

BOARD of SUPERVISORS




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MEMORANDUM

Date: November 16, 2021

To: Eric D. Shaw, Director, Mayor's Office of Housing & Community Dev.
Jose Cisneros, Treasurer, Office of the Treasurer & Tax Collector

From:  Angela Calvillo, Clerk of the Board, Board of Supervisors

Subject: Supporting the Low-Income First-Time Homebuyers Act and Establishing a Municipal Bank (File No. 211055)

On October 19, 2021, the Board of Supervisors adopted Resolution No. 491-21, sponsored by Supervisor Connie Chan (File No. 211055, Supporting the Low-Income First-Time Homebuyers Act and Establishing a Municipal Bank) enacted on October 29, 2021.

Please find the attached courtesy copy of the Resolution for your office's information and consideration.

If you have any questions or concerns, please contact the Office of the Clerk of the Board at (415) 554-5184.

c: Members of the Board of Supervisors; Supervisors Connie Chan, Dean Preston, Shamann Walton, Hillary Ronen, Rafael Mandelman, Gordon Mar, Myrna Melgar, Matt Haney
Tom Paulino, Liaison to the Board of Supervisors, Mayor's Office
Andres Power, Mayor's Policy Director
Eugene Flannery, Mayor's Office of Housing and Community Development
Lydia Ely, Mayor's Office of Housing and Community Development
Brian Cheu, Mayor's Office of Housing and Community Development
Maria Benjamin, Mayor's Office of Housing and Community Development
Amanda Kahn Fried, Office of the Treasurer & Tax Collector

1 [Supporting the Low-Income First-Time Homebuyers Act and Establishing a Municipal Bank]

2
3 **Resolution supporting the Low-Income First-Time Homebuyers (LIFT) Act; urging the**
4 **Mayor's Office of Housing and Community Development to work with the Treasurer and**
5 **Tax Collector's Office to identify ways to help low-income residents obtain low-interest**
6 **loans to purchase their first home; and urging the Treasurer and Tax Collector's Office**
7 **to continue working with the Reinvest in San Francisco Working Group, the Board of**
8 **Supervisors, and the Local Agency Formation Commission to establish a Municipal**
9 **Bank in San Francisco.**

10
11 WHEREAS, Home equity accumulation is one of the best ways to build generational
12 wealth for working class and middle class families across America; and

13 WHEREAS, Families of color have faced discrimination and exclusion from our nation's
14 housing market due to racism and structural inequalities, preventing them from building equity
15 and security, and widening the racial wealth gap; and

16 WHEREAS, Senators Mark Warner (D-VA), Chris Van Hollen (D-MD), Rev. Raphael
17 Warnock (D-GA), Jon Ossoff (D-GA), and Tim Kaine (D-VA), introduced the Low-Income
18 First-Time Homebuyers (LIFT) Act with the goal of helping low-income, first-time home buyers
19 build equity quickly; and

20 WHEREAS, The Low-Income First-Time Homebuyers (LIFT) Act would create a new
21 20-year mortgage loan for first-time, first-generation homebuyers with median incomes less
22 than or equal to 120% of their area's median income; and

23 WHEREAS, The LIFT Act would create a program through the Department of Housing
24 and Urban Development and in partnership with the Treasury Department to subsidize
25 interest rates and origination fees associated with these 20-year mortgages, so that the

1 monthly payment would be in line with a new 30-year Federal Housing Agency (FHA)-backed
2 mortgage; and

3 WHEREAS, The similar monthly payments and accelerated amortization schedule
4 would allow qualified homebuyers in the program to build equity and wealth at twice the rate
5 of a conventional 30-year mortgage; and

6 WHEREAS, The LIFT Act aims to close a racial homeownership gap that has persisted
7 for decades, with the homeownership rate among black Americans plateauing about 42%,
8 while white American homeownership increased to around 73% in 2019, according to the
9 National Community Reinvestment Coalition; and

10 WHEREAS, The LIFT Act is specifically geared toward first-generation homebuyers,
11 addressing concerns of a bill being too broad and potentially resulting in minority homebuyers
12 getting pushed out of purchasing a home; and

13 WHEREAS, Blacks, Latinos, and Native Americans are underrepresented in California
14 mortgage lending and are more often rejected from bank loans; and

15 WHEREAS, Public banking efforts have highlighted opportunities for financial services
16 for underserved communities and invest in affordable housing; and

17 WHEREAS, On November 2019, former Supervisor Sandra Lee Fewer introduced
18 legislation to set up a working group to create a business plan for the creation of a public
19 bank; now, therefore, be it

20 RESOLVED, That the San Francisco Board of Supervisors supports the Low-Income
21 First-Time Homebuyers (LIFT) Act; and, be it

22 FURTHER RESOLVED, That the Board urges the Mayor's Office of Housing and
23 Community Development to work with the Treasurer and Tax Collector's Office to identify
24 ways to help low-income residents obtain low-interest loans to purchase their first home; and,
25 be it

1 FURTHER RESOLVED, That the Board urges the Treasurer and Tax Collector's Office
2 to continue working with the Reinvest in San Francisco Working Group, the Board of
3 Supervisors, and the Local Agency Formation Commission (LAFCo) to establish a Municipal
4 Bank in San Francisco.

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City and County of San Francisco

Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 211055

Date Passed: October 19, 2021

Resolution supporting the Low-Income First-Time Homebuyers (LIFT) Act; urging the Mayor's Office of Housing and Community Development to work with the Treasurer and Tax Collector's Office to identify ways to help low-income residents obtain low-interest loans to purchase their first home; and urging the Treasurer and Tax Collector's Office to continue working with the Reinvest in San Francisco Working Group, the Board of Supervisors, and the Local Agency Formation Commission to establish a Municipal Bank in San Francisco.

October 19, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 211055

I hereby certify that the foregoing Resolution was ADOPTED on 10/19/2021 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Unsigned
London N. Breed
Mayor

10/29/2021
Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

10/29/2021
Date