

Ballot Simplification Committee - Approved Digest: Packard, Fasick, Fraps, Jorgensen, Unruh - 11:55 a.m. on Tuesday, July 31, 2012

Requests for Reconsideration due Wednesday, August 1, by 12:00 p.m.

Affordable Housing *(working title only, subject to change)*

The Way It Is Now:

The City currently uses federal, State and local funds to support affordable housing programs for both low-income and moderate-income households. These include programs to:

- create and improve affordable housing,
- provide loans to assist with down payments, and
- help eligible homeowners and renters stay in their homes.

In addition, the City requires private residential developers to:

- pay a fee to support low-income housing, or
- make 12-15% of their on-site housing units affordable, or
- create new affordable units off-site, equal to 17-20% of their project's units.

Recent federal cutbacks and the elimination of State funding has decreased the funding available for affordable housing programs.

The Proposal:

Proposition __ would amend the Charter to establish a Housing Trust Fund (the Fund). The City would contribute \$20 million to the Fund in 2013. Each year, the City contribution would increase by \$2.8 million, up to a maximum of \$50.8 million in 2024. After 2024, the City would contribute an annual amount based on the \$50.8 million but adjusted for changes in the City's General Fund revenues.

The City would use the Fund to:

- Build, purchase, and improve affordable housing;
- Provide \$15 million for a loan program for down-payment assistance for moderate-income homebuyers and emergency first responders, such as a police officers and firefighters; and

- Provide up to \$15 million for a program that would help eligible households avoid foreclosure or eviction, or improve the safety, accessibility, or efficiency of their homes.

The City could use money from the Fund for neighborhood improvements such as streetscapes, childcare facilities and pedestrian safety projects.

Proposition __ would change the affordable housing requirements for private residential developments in two ways:

- Reduce the on-site affordable housing requirement to approximately 12% for most projects.
- Prohibit the City from increasing affordable housing requirements beyond those in place on January 1, 2013. This prohibition would apply only to certain projects.

Proposition __ would authorize the development of up to 30,000 low-income rental units in the City. The State Constitution requires local voter approval before using public funds to develop, construct, or acquire low-income rental units.

Proposition __ would expire automatically after 30 years. However, the Mayor could cancel the amendment at any time before January 1, 2013, after considering the City's financial situation.

A "YES" Vote Means: If you vote "yes," you want to amend the Charter to create a Housing Trust Fund that supports affordable housing for low-income and moderate-income households and to change the affordable housing requirements imposed on some private residential developments.

A "NO" Vote Means: If you vote "no," you do not want to make this change.

word count: 419 [suggested word limit: 300]