Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

(a) There are approximately 23,600 veterans residing in the City and County of San Francisco (the “City”). This veteran population has been a cornerstone of this City for decades. Veterans have helped build the City and can be found today among the ranks of first responders and public safety workers. Veterans contribute to the economy and operate approximately 6,400 businesses in the City. Veterans have made significant professional and personal sacrifices to serve our community, the City, the State of California, and the United States, and such sacrifices make veterans specially deserving of recognition and respect.

(b) Veterans face many challenges when they come home and begin their reintegration back into society. Housing and employment for veterans are cornerstones of societal reintegration and are necessary to keep veterans out of poverty.

(c) Under United States Code, Title 5, Section 2108, veterans receive a preference for federal employment in recognition of the economic loss often suffered by veterans who
have served their country in uniform, to restore veterans to a favorable competitive position for employment, and to acknowledge the larger obligations owed to disabled veterans. The State of California and the City each implement employment preferences for veterans under California Government Code Sections 18791 et seq. and the City’s Civil Service Commission Rules 111.36 and 111.37, respectively. Further, under California Health & Safety Code Section 34322.2(b), veterans receive a preference for public housing units governed by public housing authorities. Housing programs for veterans, such as Veterans Affairs Supportive Housing ("VASH") and the Veterans Affairs Home Loan ("VA Loan"), are critical in transitioning veterans back into civilian life.

(d) Nevertheless, many veterans have slipped into poverty and are at risk of homelessness when either affordable housing or employment is not available. According to the California Research Bureau, the City has the sixth highest number of homeless veterans in California. Per the 2019 San Francisco Point in Time Count Survey (the “Survey”), it is estimated that in the City at that time there were 600 chronically homeless veterans in the City, amounting to 9% of the chronically homeless. Of the 600 chronically homeless veterans, most were members of minority groups: 33% were Black, 23% multi-racial, 20% Hispanic or Latinx, 6% Asian, and 2% Hawaiian or Pacific Islander. The top reasons cited in the Survey for chronically homeless veterans in San Francisco include: loss of employment (22%), alcohol or drug abuse (19%), eviction (12%), medical problem or mental illness (10%), and incarceration (8%). According to the “State of the American Citizen: the San Francisco Veterans Study” in 2017 by the USC Suzanne Dworak-Peck School of Social Work Center for Innovation and Research on Veterans & Military Families, over 40% of post-9/11 veterans in the City reported being homeless in the previous year and 40% of post-9/11 veterans in the City reported concerns about having housing in the next two months.
According to data from 2018 Integrated Public Use Microdata Series, 5,285 or 19.99% of San Francisco veterans were at or below 30% of the San Francisco area median income ("AMI"), 4,584 or 17.34% of San Francisco veterans were at 30% to 50% of AMI, and 11,064 or 41.86% of San Francisco veterans were at 50% to 80% of AMI.

According to the October 2021 Apartment List Rent Report, a median two-bedroom unit in San Francisco rents for $2,815 per month at market rates. At that cost, a three-person veteran household at 80% of AMI would pay 35% of income toward market rate rent, but a veteran household at 50% of AMI would pay 56% of income toward market rate rent. According to Zillow Data through August 31, 2021, the typical home value in San Francisco is $1,504,311. At that price, veteran households earning up to 80% of AMI cannot obtain a mortgage to purchase a market rate home without significantly more financial assistance than is currently available.

Existing rental housing programs for veterans, such as public housing and VASH, are only available to veterans earning up to 50% of AMI. Many veterans with income above 50% of AMI who are not eligible for such rental programs are rent-burdened by paying more than 30% of income for rent and are at risk of homelessness. In addition, because of limitations under the VA Loan program and price restrictions under the City’s affordable housing programs, veterans are unable to utilize the VA Loan for the City’s below market rate homeownership programs.

Under Administrative Code Chapter 47, the Mayor’s Office of Housing and Community Development ("MOHCD") administers preferences for certain eligible households to occupy affordable housing under the City’s affordable housing programs. Many below market rate units under the City’s affordable housing programs are rented to households who earn between 50% to 80% of AMI. Prioritizing eligible veterans who qualify for an existing housing preference in the City’s affordable housing programs could support low-income
veterans (50% to 80% of AMI) transitioning into stable housing and economic self-sufficiency
d and mitigate the risk of homelessness faced by many veterans in San Francisco.


(a) By no later than February 28, 2022, MOHCD shall complete an analysis of the
disparate impact and any discriminatory effect under fair housing laws of granting a priority for
Veterans eligible for a preference under Administrative Code Section 47.3 to occupy
affordable housing over other applicants with the same preference ("Veterans Priority"), and
shall deliver such disparate impact analysis to the Board of Supervisors for review and study
of an amendment to Administrative Code Chapter 47 to add the Veterans Priority.

(b) For purposes of this Section 2, "Veteran" means any person who (1) served in
the active military, naval, or air service of the United States, and was discharged or released
therefrom under conditions other than dishonorable, and (2) is recognized by the United
States Department of Veterans Affairs to receive or qualify for benefits or assistance.

Section 3. Effective Date. This ordinance shall become effective 30 days after
enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
of Supervisors overrides the Mayor’s veto of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: /s/ KEITH NAGAYAMA
KEITH NAGAYAMA
Deputy City Attorney
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Ordinance directing the Mayor's Office of Housing and Community Development to conduct a disparate impact analysis of granting a priority for veterans who qualify for an affordable housing preference under Administrative Code, Chapter 47.

November 29, 2021 Land Use and Transportation Committee - RECOMMENDED

December 07, 2021 Board of Supervisors - PASSED ON FIRST READING
   Ayes: 10 - Chan, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani and Walton
   Excused: 1 - Melgar

December 14, 2021 Board of Supervisors - FINALLY PASSED
   Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 12/14/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

12/24/2021
Date Approved
I hereby certify that the foregoing ordinance, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board

12/24/2021
Date

File No.
211094