




San Francisco
Planning

Housing Element

Planning Commission Informational Hearing
November 3, 2022

2022 UPDATE





“In times of crisis,
seemingly impossible ideas
suddenly become possible.”

- Naomi Klein

**It is within our power to
overcome our history and
build a more affordable,
more resilient, and more
just city.**

Racial and
social equity

Eliminate
community
displacement

Affordable
housing
choices for
everyone in all
neighborhoods

Thriving
neighborhoods
resilient to
climate and
health crises

Plan Components Overview



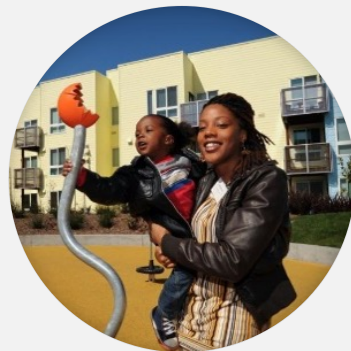
Plan Components **Focus in HCD Draft 1 May**



From HCD **Comments in Support of Approach**



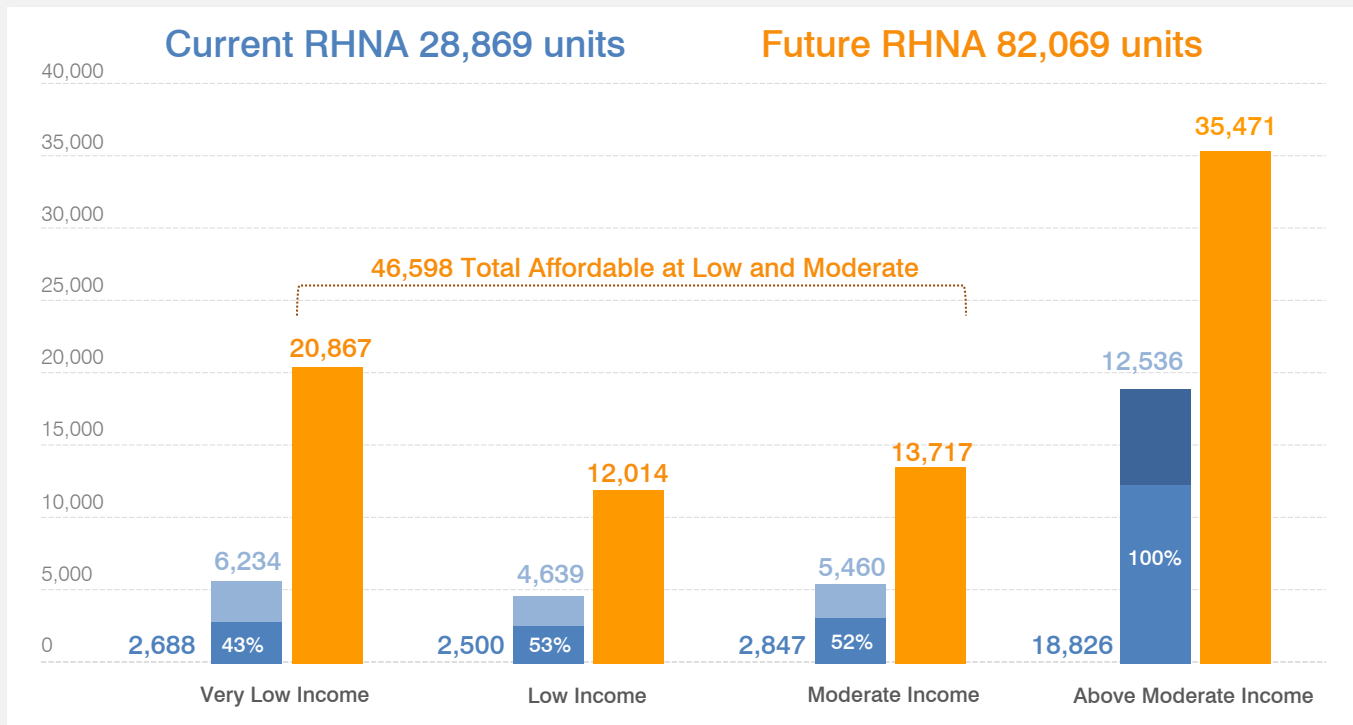
- The element places a strong emphasis on **acknowledging and repairing the harms** of decades of inequitable and discriminatory land use and planning policies that resulted in exclusionary and disinvested communities.
- The City has proposed bold and meaningful actions to both **reduce barriers to higher-opportunity neighborhoods** while simultaneously **reinvesting in historically underserved neighborhoods**.
- The element includes actions to **reinvest in communities of color** by providing high-quality neighborhood amenities and housing opportunities that will foster positive economic, social, and health outcomes.



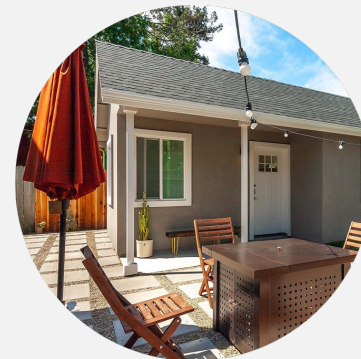
Plan Components **Focus in HCD Draft 2 October**



Sites Inventory **Regional Housing Needs Allocation**



Percent indicates amount of minimum goal accomplished by 2021

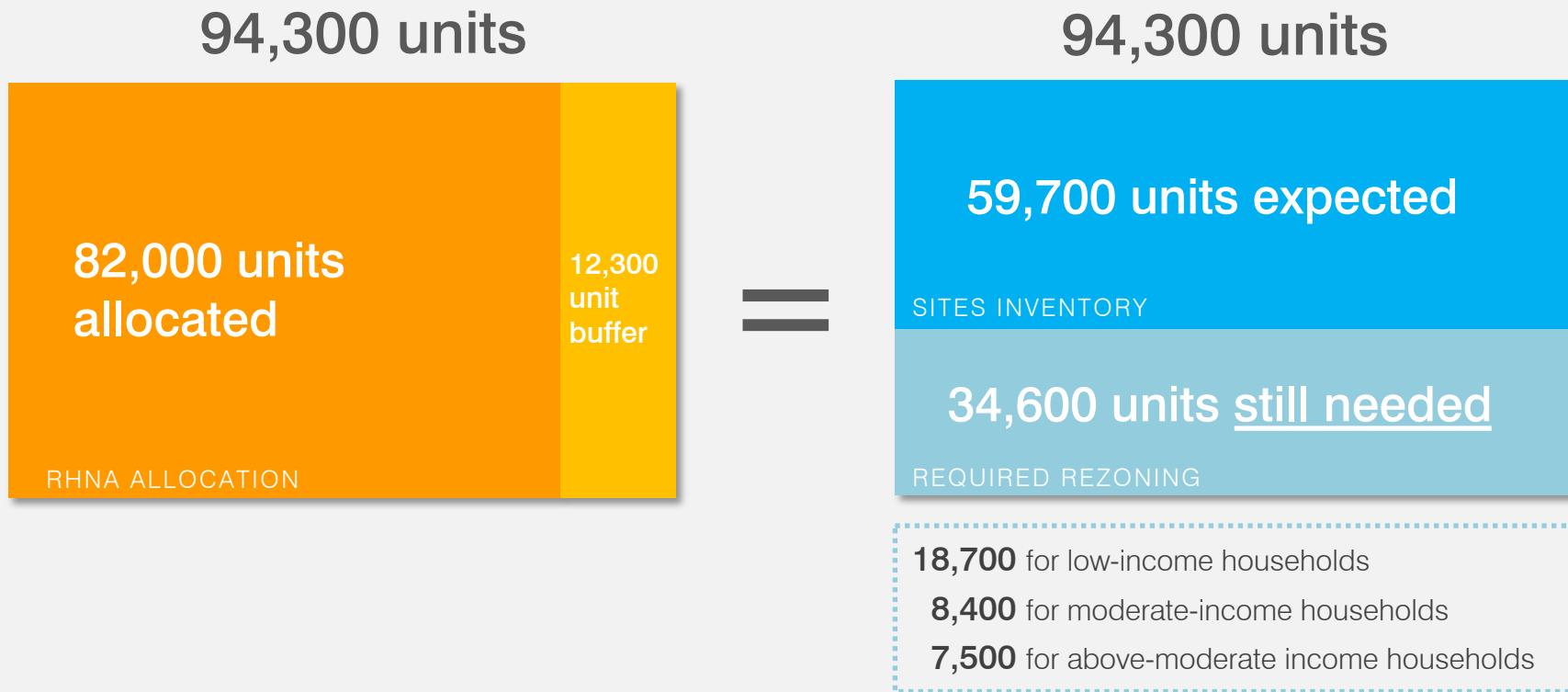


**Affirmatively Furthering
Fair Housing**

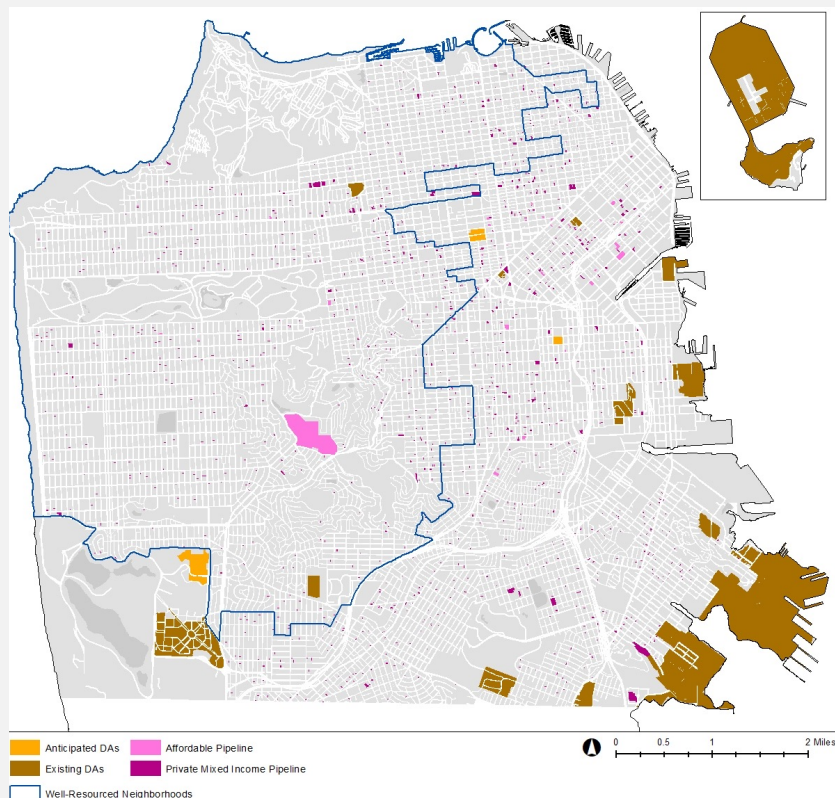
~ **8,000 - 16,000**

Lower income units
in Well-resourced
neighborhoods
25 – 50%

Sites Inventory Allocation, Inventory, and Rezoning

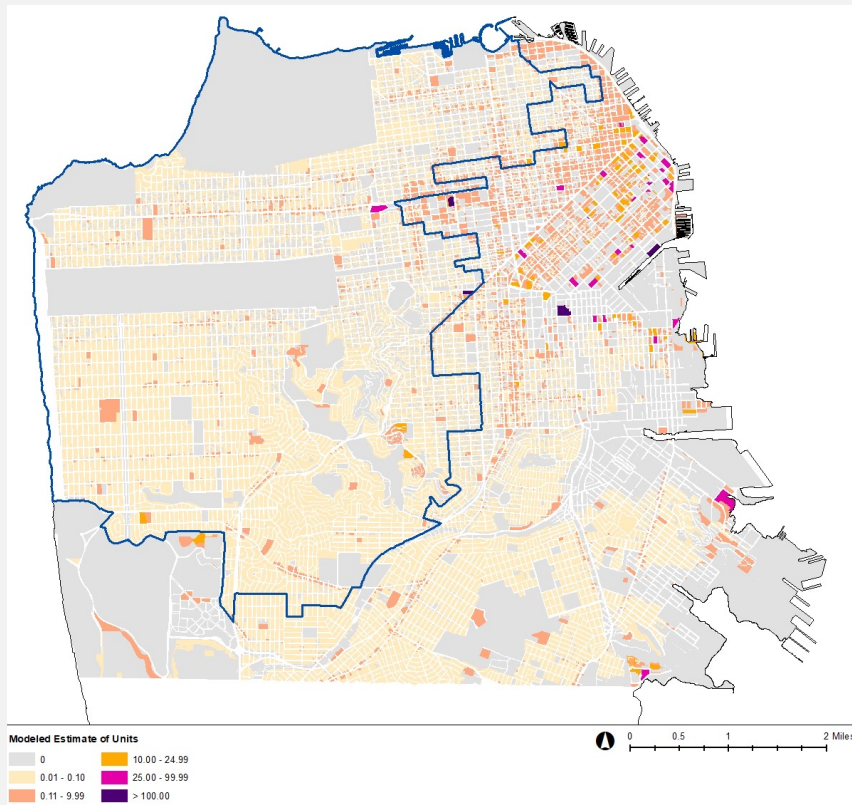


Sites Inventory Residential Development Pipeline



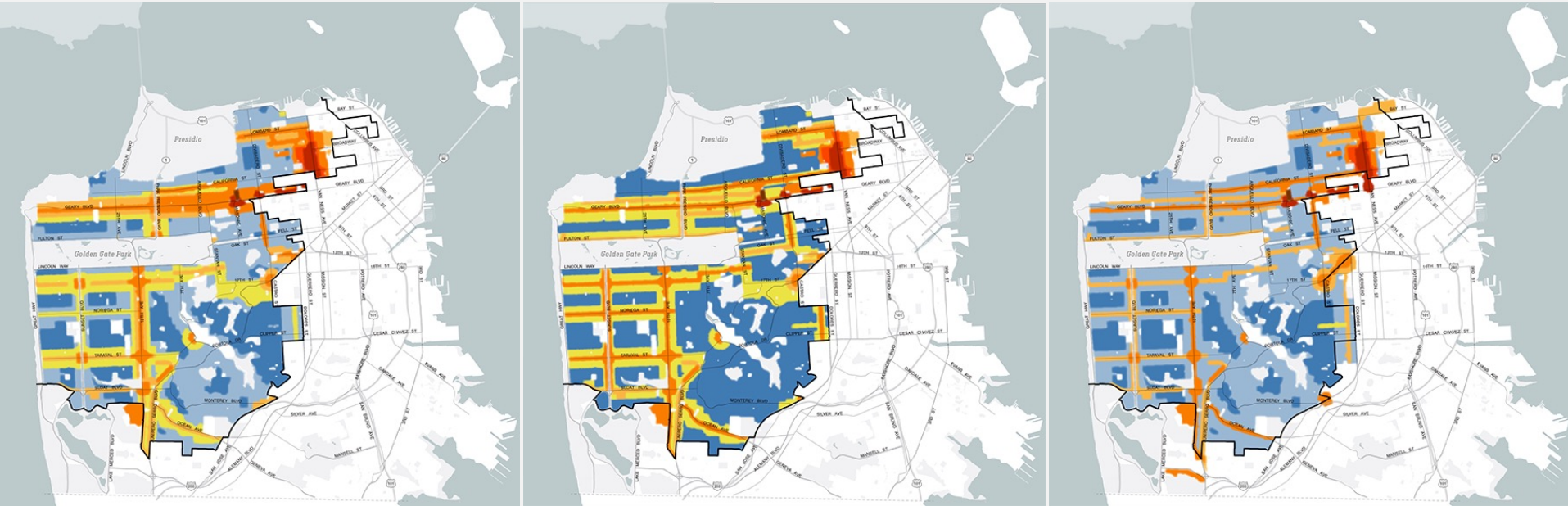
	Lower Income	Moderate Income	Above Moderate Income	Total Units
Large Projects/ DAs	6,412	1,610	16,579	24,600
Private/ Mixed Income	1,644	541	13,185	15,370
MOHCD New 100% Affordable	2,468	120	18	2,606
MOHCD Affordable Pres.	1,830		2	1,832
Subtotal	12,353	2,271	29,783	44,408

Sites Inventory Additional Estimated Capacity

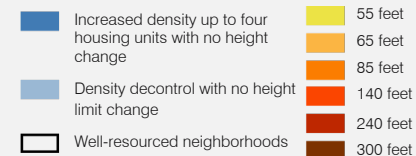


	Lower Income	Moderate Income	Above Moderate Income	Total Units
Modeled Estimate of Units	2,868	3,131	3,131	9,130
New 100% Affordable	2,160			2,160
Affordable Acquisitions	1,684	148	148	1,832
ADUs (Citywide)		1,800	200	2,000
Subtotal	6,712	5,079	3,479	15,122
Total Target (115%)	37,800	15,800	40,800	94,300
Total Sites Capacity	19,100	7,400	33,300	59,700
Shortfall	-18,700	-8,400	-7,500	-34,600

Sites Inventory Rezoning Program



Three example scenarios to meet the shortfall in sites



Sites Inventory Affordable Housing Sites & Funding

Sites

Need to expand sites acquisitions to meet targets

- Strategic and opportunistic site acquisition to ensure sufficient pipeline of sites over time
- Targeting sites in Well Resourced Neighborhoods and Priority Equity Geographies
- Public sites for housing
- Partnering with faith-based, nonprofit, philanthropic and other private landowners

Leverage inclusionary in private development

Funding

Local investment has grown but all sources will need to increase

- Convene City leaders, staff, policymakers, advocates and experts to identify additional funding sources
- Continue and expand local sources
- Advocates for regional, state, and federal funding
- Continue to support and leverage private development to provide inclusionary units
- Philanthropic, nonprofit, and other partnerships
- Track funding against targets by neighborhood and equity priorities

Cost reduction will also be key

Constraints Analysis Key Points

Affordable housing faces complex development and funding challenges

Challenges in the entitlement process results in uncertainty and higher costs

Public funding is significantly insufficient to retain and add affordable housing units

Mid-sized projects in higher land value areas are the most feasible yet face more government hurdles

Reliably protecting tenants and rent controlled units will help housing approvals

Constraints are especially high for very small, multi-family housing

Constraints Analysis **Governmental**



Land Use Controls



Building Codes



On- and Off-Site
Improvements



Process and
Permitting



Enforcement



Fees and Exactions



Institutional Barriers



Decision-making

- Development of multi-family buildings is constrained in Well-Resourced Neighborhoods
- Application process is difficult to navigate
- Cross-agency coordination increases review and construction time
- Challenges with implementing various State housing requirements
- Planning processes that do not center equity, especially in Priority Equity Geographies, often result in the delay of housing
- Challenges specific to developing small and mid-rise family multi-family buildings for middle-income households

Constraints Analysis **Governmental**



Land Use Controls



Building Codes



On- and Off-Site
Improvements



Process and
Permitting



Enforcement



Fees and Exactions



Institutional Barriers



Decision-making

Findings

Multiple points of uncertainty throughout review process impact time and cost of project

- General Plan Referrals
- Conditional Use Authorization requirements
- Locally required hearings for State Density Bonus projects

Constraints Reduction

Reduce these constraints to provide certainty and decrease delay

- Remove General Plan Referral and Conditional Use Authorization requirements for certain projects
- Remove Commission hearings for program-compliant State Density Bonus projects

Constraints Analysis **Non-Governmental**



Land/Site Value



Development Cost



Cultural and Political
Context

Findings

- Land value has increased across San Francisco, and especially in transit-rich areas
- Construction and financing costs continue to increase, including labor and supply chain
- A “project by project” Public process

Constraints Reduction

- Create loan, technical assistance, outreach, and educational programs for homeowners
- Expand construction training programs
- Focus streamlining processes in certain geographies

Implementation Programs Purpose & Components

Goals, Policies → Actions into Implementation

Purpose

- Satisfy state housing element requirements
- Facilitate coordination of city actions
- Increase accountability to the state and public

Components

- Action steps
- Definitive timeframes
- Responsible agencies
- Measurable outcomes
- Funding sources

Implementation Programs **Program Areas**

Goals, Policies → Actions into Implementation

Affordable Housing and
Housing Assistance

Serving Special Needs
Groups

Expanding Housing
Choices

Stabilizing Tenants and
Housing

Redressing and Preventing
Discrimination

Reducing Constraints on
Housing Development,
Maintenance, & Improvement

Preventing and Eliminating
Homelessness

Centering Equity
Communities and Cultural
Heritage

Healthy, Connected, and
Resilient Housing and
Neighborhoods

Plan Refinements **Key Updates to the Actions**



- A quick and robust strategic process to sustainably fund and implement affordable housing at a new scale
- Immediate actions to jumpstart housing projects in Well-resourced neighborhoods during a challenging time
- Partner actions with rezoning to stabilize residents vulnerable to displacement and increase viability of small, multifamily housing
- Metrics and deadlines to define the City's accountability with communities and State requirements
- On-going community-led strategies to determine outcomes for housing in Priority Equity Geographies



Implementation Programs **What follows after adoption?**

Housing Element → HE Implementation Process

Complete Program with HCD and public input prior to Planning Commission adoption

Public Engagement begins for key programs in early 2023:

- Rezoning Program
- Strategy for Affordable Housing Funding & Implementation
- Equity Community Prioritization of Actions

Form Interagency Implementation Committee in 2023



Process Recent and Next Steps

Oct 6/17	HCD 2 nd Submittal Publication / HCD 2 nd Submittal
Oct 20	CPC Director's report schedule update
Nov 3/4	CPC Informational / HCD preliminary comments
Nov 15	Board Committee informational hearing on Housing Element policies
Nov 17	CPC Hearing to initiate Housing Element adoption and certify EIR
Early Dec	HCD Draft In-Compliance Letter
Dec 15	CPC Hearing to adopt Housing Element
Jan 10	BOS Hearings begin to adopt Housing Element
Jan 31	Housing Element adopted, signed, completed; Certification 90 days



Housing Element

2022 UPDATE

*SHAPING THE FUTURE OF HOUSING
IN SAN FRANCISCO*

sfhousingelement.org