

Loans to Finance Acquisition and Rehabilitation of Affordable Housing*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration

On: Tuesday, August 2, 2016

Members: Packard, Anderson, Fasick, Fraps, Jorgensen

Word count: *(suggested 300-word limit)*

Deadline to Request Reconsideration: TBD

The Way It Is Now: There are about 2,000 privately owned unreinforced masonry buildings (UMBs) in San Francisco. These buildings, many of which are brick, were not designed to withstand strong earthquakes.

In November 1992, San Francisco voters approved an ordinance authorizing the City to issue up to \$350 million in general obligation bonds. The City must use the bond proceeds for the following purposes:

- \$150 million to provide loans to pay for seismic upgrades to affordable housing UMBs (Affordable Housing Loan Program); and
- \$200 million to provide loans to pay for seismic upgrades to market-rate residential, commercial and institutional UMBs (Market Rate Loan Program).

The City has issued approximately \$45 million in loans under the Affordable Housing Loan Program and approximately \$50 million in loans under the Market Rate Loan Program. Approximately \$255 million can still be issued under the 1992 ordinance.

The Citizens' General Obligation Bond Oversight Committee monitors the City's spending on money from general obligation bonds.

The Proposal: Proposition __ is an ordinance that would allow the City to use the proceeds from the remaining \$255 million in general obligation bonds for the following purposes, in addition to those specified in the 1992 ordinance to provide loans to:

- acquire, improve and rehabilitate multi-unit residential UMBs in need of seismic, fire, health and safety upgrades or other major rehabilitation. A multi-unit residential building is a building with three or more units; and
- convert residential, commercial and institutional UMBs to permanent affordable housing.

A "YES" Vote Means: If you vote "yes," you want to allow the City to spend the unused \$255 million from the 1992 general obligation bond ordinance to provide loans to:

- acquire, improve and rehabilitate at-risk multi-unit residential UMBs in need of seismic, fire, health and safety upgrades or other major rehabilitation; and
- convert residential, commercial and institutional UMBs to permanent affordable housing.

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

**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.*