

## **AFFORDABLE HOUSING AND HISTORIC PRESERVATION**

Affordable housing developers are increasingly seeking to combine the Low Income Housing Tax Credit with the 20% Federal Historic Rehabilitation Tax Credit. Indeed, the Lower Nob Hill Apartment Hotel National Register District and the Upper Tenderloin National Register District were strongly supported by affordable housing developers as a means to provide access to the full range of preservation incentives, including Federal Rehabilitation Tax Credits, property tax relief under the Mills Act, and code flexibility under the State Historical Building Code. Not coincidentally, San Francisco includes the largest concentration of historic SRO hotels in the country, with over 700 contributing buildings comprising the Lower Nob Hill Apartment Hotel and the Upper Tenderloin districts.

### **Project Review Process**

**Programmatic Agreement:** In 2007, the City entered into a Programmatic Agreement (PA) with the California Office of Historic Preservation and the Federal Advisory Council on Historic Preservation to streamline review of federally-funded affordable housing projects involving historic resources. The Mayor's Office of Housing has stated that "the City is pleased with the advantages afforded by the PA," adding that its "expectation that review times for individual projects would decrease was realized."<sup>1</sup>

**Limited HPC Participation:** The PA defines a limited role for the Historic Preservation Commission to provide comments on emergency demolitions and on the potential significance of undocumented properties. The HPC retains jurisdiction to review projects involving City Landmarks and comment on environmental documentation under the California Environmental Quality Act (CEQA). In all cases, the Board of Supervisors has final discretion to approve or deny projects.

### **Recently Approved Projects in Historic Buildings**

**Veterans Commons (150 Otis Street):** In 2010, the HPC approved the conversion of the 1916 Juvenile Hall and Detention Home, City Landmark No. 248, into 76 housing units for homeless veterans. The project requires extensive alterations to bring the building up to code. The project manager for Chinatown Community Development Center told the *San Francisco Business Times* that, "(The process) was pretty straight forward," noting that early design consultation assigned by the city helped save time and money.<sup>2</sup>

**Crescent Manor (467 Turk Street):** Built in 1913, the Hotel Senate is undergoing extensive seismic strengthening and electrical and plumbing upgrades, including installation of modern kitchenettes in all 94 senior housing units. Federal Rehabilitation Tax Credits will contribute \$1.1 million (\$616,000 net) to the \$15 million project.

**Central YMCA (220 Golden Gate Avenue):** The Tenderloin Neighborhood Development Corporation is converting the 1910 Central YMCA into 174 housing units for the homeless, with major historic public spaces preserved for cultural uses. Federal Rehabilitation Tax Credits are contributing \$17 million towards the \$94 million project cost.

### **Demolition of Historic Buildings for Affordable Housing**

**St. Anthony Foundation and Mercy Housing Project (121 Golden Gate Avenue):** In March 2011, the Board of Supervisors approved demolition of a two-story historic building for construction of 90 affordable senior housing units. Although the building is a contributor to the Upper Tenderloin Historic District, the HPC did not object to its demolition. The HPC's comments on the EIR stated: "We are pleased to see that the use of the building which makes it historic to begin with is continuing and will be part of the new project."

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<sup>1</sup> 4th Programmatic Agreement Compliance Report, Mayor's Office of Housing, July 15, 2009.

<sup>2</sup> "Preservation Commission takes moderate stance," *San Francisco Business Times*, June 27, 2010.