

File No. 260537

Committee Item No. 2

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date June 22, 2026

Board of Supervisors Meeting

Date _____

Cmte Board

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OTHER (Use back side if additional space is needed)

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| ☒ | ☐ | Charter Amendment Version 1 |
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Completed by: Victor Young Date June 17, 2026

Completed by: _____ Date _____

[Charter Amendment - Housing Trust Fund]

Describing and setting forth a proposal to the voters at an election to be held on November 3, 2026, to amend the Charter of the City and County of San Francisco to increase the amount of funding the City must appropriate to the Housing Trust Fund each fiscal year that is used for the creation, acquisition, and rehabilitation of affordable rental and ownership housing, for downpayment loans and housing stabilization for certain households, and for housing-related infrastructure; provide for a temporary freeze and temporary reduction in the annual appropriation to the Housing Trust Fund under certain circumstances; extend the sunset date of the Housing Trust Fund from July 1, 2043 to July 1, 2058; and delete obsolete provisions.

Section 1. The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 3, 2026, a proposal to amend the Charter of the City and County by revising Section 16.110, to read as follows:

NOTE: **Unchanged Charter text and uncodified text** are in plain font.
Additions are single-underline italics Times New Roman font.
Deletions are ~~strike-through italics Times New Roman font~~.
Asterisks (* * * *) indicate the omission of unchanged Charter subsections.

SEC. 16.110. HOUSING TRUST FUND.

(a) **Creation of Fund.** There is hereby established a Housing Trust Fund to support creating, acquiring and rehabilitating affordable housing and promoting affordable home ownership programs in the City, as provided in this Section 16.110.

(b) **Definitions.** For purposes of this Section:

1 “First Responder” shall mean a City employee who responds first in cases of natural disaster
2 or emergencies, including, but not limited to, all active uniformed, sworn members of the San
3 Francisco Police and Fire Departments.

4 “General Fund Discretionary Revenues” shall mean revenues that the City receives and
5 deposits in its treasury, that are unrestricted, and that the City may appropriate for any lawful
6 City purpose.

7 “Household” shall mean any person or persons who reside or intend to reside in the same
8 housing unit.

9 “Mayor’s Office of Housing” shall mean the Mayor’s Office of Housing and Community
10 Development or any successor City agency.

11 **(c) Funding.**

12 ~~(1) In the Fiscal Year 2013-2014 budget, the City shall appropriate to the~~
13 ~~Housing Trust Fund \$20 million.~~

14 ~~(2) For the next 11 fiscal years, in each of the annual budgets for Fiscal Year~~
15 ~~2014-2015 through Fiscal Year 2024-2025, the City shall appropriate to the Housing Trust Fund~~
16 ~~an amount increasing by \$2.8 million per year, until the annual appropriation required by this~~
17 ~~Section reaches \$50.8 million in the Fiscal Year 2024-2025 budget.~~

18 ~~(3)~~ In the annual budgets for ~~Fiscal Year 2025-2026 through Fiscal Year 2042-~~
19 ~~43~~ Fiscal Year 2027-28, the City shall appropriate to the Housing Trust Fund an amount equal to
20 the prior year’s appropriation, adjusted by the percentage increase or decrease in General Fund
21 Discretionary Revenues budgeted for the year compared to the prior year’s original budgeted
22 amount of General Fund Discretionary Revenues.

23 (2) In each fiscal year beginning in Fiscal Year 2028-2029, until the first fiscal
24 year immediately following the fiscal year in which the total annual appropriation under this
25

1 subsection (c) reaches or exceeds \$125 million, the City shall appropriate to the Housing Trust
2 Fund the greater of the following:

3 (A) An amount equal to the prior year's appropriation, plus an amount
4 equal to 20% of the City's share of the 1% ad valorem tax revenue resulting from the year-over-
5 year increase, if any, in the Net Total Basis of Levy, as published in the Controller's Certificate
6 of Assessed Valuation between the preceding two fiscal years.

7 (B) An amount equal to the prior year's appropriation, adjusted by the
8 percentage increase, if any, in General Fund Discretionary Revenues budgeted for the year
9 compared to the prior year's original budgeted amount of General Fund Discretionary
10 Revenues.

11 (3) Starting in the fiscal year immediately following the first fiscal year in which
12 the total annual appropriation under this subsection (c) reaches or exceeds \$125 million, the
13 City shall appropriate to the Housing Trust Fund an amount equal to the prior year's
14 appropriation, adjusted by the percentage increase, if any, up to 3%, in General Fund
15 Discretionary Revenues budgeted for the year compared to the prior year's original budgeted
16 amount of General Fund Discretionary Revenues.

17 (4) Should the City adopt a fixed two-year budget under Charter Section 9.101,
18 the adjustment for the Housing Trust Fund appropriation for the two years of the two-year
19 budget shall be based on the amount of General Fund Discretionary Revenues estimated for the
20 two-year period included in the budget.

21 (5) ~~During Fiscal Years 2025-2026 through 2042-2043~~In each fiscal year
22 through 2057-2058, if the Controller submits a revised estimate of General Fund Discretionary
23 Revenues for a given Fiscal Year or two-year budget period that is lower than the amount
24 originally budgeted for that period, then the Board of Supervisors may, by ordinance, reduce the
25

1 appropriation to the Housing Trust Fund for that budget period in an amount that does not exceed
2 the amount proportionate to the percentage shortfall in the discretionary revenue projection.

3 (6) The Controller's method of calculating the amount of and changes in General
4 Fund Discretionary Revenues shall be consistent from fiscal year to fiscal year and with the
5 Controller's method for calculating those figures under Charter Sections 8A.105, 16.108, and
6 16.109. ~~Additionally, in determining General Fund Discretionary Revenues, the Controller shall~~
7 ~~not include revenues received by the City under the increased rates in Business and Tax~~
8 ~~Regulations Code Sections 953.1(g), 953.2(h), 953.3(h), 953.4(e), 953.5(d), 953.6(f), 953.7(d),~~
9 ~~and 953.8(i) adopted by the voters at the general municipal election on November 3, 2020, and~~
10 ~~shall not include revenues received by the City under Article 36 of the Business and Tax~~
11 ~~Regulations Code adopted by the voters at the general municipal election on November 3, 2020.~~

12 The Controller shall treat General Fund appropriations to the Housing Trust Fund as reductions
13 in General Fund Discretionary Revenues when calculating other funding allocations that are tied
14 to General Fund Discretionary Revenues, including funding allocations under Charter Sections
15 8A.105, 16.108, and 16.109. The Controller shall correct errors in the estimate of discretionary
16 revenues for a fiscal year through an adjustment to the next fiscal year's estimate.

17 ~~————— (7) In any year during the term of this Section, the City may, in its discretion,~~
18 ~~reduce its annual contribution to the Housing Trust Fund for that year by an amount equal to or~~
19 ~~less than 56.7% of the annual debt service required to service any SB2113 Affordable Housing~~
20 ~~Bonds issued after January 1, 2013. "SB2113 Affordable Housing Bonds" are bonds issued by~~
21 ~~the City to support the acquisition and creation of replacement affordable housing citywide~~
22 ~~using property tax increment from former Redevelopment project areas under California Health~~
23 ~~and Safety Code Section 33333.7.~~

24 (8) The Controller shall set aside and maintain the amounts appropriated to the
25 Housing Trust Fund under this Section, together with any interest earned thereon, and any

1 amount unexpended or uncommitted at the end of the fiscal year shall be carried forward to the
2 next fiscal year and, subject to the budgetary and fiscal limitations of this Charter, shall be
3 appropriated for the purposes specified in this Section.

4 **(d) Temporary Freeze or Reduction of Appropriation Amount.**

5 **(1) Temporary Freeze.** *Notwithstanding the provisions of subsection (c), the City*
6 *may, through a standalone ordinance considered as part of the annual budget process, freeze the*
7 *City's annual contribution to the Housing Trust Fund for any fiscal year through Fiscal Year*
8 *2057-2058 at the then-current amount when the City's projected budget deficit for the upcoming*
9 *fiscal year, as stated in the Joint Report or Update to the Five-Year Financial Plan prepared*
10 *jointly by the Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget*
11 *Analyst, exceeds \$250 million, which threshold shall be adjusted annually beginning with Fiscal*
12 *Year 2028-2029 by the percentage increase or decrease in General Fund Discretionary*
13 *Revenues, as determined by the Controller, based on calculations consistent from year to year.*

14 **(2) Temporary Reduction.** *Notwithstanding the provisions of subsection (c), the*
15 *City may, through a standalone ordinance considered as part of the annual budget process,*
16 *decrease the contribution the City would otherwise be required to make to the Housing Trust*
17 *Fund by up to 10% for any fiscal year through Fiscal Year 2057-2058 in which the City may*
18 *withdraw funds from the City Rainy Day Reserve under Charter Section 9.113.5. If such a*
19 *decrease takes effect, then for the first subsequent fiscal year in which the City does not decrease*
20 *the contribution to the Housing Trust Fund under this subsection (d)(2), the City's annual*
21 *contribution to the Housing Trust Fund shall be calculated as set forth in subsection (c), using as*
22 *a baseline the amount appropriated to the Housing Trust Fund for the most recent preceding*
23 *year in which a decrease under this subsection (d)(2) was not made.*

24 **(de) Uses of the Housing Trust Fund.** The City may disburse monies from the Housing
25 Trust Fund through loans, grants or other types of payments, on terms determined by the

1 Mayor's Office of Housing in its sole discretion. Any repayment of a loan or grant from the Fund
2 that the City receives, or any interest from a loan from the Fund that the City receives, will be
3 returned to the Housing Trust Fund. The City, acting through the Mayor's Office of Housing,
4 shall disburse the monies from the Housing Trust Fund for the following eligible expenditures:

5 (1) The creation, acquisition, and rehabilitation of rental and ownership housing,
6 including but not limited to Limited Equity Housing Cooperatives as defined in Subdivision Code
7 Section 1399.3 and Social Housing Developments as defined in Administrative Code Section
8 10.100-78(e), as those definitions may be amended in the Municipal Code from time to time,
9 affordable to Households earning up to 120% of the Area Median Income, including, without
10 limitation, the acquisition of land for such purpose.

11 (2) ~~No later than July 1, 2018, the City shall appropriate \$15 million from the~~
12 ~~Housing Trust Fund to a~~ program that provides loans to Households earning up to 120% of the
13 Area Median Income and to Households including a First Responder (subject to Area Median
14 Income limits designated by the Mayor's Office of Housing) for use as a down payment on the
15 purchase of a housing unit ("the Down Payment Assistance Loan Program"). ~~As soon as is~~
16 ~~practical, the Mayor's Office of Housing shall develop and implement a manual for the Down~~
17 ~~Payment Assistance Loan Program.~~

18 (3) ~~No later than July 1, 2018, the City shall appropriate up to \$15 million from~~
19 ~~the Housing Trust Fund to a~~ program that provides funds to Households earning up to 120% of
20 Area Median Income for use as assistance to reduce the risk to current occupants of a loss of
21 housing and/or to help current occupants make their homes safer, more accessible, more energy
22 efficient, and more sustainable (the "Housing Stabilization Program"). ~~As soon as is practical,~~
23 ~~the Mayor's Office of Housing shall implement and develop a manual for the Housing~~
24 ~~Stabilization Program.~~

1 (4) The City may use monies in the Housing Trust Fund to ~~operate and~~
2 ~~administer the Infrastructure Grant Program as described in subsection (e). The City may not~~
3 ~~allocate to the Infrastructure Grant Program in any fiscal year an amount exceeding the greater~~
4 ~~of \$2 million or 10% of the amount appropriated to the Housing Trust Fund for that fiscal year~~
5 ~~under subsection (e); fund housing-related infrastructure required to support the development~~
6 ~~and ongoing use of residential development.~~

7 (5) In any fiscal year, the City may allocate a sufficient amount from the Housing
8 Trust Fund to pay for all legally permissible administrative costs of the Fund, including, without
9 limitation, legal costs, associated with any use of the Housing Trust Fund.

10 ~~—— (e) **Complete Neighborhoods Infrastructure Grant Program.** After conferring with the~~
11 ~~Director of Planning, the Director of the Mayor's Office of Housing shall design and administer~~
12 ~~a Complete Neighborhoods Infrastructure Grant Program ("Infrastructure Grant Program").~~
13 ~~The purpose of the Infrastructure Grant Program is to accelerate the build-out of the public~~
14 ~~realm infrastructure needed to support increased residential density in the City's neighborhoods.~~
15 ~~The City may use monies from the Infrastructure Grant Program only for public facilities~~
16 ~~identified in the Community Facilities District law (Cal. Govt. Code §§et seq., as amended), and~~
17 ~~shall give priority to the use of such monies by residential development project sponsors,~~
18 ~~community based organizations, and City departments for public realm improvements associated~~
19 ~~with proposed residential development projects.~~

20 (f) **Bonding Authority.** Notwithstanding the limitations set forth in Sections 9.107,
21 9.108, and 9.109 of this Charter, upon recommendation of the Mayor, the Board of Supervisors
22 may authorize the issuance, without limitation, of revenue bonds, lease financing, notes, or other
23 evidences of indebtedness or other obligations ("Debt Obligations"), the proceeds of which are to
24 be used for creating, acquiring, and rehabilitating rental and ownership housing affordable to
25 Households earning up to 120% of the Area Median Income, including, without limitation, the

1 acquisition of land for such purpose. Such Debt Obligations shall be secured by and/or repaid
2 from any available funds pledged or appropriated by Board of Supervisors ordinance for such
3 purpose, which amount may include funds in the Housing Trust Fund allocated under subsection
4 (c). Debt Obligations authorized hereby shall be issued in accordance with the Mayor's Office of
5 Housing policies, and upon the terms and conditions as the Board of Supervisors shall approve.
6 Funds appropriated to pay debt service on the Debt Obligations in such fiscal year under the
7 terms of this Section shall be set aside in an account for such use until such payment is made.

8 ~~——— (g) Legislation.~~

9 ~~————— (1) The City may enact an ordinance adopting inclusionary or affordable~~
10 ~~housing obligations, including definitions that differ from those set forth in subsection (b) of this~~
11 ~~Section 16.110. After any such ordinance becomes effective, the City Attorney shall cause to be~~
12 ~~removed from the Charter this subsection (g) of Section 16.110, and shall cause the subsequent~~
13 ~~subsections to be renumbered accordingly. Thereafter, the City may by ordinance set and change~~
14 ~~the minimum or maximum inclusionary or affordable housing obligations, and may adopt~~
15 ~~definitions for inclusionary and affordable housing programs. In doing so, the City shall~~
16 ~~endeavor to meet affordable housing needs across a broad range of household incomes, family~~
17 ~~sizes and neighborhood conditions and may update the method of fee calculation based on~~
18 ~~different building types and sizes, and may set policies controlling conversion of rental units to~~
19 ~~ownership units, among other programmatic changes.~~

20 ~~————— (2) Until the City enacts an ordinance amending the Planning Code, including~~
21 ~~but not limited to Section 415, adopting inclusionary or affordable housing obligations different~~
22 ~~from those called for in previously existing Charter subsections (g) and (h), the following~~
23 ~~requirements for inclusionary housing shall apply during such interim period for any housing~~
24 ~~development project that has not procured a final first discretionary development entitlement~~
25 ~~approval, which shall include approval following any administrative appeal to the relevant City~~

1 ~~board, or has not entered into a development agreement or other binding agreement with the~~
2 ~~City as of January 12, 2016:~~

3 ~~————— (A) For housing development projects consisting of ten dwelling units or~~
4 ~~more, but less than twenty five dwelling units, the requirements of the Planning Code, including~~
5 ~~but not limited to Section 415 et seq., in effect on the date this Charter Amendment is adopted~~
6 ~~by the voters shall apply.~~

7 ~~————— (B) For housing development projects consisting of twenty five dwelling~~
8 ~~units or more, the requirements of the Planning Code, including but not limited to Section 415 et~~
9 ~~seq., in effect on the date this Charter Amendment is adopted by the voters shall apply, except~~
10 ~~that the amounts of the inclusionary housing requirement shall be modified as follows:~~

11 ~~(i) Fee. The development project shall pay an affordable housing~~
12 ~~fee equivalent to a requirement to provide 33% of the units in the principal project as affordable~~
13 ~~units, using the method of fee calculation set forth in Planning Code Section 415.5(b). In the~~
14 ~~event the City's Nexus Analysis in support of the Inclusionary Affordable Housing program~~
15 ~~demonstrates that a lower affordable housing fee is lawfully applicable based on an analysis of~~
16 ~~all relevant impacts, the City may utilize the method of fee calculation supported by the Nexus~~
17 ~~Analysis in lieu of the 33% requirement set forth herein.~~

18 ~~————— (ii) On-Site Housing. If the project sponsor elects and is eligible~~
19 ~~to construct units affordable to qualifying households on-site of the principal project as set forth~~
20 ~~in Planning Code Section 415.5(g), the project sponsor shall construct 25% of all units~~
21 ~~constructed on the project site as affordable housing units, with 15% of the units affordable to~~
22 ~~low and very low income households and 10% affordable to middle income households, and~~
23 ~~shall comply with all otherwise applicable requirements of Section 415.6.~~

24 ~~————— (iii) Off-Site Housing. If the project sponsor of a housing~~
25 ~~development project elects and is eligible to provide units affordable to qualifying households~~

1 ~~off site of the principal project as set forth in Planning Code Section 415.5(g), the project~~
2 ~~sponsor shall construct or cause to be constructed affordable housing units equal to 33% of all~~
3 ~~units constructed on the principal project site as affordable housing, with 20% of the units~~
4 ~~affordable to low and very low income households and 13% of the units affordable to middle-~~
5 ~~income households, and shall comply with all otherwise applicable requirements of Section~~
6 ~~415.7.~~

7 ~~————— (C) Interim definitions of “Lower Income” and “Middle Income”~~
8 ~~households. For purposes of the interim period before the City enacts an ordinance amending~~
9 ~~the Planning Code, including but not limited to Section 415 et seq., “lower income” households~~
10 ~~shall be defined as households whose total household income does not exceed 55% of Area~~
11 ~~Median Income for purposes of renting an affordable unit, or 80% of Area Median Income for~~
12 ~~purposes of purchasing an affordable unit, and “middle income” households shall mean~~
13 ~~households whose total household income does not exceed 100% of Area Median Income for~~
14 ~~purposes of renting an affordable unit, or 120% of Area Median Income for purposes of~~
15 ~~purchasing an affordable unit.~~

16 (jg) **Disclaimer.** Nothing in this Section shall be construed to limit or restrict the ability
17 of the City to adopt any fees or exactions related to public benefits other than affordable housing,
18 including, but not limited to, transit infrastructure, streetscape, public realm improvement, or
19 child care fees.

20 (kh) **Term.** ~~Except as provided in subsection (l) below, t~~This Section shall become
21 inoperative on July 1, ~~2043~~2058, and after such date shall have no further force or effect and
22 shall be repealed.

23 ~~————— (l) Early Termination. At any time before January 1, 2013, the Mayor, after consulting~~
24 ~~with his or her Budget Director and the Controller, and after taking into account the City’s~~
25 ~~projected revenues and expenditures in the City’s financial plans, may terminate implementation~~

1 ~~of this Section by issuing a written notice to the Board of Supervisors and the Controller. The~~
2 ~~termination shall be irrevocable and apply to the entire Section 16.110. Upon the Mayor's~~
3 ~~signing of the notice, this Section shall become inoperative and after such date shall have no~~
4 ~~force or effect and shall be repealed.~~

5
6 APPROVED AS TO FORM:
7 DAVID CHIU, City Attorney

8 By: /s/ Victoria Wong
9 VICTORIA WONG
Deputy City Attorney

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11 4919-4231-5692, v. 3
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LEGISLATIVE DIGEST

[Charter Amendment - Housing Trust Fund]

Describing and setting forth a proposal to the voters at an election to be held on November 3, 2026, to amend the Charter of the City and County of San Francisco to increase the amount of funding the City must appropriate to the Housing Trust Fund each fiscal year that is used for the creation, acquisition, and rehabilitation of affordable rental and ownership housing, for downpayment loans and housing stabilization for certain households, and for housing-related infrastructure; provide for a temporary freeze and temporary reduction in the annual appropriation to the Housing Trust Fund under certain circumstances; extend the sunset date of the Housing Trust Fund from July 1, 2043 to July 1, 2058; and delete obsolete provisions.

Existing Law

Charter Section 16.110 established the Housing Trust Fund to support creating, acquiring and rehabilitating affordable housing and promoting affordable home ownership programs in the City.

Section 16.110 requires that in the Fiscal Year 2013-2014 budget, the City shall appropriate to the Housing Trust Fund \$20 million. It further requires that through Fiscal Year 2024-2025, the City shall appropriate to the Housing Trust Fund an amount increasing by \$2.8 million per year, until the annual appropriation reaches \$50.8 million in the Fiscal Year 2024-2025 budget. It further requires that in the annual budgets for Fiscal Year 2025-2026 through Fiscal Year 2042-43, the City shall appropriate to the Housing Trust Fund an amount equal to the prior year's appropriation, adjusted by the percentage increase or decrease in General Fund Discretionary Revenues budgeted for the year compared to the prior year's original budgeted amount of General Fund Discretionary Revenues.

It further requires that in determining General Fund Discretionary Revenues, the Controller shall not include certain revenues received by the City under the Business and Tax Regulations Code.

It further requires that the City may, in its discretion, reduce its annual contribution to the Housing Trust Fund for a given fiscal year by an amount equal to or less than 56.7% of the annual debt service required to service any SB2113 Affordable Housing Bonds issued after January 1, 2013.

It also authorizes the City to use monies in the Housing Trust Fund to fund the creation, acquisition, and rehabilitation of rental and ownership housing; provide downpayment assistance loans; provide a housing stabilization program; operate a Complete Neighborhoods Infrastructure Grant Program; and to issue revenue bonds, lease financing,

notes, or other evidences of indebtedness or other obligations, the proceeds of which are to be used for creating, acquiring, and rehabilitating affordable rental and ownership housing.

The sunset date for the Housing Trust Fund is July 1, 2043.

Amendments to Current Law

The proposed measure would amend Section 16.110 to require that, beginning in Fiscal Year 2028-2029, until the first fiscal year immediately following the fiscal year in which the total annual appropriation reaches or exceeds \$125 million, the City shall appropriate to the Housing Trust Fund the greater of the following:

- An amount equal to the prior year's appropriation, plus an amount equal to 20% of the City's share of the 1% ad valorem tax revenue resulting from the year-over-year increase, if any, in the Net Total Basis of Levy, as published in the Controller's Certificate of Assessed Valuation between the preceding two fiscal years.
- An amount equal to the prior year's appropriation, adjusted by the percentage increase, if any, in General Fund Discretionary Revenues budgeted for the year compared to the prior year's original budgeted amount of General Fund Discretionary Revenues.

The measure would also require that in the fiscal year immediately following the first fiscal year in which the total annual appropriation reaches or exceeds \$125 million, the City shall appropriate to the Housing Trust Fund an amount equal to the prior year's appropriation, adjusted by the percentage increase, if any, up to 3%, in General Fund Discretionary Revenues budgeted for the year compared to the prior year's original budgeted amount of General Fund Discretionary Revenues.

The measure would also provide for a discretionary temporary freeze due to a budget deficit or a reduction in the Housing Trust Fund appropriation if conditions exist triggering the ability to withdraw from the City Rainy Day Reserve under Charter Section 9.113.5.

The measure would also clarify that the Housing Trust Fund can be used for the creation, acquisition, and rehabilitation of Limited Equity Housing Cooperatives and Social Housing Developments, as well as other types of rental and ownership housing.

The measure would also eliminate the Complete Neighborhoods Infrastructure Grant Program and instead authorize the use of the Housing Trust Fund to generally fund housing-related infrastructure required to support the development and ongoing use of residential development.

The measure would also extend the sunset date of the Housing Trust Fund to July 1, 2058.

The measure would also delete obsolete provisions regarding appropriations to the Housing Trust Fund in past fiscal years; consideration by the Controller of certain rates and revenues in the Business and Tax Regulations Code in determining General Fund Discretionary Revenues; discretionary reduction of the appropriation to the Housing Trust Fund based on debt service on AB2113 Affordable Housing Bonds; enactment of inclusionary or affordable housing ordinances; and early termination of the Housing Trust Fund.

4935-9426-0909, v. 1

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Carol Isen, Director, Department of Human Resources

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

DATE: May 26, 2026

SUBJECT: LEGISLATION INTRODUCED – MEET AND CONFER DETERMINATION

The Board of Supervisors' Rules Committee has received the following Charter Amendment. This matter is being **referred** to you as it may require the Department of Human Resources to fulfill "**Meet and Confer**" requirements. Please review, assess the impact and provide proper noticing as required and report back to on the status of the "Meet and Confer" requirement.

File No. 260537 (ver1)

Charter Amendment - Housing Trust Fund

Charter Amendment (First Draft) to amend the Charter of the City and County of San Francisco to increase the amount of funding the City must appropriate to the Housing Trust Fund each fiscal year that is used for the creation, acquisition, and rehabilitation of affordable rental and ownership housing, for downpayment loans and housing stabilization for certain households, and for housing-related infrastructure; provide for a temporary freeze and temporary reduction in the annual appropriation to the Housing Trust Fund under certain circumstances; extend the sunset date of the Housing Trust Fund from July 1, 2043 to July 1, 2058; and delete obsolete provisions; at an election to be held on November 3, 2026.

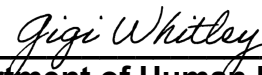
If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM THE DEPARTMENT OF HUMAN RESOURCES - Date: _____

☐ **Meet and Confer/Noticing requirement has been fulfilled.**

☒ **Meet and Confer/Noticing requirement not applicable.**

☐ **Additional information attached.**



Department of Human Resources

c: Gigi Whitley, Department of Human Resources
Aliya Chisti, Department of Human Resources
Ardis Graham, Department of Human Resources
Jonathan Wright, Department of Human Resources

BOARD of SUPERVISORS



City Hall
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MEMORANDUM

TO: Adam Thongsavat, Liaison to the Board of Supervisors, Mayor's Office
Brad Russi, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
Patrick Ford, Executive Director, Ethics Commission
Shireen McSpadden, Executive Director, Homelessness and Supportive Housing
Theo Miller, Director, HOPE SF
Tonia Lediju, Chief Executive Officer, Housing Authority

FROM: Victor Young, Assistant Clerk, Rules Committee *Victor Young*
Board of Supervisors

DATE: May 26, 2026

SUBJECT: CHARTER AMENDMENT INTRODUCED
November 3, 2026

The Board of Supervisors' Rules Committee has received the following Charter Amendment for the November 3, 2026, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.4.

File No. 260537 (ver1)

Charter Amendment - Housing Trust Fund

Charter Amendment (First Draft) to amend the Charter of the City and County of San Francisco to increase the amount of funding the City must appropriate to the Housing Trust Fund each fiscal year that is used for the creation, acquisition, and rehabilitation of affordable rental and ownership housing, for downpayment loans and housing stabilization for certain households, and for housing-related infrastructure; provide for a temporary freeze and temporary reduction in the annual appropriation to the Housing Trust Fund under certain circumstances; extend the sunset date of the Housing Trust Fund from July 1, 2043 to July 1, 2058; and delete obsolete provisions; at an election to be held on November 3, 2026.

Please review and submit any reports or comments you wish to be included with the legislative file.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please forward to me at the Board

of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Michael Canning, Ethics Commission
Aly Bonde, Mayor's Office
Dylan Schneider, Homelessness and Supportive Housing
Emily Cohen, Homelessness and Supportive Housing
Bridget Badasow, Homelessness and Supportive Housing
Barbara Amaro, HOPE SF
Linda Martin-Mason, Housing Authority

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- ☒ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☐ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor [] inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. [] from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☐ 8. Substitute Legislation File No. []
- ☐ 9. Reactivate File No. []
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on []

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Supervisors Melgar; Walton, Sauter, Sherrill, and Dorsey

Subject:

Charter Amendment - Housing Trust Fund

Long Title or text listed:

Describing and setting forth a proposal to the voters at an election to be held on November 3, 2026, to amend the Charter of the City and County of San Francisco to increase the amount of funding the City must appropriate to the Housing Trust Fund each fiscal year that is used for the creation, acquisition, and rehabilitation of affordable rental and ownership housing, for downpayment loans and housing stabilization for certain households, and for housing-related infrastructure; provide for a temporary freeze and temporary reduction in the annual appropriation to the Housing Trust Fund under certain circumstances; extend the sunset date of the Housing Trust Fund from July 1, 2043 to July 1, 2058; and delete obsolete provisions.

Signature of Sponsoring Supervisor: [s/Myrna Melgar]

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
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MEMORANDUM

Date: May 26, 2026
To: Planning Department / Commission
From: Victor Young, Clerk of the Rules Committee *Victor Young*
Subject: Board of Supervisors Legislation Referral - File No. 260537
Charter Amendment - Housing Trust Fund

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)

☐ Ordinance / Resolution

☒ Ballot Measure

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

6/16/2026 *Joy Navarrete*

- ☐ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)

☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302

- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)

(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- ☐ Historic Preservation Commission

☐ Landmark (*Planning Code, Section 1004.3*)

☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)

☐ Mills Act Contract (*Government Code, Section 50280*)

☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Victor Young at Victor.Young@sfgov.org.



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

6/16/2026

RE: File 260537 – Charter amendment - Housing Trust Fund

Dear Ms. Calvillo,

Should the proposed Charter amendment be approved by the voters, in my opinion, it would have a significant impact on the cost of government of approximately \$6 million in additional General Fund costs in FY 2028-29 and \$13 million in FY 2029-30. In subsequent years, the General Fund cost of the proposal would grow by an additional \$9 million annually up to approximately \$60 million by FY 2034-35.

The proposed Charter amendment extends and increases the existing Housing Trust Fund (Fund) General Fund spending mandate for affordable housing by an additional fifteen years. A General Fund spending mandate is a voter-adopted spending requirement that directs the government to appropriate funding for specific purposes in future years without identifying a new funding source. For context, voter-adopted spending requirements currently total approximately \$2 billion, or 30%, of the approximately \$7 billion General Fund sources. If the Housing Trust Fund spending mandate is extended and increased, it would reallocate funds that would otherwise be available in the General Fund.

The proposed Charter amendment extends the Housing Trust Fund sunset date from 2043 to 2058 and modifies the required funding formula beginning in Fiscal Year 2028-29 so that the fund reaches or exceeds \$125 million. For context, in Fiscal Year 2024-25, approximately \$50 million was appropriated to the Fund. The costs of the proposed Charter amendment represent the extra amount the City would have to pay into the Fund on top of what the current funding formula already requires.

The proposed Charter amendment allows the Mayor or the Board of Supervisors to introduce ordinances during the annual budget process to temporarily freeze or reduce the City's annual contributions. If the City projects a budget deficit exceeding \$250 million, the annual contribution to the Fund may be temporarily frozen at the then-current amount. If the City withdraws funds from the City Rainy Day Reserve, the annual contribution to the Fund may be temporarily reduced by up to 10%.

The fund may be used to 1) create, acquire, or rehabilitate affordable rental and ownership housing, 2) provide down payment loans and housing stabilization for qualified households meeting required income levels, and 3) fund housing-related infrastructure, including streetscape improvements. The Charter amendment removes obsolete language regarding 1) past allocations to the Fund, 2) eliminating the Fund before 2013, 3) how the Controller's Office may determine General Fund Discretionary Revenue, and 4) discretion to reduce Fund contributions based on debt service for SB 2113 Affordable Housing Bonds. Additionally, the proposed Charter amendment eliminates the Complete Neighborhoods Infrastructure Grant Program, which has not been funded since FY2019-2020.

This proposed amendment is not in compliance with a non-binding, voter-adopted city policy regarding voter-adopted spending requirements. The policy seeks to limit General Fund spending mandates which reduce General Fund dollars that could otherwise be allocated by the Mayor and the Board of Supervisors in the annual budget process. For context, voter-adopted spending requirements currently total approximately \$2 billion, or 30%, of the approximately \$7 billion General Fund sources.

Note that the proposed amendment would change the duties of the Controller's Office, which has prepared this statement.

Sincerely,



Greg Wagner
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.