[Supporting Senate Bill 391 (DeSaulnier) - Establishing Permanent Funding Source for Affordable Housing Development]

Resolution supporting Senate Bill 391, authored by Senator Mark DeSaulnier, to establish a permanent funding source for affordable housing development in California.

WHEREAS, The credit and foreclosure crisis resulted in a reduction in home prices, an increase pressure on the rental housing market and slower growth in housing production; and

WHEREAS, Seven of the top 10 cities in the nation hit hardest by the foreclosure crisis were in California; and

WHEREAS, California has 12 percent of the United States population but 21.4 percent of its homeless population; and

WHEREAS, Seventy-three percent of people who are homeless in California are experiencing homelessness because they could not afford a place to live; and

WHEREAS, Economists agree that the State's high unemployment rate is due to the massive shrinkage in the construction industry from 2005 to 2009, including the loss of nearly 700,000 jobs, a 60 percent decline in construction spending, and an 83 percent reduction in residential permits; and

WHEREAS, The elimination of redevelopment agencies that were required to set aside 20 percent of tax increment for affordable housing has caused the funding stream of roughly one billion dollars per year to disappear; and

WHEREAS, The State of California has provided over $333 million in financing for the development of permanent affordable housing in San Francisco since 2006 through the disbursement of Propositions 46 and 1C funds; and
WHEREAS, These State funds has resulted in the development of 6,730 units of housing affordable to low income families, seniors and people with special needs in San Francisco; and

WHEREAS, These State funds have leveraged over $1.4 billion in private and public dollars, which helped to create jobs and stabilize communities; and

WHEREAS, Propositions 46 and 1C funds have been fully disbursed and there is a critical need for another State source of affordable housing funding to replace it; and

WHEREAS, A healthy housing market that provides homes affordable to Californians at all income levels is necessary for the economic prosperity and quality of life in the State; and

WHEREAS, California’s workforce continues to experience longer commute times as residents seek affordable housing outside the areas in which they work, straining the state’s transportation system and exacerbating green house gas emissions; and

WHEREAS, Instability in housing impedes economic growth and development by making it difficult for California employers to attract and retain employees; and

WHEREAS, California continues to have the second lowest homeownership rate in the nation and minimum wage earners have to work 120 hours per week to afford an average two-bedroom apartment; and

WHEREAS, Without a reliable source of funding for housing that is affordable to the State’s workforce and most vulnerable residents, the State and its local and private housing development partners will not be able to increase the supply of housing after existing housing bonds are depleted; and

WHEREAS, Senate Bill (SB) 391, also known as the California Homes and Jobs Act, would establish permanent sources of funding devoted to affordable housing development; and

Supervisors Chiu, Mar, Kim, Campos, Avalos, Breed

BOARD OF SUPERVISORS
WHEREAS, SB 391 would impose a small recordation fee for all real estate transactions excluding home sales; and

WHEREAS, The fee revenue would be sent to the Department of Housing and Community Development to be deposited in the California Homes and Jobs Trust Fund, which supports affordable housing and administers housing programs; and

WHEREAS, The fee revenue would raise $500 million annually and leverage an additional $278 billion in investments in affordable housing production and jobs for Californians; and

WHEREAS, SB 391 would create 29,000 jobs annually, including in the construction sector, and help employers attract and retain employees; now, therefore be it

RESOLVED, That the Board of Supervisors of the City and County of San Francisco supports SB 391 and the creation of permanent sources of funding for affordable housing development; and, be it

FURTHER RESOLVED, That the Board of Supervisors of the City and County of San Francisco urges the California State Legislature to pass SB 391, the California Homes and Jobs Act.
Resolution supporting Senate Bill 391, authored by Senator Mark DeSaulnier, to establish a permanent funding source for affordable housing development in California.

March 04, 2014 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee
Absent: 1 - Breed

I hereby certify that the foregoing Resolution was ADOPTED on 3/4/2014 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board