New Planning Code Summary:

Creating/Clarifying Housing Preferences

Amended Sections: Administrative Code Sections 47

Planning Code Section 413.10, 415.5, 415.6, and 415.7

Case Number: 2015-008208PCA **Board File/Enactment #:** 150622/204-15

Initiated by: Mayor Lee, Supervisor Breed, Christensen, Cohen, Wiener

Effective Date: January 3, 2016

The proposed Ordinance amended the Planning Code (Sections 413.10, 415.5, 415.6) and Administrative Code (Chapter 47) to create and clarify housing preferences for the City's Affordable Housing Programs by expanding the Displaced Tenant Preference and creating a new Neighborhood Preference, where Neighborhood is defined as the Supervisorial District.

The Way It Was:

- 1. Preference for occupying affordable units or receiving assistance as part of San Francisco's Affordable Housing programs was defined in both the Administrative Code and the Planning Code.
- 2. In both the Administrative Code and the Planning Code, preference was given to Residential Certificate of Preference (COP) holders who meet all of the qualifications for the unit, or for the assistance. Second preference is given to Displaced Tenants (as defined in the Administrative Code) in occupying units or in receiving assistance from any of the funds, fees, or alternatives associated with affordable housing. In the case of HOPE SF funded projects, first preference is given to occupants of existing housing, and second preference to COP holders. Displaced Tenant is defined as residents who were displaced due to an Ellis Act eviction.

The Way It Is Now:

- 1. Preference for San Francisco's Affordable housing program is removed from the Planning Code and replaced with a reference to the Administrative Code, specifically Chapter 47.
- 2. Displaced Tenant now includes (as determined by MOHCD) the following Categories:

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Planning Information: 415.558.6377 Category 1: Tenants who are displaced pursuant to the Ellis Act (Government Code Section 7060)

Category 2: Tenants who are displaced due to Owner Move In (Section 37.9 (a) (8) of the Rent Ordinance)

- 3. A third preference category was created, known as Neighborhood Preference, where Neighborhood is defined as any one of the 11 Supervisorial Districts as defined and established in the San Francisco Charter.
- 4. Application of preference is as follows for affordable housing units (except to the extent prohibited by an applicable State or Federal funding source):
 - 1. First, preference for Residential Certificate of Preference Holders shall be given to 100% of the units in all initial sales, re-sales, initial leases, and subsequent leases.
 - 2. Second, preference to any Displaced Tenant who meet all of the qualifications as determined by MOH. Preference under this category shall be applicable to:
 - 20% of the units in any new residential development that is part of a City Affordable Housing Program going through the initial occupancy or sale process; and
 - ii. Units in all re-sales and subsequent leases until 20% of all units that are part of a City Affordable Housing Program in a building are occupied by tenants who have exercised this preference.
 - 3. Third, preference will be given to a Neighborhood Resident who meets all of the qualifications for the unit or assistance. Preference under this category shall be given:
 - i. For units located in the same Neighborhood as the person resides;
 - ii. Only for any new residential development in that Neighborhood going through the initial occupancy sale and only to 40% of the units in such development.
- 5. Within one year of the effective date of the ordinance and adopting Chapter 47 of the Administrative Code MOHCD shall submit to the Board of Supervisors a report assessing the impact of Displaced Tenant and Neighborhood preferences which shall include the following data:
 - 1. The number of applicants applying under COP, OMI, Ellis, and Neighborhood preferences;
 - 2. The District where the applicant is currently residing;
 - 3. The District where the affordable housing unit the applicant is applying to is located;
 - 4. Whether the applicant is selected from a lottery or other means;
 - 5. Whether the applicant purchased or rented a unit, and
 - 6. Any other pertinent information.

Link to signed legislation:

https://sfgov.legistar.com/View.ashx?M=F&ID=4171794&GUID=47C2333E-26A3-49A5-8F1F-57843C2F20B0