

Affordable Housing Bond*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration
On: Monday, August 5, 2019
Members: Packard, Anderson, Raveche

Deadline to Request Reconsideration: TBD

The Way It Is Now: The City provides funding to build and rehabilitate housing to meet the needs of City residents, including housing that is affordable for extremely low-, low-, moderate- and middle-income households. The City's funding for affordable housing comes from property taxes, hotel taxes, developer fees and other legal sources. The City sells voter-approved general obligation bonds to help provide some of this funding. The use of City money sometimes makes additional funding available from other public and private sources.

The Citizens' General Obligation Bond Oversight Committee oversees the spending of general obligation bond revenue proceeds.

The Proposal: Proposition ___ is an ordinance that would allow the City to borrow up to \$600 million by issuing general obligation bonds. The City would use this money to build, buy, improve, and rehabilitate affordable housing in the City in the following ways:

- \$150 million to repair and reconstruct public housing developments;
- \$220 million to acquire, build and rehabilitate rental housing for extremely low- and low-income individuals and families;
- \$60 million to acquire and rehabilitate existing affordable housing and assist middle-income City residents and workers to buy or rent homes;
- \$150 million to acquire and construct housing for seniors; and
- \$20 million to support affordable housing serving educators and employees of the San Francisco Unified School District and City College of San Francisco.

Proposition ___ would allow an increase in the property tax to pay for the bonds, if needed. The City has a non-binding policy to keep the property tax rate from City general obligation bonds below the 2006 rate by issuing new bonds as older ones are retired and the tax base grows. Landlords would be permitted to pass through up to 50% of any resulting property tax increase to tenants, subject to individual hardship waivers.

Proposition ___ also would require the Citizens' General Obligation Bond Oversight Committee to review the spending of bond funds.

A "YES" Vote Means: If you vote "yes," you want the City to issue \$600 million in general obligation bonds for projects designed to buy, build, preserve, and rehabilitate affordable housing and housing for seniors and educators; and to support housing opportunities for middle-income City residents and workers.

A "NO" Vote Means: If you vote "no," you do not want the City to issue these bonds.

**Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*