



2019 Affordable Housing Bond Capital Planning Committee

Mayor's Office of Housing and
Community Development

May 6, 2019

CITY AND COUNTY OF
SAN FRANCISCO

MAYOR LONDON N. BREED

GO Bond Proposal

The City and County of San Francisco is proposing a \$500 million General Obligation bond for the November 2019 ballot to fund the construction, acquisition, improvement, rehabilitation, preservation and repair of affordable housing.

The funds will address critical housing needs, protect residents, and stabilize communities.



Bill Sorro Community

Program Categories

Program Categories	Estimated Funds
Public Housing	\$150 million
Low-Income Housing (up to 80% AMI)	\$210 million
Affordable Housing Preservation (30% to 120% AMI) & Middle-Income Housing (80% AMI to 175% AMI)	<u>\$50 million</u> \$30 million (est.) \$20 million (est.)
Senior Housing (up to 80% AMI)	\$90 million
TOTAL	\$500 million



Public Housing Needs

- Bond proceeds will support the City's ongoing commitment to HOPE SF, a national model for disrupting intergenerational poverty, reducing social isolation and creating vibrant mixed-income communities without mass displacement.
- Sunnydale and Potrero funding needs include:
 - Emergency life-safety repairs for approximately 550 units;
 - Unit and infrastructure replacement for approximately 560 units;
 - Additional 140 new affordable units
- Additional funding will help stabilize and preserve the San Francisco Housing Authority's last, additional remaining public housing sites, all of which are severely dilapidated.



Hunters View Public Housing after HOPE SF Transformation

Public Housing – \$150 million

Eligible Uses: The repair and rebuilding of distressed public housing and its underlying infrastructure.

Priorities:

- Urgent capital needs to address life safety risks
- Additional creation of net new homes
- Acceleration of long construction timelines
- Reduction of adverse community impacts caused by long construction timelines

Who is Served?

- Existing public housing residents, including families, seniors, and people with disabilities
- New generations of residents earning 0-80% AMI
- Low-income families living in new units added to public housing sites
- Communities and neighborhoods in which the developments are located



Low-Income Housing Needs

- San Francisco low-income households need affordable housing to address their vulnerability to displacement and homelessness
- Federal resources have been in decline for years; state resources do not meet the need
- Bond funds will enable 2,000+ units of pipeline projects to start construction in the next four years:
 - Projects will serve vulnerable residents including seniors, formerly homeless individuals, veterans and families
- Funding will also expand the pipeline, especially for 100% supportive housing projects while Prop C funds are in litigation



Family in their home in the Mission District

Low-Income Housing – \$210 million

Eligible Uses: The construction, acquisition, and rehabilitation of permanently affordable rental housing serving individuals and families earning from 0% to 80% AMI.

Priorities:

- Shovel-ready projects able to start construction within 4 years
- Predevelopment funding to jumpstart new construction with \$10 million reserved for permanent supportive housing development
- Proximity to public transit
- Projects able to leverage City funds with the most additional resources, including state and federal funding and public land
- Projects located in neighborhoods with limited affordable housing production

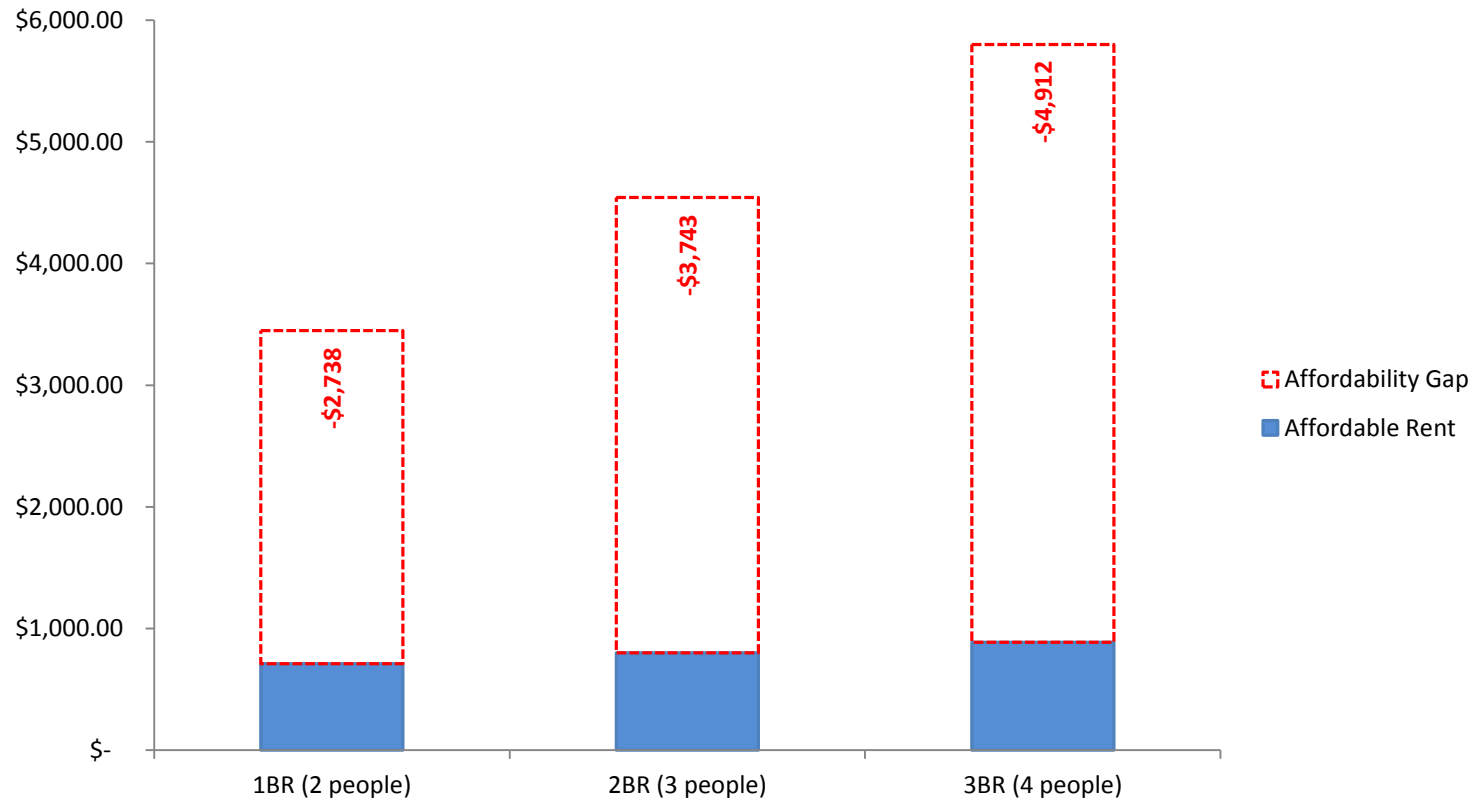
Who is Served?

- Vulnerable populations, such as working families, Veterans, Seniors, People with disabilities, Transitional aged youth, and people experiencing homelessness.



Rental Affordability Gap

Rental Affordability Gap: 30% AMI Households



Preservation Needs

- San Francisco's low- and middle-income residents are at constant risk of displacement through the conversion of rent-controlled housing
- Residents in older, HUD-financed affordable housing are also at risk of displacement due to the physical disrepair of their housing
- Funding will be used to acquire, rehabilitate, and preserve existing housing and convert to permanent affordability



Mayor Breed and residents announcing preservation of 4830 Mission Street

Affordable Housing Preservation – \$30 million (est.)

Eligible Uses: The acquisition and/or rehabilitation of rental housing at risk of losing affordability, whether through market forces or a building's physical decline.

Priorities –

Acquisitions and/or rehabilitation

- To create or enhance permanent affordability
- For buildings at imminent risk of conversion to market-rate rents
- In neighborhoods with limited affordable housing production
- In neighborhoods with high documented eviction rates

Who is Served?

- Low to middle-income households earning between approximately 30% and 120% of AMI, such as current residents living in housing at-risk of losing affordability and future generations of tenants.



Middle-Income Housing Needs

- Middle-income households, including teachers, non-profit workers, police and fire fighters, are the backbone of San Francisco's diverse workforce and are critical contributors to the City's economy,
- Bond funds will fill the gap left by an absence of federal resources and little state funding for this urgent housing need; San Francisco's middle-income housing production is consistently the lowest performing among all income categories in the Regional Housing Needs Allocation 2015-2022
- Funding will be used to create new affordable housing opportunities for middle-income households, including first-time homeownership



Teacher household that received \$375K in down payment assistance to purchase home in the Outer Sunset

Middle-Income Housing – \$20 million (est.)

Eligible Uses: The creation of new affordable housing opportunities through down payment assistance loans, and the purchase of buildings or land for new affordable construction.

Priorities:

- Households eligible for the Down Payment Assistance Loan Program (DALP)
- SFUSD Educators eligible for Teacher Next Door Down Payment Assistance Program Loans (TND)

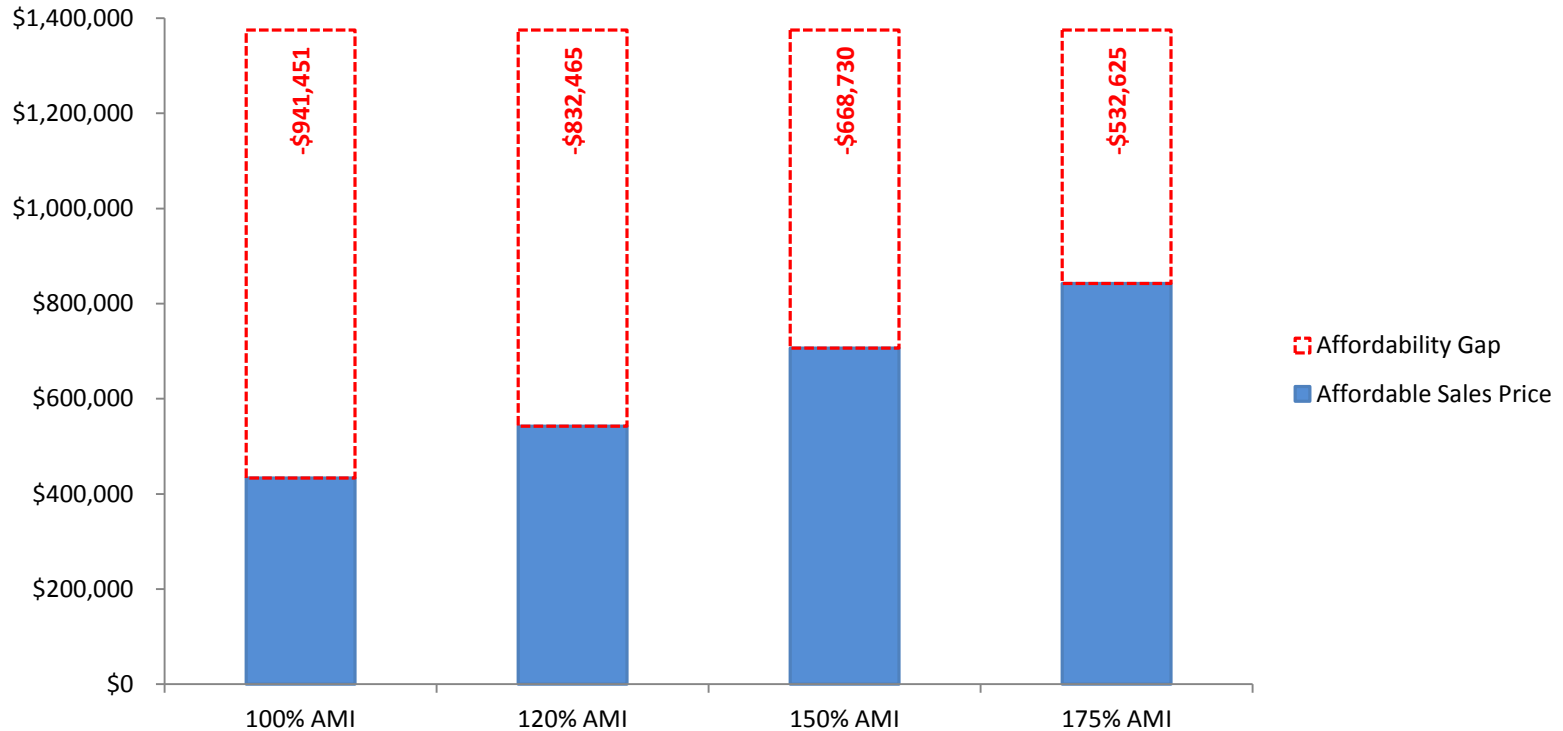
Who is Served?

- Households earning between 80% and 175 % of AMI
- Teacher Next Door Educators earning up to 200% of AMI



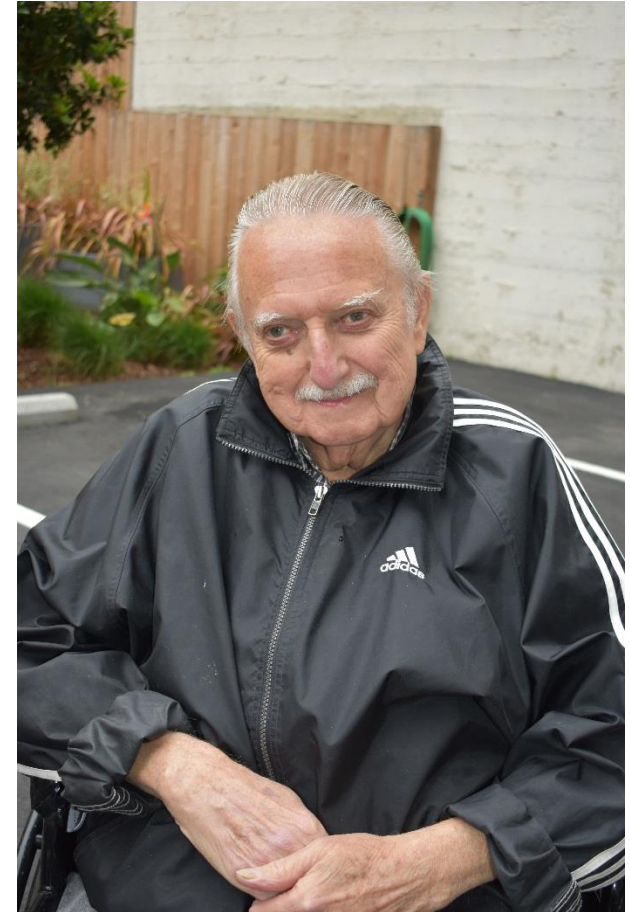
Homeownership Affordability Gap

Homeownership Gap: Middle-Income Households



Senior Housing Needs

- A senior living on Social Security earns about \$1,500 per month, or about 22% of Area Median Income for a single person.
- With average studio rents at about \$2,500/month, seniors who have worked their whole lives face daunting choices.
- Other common challenges seniors face – frailty, high medical expenses, and isolation, for example – add to the serious need for affordable senior housing.
- Funding will be used to create and preserve affordable senior housing, especially for low-income seniors



Senior resident at grand re-opening of 666 Ellis Street

Senior Housing – \$90 million

Eligible Uses: The creation of new affordable senior housing rental opportunities, through new construction and acquisition.

Priorities:

- New construction
- Projects able to leverage the most additional resources, including state and federal funding, public land, and especially ongoing rental subsidies for extremely low-income seniors
- Developments located in neighborhoods with limited affordable senior housing production
- Proximity to public transit

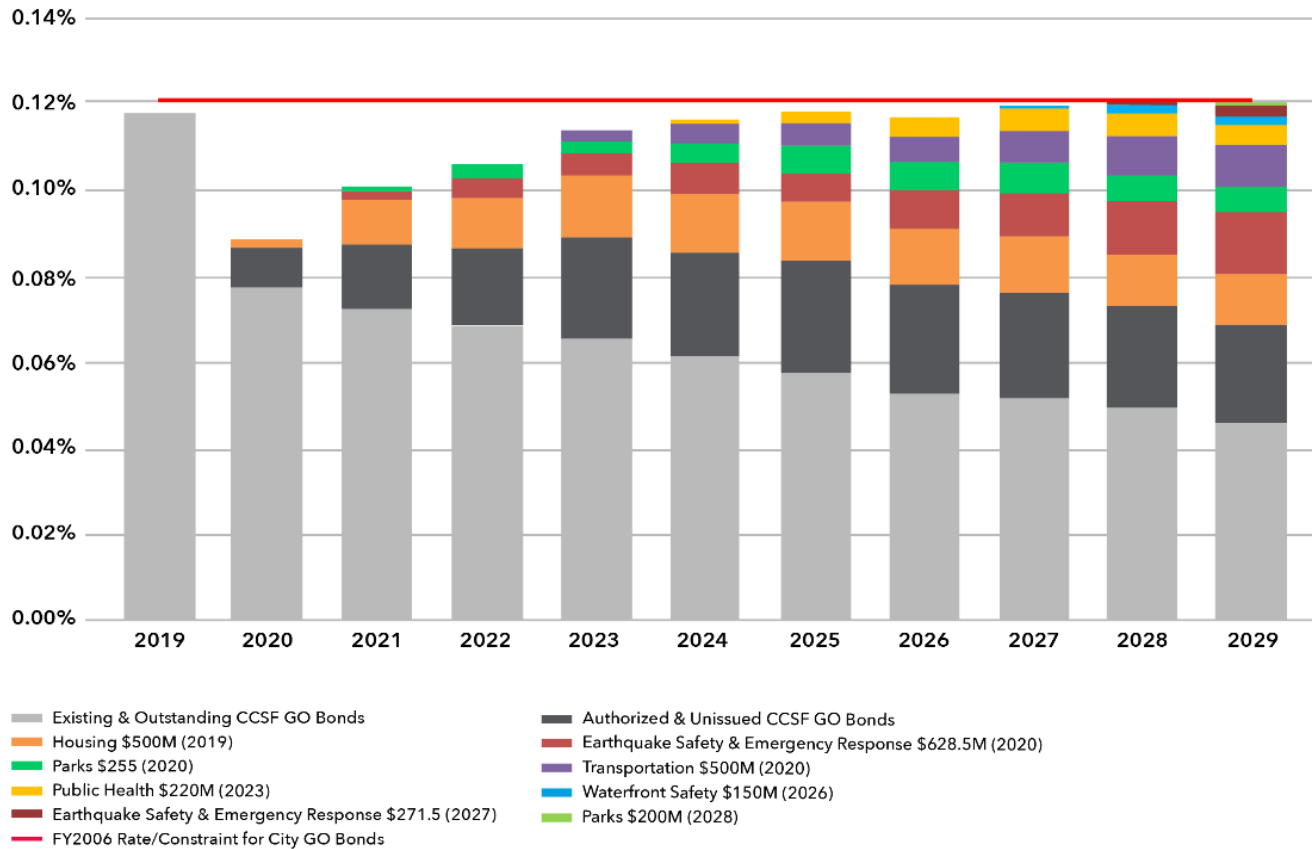
Who is Served?

- Seniors on fixed incomes earning from 0% AMI to 80% AMI who are especially vulnerable in San Francisco's inflated housing market.



Capital Plan

Capital Plan G.O. Bond Program (Certified AV 8-1-18) FY2020-29



Legislative Timeline

Date	Action
5/6/19	Presentation to Capital Planning Committee
5/7/19	Introduction at Board of Supervisors
7/26/19	Deadline for Board of Supervisors to submit bond to Department of Elections
11/5/19	Election Day



GO Bond Estimated Issuance Timeline

Year	Estimated Issuance Amount
2020	\$150 million
2021	\$200 million
2022	\$150 million





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