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FOR IMMEDIATE RELEASE

AFFORDABLE HOUSING IN SAN FRANCISCO IN GREAT JEOPARDY
NON-PROFIT HOUSING ASSOCIATION URGES GOVERNOR BROWN AND THE STATE LEGISLATURE TO SAVE
AFFORDABLE HOUSING IN CALIFORNIA

San Francisco, March 8, 2011 -- Under current state law, redevelopment agencies must use 20% of their revenues to improve, protect or expand the supply of affordable housing in their communities. The 20% of tax-increment financing generated by redevelopment agencies is the single most important source of local government financing for the creation and preservation of affordable housing throughout the state. Governor Jerry Brown has proposed to permanently shut down local redevelopment agencies and the California State Legislature is slated to vote on Governor Brown's proposal on March 10, 2011. This proposal comes at a time when millions of Californians continue to lose their jobs to a struggling economy and their homes to foreclosure.

"The 'safety net' for low-income families includes a safe, stable place to live. It is likely that without this important 'safety net' many low-income seniors and families will become homeless.," said Dianne Spaulding, Executive Director of the Non-Profit Housing Association of Northern California.

California State Senator Mark DeSaulnier has introduced a proposal stating that if redevelopment agencies are eliminated, the funding for affordable housing will be saved by allowing the state to distribute the 20% of redevelopment agency funds to cities and counties via Councils of Government (COGs) and Regional Transportation Planning Agencies. The Non-Profit Housing Association of Northern California is urging the governor and the state legislature to protect the future funding of affordable homes by supporting the Sen. DeSaulnier's proposal.

There is no program or service that is more fundamental to the well-being of low-income Californians than having a safe and affordable place to call home. Without Sen. DeSaulnier's proposal, California will lose its largest local source of funds used to create affordable housing; amounting to a loss of at least \$1 billion each year. Sen. DeSaulnier's proposal will allow a portion of this funding to be available in the future for California's low-income housing needs.

Over the past 10 years, San Francisco's redevelopment agency has allocated millions of dollars (more than 50% of their funding) to affordable housing projects in San Francisco. Over 1,400 units in 11 projects are now in the pre-development stage and will be unable to move forward without future funding.

Saving funding for affordable housing becomes even more important at a time when low-income families and seniors in the Bay Area continue to be squeezed by the high cost of housing. "The Non-profit Housing Association of Northern California would like to urge others to call the Governor and local state legislators and tell them that affordable housing is crucial to low-income families and seniors who are at the brink of homelessness" said Dianne Spaulding.

The production of affordable homes creates jobs and is key to California's economic recovery. In 2010, 3,079 construction jobs were generated by San Francisco Redevelopment Agency (SFRA) activities. It is projected that in 2011, redevelopment activities in San Francisco will create an additional 3,000 construction jobs. With a 12% unemployment rate, California cannot afford to lose more jobs.

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The Non-Profit Housing Association of Northern California works to advance affordable housing as the foundation for thriving individuals, families and neighborhoods. As the collective voice of those who support, build and finance affordable housing, NPH promotes the proven methods of the non-profit sector and focuses government policy on housing solutions for low-income people who suffer disproportionately from the housing crisis.