

# Public Meeting Regarding Proposed Budget

February 12, 2026



MAYOR'S OFFICE OF  
**HOUSING & COMMUNITY DEVELOPMENT**





## MISSION

**Support San Franciscans with affordable housing opportunities and essential services to build strong communities.**

## DIVISIONS

**Housing**

**Community Development**

**Homeownership and Below  
Market Rate (HBMR)**

**Finance and Administration**



**FY 2025-26 BUDGET  
\$176.6 million**



**POSITIONS  
125**

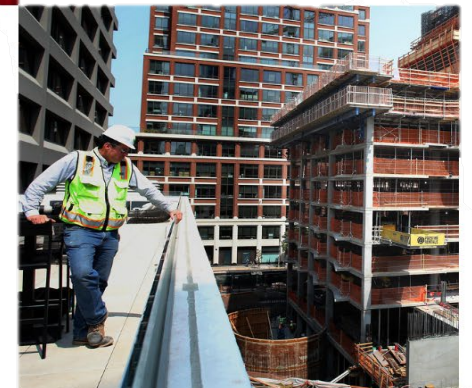
**HOUSING** division focuses on funding affordable housing development and creates housing policies and programs that build safe, stable, and affordable housing.

**COMMUNITY DEVELOPMENT** division works with a broad network of community-based partners to create an inclusive and equitable City where all residents can thrive.

**HOMEOWNERSHIP AND BELOW MARKET RATE (HBMR)** division delivers affordable homeownership opportunities, implements inclusionary programs, and ensures that all City-sponsored affordable housing is accessible to the people it is intended to serve.

**FINANCE AND ADMINISTRATION** division ensures that the department has the financial, human, and technological resources necessary to manage our investments and policies.

## DIVISIONS



# MOHCD POLICY PRIORITIES

**EXPAND** affordable housing opportunities

**PROVIDE** services to maintain housing stability

**ADVANCE** resident well-being and access to resources

BUDGET OVERVIEW

**MOHCD FY 24-25**

(most recent complete fiscal year)

**APPROXIMATELY 45%** of MOHCD’s budget does not go through the Board’s annual budget process (AAO) and is appropriated at other times.

FUND SOURCES NOT INCLUDED IN THE AAO:

<b>GO BONDS &amp; OTHER DEBT</b>	FY 24-25: 19% of expenditures
<b>FEDERAL AND STATE GRANTS</b>	FY 24-25: 13% of expenditures
<b>DEVELOPMENT IMPACT FEES</b>	FY 24-25: 8% of expenditures
<b>LOAN REPAYMENTS</b>	FY 24-25: 1% of expenditures
<b>OTHER</b> (fees supporting bond issuance and monitoring; legal settlements; development agreements)	FY 24-25: 1% of expenditures

AAO BUDGET  
**MOHCD FY 25-26**

**TOTAL BUDGET OF \$176.6M, INCLUDING:**

**\$55.0M** General Fund grants to CBOs, of which \$2.6M is one-time

**\$48.8M** Housing Trust Fund (HTF)

**\$43.0M** Local Operating Subsidy Program (LOSP)

**\$8.7M** housing impact fees and former SFRA housing assets

**\$8.6M** debt service

**\$3.1M** Cultural Districts

**\$2.6M** payments to other City departments

**\$1.9M** one-time market-rate housing developer contributions



PROPOSED BUDGET  
**MOHCD FY 26-27**

**TOTAL PROPOSED BUDGET OF APPROXIMATELY \$185.3M**, an increase of \$8.7M from FY 25-26.



**MAJOR INCREASES INCLUDE:**

**\$8.25M** Affordable Housing Opportunity Fund  
(November 2024 Prop G; subject to one-time  
reduction following the March Joint Report)

**\$5.8M** increase in LOSP due to new buildings  
coming online

**\$3.4M** increase in Housing Trust Fund per Charter

**\$3.6M** increase in debt service

PROPOSED BUDGET  
**MOHCD FY 26-27**

**TOTAL PROPOSED BUDGET OF APPROXIMATELY \$185.3M**, an increase of \$8.7M from FY 25-26.



**MAJOR DECREASES INCLUDE:**

**\$2.6M** reduction in CBO grants previously budgeted as one-time

**\$8.5M** reduced administration of CBO grants to meet target

**\$1.2M** in performing workorder budget for CBO grants returned to requesting departments

**\$845k** in position savings from deleting two vacant on-budget positions, one vacant off-budget position, and reduction in services provided to OCII



PROPOSED BUDGET  
**MOHCD FY 27-28**

**TOTAL PROPOSED BUDGET OF APPROXIMATELY \$189.3M**, an increase of \$4.0M from FY 26-27.

**MAJOR DECREASES:**

**\$1.8M** expiration of prior year addbacks;  
**\$1.9M** contributions from TIDA market rate  
housing development

**MAJOR INCREASES:**

**\$6.1M** LOSP;  
**\$1.2M** Housing Trust Fund

# MOHCD BUDGET INSTRUCTION TARGETS



**MOHCD'S BUDGET INSTRUCTIONS** are to propose ongoing, permanent General Fund spending reductions of **\$8.5M**. These spending reductions must be achieved by stopping the services/work furthest from the department's core mission.

At the direction of the Mayor's Office, and to meet the required spending reductions, MOHCD is preparing to stop work on the following program areas:

- Community-Based Services grantmaking (one strategy area administered by the CD team)
- Digital equity
- Community facility capital improvements

While the bulk of the above savings will come from reduced grantmaking to CBOs, there may also be on-budget and off-budget staffing implications which will need to be worked out over the coming months.

# BUDGET PRIORITIES AND FEEDBACK

In the next phase of the budget, the Mayor's Office will review departmental proposals as they shape the Mayor's proposed budget introduced on June 1.

Feedback regarding MOHCD's proposed budget and budget priorities may be sent to:  
**[mohcd-budget-comments@sfgov.org](mailto:mohcd-budget-comments@sfgov.org)**



# THANK YOU