Neighborhood-preference program for affordable housing proves effective

Dominic Fracassa  March 7, 2019 Updated: March 7, 2019 4:01 a.m.

Steban Guevara leaves for work from his apartment in the South of Market district in San Francisco, Calif. Wednesday, March 6, 2019. Photo: Photos by Jessica Christian / The Chronicle

With the city’s Neighborhood Resident Housing Preference plan, Guevara obtained an affordable unit in his building. Photo: Jessica Christian / The Chronicle
A San Francisco program meant to protect people in close-knit neighborhoods from being uprooted by gentrification and soaring housing costs appears to be working some two years after it began.

City supervisors created the Neighborhood Resident Housing Preference plan in late 2015. It requires 40 percent of units in new affordable housing developments funded by the city and private sources to be reserved for people living in the supervisorial district where the projects are built or within a half-mile of them.

In San Francisco, where affordable housing is limited and slots in subsidized units are chosen in a highly competitive and complex lottery system, the preference program is meant to give people looking for affordable housing a better chance of staying in their own neighborhoods.

On Thursday, officials from the Mayor’s Office of Housing and Community Development are expected to present a progress report on the program showing that it is within 1 percent of its target.

Twenty affordable housing developments that met the conditions for the program were completed and fully leased between July 2016 and June 2018. There were a total of 483 units in those buildings, and data from the mayor’s housing office shows 188 — or 39 percent — were occupied by people living in the neighborhood where the housing went up.

Mayor London Breed has championed the program since she was a supervisor, seeing it as a way to keep communities from fragmenting. One example: Economic shifts and the widely condemned redevelopment policies of the 1960s have decimated San Francisco’s black neighborhoods, like the Western Addition where Breed grew up. Now, just over 5 percent of the city is African American, according to U.S. census data.

“We know the mistakes of the past,” Breed said. “We saw it play itself out in the Western Addition in particular, where so many people like myself grew up in the neighborhood, get asked to support affordable housing and when the housing is finished, there’s not one person from the community even living in the new places.
“When people have relationships with people and the things they’re comfortable with, they feel connected to their neighborhoods,” she continued. “That’s how communities are created, and that’s why this is so important.”

The ability to live near his job “makes a big difference — huge. I can live where I shop, where I eat. It’s very convenient,” Steban Guevara said. “It was like I found a unicorn.”

Steban Guevara was among those who got to stay close to home because of the preference program. After drifting around the city at the end of a tumultuous relationship, Guevara ended up in a “hellhole” SRO in the Tenderloin for about a year. Through the neighborhood preference program, and with help from a housing specialist from the Bayview Senior Center who knew how to navigate the byzantine housing-placement system, he landed an affordable unit just two blocks from where he works.

The ability to stay in District Six and live near his job “makes a big difference — huge. I can live where I shop, where I eat. It’s very convenient,” he said. “It was like I found a unicorn.”

Steban Guevara’s "Wall of Accomplishments" sits above his bed inside his apartment.

“We’re really happy with the results,” said Kate Hartley, director of the mayor’s housing office. “We know San Francisco’s unique neighborhoods have their own identity, and the people who’ve lived there for a very long time are often the most at risk” of displacement.

The preference program “not only acknowledges that displacement happens, it acknowledges San Francisco’s very diverse and unique neighborhoods,” she said. “And that, when members of those communities are displaced, we really diminish our diversity and our vibrancy.”
Federal and state housing officials have long looked down on neighborhood preference legislation, viewing it as a vestige of racist housing policies and in violation of the federal Fair Housing Act, which sought to combat residential segregation.

Because of that, the city was never able to use federal or state money for affordable projects that included neighborhood preference provisions. Critics of that interpretation say it’s based on an outdated picture of the country’s housing landscape, which in many cities is now characterized by spiraling inequality that threatens to push lower-income residents from their own neighborhoods.

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