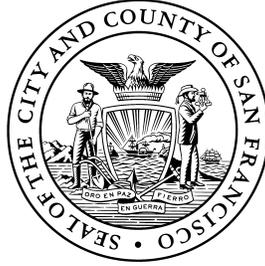


City and County
of San Francisco



Board of Supervisors
District 6

MATT DORSEY

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NEWS RELEASE

Dorsey-Peskin legislation would expand rent control protections to new housing units under HOME-SF

Newly proposed measure would add rent stabilization provisions of the S.F. Rent Ordinance as an affordability option for developers under the City's local density bonus program

SAN FRANCISCO (Oct. 4, 2022) — Supervisors Matt Dorsey and Aaron Peskin today announced legislation that seeks to expand rent control protections to new housing developments that take part in San Francisco's local density bonus program, HOME-SF. The proposal would add a new affordability option for participating developers, enabling project sponsors to access density benefits that include up to two stories of additional height in exchange for either of the following choices:

- The existing provision, in which developers offer on-site affordable units at an amount higher than that required under the City's Inclusionary Housing Ordinance; or
- A new option, in which projects would comply with existing Inclusionary Housing Ordinance provisions and subject the remaining units to rent control provisions of the San Francisco Rent Stabilization Ordinance (S.F. Admin. Code § 37).

If enacted, the proposed legislation would add a parallel goal to the HOME-SF Program, which currently seeks to increase affordable housing production, by increasing the number of housing units subject to rent stabilization in San Francisco. In 1979, the City adopted its Rent Ordinance, and the Housing Element of San Francisco's General Plan has since included

findings that establish rent control's importance for protecting low- and moderate-income residents from being at risk for eviction and displacement. A state law known as "Costa-Hawkins" (California Civil Code § 1954.50 et seq.) places limitations on local rent control ordinances, but contains exceptions for owners who agree by contract with public entities for applicable development considerations. Under that exception, in exchange for density bonuses, waivers, concessions and incentives, a developer can agree to subject newly constructed units to rent control.

"Rent stabilization is about stable communities, and it plays an essential role to protect tenants from market fluctuations and exorbitant rent hikes, which for too many San Franciscans can be tantamount to an eviction notice," said Supervisor **Matt Dorsey**. "As a renter in a post-1979 rent-controlled apartment at Trinity Place, I'm the beneficiary of a voluntary agreement in which developers agreed to rent control in exchange for development benefits that enhanced residential density. It's a model that works — both to protect renters and produce desperately needed housing — and it's the model we're proposing to expand upon with this legislation. I'm grateful to my colleague, Supervisor Aaron Peskin, for his partnership in this effort and for his longtime leadership to protect and expand rent-controlled housing stock citywide."

"This legislation is consistent with our work to layer rent control into new construction from ADU's to the recent four-plex legislation," said Supervisor **Aaron Peskin**. "We have been looking at ways to ensure tenant protections and reasonable price controls in exchange for developer benefits — this is the next step."

HOME-SF, which stands for "Home Ownership Means Equity – San Francisco," is the City's local density bonus program. Passed in 2016 by Supervisor Ahsha Safaí and then-Supervisor Katy Tang, the program exists to incentivize construction of affordable housing for moderate- and middle-income households and families. HOME-SF requires that 20 to 30 percent of the residential units be affordable, and offers development project sponsors priority processing, relief from density controls, and up to two extra stories of height. This program also offers a set menu of modifications project sponsors may choose from. The HOME-SF Program includes a number of location and project-specific eligibility criteria, and is not currently available in zoning districts with no density limits.

“We are excited to support this first-time ever expansion of rent control and eviction protections to tenants in new construction,” said **Mitchell Omerberg**, the director of the Affordable Housing Alliance of San Francisco.

The legislation is entitled: “Ordinance amending the Planning Code to allow projects under Housing Opportunities Mean Equity (HOME-SF) to agree to subject new dwelling units to the rent increase limitations of the Rent Ordinance; affirming the Planning Department’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.”

- [Legislation](#): “Planning, Administrative Codes - HOME-SF,” File #221021
- [Legislative Digest](#): “Planning, Administrative Codes - HOME-SF,” File #221021

More information about the HOME-SF program is available on the San Francisco Planning Department’s website at: <https://sfplanning.org/home-sf>.

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