



Proposition A

Ordinance calling and providing for a special election to be held in the City and County of San Francisco (City) on Tuesday, November 3, 2015, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness (Bonds) of the City: not to exceed \$310,000,000 to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of affordable housing improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such Bonds; incorporating the provisions of the Administrative Code relating to the Citizens' General Obligation Bond Oversight Committee's review of the Bonds; setting certain procedures and requirements for the election; adopting findings under the California Environmental Quality Act; and finding that the proposed Bonds are in conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b).

Note: Additions are *single-underline italics Times New Roman*; deletions are ~~*strikethrough italics Times New Roman*~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

A. The City has the highest median rent in the country with a one-bedroom asking rent of \$3,460, according to rental listing site Zumper.

B. The City continues to be one of the highest-priced ownership markets in the country with a median home sales price of \$1.1 million, a 19.4% increase from the previous year, according to the real estate website Trulia.

C. The Mayor's Office of Housing and Community Development continues to see a widening affordability gap for low to moderate income households for both rental and homeownership.

D. Limited state and federal resources and the high cost of housing development puts a greater burden on local government to contribute their own limited resources, and thus means that the City's supply of affordable housing has not kept pace with demand.

E. Limited local funding for affordable housing can leverage federal, state and private investment at a 3:1 rate.

F. The affordability gap has the greatest impact on low-income households such as seniors, disabled persons, low-income working families, and veterans.

G. The housing need in the City is also particularly acute for moderate-income households, for whom there are no federal or state financing programs that the City can leverage with its own subsidies.

H. After federal sequestration took effect on March 1, 2013, the U.S. Congress slashed the US Department of Housing and Urban Development's contribution to the San Francisco Housing Authority (Housing Authority) from 92% to 82% of what it costs to operate public housing, and its Section 8 housing voucher program from 94% to 72% of operating costs.

I. The average annual household income for Housing Authority residents and voucher-holders is \$15,858.

J. The housing affordability gap that has arisen and expanded in the local housing market inhibits the City from ensuring that economic diversity can be maintained.

K. These high housing costs can inhibit healthy, balanced economic growth regionally.

L. Individuals and families who are increasingly locked out of the local housing market will be forced to leave the City and take on increasingly long employment commutes.

M. The Bonds will provide a portion of the funding necessary to

construct, acquire, improve, rehabilitate, preserve and repair affordable housing in the City (as further defined in Section 3 below).

Section 2. A special election is called and ordered to be held in the City on Tuesday, the 3rd day of November, 2015, for the purpose of submitting to the electors of the City a proposition to incur bonded indebtedness of the City for the project described in the amount and for the purposes stated:

"SAN FRANCISCO AFFORDABLE HOUSING BONDS.

\$310,000,000 to construct, develop, acquire, and preserve housing affordable to low- and middle-income households through programs that will prioritize vulnerable populations such as San Francisco's working families, veterans, seniors, and disabled persons; to assist in the acquisition, rehabilitation, and preservation of affordable rental apartment buildings to prevent the eviction of long-term residents; to repair and reconstruct dilapidated public housing, to fund a middle-income rental program; and to provide for homeownership down payment assistance opportunities for educators and middle-income households; all subject to independent citizen oversight and regular audits; and authorizing landlords to pass-through to residential tenants in units subject to Administrative Code Chapter 37 (the "Residential Stabilization and Arbitration Ordinance") 50% of the increase in the real property taxes attributable to the cost of the repayment of such Bonds."

The special election called and ordered to be held hereby shall be referred to in this ordinance as the "Bond Special Election."

Section 3. PROPOSED PROGRAM. Contractors and City departments shall comply with all applicable City laws when awarding contracts or performing work funded with the proceeds of Bonds authorized by this measure.

A. CITIZENS' OVERSIGHT COMMITTEE. A portion of the Bonds shall be used to perform audits of the Bonds, as further described in Section 15.

B. CONSTRUCT, DEVELOP AND REHABILITATE AFFORDABLE RENTAL HOUSING. A portion of the Bonds may be allocated to finance the development, construction, preservation and rehabilitation of affordable rental housing near established transit corridors or within priority development areas.

C. ACQUIRE EXISTING RENTAL HOUSING AS AFFORDABLE HOUSING. A portion of the Bonds may be allocated to acquire, rehabilitate, and preserve existing rental housing in order to prevent the loss of rental housing stock and the displacement of long-time residents of the City.

D. REPAIR AND RECONSTRUCT DILAPIDATED PUBLIC HOUSING. A portion of the Bonds may be allocated to repair and reconstruct dilapidated public housing developments or provide infrastructure improvements that allow for the repair or improvement of public housing sites.

E. CREATE A MIDDLE INCOME RENTAL HOUSING PROGRAM. A portion of the Bonds may be allocated to fund middle income rental housing units.

F. CREATE A MIDDLE INCOME HOME OWNERSHIP PROGRAM. A portion of the Bonds may be allocated to assist City residents acquiring their first home in the City.

G. RENEW THE TEACHER NEXT DOOR PROGRAM. A portion of the Bonds may be allocated to assist educators in purchasing their first home in the City.

H. ACQUIRE, PRESERVE, DEVELOP AFFORDABLE HOUSING IN THE MISSION AREA PLAN. A portion of the Bonds may be allocated to acquire, rehabilitate, preserve, construct and/or develop for affordable housing in the Mission Area Plan, as such plan is described below, real property, existing affordable housing, and/or new affordable housing. The Mission Area Plan, a part of the City's General Plan, was adopted by the Board on December 9, 2008 pursuant to Ordinance No. 297-08 and approved by the Mayor on December 19, 2008.

Section 4. BOND ACCOUNTABILITY MEASURES.

The Bonds shall include the following administrative rules and principles:

A. OVERSIGHT. The proposed Bond funds shall be subjected

to approval processes and rules described in the San Francisco Charter and Administrative Code. Pursuant to Administrative Code Section 5.31, the Citizens' General Obligation Bond Oversight Committee shall conduct an annual review of Bond spending, and shall provide an annual report of the Bond program to the Mayor of the City (Mayor) and the Board.

B. **TRANSPARENCY.** The City shall create and maintain a Web page outlining and describing the bond program, progress, and activity updates. The City shall also hold an annual public hearing and reviews on the bond program and its implementation before the Capital Planning Committee and the Citizen's General Obligation Bond Oversight Committee.

Section 5. The estimated cost of the bond financed portion of the project described in Section 2 above was fixed by the Board by the following resolution and in the amount specified below:

Resolution No. 258-15, \$310,000,000.

Such resolution was passed by two-thirds or more of the Board and approved by the Mayor. In such resolution it was recited and found by the Board that the sum of money specified is too great to be paid out of the ordinary annual income and revenue of the City in addition to the other annual expenses or other funds derived from taxes levied for those purposes and will require expenditures greater than the amount allowed by the annual tax levy.

The method and manner of payment of the estimated costs described in this ordinance are by the issuance of Bonds of the City not exceeding the principal amount specified.

Such estimate of costs as set forth in such resolution is adopted and determined to be the estimated cost of such bond financed improvements and financing, respectively.

Section 6. The Bond Special Election shall be held and conducted and the votes received and canvassed, and the returns made and the results ascertained, determined and declared as provided in this ordinance and in all particulars not recited in this ordinance such election shall be held according to the laws of the State of California (State) and the Charter of the City (Charter) and any regulations adopted under State law or the Charter, providing for and governing elections in the City, and the polls for such election shall be and remain open during the time required by such laws and regulations.

Section 7. The Bond Special Election is consolidated with the General Election scheduled to be held in the City on Tuesday, November 3, 2015 (General Election). The voting precincts, polling places and officers of election for the General Election are hereby adopted, established, designated and named, respectively, as the voting precincts, polling places and officers of election for the Bond Special Election called, and reference is made to the notice of election setting forth the voting precincts, polling places and officers of election for the General Election by the Director of Elections to be published in the official newspaper of the City on the date required under the laws of the State.

Section 8. The ballots to be used at the Bond Special Election shall be the ballots to be used at the General Election. The word limit for ballot propositions imposed by Municipal Elections Code Section 510 is waived. On the ballots to be used at the Bond Special Election, in addition to any other matter required by law to be printed thereon, shall appear the following as a separate proposition:

“SAN FRANCISCO AFFORDABLE HOUSING BONDS. To finance the construction, development, acquisition, and preservation of housing affordable to low- and middle-income households through programs that will prioritize vulnerable populations such as San Francisco's working families, veterans, seniors, disabled persons; to assist in the acquisition, rehabilitation, and preservation of affordable rental apartment buildings to prevent the eviction of long-term residents; to repair and reconstruct dilapidated public housing; to fund a middle-income rental program; and to provide for homeownership down payment assistance opportunities for educators and middle-income households; shall the City and County of San Francisco issue \$310 million in general obligation bonds, subject to independent citizen oversight and regular audits?”

Each voter to vote in favor of the foregoing bond proposition shall

mark the ballot in the location corresponding to a “YES” vote for the proposition, and to vote against the proposition shall mark the ballot in the location corresponding to a “NO” vote for the proposition.

Section 9. If at the Bond Special Election it shall appear that two-thirds of all the voters voting on the proposition voted in favor of and authorized the incurring of bonded indebtedness for the purposes set forth in such proposition, then such proposition shall have been accepted by the electors, and the Bonds authorized shall be issued upon the order of the Board. Such Bonds shall bear interest at a rate not exceeding that permitted by law.

The votes cast for and against the proposition shall be counted separately and when two-thirds of the qualified electors, voting on the proposition, vote in favor, the proposition shall be deemed adopted.

Section 10. For the purpose of paying the principal and interest on the Bonds, the Board shall, at the time of fixing the general tax levy and in the manner for such general tax levy provided, levy and collect annually each year until such Bonds are paid, or until there is a sum in the Treasury of the City, or other account held on behalf of the Treasurer of the City, set apart for that purpose to meet all sums coming due for the principal and interest on the Bonds, a tax sufficient to pay the annual interest on such Bonds as the same becomes due and also such part of the principal thereof as shall become due before the proceeds of a tax levied at the time for making the next general tax levy can be made available for the payment of such principal.

Section 11. This ordinance shall be published in accordance with any State law requirements, and such publication shall constitute notice of the Bond Special Election and no other notice of the Bond Special Election hereby called need be given.

Section 12. The Board, having reviewed the proposed legislation, makes the following findings in compliance with the California Environmental Quality Act (“CEQA”), California Public Resources Code Sections 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code Sections 15000 et seq., (“CEQA Guidelines”), and San Francisco Administrative Code Chapter 31 (“Chapter 31”): The Environmental Review Officer determined that this legislation is not defined as a project subject to CEQA because it is a funding mechanism involving no commitment to any specific projects at any specific locations, as set forth in CEQA Guidelines Section 15378.

Section 13. The Board finds and declares that the proposed Bonds (i) were referred to the Planning Department in accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the Administrative Code, (ii) are in conformity with the priority policies of Section 101.1(b) of the San Francisco Planning Code, and (iii) are consistent with the City's General Plan, and adopts the findings of the Planning Department, as set forth in the General Plan Referral Report dated May 11, 2015, a copy of which is on file with the Clerk of the Board in File No. 150490 and incorporates such findings by this reference.

Section 14. Under Section 53410 of the California Government Code, the Bonds shall be for the specific purpose authorized in this ordinance and the proceeds of such Bonds will be applied only for such specific purpose. The City will comply with the requirements of Sections 53410(c) and 53410(d) of the California Government Code.

Section 15. The Bonds are subject to, and incorporate by reference, the applicable provisions of Administrative Code Sections 5.30 – 5.36 (the “Citizens' General Obligation Bond Oversight Committee”). Under Administrative Code Section 5.31, to the extent permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of the Bonds shall be deposited in a fund established by the Controller's Office and appropriated by the Board of Supervisors at the direction of the Citizens' General Obligation Bond Oversight Committee to cover the costs of such committee.

Section 16. The time requirements specified in Administrative Code Section 2.34 are waived.

Section 17. The City hereby declares its official intent to reimburse prior expenditures of the City incurred or expected to be incurred prior to the issuance and sale of any series of the Bonds in connection with the Project. The Board hereby declares the City's intent to reim-



burse the City with the proceeds of the Bonds for expenditures with respect to the Project (the “Expenditures” and each, an “Expenditure”) made on and after that date that is no more than 60 days prior to the passage of this Ordinance. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City. The maximum aggregate principal amount of the Bonds expected to be issued for the Project is \$310,000,000. The City shall make a reimbursement allocation, which is a written allocation by the City that evidences the City’s use of proceeds of the applicable series of Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the related portion of the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain “preliminary expenditures,” costs of issuance, certain de minimis amounts, expenditures by “small issuers” (based on the year of issuance and not the year of expenditure) and Expenditures for construction projects of at least 5 years.

Section 18. The appropriate officers, employees, representatives and agents of the City are hereby authorized and directed to do everything necessary or desirable to accomplish the calling and holding of the Bond Special Election, and to otherwise carry out the provisions of this ordinance.

Proposition B

Describing and setting forth a proposal to the voters to amend the Charter of the City and County of San Francisco to allow City employees who qualify to take leave for the birth or placement of the same child to each receive the maximum amount of paid parental leave for which they qualify, and to permit City employees to retain 40 hours of accrued sick leave at the end of paid parental leave, at an election to be held on November 3, 2015.

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, 2015, a proposal to amend the Charter of the City and County by revising Sections A8.365, A8.365-1, A8.365-2, A8.365-3, and A8.365-4, 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.

A8.365 COMPENSATION DURING PARENTAL LEAVE

Under federal, state and local law, employees are entitled to take an unpaid leave of absence in the event of pregnancy disability or to care for a child after birth or placement for adoption or foster care. But employees may not have the financial resources to take advantage of this leave. This section provides compensation to supplement state disability insurance payments, paid sick leave, compensatory time, and other forms of paid leave, to ensure that an employee will receive the equivalent of the employee’s salary for 12 weeks, or, if the employee is temporarily disabled by pregnancy, up to 16 weeks, while on approved leave.

In accordance with this section, eligible employees on approved Parental Leave shall receive Supplemental Compensation as set forth herein.

Nothing in this section shall be construed to expand, reduce or otherwise affect the total amount of leave time available to employees under federal, state, or local law, Civil Service Commission rules, or applicable memoranda of understanding between the City and County of San Francisco and employee organizations. This section is intended to supplement other available sources of income during specified periods of leave to which the employee is otherwise eligible. Except for leave mandated by law, requests for leave continue to be subject to the approval of the appointing officer.

A8.365-1 DEFINITIONS

The following words and phrases as used in this section, unless a different meaning is plainly required by the context, shall have the following meaning:

“Domestic Partner” shall have the same meaning as set forth in Administrative Code Section 62.1 et seq.

“Employee” shall mean any person who is appointed to a position created by or which is under the jurisdiction of the City and County, whose compensation is paid by the City and County, and who is under the control of the City and County as to employment, direction and discharge and does not include persons who occupy classified or certificated positions with the San Francisco Unified School District or the Community College District or who work for the City as independent contractors.

“Paid Leave” shall mean all paid time-off provided by the Charter, the Administrative Code, the Civil Service Rules or through a collective bargaining agreement and shall include but not be limited to vacation, sick leave, compensatory time, administrative or executive leave and floating holidays. For purposes of this section, “Paid Leave” shall not include statutory holidays.

“Parental Leave” shall mean (a) Family Medical Leave as defined below; (b) Temporary Pregnancy Disability Leave as defined below:

(a) “Family Medical Leave” shall mean leave taken pursuant to the Family and Medical Leave Act, the California Family Rights Act, or Civil Service Commission Rules, where such leave is taken after the birth of a child to the Employee, the Employee’s spouse or the Employee’s Domestic Partner or for placement of a child with the Employee’s family for adoption or foster care, and has been requested and approved in accordance with the procedures set forth in those respective statutes or rules, except to the extent that those statutes, rules, or any associated regulations allow an employer to limit leave to a combined total maximum duration if more than one employee qualifies to take leave for the birth or placement of the same child. Charter Sections A8.365 through A8.365-4 are intended to provide each Employee the maximum duration of Parental Leave to which he or she would otherwise be entitled under its provisions, regardless of the amount of leave taken by another Employee for the birth or placement of the same child.

(b) “Temporary Pregnancy Disability Leave” shall mean disability leave taken in accordance with State law or the Civil Service Commission Rules because of an Employee’s inability to work, as certified by a health care provider, for reasons of pregnancy, childbirth, or related conditions, as defined by the California Fair Employment and Housing Act, Govt. Code Section 12945.2(b)(2) ~~et seq.~~

“Supplemental Compensation” shall mean compensation paid by the City to eligible Employees on Parental Leave. The amount of Supplemental Compensation shall be the Employee’s regular base wage less (1) all accrued paid Leave from the City with the exception of 40 hours of sick leave and (2) any payments received by the Employee from a federal, state or other local government agency in lieu of compensation.

A8.365-2 ELIGIBILITY

The following Employees shall be eligible to receive compensation as set forth herein:

(a) Permanent, provisional, and exempt Employees whose normal work week is not less than ~~twenty~~ (20) hours upon completion