

File No. 170627

Committee Item No. _____

Board Item No. 49

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: June 6, 2017

Cmte Board

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| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
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OTHER

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Prepared by: Lisa Lew

Date: May 30, 2017

Prepared by: _____

Date: _____

1 [Urging the Mayor's Office of Housing and Community Development to Create Affordable
2 Rental Housing for Educators of the San Francisco Unified School District]

3 **Resolution urging the Mayor's Office of Housing and Community Development to**
4 **develop a pilot program to create affordable rental housing for educators of the San**
5 **Francisco Unified School District.**

6
7 WHEREAS, The City and County of San Francisco (the "City") is committed to serving
8 our children by attracting and retaining well-qualified classroom teachers and
9 paraprofessionals who provide quality education; and

10 WHEREAS, The City places a high value on our public education system, and the
11 availability of affordable housing for classroom teachers and paraprofessionals of the San
12 Francisco Unified School District ("SFUSD") is critical to the overall success and stability of
13 each school in the City; and

14 WHEREAS, Students and the community at large benefit from classroom teachers and
15 paraprofessionals of SFUSD ("SFUSD Educators") living in the community in which they
16 practice their profession, which promotes stability, community involvement, and stronger ties
17 between SFUSD Educators, their students, and their families; and

18 WHEREAS, Any shortage of SFUSD Educators negatively impacts the quality of
19 education in SFUSD schools, student academic achievement and morale of teachers, staff
20 and administrators; and

21 WHEREAS, SFUSD requires a total of 3,600 teachers annually to meet classroom
22 needs but is challenged by a teacher attrition rate of approximately 10 percent annually, which
23 is primarily attributed to less experienced teachers leaving and inevitable retirements, as 33
24 percent of SFUSD teachers are over 50 years of age and 19 percent are over 60 years of
25 age; and

1 WHEREAS, Enrollment in teacher preparation programs in California has dropped by
2 75 percent in the past decade thereby decreasing the number of eligible classroom teachers
3 and increasing competition between school districts for certificated staff; and

4 WHEREAS, The high cost of housing in the City along with the teacher shortage is
5 making it more difficult for SFUSD to recruit new educators and is also cited as a factor in
6 attrition; and

7 WHEREAS, Based on a survey administered by SFUSD in June 2016, many SFUSD
8 Educators are paying more than 30 percent of household income toward rent with nearly 58
9 percent of SFUSD teachers surveyed and nearly 67 percent of SFUSD paraprofessionals
10 surveyed reporting that it is "somewhat difficult" or "very difficult" to afford housing costs each
11 month; and

12 WHEREAS, Over 70 percent of SFUSD teachers surveyed and 56 percent of SFUSD
13 paraprofessionals surveyed also reported that their salaries provide the majority of their
14 household income; and

15 WHEREAS, Between 2011 and 2017, average market rents increased 50% and home
16 prices increased 72% (Zillow), deeply exacerbating an already inadequate housing supply for
17 households earning less than 120% of AMI, including many SFUSD Educators; and

18 WHEREAS, Many SFUSD Educators who reside in the City face untenable rent
19 burdens: an experienced educator earning 100% of AMI (\$80,700 for an individual) must pay
20 47% of his or her income for a market-rate 1-bedroom apartment (\$3,173; Trulia, Zillow,
21 Zumper); and

22 WHEREAS, The high cost of housing is also a statewide challenge, given that
23 California has six of the most expensive rental markets in the nation and almost half of
24 Californian renters pay more than 35 percent of their income toward rent according to the
25

1 Public Policy Institute of California's report dated January 2017, and 75 percent of public
2 school districts are experiencing teacher shortages at an increasing rate; and

3 WHEREAS, The City and the United States Department of Housing and Urban
4 Development ("HUD") support housing opportunities for teachers through programs like the
5 Teacher Next Door program and the Teacher Housing Initiative, which the latter was a
6 partnership between HUD and SFUSD pursuant to SFUSD Board Resolution 04-25A4
7 adopted May 23, 2000; and

8 WHEREAS, Section 42(g)(9) of the Internal Revenue Code (26 USC § 42(g)(9)) allows
9 the use of tax credits for projects with occupancy restrictions that favor tenants who are
10 members of a specified group under a State program or policy that supports housing for such
11 a specified group; and

12 WHEREAS, The Teacher Housing Act of 2016 (Health & Safety Code § 53570 et seq.)
13 was enacted by the California Legislature to create a specific state policy supporting housing
14 for teachers and school district employees as set forth in Section 42(g)(9) of the Internal
15 Revenue Code and permit school districts and developers in receipt of local or state funds or
16 tax credits designated for affordable rental housing to restrict occupancy to teachers and
17 school district employees on land owned by school districts; and

18 WHEREAS, SFUSD desires to work with the Mayor's Office of Housing and
19 Community Development ("MOHCD") to implement the Teacher Housing Act of 2016
20 pursuant to Resolution No. 75-23Sp1 of the SFUSD Board of Education; and

21 WHEREAS, SFUSD and MOHCD desire to work together to utilize tax credits, tax
22 exempt bonds, public and private partnerships and other innovative financing to develop
23 affordable housing for SFUSD Educators; and

1 WHEREAS, The purpose of this Resolution is to state the City's policy to create
2 affordable housing opportunities for SFUSD Educators and support SFUSD's implementation
3 of the Teacher Housing Act of 2016; and

4 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
5 "Board") finds and declares that it is a necessary and important public purpose to provide
6 affordable housing to SFUSD Educators, and the SFUSD Board of Education has made the
7 same findings; and

8 WHEREAS, The Board finds and declares that a restriction for affordable housing for
9 SFUSD Educators unable to afford market rents is necessary to achieve the important public
10 purpose of increasing opportunities for such persons to continue to live in the City, reduce
11 turnover of SFUSD Educators, and support the educational success and stability of each
12 school in SFUSD and the children in the City, and the SFUSD Board of Education has made
13 the same findings; now, therefore, be it

14 RESOLVED, That the Board hereby urges the Director of MOHCD (the "Director"), on
15 behalf of the City and County of San Francisco, to develop a pilot program for the
16 development and construction of affordable housing for households of SFUSD Educators, and
17 utilization of tax credits, tax exempt bonds, public and private partnerships and other
18 innovative financing and land transfers for such purpose; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors urges the Director, on behalf of
20 the City and County of San Francisco, to assist SFUSD to implement any policies or programs
21 pursuant to the authority granted by the Teacher Housing Act of 2016.
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SUPERINTENDENT'S PROPOSAL

Subject: Resolution No. 75-23Sp1

**IN SUPPORT OF A PILOT PROGRAM TO CREATE AFFORDABLE
RENTAL HOUSING FOR EDUCATORS OF THE SAN FRANCISCO UNIFIED
SCHOOL DISTRICT**

WHEREAS, The Board of Education of the San Francisco Unified School District (the "Board") is committed to serving our children by attracting and retaining well-qualified classroom teachers and paraprofessionals who provide quality education, and

WHEREAS, The availability of affordable housing for classroom teachers and paraprofessionals of the San Francisco Unified School District ("the District") is critical to the overall success and stability of each school in San Francisco ("the City"), and

WHEREAS, District students and the community at large benefit from classroom teachers and paraprofessionals of the District ("SFUSD Educators") living in the community in which they practice their profession, which promotes stability, community involvement, and stronger ties between educators, students, and families, and

WHEREAS, Any shortage of SFUSD Educators negatively impacts the quality of education in the District schools, student academic achievement and morale of teachers, staff and administrators, and

WHEREAS, The District requires a total of 3,600 teachers annually to meet classroom needs but is challenged by a teacher attrition rate of approximately 10 percent annually, which is primarily attributed to less experienced teachers leaving and inevitable retirements, as 33 percent of the District's teachers are over 50 years of age and 19 percent are over 60 years of age, and

WHEREAS, Enrollment in teacher preparation programs in California has dropped by 75 percent in the past decade thereby decreasing the number of eligible classroom teachers and increasing competition between school districts for certificated staff and

WHEREAS, The high cost of housing in the City along with the teacher shortage is making it more difficult for the District to recruit new educators and is cited as a factor in

attrition of SFUSD Educators, and

WHEREAS, Based on a survey administered by the District in June 2016, many SFUSD Educators are paying more than 30 percent of household income toward rent with nearly 58 percent of teachers surveyed and nearly 67 percent of paraprofessionals surveyed reporting that it is “somewhat difficult” or “very difficult” to afford housing costs each month, and

WHEREAS, Over 70 percent of SFUSD teachers surveyed and 56 percent of SFUSD paraprofessionals surveyed also reported that their salaries provide the majority of their household income, and

WHEREAS, between 2011 and 2017, average market rents increased 50% and home prices increased 72% (Zillow), deeply exacerbating an already inadequate housing supply for households earning less than 120% of AMI, including many SFUSD Educators, and

WHEREAS, Many SFUSD Educators who reside in the City face untenable rent burdens: an experienced educator earning 100% of AMI (\$80,700 for an individual) must pay 47% of his or her income for a market-rate 1-bedroom apartment (\$3,173; Trulia, Zillow, Zumper), and

WHEREAS, The high cost of housing is also a statewide challenge, given that California has six of the most expensive rental markets in the nation and almost half of Californian renters pay more than 35 percent of their income toward rent according to the Public Policy Institute of California’s report dated January 2017 and 75 percent of public school districts are experiencing teacher shortages at an increasing rate, and

WHEREAS, The City and the United States Department of Housing and Urban Development (“HUD”) support housing opportunities for teachers through programs like the Teacher Next Door program and the Teacher Housing Initiative, which the latter was a partnership between HUD and the District pursuant to SFUSD Board Resolution 04-25A4 adopted May 23, 2000, and

WHEREAS, Section 42(g)(9) of the Internal Revenue Code (26 USC § 42(g)(9)) allows the use of tax credits for projects with occupancy restrictions that favor tenants who are members of a specified group under a State program or policy that supports housing for such a specified group, and

WHEREAS, The Teacher Housing Act of 2016 (Health & Safety Code § 53570 et seq.) was enacted by the California Legislature to create a specific state policy supporting housing for teachers and school district employees as set forth in Section 42(g)(9) of the Internal Revenue

Code and permit school districts and developers in receipt of local or state funds or tax credits designated for affordable rental housing to restrict occupancy to teachers and school district employees on land owned by school districts, and

WHEREAS, The Board desires to work with the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") to implement the Teacher Housing Act of 2016 pursuant to Resolution _____ of the SFUSD Board of Education, and

WHEREAS, The District and MOHCD desire to work together to utilize tax credits, tax exempt bonds, public and private partnerships and other innovative financing to develop affordable housing for SFUSD Educators, and

WHEREAS, The purpose of this Resolution is to state the Board's policy to create affordable housing opportunities for SFUSD Educators and support the District's implementation of the Teacher Housing Act of 2016, and

WHEREAS, The Board finds and declares that it is a necessary and important public purpose to provide affordable housing to SFUSD Educators, and the Board of Supervisors of the City and County of San Francisco has made the same findings pursuant to Resolution ____, and

WHEREAS, The Board finds and declares that a restriction for affordable housing for SFUSD Educators unable to afford market rents is necessary to achieve the important public purpose of increasing opportunities for such persons to continue to live in the City, reduce turnover of SFUSD Educators, and support the educational success and stability of each school in the District and the children in the City, and Board of Supervisors of the City and County of San Francisco has made the same findings.

NOW, THEREFORE BE IT RESOLVED:

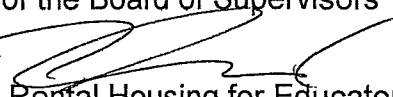
That the Board hereby authorizes the Superintendent or his designee to work with the City and County of San Francisco, and specifically MOHCD, to develop a pilot program for the development and construction of affordable housing for SFUSD Educators, with the use of a variety of funding sources, including but not limited to tax credits, tax exempt bonds, public and private partnerships and other innovative financing for such purpose.

05/23/17

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EL* Mayor Edwin M. Lee 
RE: Creation of Affordable Rental Housing for Educators of the San Francisco Unified School District
DATE: May 23, 2017

Attached for introduction to the Board of Supervisors is a resolution authorizing the Mayor's Office of Housing and Community Development to develop a pilot program to create affordable rental housing for educators of the San Francisco Unified School District.

Please note that this legislation is co-sponsored by Supervisor Tang. *and Safai*

I respectfully request that this item be heard at the June 6, 2017 Board of Supervisors meeting in the "Adoption without Committee Reference" agenda.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

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