

LEGISLATIVE DIGEST

[Charter Amendment - Affordable Housing Opportunity Fund for Seniors and Families]

Describing and setting forth a proposal to the voters at an election to be held on November 5, 2024, to amend the Charter of the City and County of San Francisco to require the Board of Supervisors set aside specified funds in the City’s budget each year, beginning in Fiscal Year 2026-2027, to fund project-based rental subsidies for extremely low-income households consisting of seniors, families with children, and persons with disabilities.

Background Information

This Charter Amendment creates Section 16.132 to establish a Senior and Families Affordable Housing Opportunity Fund (“Fund”) to be administered by the Mayor’s Office of Housing and Community Development (“MOHCD”). This new law requires that, beginning in Fiscal Year 2026-2027, the City must appropriate to the Fund \$8.25 million. The amount the City must appropriate to the Fund will increase each year by an additional \$8.25 million until Fiscal Year 2029-2030, at which point the City must appropriate \$33 million to the Fund. Thereafter and through Fiscal Year 2045-2046, the City must appropriate to the Fund at least the amount appropriated the prior year, adjusted up by up to 3% based on the City’s revenues. However, in Fiscal Year 2026-2027 or thereafter, the City may reduce the amount it appropriates to the Fund in the event of a projected budget deficit exceeding \$250 million. In such cases, the City must still appropriate at least \$8.25 million to the Fund.

Money in the Fund must be disbursed by MOHCD through grants or other types of payments to provide project-based rent subsidies for new and existing permanent affordable housing in the City. The projects MOHCD may fund are those intended to benefit extremely low income (“ELI”) households consisting of seniors and disabled adults earning up to 25% of median income and families earning up to 35% of median income. The legislation establishes categories of eligible projects to benefit these households, including acutely low-income disabled persons and seniors earning up to 15% of median income. Except that the funds may be used to expand available housing in existing Senior Operating Subsidies Program Fund programs, the Fund may not be used to fund other rental subsidy programs that already exist in the City. The Fund will expire on December 31, 2046 unless it is extended by the voters.