

AFFORDABLE HOUSING PRODUCTION STATE AND LOCAL RESPONSES

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San Francisco's Key Program and Policy Efforts

FUNDING

- Annual, reliable funding from Local Housing Trust Fund
- 2015 General Obligation Housing Bond (\$310MM)
- Maximized competitiveness for all State funds (e.g., AHSC, NPLH, and pending SB3)
- Strong inclusionary zoning and commercial fees
- Increased inclusionary requirements for large market-rate rezonings (fees, on-site building and preservation)

San Francisco's Key Program and Policy Efforts

LAND USE

- Public Lands for Housing Initiative
- Leveraging of State land use policies (e.g., Teacher Housing Act of 2016, SB35 and AB73)
- Density allowances for more affordable housing
- Rezones of underutilized sites for affordable housing

STREAMLINING

- Implementation of Mayoral Executive Directive to shorten entitlement and permitting times in progress

San Francisco's Key Program and Policy Efforts

PRESERVATION

- Strong Eviction Defense Programs: voters passed Tenant Right to Counsel Act, 2018 (universal right to counsel in eviction cases)
- Small Sites Program: acquire buildings where long-term, vulnerable tenants are facing eviction
- Public Housing Preservation: Mayoral effort to preserve every unit of public housing in San Francisco (3,500 units between 2016 & 2019, affordable to extremely low-income households)

Who We Serve

Annual Retail Clerk
Income: \$24,000

Restaurant Staff
\$30,000

Health Care Assistant
\$40,000

Landscaper
\$50,000

Teacher
\$60,000



Affordable
Monthly
Rent: \$600

\$750

\$1,000

\$1,250

\$1,500

San Francisco's Progress

Impact in 2016-2017



\$40 million invested in public services

\$154 million invested in affordable housing

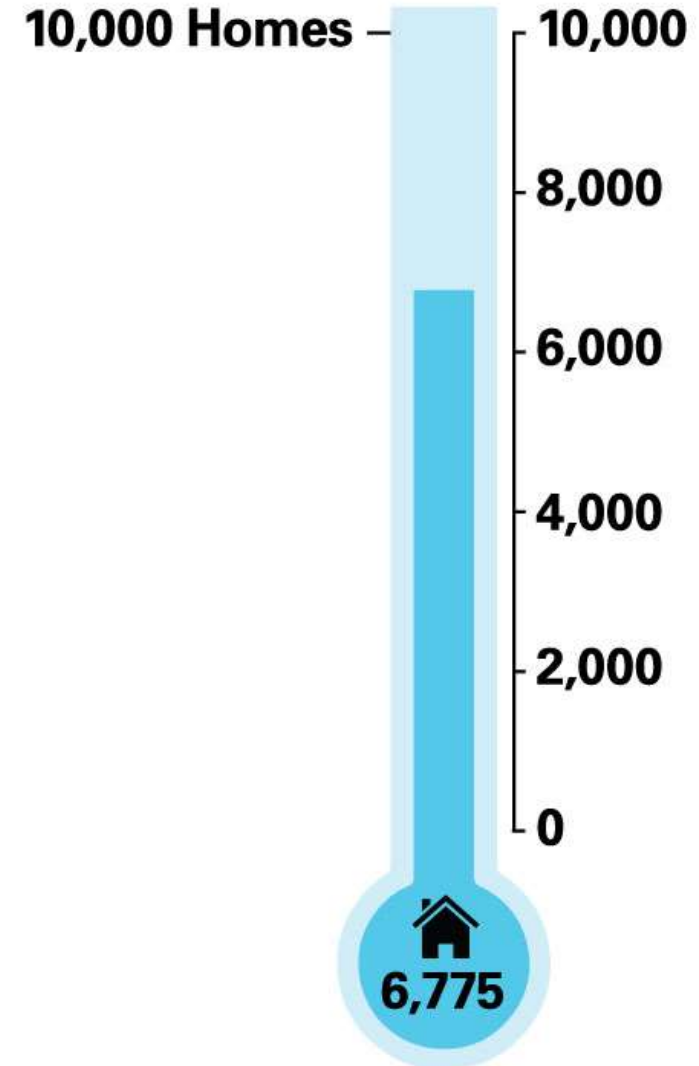


37,700+ individuals assisted through public services

4500 homes created or preserved

Affordable Housing Target 10,000 Affordable Homes by 2020

Data includes acquisitions and construction completions as of March 31, 2018.

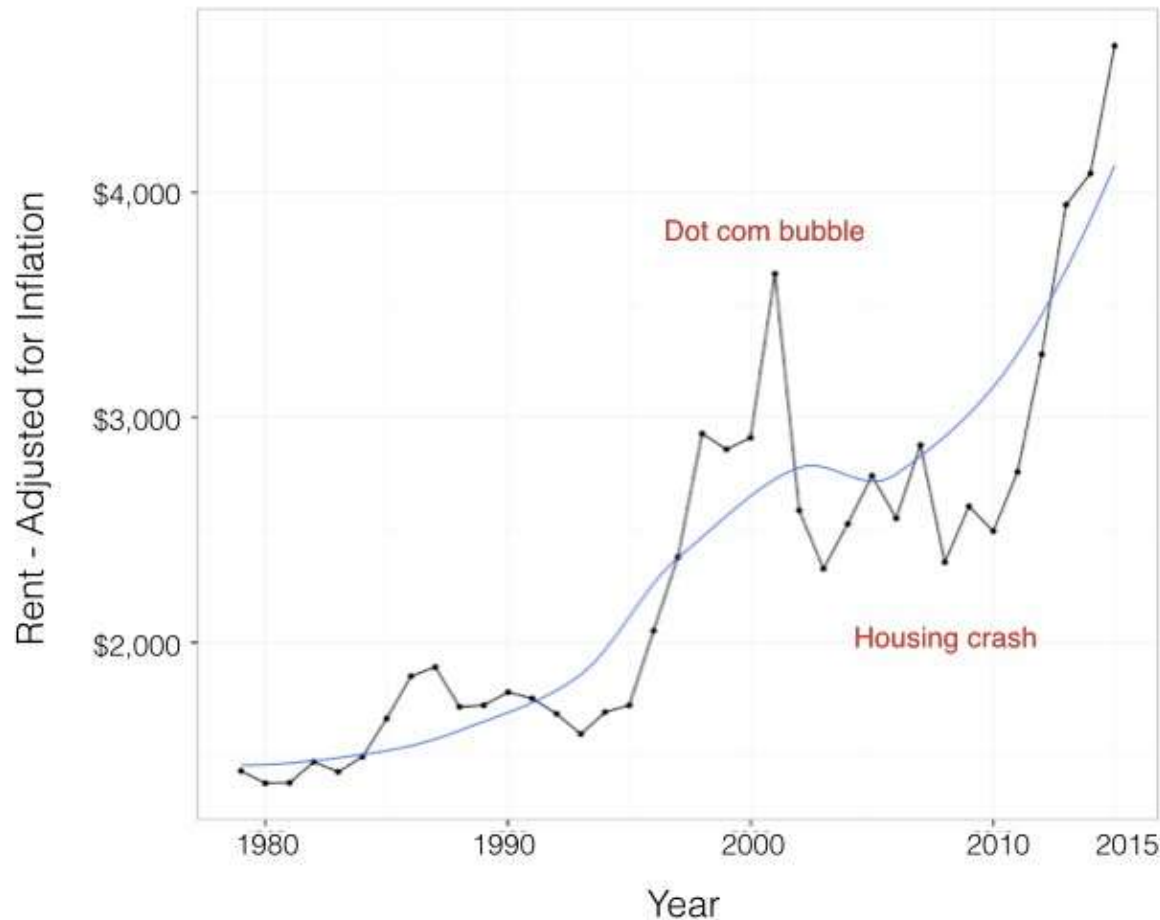


San Francisco's Ongoing Challenges

- Growing Income Disparity
- Reduced Federal Assistance
- Rising Construction Costs & Low Construction Industry Productivity

San Francisco Rent Increases (1980-2015)

Median Monthly Rent Price of 2BD Rental in SF



1980: \$1,376

(adjusted for inflation via Bureau of Labor/CPI data)

2015: \$4,750

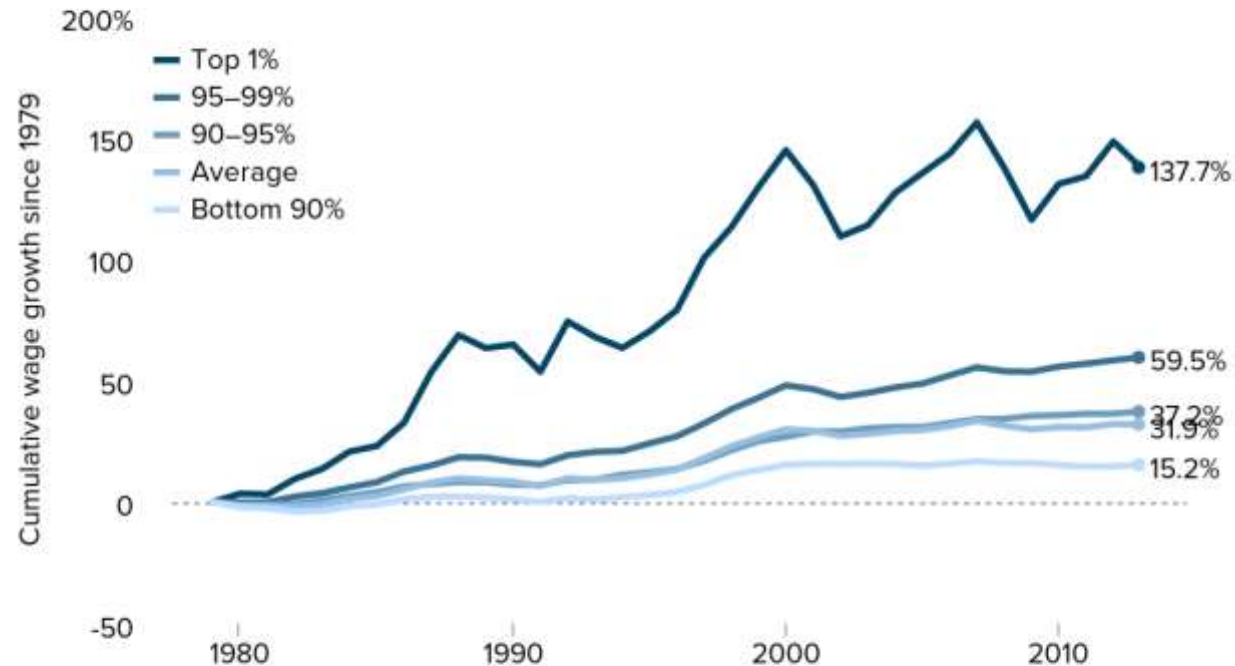
(average 2BR rent, Zumper, SF Rent Board)

Percentage Growth: 245%

Wage Growth By Income Group, U.S. (1980-2010)

When it comes to the pace of annual pay increases, the top 1% leaves everybody else in the dust

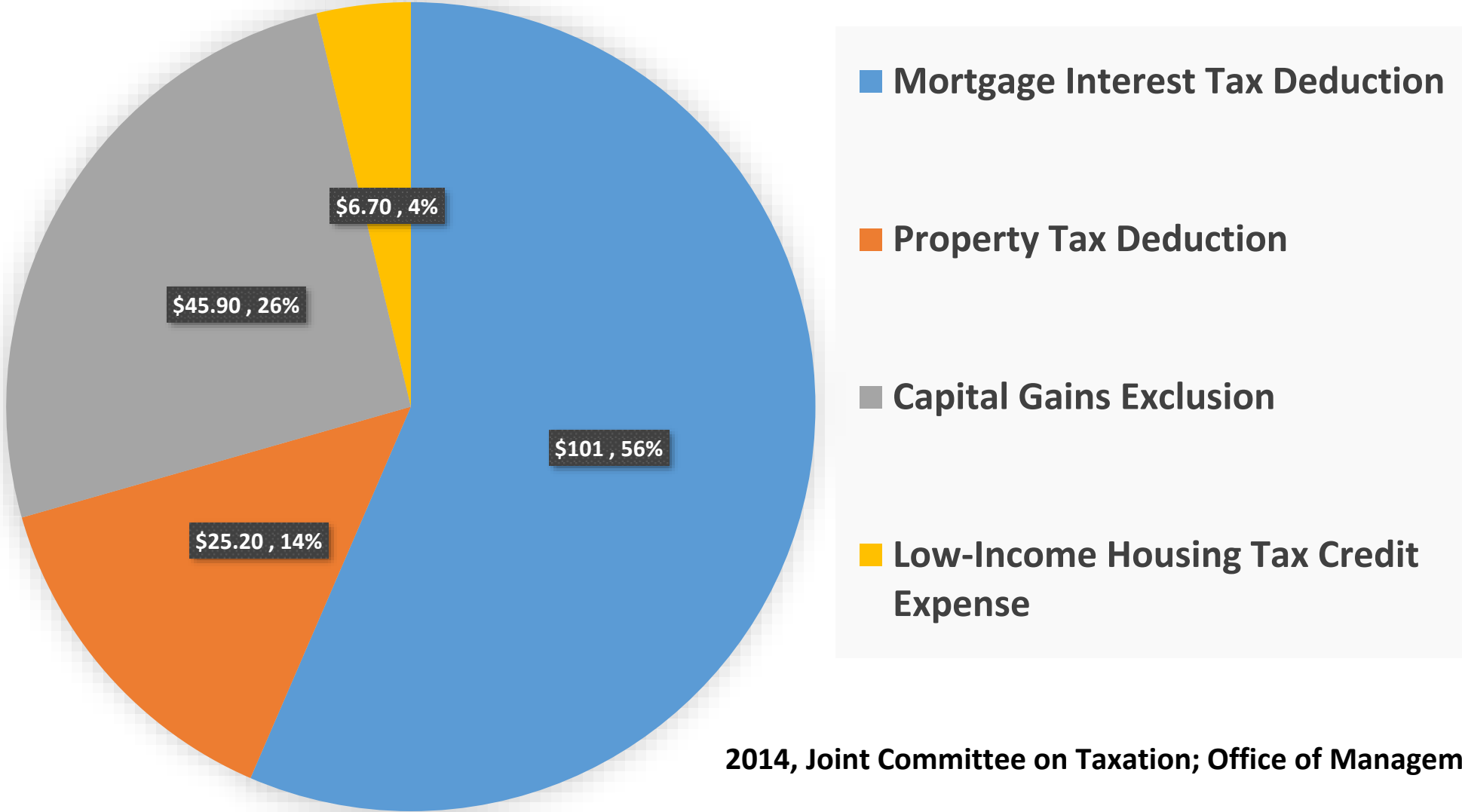
Cumulative change in real annual wages, by wage group, 1979–2013



Source: EPI analysis of data from Kopczuk, Saez, and Song (2010) and Social Security Administration wage statistics

Reproduced from Figure F in *Raising America's Pay: Why It's Our Central Economic Policy Challenge*

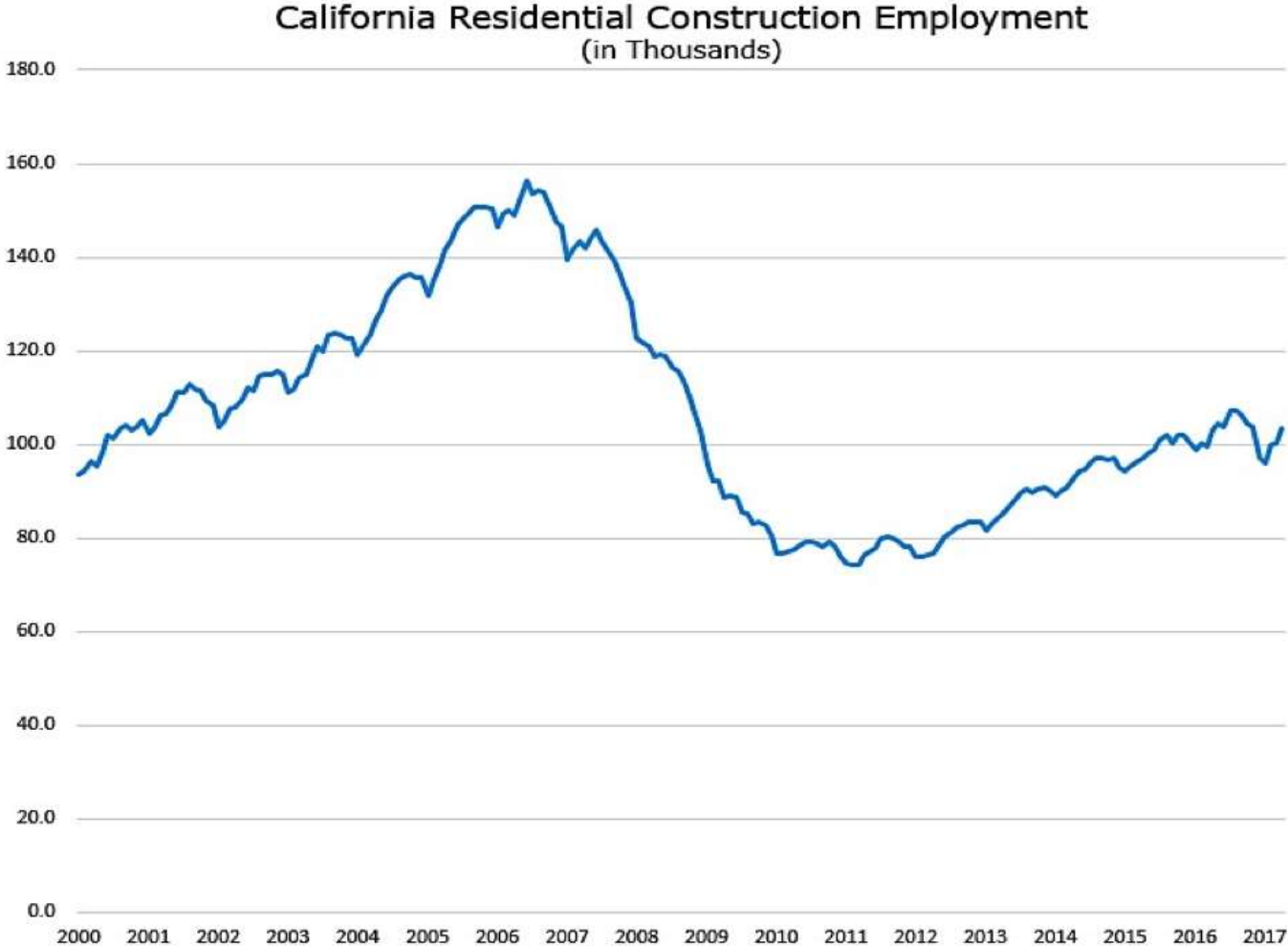
Distribution of Federal Housing Subsidies (\$\$Billions)



2014, Joint Committee on Taxation; Office of Management

A Constricted Construction Industry = Cost Escalations

Recent MOHCD construction cost estimate for 96 senior units, 500 s.f./average, 8 stories: \$590,000 per unit; MOHCD “gap” funding requirement/unit: \$313,000



Challenges = Opportunities

- Growing Income Disparity → New opportunities with philanthropic investments and public-private partnerships
- Reduced Federal Assistance → Newly available state funds and progress toward regional partnerships
- Rising Construction Costs → Exploring modular construction