

City and County of
San Francisco



Board of Supervisors,
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For Immediate Release
July 10, 2024

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Workforce Housing & Affordable Middle-Income (WHAMI) Act Moves *New Financing Tools Would Help Build Thousands of New Homes for Middle- Income Families and Vital Essential Workers – Without Raising Taxes*

San Francisco – Today, the Budget and Finance Committee approved amendments to Supervisor Peskin’s Workforce Housing and Affordable Middle-Income (WHAMI), which will create a new financing program utilizing tax-exempt government-issued revenue bonds to help build affordable housing for middle-class families and essential workers such as educators and health care workers.

“Affordable housing is infrastructure, and the City must invest in ensuring that infrastructure goes beyond entitlement and actually gets financed and built,” said **Board of Supervisors President Aaron Peskin**. “The City must lead on addressing the real barriers to housing construction, particularly for demographics the market is not able to subsidize: middle-income workers who don’t qualify for significant public subsidies but who also can’t afford market-rate rents. Instead of arguing about paper entitlements and zoning, we are creating the foundation for real funding mechanisms applied to real sites, marshaling our capabilities in partnership with local stakeholders to produce housing for San Francisco’s working families and streamlining the housing application process so those units are leased up as quickly as possible.”

The new program will create financing for housing for San Franciscans earning 80%—120% AMI and cap annual rent increases, similar to rent stabilization. Additionally, it will create a new streamlined process of applying to and maintaining affordable housing, with safeguards to ensure developer fees are capped. The program will ensure that the property tax base would not be negatively impacted by the revenue bonds issued by the Board of Supervisors, which would not require a ballot measure and would be issued on a project-by-project basis.

“This is the right proposal for the right time,” said **Eric Tao, Managing Partner of L37 Partners**, at this morning’s Budget and Finance Committee. “There’s a fundamental disconnect between the capital markets and housing development, and the innovative WHAMI program can kick-start so many projects that developers are hungry to build.”

Affordable rent paid by middle-income households can support significant debt service, primarily if the City can provide cheaper debt and property tax exemptions – unlike low-income affordable housing, which requires large public subsidies. The program also models

a new streamlined process for accessing and leasing affordable housing in San Francisco. It sets out clear directives to the Mayor's Office of Housing and Community Development (MOHCD) to remove barriers to existing affordable housing programs to the maximum extent allowable by law.

"The wait time for residents to be approved for Below Market Rate (BMR) housing units is made even more onerous by redundant paperwork and overly burdensome paperwork," said **Theresa Imperial, Executive Director of the Bill Sorro Housing Program (BiSHoP)**. "The WHAMI program creates housing stability by forcing MOHCD to streamline application documentation, abide by a shortened timeline, and reform the recertification process. Getting San Franciscans into homes should be just as important as building them."

The program would be run out of the Controller's Office of Public Finance, and eligible project sponsors could include public entities such as MOHCD, OCII, SFUSD, or City College or non-profit housing organizations such as Housing Accelerator Fund. The WHAMI legislative package was amended in Committee, and unanimously forwarded to the full Board of Supervisors with positive recommendation and will be adopted before the end of July.

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