Chapter 5 of the San Francisco Administrative Code includes Articles describing the existing advisory committees established by the City.

Amendments to Current Law

The proposed ordinance, if adopted, would amend Article XIII of Chapter 10 of the Administrative Code by adding Section 10.100-334 which amendment would result in the establishment of the Housing Stability Fund for the acquisition, creation and operation of affordable Social Housing Developments. Further, the proposed ordinance, if adopted, would also add Article XLV to Chapter 5 of the Administrative Code to create the Housing Stability Fund Oversight Board.

Background Information

The Housing Stability Fund would be established as a category four fund to receive any monies appropriated or donated for the purpose of providing funds for the acquisition, creation, operation, development, construction, or rehabilitation of Social Housing Developments which are defined as housing developments that meet the following two criteria: (1) the City, a nonprofit, residents, or a residents association under binding regulatory agreement ensuring permanent affordability, retains an ownership interest in the land, improvements, or both, or has permanent loan and regulatory agreements for the property, and (2) the Social Housing Development serves all income qualified households with a maximum average of not more than 80% of median income across all units in a project, based on the median income within the zip code area where the project is located, as determined and updated annually and published by the Mayor's Office of Housing and Community Development ("MOHCD") and affordable to such households applicable to a unit. Social Housing Developments shall include, but not be limited to, community land trusts, limited

equity cooperative housing, nonprofit housing corporation housing, and municipal housing. MOHCD shall establish minimum regulatory requirements for all Social Housing Developments, including but not limited to, enforceable income and affordability restrictions for the useful life of the property but no less than 99 years through a recorded restriction or ground lease from MOHCD.

MOHCD would be required to submit a report annually by February 15 to the Board of Supervisors and the Mayor on the use of the Housing Stability Fund during the preceding calendar year, which shall include, but need not be limited to, the amounts approved for disbursement to specific uses, the number and size of sites acquired and type (including improved or vacant), the scope of rehabilitation work for improved sites, the number of units developed or assisted by the Housing Stability Fund, the neighborhoods/geography of projects funded, the impact on racial equity and overall program implementation goals for the current fiscal year and proposed priorities for the next fiscal year. The report to the Board of Supervisors shall be accompanied by a draft motion for the Board to accept the report. The Director of MOHCD, or the Director's designee, would be authorized to develop program rules or regulations regarding use of monies in the Housing Stability Fund to best achieve the purposes of the Fund.

The Housing Stability Fund Oversight Board shall be established as a fifteen member voting oversight board with each member serving for a maximum of a four year term. The Oversight Board shall provide oversight for the Housing Stability Program Fund by making recommendations and providing guidance for the use of the Housing Stability Program Fund for Social Housing Developments. The Oversight Board shall seek to make its recommendations through a racial and economic equity lens, with an eye toward the short-term and long-term impact on the use of the monies from the Housing Stability Program Fund.

To aid the Housing Stability Oversight Board in making its recommendations and providing guidance, MOHCD shall submit a report to the Oversight Board by January 15 annually and present on the report at a subsequent Oversight Board meeting. MOHCD shall report on the use of the Housing Stability Fund during the preceding fiscal year. Additionally, the Controller's Office shall provide a written report to the Board of Supervisors and the Oversight Board, by February 1 annually, with a summary of all revenues collected under real property transfer tax in the prior fiscal year

The Oversight Board shall make recommendations, including budget recommendations, to the Board of Supervisors by March 31 annually.

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