



118-0312017-002

Agenda Item **No.5 (d)**  
Meeting of December 5, 2017

**MEMORANDUM**

**TO:** Community Investment and Infrastructure Commissioners  
**FROM:** Nadia Sesay, Executive Director  
**SUBJECT:** Annual Certificate of Preference Marketing and Outreach Report, FY 2016-17 from the Mayor’s Office of Housing and Community Development

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**EXECUTIVE SUMMARY**

The Property Owner and Occupant Preference Program, also known as the Certificate of Preference Program (the “COP Program”), provides preferences for displaced persons in the leasing and sale of housing within the former Redevelopment Agency’s Project Areas or at city-wide affordable housing projects assisted with OCII and the Mayor’s Office of Housing and Community Development funds. The COP Program implements state law requiring redevelopment agencies to prioritize low and moderate income households “in renting or buying” affordable housing developed with agency assistance if the households were “displaced by the redevelopment project.” Cal. Health & Safety Code § 33411.3. This statutory authorization and the evidence of a certificate holder’s displacement justify a housing preference that might otherwise violate the prohibition of discrimination under fair housing laws. The COP program does not guarantee any particular housing unit but provides the displacee with a preference over other applicants if the displacee meets the financial and other program qualifications for the affordable housing opportunity.

The Mayor’s Office of Housing and Community Development (“MOHCD”) manages the Certificate of Preference Program on behalf of OCII and the City. MOHCD prepares a report for the Commission annually to provide the current status of COP Program implementation. The Certificate of Preference Marketing and Outreach Report for Fiscal Year 2016-17 is included here as Attachment A.

**DISCUSSION**

On June 3, 2008, the Redevelopment Agency authorized revised rules for the COP Program effective October 1, 2008. Section II.F.1 of the COP Program describes the duration of the Residential Certificate Holders; these certificate holders were those affected by the Urban Renewal Project Areas of either the Western Addition A-2 or Hunters Point (i.e., Area A of the Bayview Hunters Point Project Area) Redevelopment Project Areas. On December 15, 2015, the Commission authorized a five-year extension of Residential Certificates. This is the first of two allowable five-year extensions. Residential Certificate Holders meet the criteria under state law for receiving a priority in that they were displaced by actions of the former Redevelopment Agency.

Edwin M. Lee  
MAYOR

Nadia Sesay  
EXECUTIVE DIRECTOR

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CHAIR

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Mara Rosales  
Darshan Singh  
COMMISSIONERS

📍 One S. Van Ness Ave.  
5th Floor  
San Francisco, CA  
94103

📞 415 749 2400

🏠 [www.sfocii.org](http://www.sfocii.org)

On May 6, 2014 the Commission approved a Memorandum of Understanding (the "MOU") with the Mayor's Office of Housing and Community Development ("MOHCD"), through which MOHCD provides staffing and other services to assist in the implementation of OCII's affordable housing obligations. One of MOHCD's key responsibilities is to oversee marketing obligations of OCII's affordable housing development partners. The MOU requires certain reporting on marketing activity. As part of this reporting requirement, MOHCD has produced the attached Certificate of Preference Marketing and Outreach Report, FY 2015-16 describing activities and accomplishments over the past year. MOHCD reports that in FY 2016-17, 258 COP Holders applied for affordable housing in either OCII or MOHCD sponsored below market rate units, and 43 COP Holders were successfully housed during the reporting period.

#### **NEXT STEPS**

Earlier this year, staff hired a consultant to complete a survey of COP holders, and provided a report of the initial results and recommendations to the Commission on September 19, 2017. In the Spring 2018, staff will present a follow-up survey report and final recommendations to the Commission for consideration. The next Annual Certificate of Preference Marketing and Outreach Report will be provided in December 2018.

*(Originated by Pamela Sims, Senior Development Specialist – COP and Marketing Liaison)*



Nadia Sesay  
Executive Director

Attachment A: Certificate of Preference Marketing and Outreach Report, FY 2016-17