

LEGISLATIVE DIGEST

[Administrative Code - Seismic Safety Retrofit and Affordable Housing Loan Program]

Ordinance amending Chapter 66 and deleting Chapter 66A of the Administrative Code to conform to the recent passage by the voters on November 8, 2016, of Proposition C, a measure entitled “Loans to Finance Acquisition and Rehabilitation of Affordable Housing,” and to otherwise conform such sections to current practices and make technical corrections.

Existing Law

Chapter 66 and Chapter 66A administers the City’s Seismic Safety Loan Program (“SSLP”). The program was intended to provide loans for the seismic strengthening of unreinforced masonry buildings. The proposed amendment changes the authorized use of these bond funds, for which approximately \$260 million remains authorized but unissued.

Background Information

In November 2016, the voters approved Proposition C to amend the City’s Seismic Safety Loan Program (“SSLP”) (originally adopted by the voters in 1992 to authorize the issuance of \$350 million of general obligation bonds to make seismic safety loans). Proposition C expanded the authorized uses for the SSLP to allow funds to be used for loans to acquire, improve and rehabilitate at-risk multi-unit residential buildings in need of seismic, fire, health or safety upgrades or other major rehabilitation; and convert those buildings to permanent affordable housing.

The proposed amendment to Chapter 66 and Chapter 66A are intended to implement changes arising from the passage of Proposition C. Chapter 66 is revised to make technical changes to certain definitions and to delegate to the Director of Housing the responsibility to develop and publish regulations for the revised SSLP.

The amendments delete Chapter 66A in its entirety.

The Ordinance also authorizes the City to bring an action under Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the California Code of Civil Procedure, to determine the validity of any bonds issued pursuant to fund the SSLP, Chapter 66, the validity of any loans made under the SSLP.

n:\legana\as2018\1600706\01301499.doc