



August 5, 2019

Ballot Simplification Committee  
C/O Barbara Carr  
Department of Elections  
1 Dr. Carlton B. Goodlett Place  
City Hall, Room 48  
San Francisco, CA 94102

Re: Draft Digest – Affordable Housing Bond

Dear Members of the Ballot Simplification Committee,

We would like to express our gratitude for the Ballot Simplification Committee's work in preparing this digest, as well as various components of the Voter Information Pamphlet. In reviewing the proposed draft digest for the Affordable Housing Bond we would respectfully request the Committee's consideration of the below modifications. These requested changes mirror the prior work of the Committee on the digest for the 2015 Affordable Housing Bond and the 2018 Seawall Earthquake Safety Bond.

Requested Changes:

*The Way It Is Now:*

- 1) The below requested changes aligns the draft text with the language used in the 2015 Affordable Housing Bond digest and acknowledges that local sources of funding will not be sufficient to meet the City's housing needs.

"The City's funding for affordable housing comes from property taxes, hotel taxes, developer fees and other ~~legal~~ local sources. The City expects that money from these sources will not be enough to meet its future low-, moderate- and middle-income housing goals.

*The Proposal:*

- 2) The below requested changes propose to remove the numerical allocations for different categories of bond expenditures, consistent with the text of the 2015 Affordable Housing Bond digest, and updates the descriptions of eligible uses to fully capture the range of projects that could be supported with these funds. Additionally, these requested changes better delineate the distinctions between funds that can be used for preservation of existing rental housing and funds to support middle-income residents in obtaining affordable rental or homeownership opportunities.

- ~~" \$150 million to r~~Repair and reconstruct dilapidated public housing developments and their infrastructure;
- ~~\$220 million to a~~Acquire, build and rehabilitate rental housing for extremely low- and low-income individuals and families;
- ~~\$60 million to a~~Acquire, and rehabilitate and preserve existing affordable rental housing to prevent the loss of rental housing and the displacement of long-time City residents ~~and assist middle-income City residents and workers to buy or rent homes~~;
- Assist middle-income City residents and workers to rent or to buy their first homes;
- ~~\$150 million to a~~Acquire and construct housing dedicated for seniors; and



- ~~\$20 million to s~~Support affordable housing serving educators and employees of the San Francisco Unified School District and City College of San Francisco.

3) The below requested changes mirror the same language that was included in both the 2015 Affordable Housing Bond and 2018 Seawall Earthquake Safety Bond with respect to property tax rates prepared by the Committee. We believe it is important to keep this language consistent across all bond measures for voters.

“Proposition \_\_\_ would allow an increase in the property tax to pay for the bonds, if needed. ~~The City has a non-binding policy to limit the amount of money it borrows by issuing new bonds only as prior bonds are paid off. 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.”

A “YES” Vote Means:

4) The below requested changes mirror the same structure used for the 2015 Affordable Housing Bond and includes all of the different constituencies which could benefit from these 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.~~”

- Repair and reconstruct dilapidated public housing and their infrastructure;
- Acquire, build and rehabilitate affordable rental housing for individuals and families;
- Acquire, rehabilitate and preserve existing rental housing;
- Assist middle-income City residents and workers to buy or rent homes;
- Acquire and construct housing dedicated for seniors; and
- Support affordable housing serving educators and employees of the San Francisco Unified School District and City College of San Francisco.

Thank you for your consideration of these requested modifications.

Sincerely,

Handwritten signature of London N. Breed in cursive.

London N. Breed  
Mayor

Handwritten signature of Norman Yee in cursive.

Norman Yee  
President, Board of Supervisors