



May 2020

Community Stabilization Executive Summary



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San Francisco is experiencing increasing income inequality and a lack of affordable housing. These realities are leading to a loss of the middle class and displacement for many communities while the economy booms for others. Those living on the margins struggle to stay, let alone thrive, and the organizations supporting them are similarly fighting to remain. Tied to economic growth, the population has grown, and housing stock has not kept pace with job growth, pushing prices up for a limited supply of units. On many fronts, the City is working to address the detrimental impacts of displacement pressures on vulnerable populations and businesses. Yet, the scale of the current challenge is such that the City must expand its efforts to meet the need.

The Community Stabilization initiative is a multi-agency effort to assess the City's existing portfolio of tools, unify efforts into one comprehensive inventory, and identify Key Priorities. The initiative seeks to mitigate the impacts of ongoing displacement and help vulnerable populations thrive and contribute to the City's economy and culture. It enables decision-makers to make strategic choices and support interagency coordination to help stabilize our communities most impacted by displacement.

The comprehensive inventory includes an assessment of the City's tenant protections and housing stabilization, housing production and preservation, cultural stabilization, and economic development efforts, as well as corresponding ideas for future consideration that have the potential to increase community stability (available in an interactive, online format). This initiative primarily focuses on the City's work to protect tenants and preserve housing, the City's housing production efforts are addressed in the Housing Affordability Strategy and Housing Element 2022.

This initiative was conducted in collaboration with 20 City agencies and informed by input from 40 community organizations, and more than 2,300 residents through community forums, focus groups, stakeholder meetings, working group meetings, interviews, and a public survey. Based on community input and in close coordination with City agencies and the Mayor's Office, Key Priorities were identified that will strengthen the City's community stabilization efforts.

Key Priorities

The following Key Priorities focus on 1. strengthening policies and programs that are currently underway; and 2. assessing potential programs and policies with the intent to scope implementation possibilities within the coming year.

Enhancements to Existing City Programs and Policies

- **Strengthen Tenant Protections and Housing Stabilization Programs**
 - Implement, evaluate, fully fund, and explore stable funding sources for the San Francisco Tenant Right to Counsel (TRC), which provides legal representation to tenants facing eviction.
 - Expand and explore stable funding sources for tenants' rights education and counseling programs, and mediation programs.

- Expand and explore stable funding sources for rent subsidy programs to assist specific underserved populations and rent-burdened households.
- Enhance mediation process for minor lease violations and explore changes to the eviction notification process.
- **Preserve Existing Housing Serving Low-Income Households**
 - Expand affordable housing nonprofit capacity to purchase multifamily residential buildings, expand existing funding, and identify potential fixed funding sources for the Small Site Program.
 - Better understand the number of unauthorized units (UDUs) and explore small low-interest loan and grant program opportunities to legalize UDUs.
 - Expand acquisition and master lease status, address maintenance issues, enhance tenant protections, and adjust sale notification report requirements of Single Room Occupancy (SRO) Hotels.
- **Maximize Housing Production that Supports Community Stability**
 - Explore revisions to the HOME-SF program to ensure it maximizes the production of housing, particularly permanently affordable units.
 - Incentivize affordable Accessory Dwelling Unit (ADU) construction through financial incentives, technical assistance, and ongoing property management support targeting senior, low-income, and single-family homeowners.
 - Expand housing development options to support intergenerational and growing household needs, including multifamily housing and density adjustments.
 - Continue efforts to maximize State and Federal funding for affordable housing production.
- **Support Arts and Cultural Stabilization**
 - Continue to build upon existing funding opportunities, technical assistance, and partnerships to build capacity and mitigate displacement of artists and arts organizations.
 - Expand preservation and support for existing arts and culture spaces.
- **Encourage City and Community Partnerships to Sustain Neighborhood Cultural Heritage**
 - Support the Cultural Districts Initiative's efforts to sustain the neighborhood's rich art, culture, traditions, ways of life, history, and overall community ecosystem.
 - Coordinate and streamline City resources and partnership opportunities to implement the strategies identified in each Cultural District report.
- **Support Small Businesses and Neighborhood Commercial Districts**
 - Identify potential funding sources to expand support for small business grants, loans, and neighborhood economic stabilization.
 - Retain Legacy Businesses with targeted support through the nomination and application process.

- Continue to preserve and incentivize the creation of Production, Distribution, and Repair (PDR) spaces and explore an in-lieu fee option.
- Streamline the City permit process for businesses.
- Build upon our neighborhood commercial district strategies centered on diversity, equity and inclusion, so that they may advance opportunities for all, by increasing quality of life and economic opportunities.
- **Expand Workforce Development Programs**
 - Continue to prioritize employment and training resources for those communities with large barriers to employment.
 - Expand training and employment opportunities in emerging and growing industries such as Cannabis and Commercial Driving, particularly through the apprenticeship model, and programs such as CityDrive, Advanced Manufacturing training pilot, and Opportunities for All.
 - Expand career pathway opportunities in non-construction industries such as healthcare, technology, and hospitality for disadvantaged community members, leveraging City's increased investment in the First Source Hiring Program.

Potential City Programs and Policies

While complex and challenging to implement, these new policies and programs could substantially contribute to community stability. In the coming year, the City will assess the scope, impact of each recommendation, and implementation possibilities.

- **Better Understand and Track Housing with a Housing Inventory and Census**
An inventory of housing units (renter, owner-occupied, and vacant) would provide the City with essential information to better understand how housing stock is used. With a housing inventory and census, the City could better craft tailored housing stability and preservation programs that meet specific needs.
- **Strengthen Local Government Authority to Provide Tenant Protection Policies**
In collaboration with other cities and building on Assembly Bill 1482, support State legislation to reform Costa-Hawkins and the Ellis Act to allow local jurisdictions to adjust local rent and eviction controls to meet their challenges.
- **Enhance Efforts to Provide Housing, Supportive Services, and Inclusive Public Space for those Experiencing Homelessness**
In addition to existing supportive housing and navigation centers underway, other innovative housing approaches, such as using temporary or non-traditional housing to accommodate residents and offering underutilized and public-owned space for shelter, among others, would fill a gap in housing and shelter need. Designing inclusive public spaces would support the lives of people experiencing homelessness.

Next Steps

The City will gather input on the draft report from the Planning Commission, community stakeholders, and City agencies in fall 2019. The final report will be released, and the complete final inventory will be posted online at the end of 2019.

The City will work with communities to implement the enhancements to existing policies and programs. The City will scope the potential City programs and policies in the Key Priorities above. The scoping process will determine the feasibility, level of impact, and opportunities to increase community stabilization of the potential programs and policies. The creation of the new Office of Racial Equity will be instrumental in continuing the collaboration across City agencies to advance racial and social equity. The seven Cultural Districts, which are launching fall 2019, will use this report as a resource to develop their strategic plans.

In the future, the City will continue to explore the ideas for future consideration in the Policy and Program Inventory and issues that require further research including homeownership support, aging in place, and right-sizing housing with residents.