

Affordable Housing Bond*

Digest by the Ballot Simplification Committee

Status: Final Digest

On: Monday, August 5, 2019

Members: Packard, Anderson, Raveche

Deadline to Request Reconsideration: 12 p.m. on Tuesday, August 6

The Way It Is Now: The City provides funding to build and rehabilitate housing to meet the needs of City residents, including affordable housing 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 sells voter-approved general obligation bonds to help provide some of this funding. The City has a 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.

The Citizens' General Obligation Bond Oversight Committee oversees how the general obligation bond revenue is spent.

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 and rehabilitate affordable housing in the City as follows:

- \$220 million to acquire, build and rehabilitate rental housing for extremely low- and low-income individuals and families;
- \$150 million to repair and rebuild public housing developments;
- \$150 million to acquire and construct housing for seniors;
- \$60 million to acquire and rehabilitate affordable rental housing to prevent the loss of such housing and to assist middle-income City residents and workers to secure permanent housing; and
- \$20 million to support affordable housing for 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. 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 how the bond funds are spent.

A "YES" Vote Means: If you vote "yes," you want the City to issue \$600 million in general obligation bonds to buy, build and rehabilitate affordable housing in the City.

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.*