



COUNCIL AGENDA: 3/27/2018
ITEM: 2.19 (18-445)

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: March 22, 2018

SUBJECT: November 2018 Ballot Measure: Veterans and Affordable Housing Bond.

RECOMMENDATION: As recommended by the Rules and Open Government Committee on March 21, 2018, adopt a position of support for the Veterans and Affordable Housing Bond on the November 2018 statewide ballot.

[Rules Committee referral 3/21/18 - Item G.5.]



CITY COUNCIL ACTION REQUEST

| | | | |
|----------------------------------|-------------------------|---|---|
| Department(s): Housing | Date: 3/14/18 | Coordination: City Attorney's Office City Manager's Office | Dept. Approval: /s/ Jacky Morales-Ferrand |
| | | | CMO Approval: <i>[Signature]</i> 3/15/18 |

SUBJECT: November 2018 Ballot Measure: Veterans and Affordable Housing Bond

RECOMMENDED POSITION: Support

RECOMMENDED ACTION:

1. Adopt a position of support for the Veterans and Affordable Housing Bond on the November 2018 statewide ballot.
2. Place this item on the March 27, 2018, City Council Agenda, City Council meeting so that the City's Legislative Advocate in Sacramento can indicate support for the Veterans and Affordable Housing Bond on the November 2018 statewide ballot.

BILL SYNOPSIS:

The City Council voted to support Senate Bill 3 (2017), The Affordable Housing Bond Act of 2018, at its regular meeting on January 10, 2017. This memo recommends City support of the ballot measure authorized by SB 3.

In 2017, the State legislature authorized a \$4 billion State general obligation bond to be placed on the November 6, 2018, statewide ballot for the purposes of funding various types of affordable housing development. If the bond measure is passed, the measure would allocate \$3 billion in bond proceeds to programs that assist affordable multifamily developments, housing for farmworkers, transit-oriented development, infrastructure for infill development, and homeownership. The bond measure would fund matching grants for Local Housing Trust Funds and homeownership programs. The bond measure would also provide \$1 billion in bond proceeds to CalVet for farm, home, and mobilehome purchase assistance for veterans.

Funds raised by the bond issuance would be administered by the California Department of Housing & Community Development (HCD) through its existing competitive programs. The administrative process to manage this program would mirror the 2006 Proposition 1C \$2.9 billion Housing Bond, which created 92,000 units of affordable housing in California.

IMPACTS TO CITY OF SAN JOSE:

To understand the possible impact to the City of San José, it is helpful to look back on the local impact of Proposition 1C funds. Proposition 1C allocated funding to four housing programs that have greatly benefitted San José: Multifamily Housing Program (MHP), Transit-Oriented Development (TOD), Infill Infrastructure Grant (IIG), and the Veteran's Homeless Housing Program (VHHP). More than \$127 million has been awarded to support the construction of 13 affordable multifamily rental developments in San José, which helped to create 1,472 new affordable apartments here since 2006. These figures include the most recent

Housing's North San Pedro Apartments development, which will provide 134 affordable studios and one-bedroom apartments, with 49 designated for chronically homeless veterans, 60 for special needs individuals, and 25 for other small households earning 30-50% of Area Median Income. In addition, San José benefitted from awards of almost \$18 million in Proposition 1C funding for single family homebuyer loans and rehabilitation through the BEGIN and CalHOME programs.

As an example of what Statewide bonds can do, an award of more than \$24 million in IIG funds supported extensive infrastructure work in San José's Downtown. These IIG funds continue to support development of approximately 800 new market-rate rental and for-sale homes. The IIG grant is funding underground utilities, new sidewalks, redesign of the Julian "S" curve to create a new street grid, new streetlights and traffic signals, and new parks within the formerly isolated and industrial North San Pedro area of Downtown San José. If the proposed 2018 bond is approved, HCD's IIG Program would receive \$300 million.

The passage of the Veterans and Affordable Housing Bond could create \$4 billion dollars of new money for affordable housing in California, which is needed greatly. If the City received a share of the new Statewide housing bond commensurate with its \$145 million in State Proposition 1C funding, San José could receive as much as \$200 million from the 2018 Statewide bond.

POLICY ALIGNMENT:

This bill aligns with the Council-approved *2018 Legislative Guiding Principles and Priorities* to:

- Protect, increase, and seek new funding and tools for affordable housing production and community development.

SUPPORTERS/OPPONENTS:

Support:

Affordable Housing Network of Santa Clara County
Affordable Housing NOW- Santa Cruz County
Alameda County Board of Supervisors
Alameda County Transportation Commission
American G.I. Forum of California
American Legion-Department of California
American Planning Association – California Chapter
AMVETS – Department of California
Aspiranet
Association of Bay Area Governments
Association of Regional Center Agencies
Bay Area Council
Big Pine Paiute Tribe of the Owens Valley
Bridge Housing
California Alliance for Retired Americans
California Apartment Association
California Association for Coordinated Transportation
California Association of Council of Governments
California Association of County Veterans Service Officers
California Bicycle Coalition
California Building Industry Association
California Catholic Conference

California Coalition for Rural Housing
California Coalition for Youth
California Collaborative for Long Term Services and Supports
California Commission on Aging
California Federation of Teachers
California Housing Consortium
California Housing Partnership Corporation
California League of Conservation Voters
California PACE Association
California Rice Commission
California Rural Legal Assistance Foundation
California School Employees Association
California State Association of Counties
California State Commanders Veterans Council
Center for Sustainable Neighborhoods
Central City Association of Los Angeles
Cher-Ae Heights Indian Community of the Trinidad Rancheria
Cities Association of Santa Clara County
City and County of San Francisco
City of Alameda
City of American Canyon
City of Belmont
City of Berkeley
City of Carpinteria
City of Concord
City of Cupertino
City of Daly City
City of Duarte
City of East Palo Alto
City of Fort Bragg
City of Fremont
City of Glendale
City of Goleta
City of Hayward
City of Indio
City of Lake Elsinore
City of Lakeport
City of Lakewood
City of Los Angeles
City of Merced
City of Mill Valley
City of Moorpark
City of Mountain View
City of Napa
City of Petaluma
City of Sacramento
City of Salinas
City of San Mateo
City of San Rafael

City of Santa Monica
City of Santa Rosa
City of Sunnyvale
City of Thousand Oaks
City of Tustin
City of Union City
City of Vallejo
City of Walnut Creek
City of West Hollywood
Common Sense Kids Action
Community Economics Inc.
Community Housing Partnership
Corporation for Supportive Housing
Council of Community Housing Organizations
Council of Infill Builders
Devine and Gong, Inc.
Disability Rights California
EAH Housing
East Bay Developmental Disabilities Legislative Coalition
East Bay Local Asian Development Corporation
Eden Housing
ElderFocus
Enterprise Community Partners
Facebook
First Community Housing
Greater Coachella Valley Chamber of Commerce
Greenbelt Alliance
Habitat for Humanity
Homeless Veterans Emergency Housing Facility
Housing Authority of the County of Santa Clara
Housing California
Jewish Public Affairs Committee of California
Leading Age California
League of California Cities
League of Women Voters of California
Local Government Commission
Los Angeles County Division of the League of California Cities
Marin County Council of Mayors and Councilmembers
Mayor Eric Garcetti, City of Los Angeles
Mayor Libby Schaaf, City of Oakland
Mayor Miguel Pulido, City of Santa Ana
Mayor Robert Garcia, City of Long Beach
Mayor Sam T. Liccardo, City of San Jose
Mental Health of America of California
Mercy Housing
Metropolitan Transportation Commission
Military Officers Association of America – California Council of Chapters
National Association of Social Workers – California Chapter
Natural Resources Defense Council

Nevada California Indian Housing Association
NextGen California
Non-Profit Housing Association of Northern California
North Bay Leadership Council
Northern Circle Indian Housing Authority
Planning and Conservation League
Promise Energy
Public Advocates
Redwood Valley Little River Band of Pomo Indians
Resources for Community Development
Richmond Neighborhood Housing Services
Rise Together
Sacramento Council of Governments
Sacramento Housing Alliance
San Diego Housing Federation
San Francisco Bay Area Rapid Transit District
San Francisco Chamber of Commerce
San Francisco Housing Action Coalition
San Joaquin Valley Housing Collaborative
San Mateo County Board of Supervisors
San Pasqual Band of Mission Indians
Santa Clara County Board of Supervisors
Santa Clara County Valley Water District
Santa Clara Open Space Authority
Satellite Affordable Housing Associates
Seifel Consulting
Self Help Enterprises
Sierra Business Council
Silicon Valley Leadership Group
Small Business for Affordable Housing in Petaluma
Sonoma County Board of Supervisors
Southern California Association of Governments
Southern California Association of Nonprofit Housing
SPUR
State Building and Construction Trades Council, AFL-CIO
SV@Home
Tenants Together
The Arc and United Cerebral Palsy Collaboration
The John Stewart Company
The Pacific Companies
Town of Danville
Town of Mammoth Lakes
TransForm
Tule River Indian Housing Authority
United Ag
United Ways of California
Ventura Council of Governments
Vietnam Veterans of America – California State Council
Western Center on Law and Poverty

Western Manufactured Housing Communities Association
YIMBY Action

Opposition to SB 3 (Beall):

Howard Jarvis Taxpayers Association
National Federation of Independent Business
Valley Industry and Commerce Association

STATUS OF BILL:

The Veterans and Affordable Housing Bond has qualified for the November 2018 Ballot. SB 3 was filed with the Secretary of State on September 29, 2017.

FOR QUESTIONS CONTACT: Jacky Morales-Ferrand, 408-535-3851