

Affordable Housing Bond*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration

On: Monday, November 27, 2023

Members: Packard, Anderson, Unruh, Wong

Deadline to Request Reconsideration: TBD

The Way It Is Now: The City provides funding to acquire, build or rehabilitate affordable housing to meet the needs of San Francisco residents, including housing that is affordable for extremely low- to middle-income households. The City's funding for affordable housing comes from property taxes, hotel taxes, developer fees, and other local sources.

The City can issue 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 reviews the expenditure of the general obligation bond proceeds.

The Proposal: Proposition ___ is an ordinance that would allow the City to borrow up to \$300 million by issuing general obligation bonds. The City would use this money in the following ways:

- Up to \$240 million to construct, develop, acquire, or rehabilitate new rental housing, including senior housing and workforce housing, for extremely low-income, very low-income, and lower-income households;
- Up to \$30 million to construct, develop, acquire, or rehabilitate existing housing to preserve it as affordable for lower-income households and moderate-income households; and
- Up to \$30 million to construct, develop, acquire, or rehabilitate housing for extremely low-income, very low-income and/or lower-income households who need safe and stable housing and are experiencing street violence, domestic violence and abuse, sexual abuse and assault, human trafficking, or other trauma relating to homelessness.

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.

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 \$300 million in general obligation bonds for projects designed to construct, develop, acquire, or rehabilitate affordable housing in San Francisco.

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.*