

Application of City Housing Preferences to OCII

The Application of
City Housing Preferences
in OCII affordable projects and units



Commission on Community Investment and Infrastructure
April 16, 2019

Overview of Preferences

- **City Housing Preferences:**

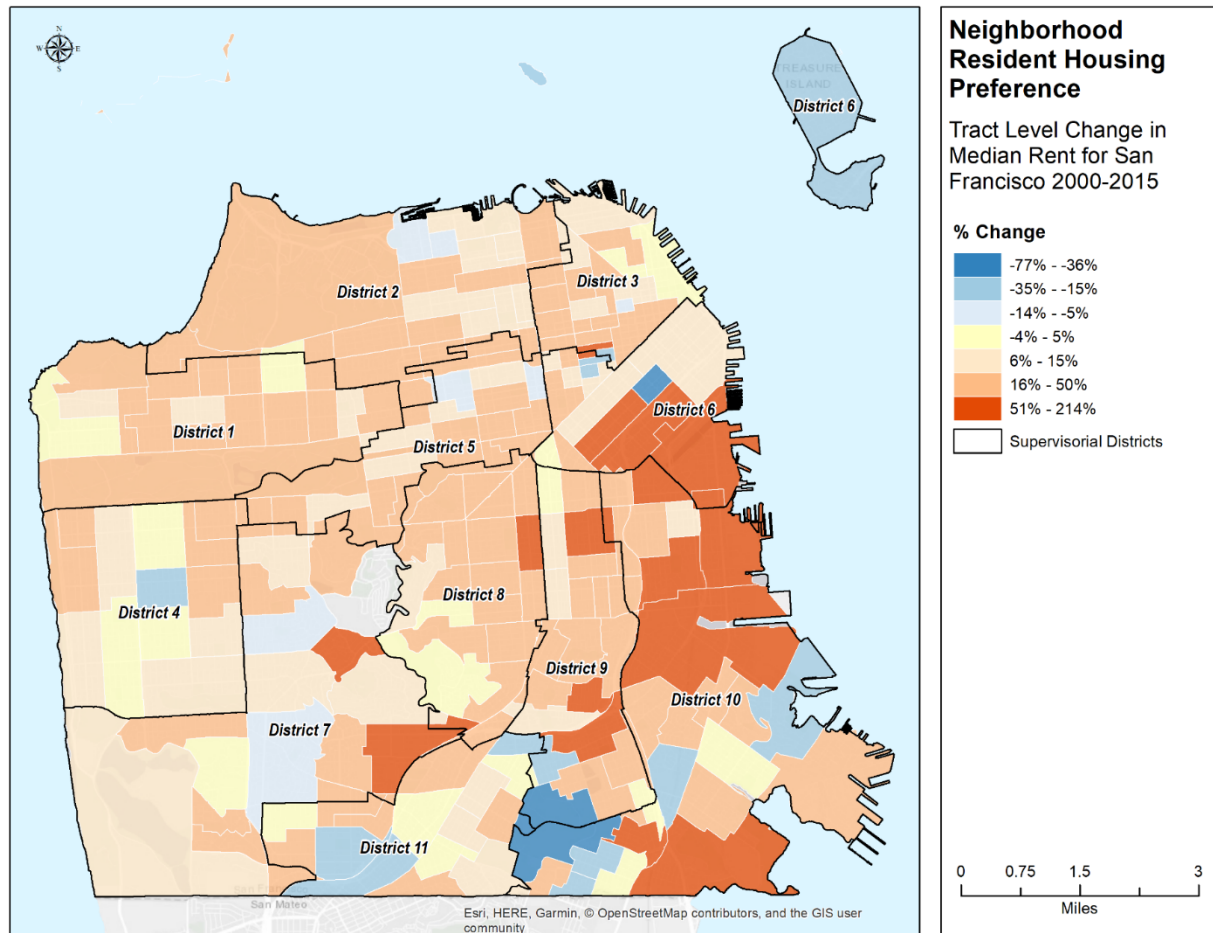
- **Certificate of Preference Holders**, who meet all of the qualifications for a particular unit. 100% of the units in initial sales, re-sales, initial lease-up, and subsequent leasing of units.
- **Displaced Tenant Housing Preference**, who meet all qualifications for a particular unit. The following populations qualify for this preference: Ellis Act Displaced Tenant; an Owner Move-in Displaced Tenant; or, a Tenant Displaced by Fire. 20% of the units in initial sales, re-sales, initial lease-up, and subsequent leasing of units.
- **Neighborhood Resident Housing Preference**, who meet all qualifications for a particular unit. Preference will be given: for units located in the same Neighborhood as the person resides; only for residential units in that Neighborhood going through sales or initial occupancy, and only applies to 40% of the units in the development.
- **Live or Work in San Francisco**, who meet all qualifications for a particular unit. Applicable to new units (sales and initial occupancy) and resales and subsequent lease-ups.

Overview of Preferences cont.

- City Housing Preferences
 - Effective policy tools for households experiencing displacement pressure.
 - Improves occupancy of neighborhood residents.
 - MOHCD will provide OCII with annual project data regarding all City Housing Preferences.

Displacement pressure: increased median rents

- Most significant in Districts 6 and 10

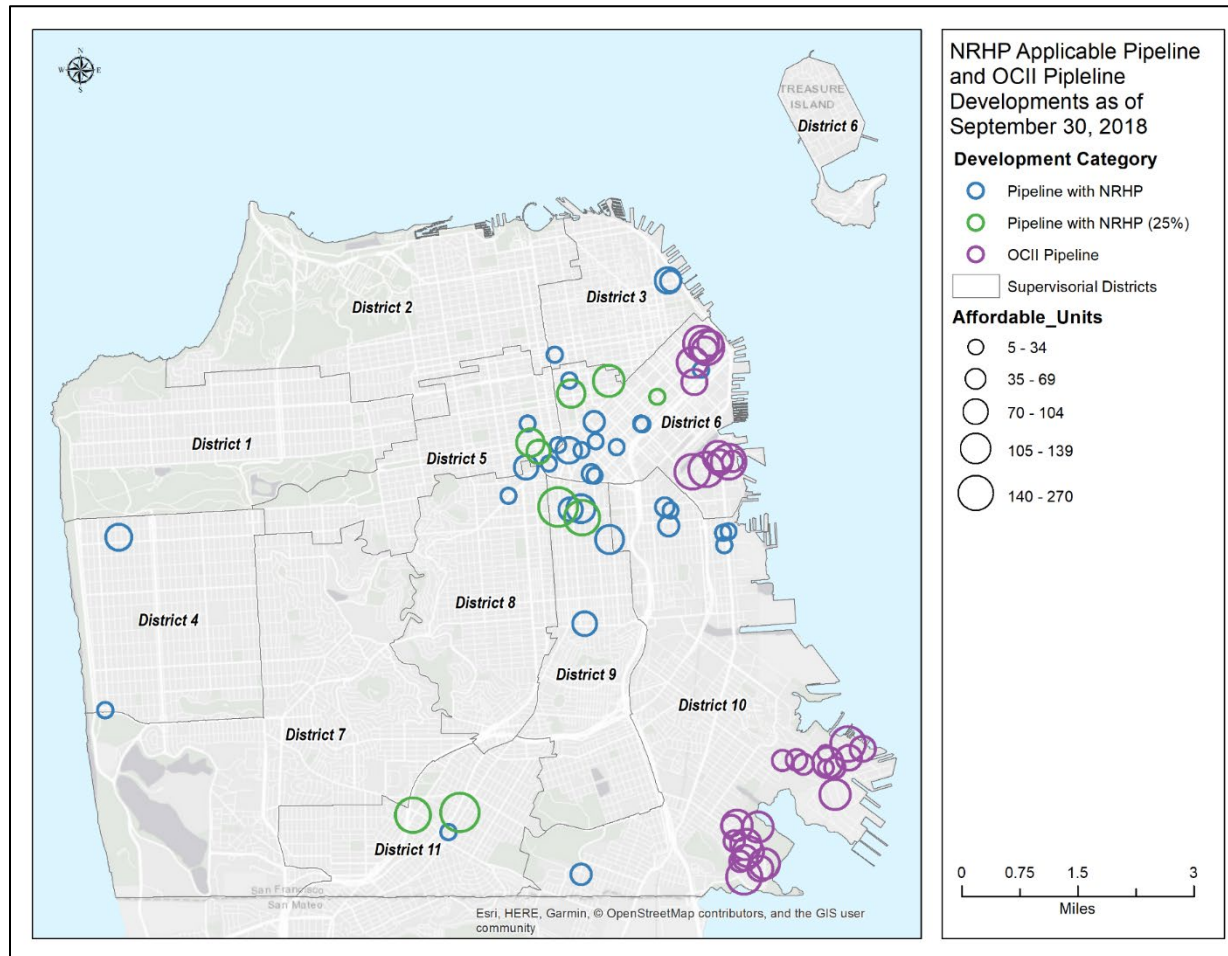


Background

- City Housing Preferences are policy tools that the City already uses to address displacement of low-income households.
- Preferences have evolved over time.
- Board of Supervisors adopted COP in 2008, Ellis Act in 2013, Displaced Tenants and NRHP in 2015, and Fire Displacees in 2016.
- In early 2019, the State, through HCD, provided guidance on application of NRHP to state-funded projects.

OCII Pipeline Developments

- 35 OCII-sponsored developments in the pipeline



Application in OCII Project Areas

Mission Bay

- Certificate of Preference holders
- Displaced Tenant Housing Preference
- *Neighborhood Resident Housing Preference*
- San Francisco residents or workers

Transbay

- Certificate of Preference holders
- Displaced Tenant Housing Preference
- *Neighborhood Resident Housing Preference*
- San Francisco residents or workers

Application in OCII Project Areas

Hunters Point Shipyard Phase I (OCII stand alone affordable projects)

- Certificate of Preference holders
- Displaced Tenant Housing Preference
- *Neighborhood Resident Housing Preference*
- San Francisco residents or workers

Application in OCII Project Areas (cont.)

Hunters Point Shipyard Phase I (Inclusionary Units)

- Hunters Point Certificate holders
- Western Addition Certificate holders
- Rent Burdened or Assisted Housing Residents Who Are San Francisco Residents, means persons paying more than 50% of their income for housing, or persons residing in public housing or Project Based Section 8 housing
- Displaced Tenant Housing Preference
- *Neighborhood Resident Housing Preference*
- San Francisco residents and workers
- Members of the General Public

Application in OCII Project Areas (cont.)

Hunters Point Shipyard Phase II/Candlestick Point (Phase II DDA)

- Hunters Point Certificate holders
- Other Certificate holders
- Rent Burdened or Assisted Housing Residents, means persons paying more than 50% of their income for housing, or persons residing in public housing or Project Based Section 8 housing
- Displaced Tenant Housing Preference
- *Neighborhood Resident Housing Preference*
- San Francisco residents and workers
- Members of the General Public

Conclusions

- City Housing Preferences have been successfully implemented by MOHCD. Preference occupancy results between July 1, 2016 and June 30, 2018 include:
 - 48 applicants using COP
 - 69 applicants using DTHP
 - 188 applicants using NRHP
- For state-funded projects, OCII will apply City Housing Preferences consistent with HCD Uniform Multifamily Regulations at a 25% level.
- If approved all of the City Preferences, including NRHP, will be used in Transbay Block 1, Transbay Block 9 and Mission Bay South 3E, all of which will start marketing in Summer 2019.

Thank you

SF AFFORDABLE HOUSING PREFERENCES SUMMARY

	Certificate of Preference	Rent Burdened/Assisted Housing	Displaced Tenant Housing Preference	Neighborhood Resident Preference	Live or Work in San Francisco
Eligibility	Applicants who already hold a Certificate of Preference	Applicants who are currently paying more than 50% of income for housing costs or are living in public housing or project based Section 8 housing within San Francisco	Applicants who experienced Ellis Act, Owner Move In Evictions or displaced due to a fire and already hold Displaced Tenant Housing Preference Certificates	Applicants who live in the same supervisorial district or within a 1/2 mile buffer of the project	Applicants who either live or work in San Francisco
Applies to:	All city funded or inclusionary projects	OClI supported projects only	All city funded or inclusionary projects	All city funded or inclusionary projects	All city funded or inclusionary projects
Initial Sale/Leasing	Yes	Yes	Yes	Yes	Yes
Resale/re-renting	Yes	Yes	Yes	No	Yes
% of Units	100%	100%	20%	40%	100%
Documentation with Application	Applicant indicates that they hold a COP	Applicants must provide current lease at the time of application. Rent burdened applicants must also provide proof of payment for 3 months (Canceled checks, etc.)	Applicant indicates that they hold a DTHP Certificate	Applicant must provide proof of residency (one document) at the time of application	Applicant must provide proof of residency (one document) at the time of application
Verification before leasing/sale	Verify that applicant who qualified for preference is signing documents and occupying the unit	Verify that applicant who qualified for preference is signing documents and occupying the unit	Verify that applicant who qualified for preference is signing documents and occupying the unit	Verify that applicant who qualified for preference is signing documents and occupying the unit	Verify that applicant who qualified for preference is signing documents and occupying the unit