

**Ballot Simplification Committee
WORKING DRAFT Digest
Continued until Wednesday, August 6, 2007**

Affordable Housing Set-Aside

THE WAY IT IS NOW:

The Charter requires the City to set aside portions of the annual property tax for specific purposes. For every \$100 of assessed value, the Charter requires the City to set aside:

- 2 ½ cents for the Park, Recreation and Open Space Fund;
- 3 cents for the Children's Fund; and
- 2 ½ cents for the Library Preservation Fund.

The City has various programs that provide financing to develop, rehabilitate or acquire affordable housing in San Francisco. The Mayor's Office of Housing (MOH) administers most of these programs.

The San Francisco Redevelopment Agency is governed by state law. A portion of the San Francisco Redevelopment Agency's budget comes from property tax. The City has

encouraged the San Francisco Redevelopment Agency to use over 50% of those funds to provide low and moderate income housing. The Redevelopment Agency has adopted that policy, which exceeds the requirements of state redevelopment law.

THE PROPOSAL:

Proposition ____ would amend the Charter to establish the San Francisco Affordable Housing Fund and require the City to set aside money from the annual property taxes for this Fund. For every \$100 of assessed value, Proposition ____ would require the City to set aside 2 ½ cents for the Affordable Housing Fund. This set aside would expire in 2024.

Money from the Affordable Housing Fund could be used to:

- purchase, build, rehabilitate or maintain housing for households that earn not more than 80% of the San Francisco median income,
- support programs to help first-time homebuyers,

- provide rent subsidies and other services to tenants, and
- help with urgent repairs of public housing properties owned by the San Francisco Housing Authority.

Money from the Affordable Housing Fund could also be used for housing for families with dependents, seniors, people who have disabilities, people who are HIV positive, and people who were recently homeless or are at risk of becoming homeless.

Proposition ___ also sets priorities for and limits on how the City can spend the Fund.

For example, the City must spend at least 75% of the Fund to acquire and develop new housing units, at least half of which must be 2 bedroom or larger units. It also must assure that at least 40% of those new units will be affordable to households earning 30% or less of the San Francisco median income.

The Affordable Housing Fund could not be used to replace other City funding for affordable housing.

The Affordable Housing Fund would be managed by the Mayor's Office of Housing (MOH). In cooperation with the Department of Public Health and the Department of Human Services, MOH would prepare budgets and plans for the fund that would be subject to the approval of the Board of Supervisors.

Proposition ____ would affirm City policy encouraging the Redevelopment Agency to use at least 50% of its property tax funds for low and moderate income housing.

A "YES" VOTE MEANS: If you vote "yes," you want the City to establish an Affordable Housing Fund, set aside 2 ½ cents for every \$100 of assessed value for this Fund through 2024, and use this Fund to acquire and develop new affordable housing units to meet certain priorities and income limitations.

A “NO” VOTE MEANS: If you vote “no,” you do not want to make these changes.

word count: 539 [suggested word limit: 300]