

Affordable Housing Capital Plan



Mayor's Office of Housing and Community Development
City and County of San Francisco

Background

In 2019 and 2020, the City passed Capital Plan updates that included the following directives:

- **Add Affordable Housing as part of the City's capital planning process** beginning in the next off-year Capital Plan update; and
- **Build a reliable set of funding sources** for affordable housing, including but not limited to another Affordable Housing General Obligation Bond in the G.O. Bond program; and
- **Incorporate available information**, including key terms consistent with the 2019 affordable housing bond, total housing needs as informed by City's Housing Element and Housing Balance Report.

Accomplishments

10,000 affordable units created and preserved 2014-2020



Preservation of 543 small and large sites including 369 3rd Avenue (District 1)



Active production of 3,414 affordable rental units including Casa de la Mision (District 9)



Completion of 700+ units through HOPE SF, including Sunnydale Parcel Q (District 10)

Chapter Overview



Preservation (parallels Renewals)

- Acquisition and/or rehabilitation of at-risk housing
- Capital renewals in existing MOHCD subsidized housing
- Preservation of HUD subsidized housing

Production (parallels Enhancements)

- Planned projects for very low, low and moderate-income households
- Phased projects include Balboa Reservoir, HOPE SF

Future Pipeline (parallels Emerging)

- OCII and TIDA projects
- Expanding pipeline by taking an opportunistic and balanced approach across population types and geographies

Preservation



Total need approximately \$3.3 billion over the next 10 years. The Affordable Housing Capital Expenditure Plan allocates approximately \$170 million to meet these needs.

- Acquire and rehabilitate 400 units/year based on historic loss of units from Housing Balance
- Recapitalize 15,500 units of existing MOHCD subsidized housing that lack project-based or operating subsidies
- Preserve 1,000 units of HUD subsidized housing that have expired or soon-to-expire affordability restrictions

Planned Production



Total need approximately \$6.23 billion over the next 10 years. The Affordable Housing Capital Expenditure Plan allocates approximately \$844 million to meet these needs.

- Historically, City has met 50% of the very low income, 82% of the low income, and 42% of moderate income RHNA targets.
- Of which, MOHCD has subsidized 82% of very low income, 54% of low income, and 23% of moderate income deed-restricted units.
- Total need assumes City will continue to sustain this level of effort in the next 10 years. This will require tripling production output.

Planned Production



Income Level	RHNA Allocation 2015-2022	Projection for 2023-2030 used in Draft Plan	Final Approved 2023-2030 to be updated in Plan
Very Low Income	6,234	18,630	20,867
Low Income	4,639	10,730	12,013
Moderate Income (deed restricted)	2,075	4,526	5,212*
Total	12,948	33,886	38,092

Planned Production: Example of 2019 Bond Projects



	Projects	Units	Est. Date Needed	Amount
Low-Income Housing: \$220MM				
Geographic Equity Family Acquisition	1	75	4/21	15,000,000
921 Howard Gap	1	102	3/21	17,500,000
Balboa Park Upper Yard Gap	1	130	4/21	15,600,000
4840 Mission Gap	1	130	4/21	38,000,000
Treasure Island C3.1 Mercy + CC Gap	1	135	9/21	38,000,000
Perm Supportive for Single Adults	1	75	4/22	10,000,000
Perm Supportive for People With Chronic Mental Illness	2	4	9/21	5,000,000
78 Haight - Parcels (R, S &) U Gap	1	60	9/21	4,000,000
Legal and other incidentals				600,000
<i>Subtotal</i>	9	711		143,700,000
Senior Housing: \$150MM				
Laguna Honda Hospital Senior Housing Predev	1	100	2/21	3,000,000
Geographic Equity Senior Acquisition	1	75	4/21	15,000,000
772 Pacific Predev	1	70	3/21	3,000,000
Legal and other incidentals				200,000
<i>Subtotal</i>	3	245		21,200,000

Phased Production



HOPE SF

Total need approximately \$750 million over the next 10 years, in addition to the development costs in the Economic and Neighborhood Development chapter. The Plan allocates approximately \$537 million to meet these needs.

Balboa Reservoir

The City committed \$45 million to finance 33.3% of the 550 affordable units.

Future Pipeline



OCII

- Funding from OCII for Hunters Point Shipyard/Candlestick Point approximately \$490 million, Mission Bay South approximately \$66 million, and Transbay Transit Center approximately \$103 million.

TIDA

- Funding from TIDA to finance the initial six 100% affordable housing developments and the HealthRIGHT360 residential treatment facilities approximately \$848 million.

Future Pipeline

To meet 100% of RHNA targets, the total Affordable Housing Capital Expenditure Plan would need to increase by approximately \$5.1 billion.

- Requires new funding sources and opportunities
- Pursue land/building acquisition opportunities on the market, especially if acquisition is below market value
- Complement with non-capital strategies like eviction prevention/defense, emergency rental subsidies, etc.

FY22-31 Financial Plan

PROGRAMS/PROJECTS (Dollars in Thousands)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027 - 2031	Plan Total	DEFERRED
SPENDING PLAN								
Mayor's Office of Housing and Community Development	256,003	484,469	249,145	119,529	51,210	391,900	1,552,256	8,703,386
Office of Community Investment and Infrastructure	117,440	227,110	-	121,768	3,520	209,400	679,238	
Treasure Island	96,000	193,000	-	162,000	-	397,000	848,000	
TOTAL	469,443	904,579	249,145	403,297	54,730	998,300	3,079,494	
REVENUES								
2019 Affordable Housing G.O. Bond	175,000	-	175,000	-	-	-	350,000	
2024 Affordable Housing G.O. Bond	-	-	-	160,000	-	-	160,000	
Federal	4,137	7,350	6,350	7,350	6,350	34,750	66,287	
HOPE SF Certificates of Participation	-	-	-	34,000	-	34,000	68,000	
Housing Trust Fund	63,563	28,089	29,589	31,589	32,000	160,000	344,830	
OCII Bonds	25,680	226,148	-	103,377	3,520	209,400	568,125	
Other Local	363,922	142,987	16,386	155,633	27,504	223,848	930,280	
State	12,000	17,000	-	12,000	-	36,000	77,000	
Treasure Island Debt	7,000	-	-	8,000	-	24,000	39,000	
TOTAL	651,302	421,574	227,325	511,949	69,374	721,998	2,603,522	

Comments & Questions



Completion of 108 units at 455 Fell (District 5)