“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

Who being served?
- Needs
  Housing Need Assessment
- Equity
  Assessment of Fair Housing

How is this working now?
- Process
  Analysis of Governmental and Non-Governmental Constraints
- Existing Rules
  2014 Element Evaluation

Where & What types of housing?
- Existing Sites
  Sites Inventory
- Future Sites
  Rezoning Program

Community Outreach

Goals, Policies, Actions, & Implementation
Plan Components: Focus in HCD Draft 1 May

Who being served?
- Needs: Housing Need Assessment
- Equity: Assessment of Fair Housing

How is this working now?
- Process: Analysis of Governmental and Non-Governmental Constraints
- Existing Rules: 2014 Element Evaluation

Where & What types of housing?
- Existing Sites: Sites Inventory
- Future Sites: Rezoning Program

Community Outreach

Goals, Policies, Actions, & Implementation
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

Who being served?
- Needs: Housing Need Assessment
- Equity: Assessment of Fair Housing

How is this working now?
- Process: Analysis of Governmental and Non-Governmental Constraints
- Existing Rules: 2014 Element Evaluation

Where & What types of housing?
- Existing Sites: Sites Inventory
- Future Sites: Rezoning Program

Community Outreach

Goals, Policies, Actions, & Implementation
Current RHNA 28,869 units

Future RHNA 82,069 units

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%
Housing Element 2022 Updates

82,000 units allocated

12,300 unit buffer

59,700 units expected

34,600 units still needed

Sites Inventory Allocation, Inventory, and Rezoning

- 94,300 units
- 18,700 for low-income households
- 8,400 for moderate-income households
- 7,500 for above-moderate income households
## Sites Inventory Residential Development Pipeline

<table>
<thead>
<tr>
<th>Category</th>
<th>Lower Income</th>
<th>Moderate Income</th>
<th>Above Moderate Income</th>
<th>Total Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Projects/ DAs</td>
<td>6,412</td>
<td>1,610</td>
<td>16,579</td>
<td>24,600</td>
</tr>
<tr>
<td>Private/ Mixed Income</td>
<td>1,644</td>
<td>541</td>
<td>13,185</td>
<td>15,370</td>
</tr>
<tr>
<td>MOHCD New 100% Affordable</td>
<td>2,468</td>
<td>120</td>
<td>18</td>
<td>2,606</td>
</tr>
<tr>
<td>MOHCD Affordable Pres.</td>
<td>1,830</td>
<td></td>
<td>2</td>
<td>1,832</td>
</tr>
<tr>
<td>Subtotal</td>
<td>12,353</td>
<td>2,271</td>
<td>29,783</td>
<td>44,408</td>
</tr>
</tbody>
</table>
## Sites Inventory Additional Estimated Capacity

<table>
<thead>
<tr>
<th></th>
<th>Lower Income</th>
<th>Moderate Income</th>
<th>Above Moderate Income</th>
<th>Total Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modeled Estimate of Units</td>
<td>2,868</td>
<td>3,131</td>
<td>3,131</td>
<td>9,130</td>
</tr>
<tr>
<td>New 100% Affordable</td>
<td>2,160</td>
<td></td>
<td></td>
<td>2,160</td>
</tr>
<tr>
<td>Affordable Acquisitions</td>
<td>1,684</td>
<td>148</td>
<td>148</td>
<td>1,832</td>
</tr>
<tr>
<td>ADUs (Citywide)</td>
<td>1,800</td>
<td></td>
<td>200</td>
<td>2,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>6,712</td>
<td>5,079</td>
<td>3,479</td>
<td>15,122</td>
</tr>
<tr>
<td>Total Target (115%)</td>
<td>37,800</td>
<td>15,800</td>
<td>40,800</td>
<td>94,300</td>
</tr>
<tr>
<td>Total Sites Capacity</td>
<td>19,100</td>
<td>7,400</td>
<td>33,300</td>
<td>59,700</td>
</tr>
<tr>
<td>Shortfall</td>
<td>-18,700</td>
<td>-8,400</td>
<td>-7,500</td>
<td>-34,600</td>
</tr>
</tbody>
</table>
Three example scenarios to meet the shortfall in sites

- Increased density up to four housing units with no height change
- Density decontrol with no height limit change
- Well-resourced neighborhoods
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

**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

**Leverage inclusionary in private development**

**Cost reduction will also be key**
Affordable housing faces complex development and funding challenges

Reliably protecting tenants and rent controlled units will help housing approvals

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

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

- 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**

### 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

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

#### 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

---

**Goals, Policies → Actions into Implementation**
Implementation Programs Program Areas

Goals, Policies → Actions into Implementation

- Affordable Housing and Housing Assistance
- Stabilizing Tenants and Housing
- Preventing and Eliminating Homelessness
- Serving Special Needs Groups
- Redressing and Preventing Discrimination
- Centering Equity Communities and Cultural Heritage
- Expanding Housing Choices
- Reducing Constraints on Housing Development, Maintenance, & Improvement
- Healthy, Connected, and Resilient Housing and Neighborhoods

Housing Element 2022 Updates
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

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 6/17</td>
<td>HCD 2\textsuperscript{nd} Submittal Publication / HCD 2\textsuperscript{nd} Submittal</td>
</tr>
<tr>
<td>Oct 20</td>
<td>CPC Director’s report schedule update</td>
</tr>
<tr>
<td>Nov 3/4</td>
<td>CPC Informational / HCD preliminary comments</td>
</tr>
<tr>
<td>Nov 15</td>
<td>Board Committee informational hearing on Housing Element policies</td>
</tr>
<tr>
<td>Nov 17</td>
<td>CPC Hearing to initiate Housing Element adoption and certify EIR</td>
</tr>
<tr>
<td>Early Dec</td>
<td>HCD Draft In-Compliance Letter</td>
</tr>
<tr>
<td>Dec 15</td>
<td>CPC Hearing to adopt Housing Element</td>
</tr>
<tr>
<td>Jan 10</td>
<td>BOS Hearings begin to adopt Housing Element</td>
</tr>
<tr>
<td>Jan 31</td>
<td>Housing Element adopted, signed, completed; Certification 90 days</td>
</tr>
</tbody>
</table>