



Prop. 1C Can Help Peninsula Habitat Build Homes for Low-Income Families

Proposition 1C, the affordable housing and emergency shelter trust fund act, embodies the mission of Peninsula Habitat for Humanity more closely than any other measure on the Nov. 7 ballot.

Voting for Prop. 1C will provide Peninsula Habitat with additional opportunities and resources to build more affordable ownership homes for low-income families throughout the Bay Area. The measure's philosophy is to provide helping hands that empower hard-working families to break the cycle of poverty and achieve self-sufficiency, not handouts that will keep them dependent on continued government support.

All told, Prop. 1C will provide \$2.85 billion for emergency shelters for battered women and homeless families, stable homes for emancipated foster youth and affordable homes for seniors and working families, without raising taxes. The measure limits overhead expenses to 5 percent and requires independent audits to ensure that its funds are spent as efficiently and effectively as possible.

Beyond immediate shelter for homeless families and victims of domestic violence, Prop. 1C will provide down-payment assistance to help low-income families achieve the American dream of homeownership. It will also provide the opportunity to access direct grants for Habitat for Humanity affiliates as well as other groups that work together with low-income families in building their own homes.

Prop. 1C will provide \$625 million for homeownership programs. This includes \$490 million for a variety of programs to help low-income families become first-time homeowners such as deferred low-interest loans. Another \$125 million will go to local governments for homeownership assistance programs, and \$10 million will go directly to groups like Peninsula Habitat to assist low-income families with home construction.

Rather than competing with private developers and non-profit groups like Habitat, Prop. 1C will work with them to provide low-interest loans and grants that jump-start development projects and leverage additional funds from other sources.

Developers who accept low-interest loans from Prop. 1C will be required to make units affordable to low-income families for at least 55 years. Tenants will still be required to pay at least 30 percent of their income, but under current market conditions many families pay more than half of their income for housing.

It's no secret that thousands of Bay Area residents face a housing crisis. In San Mateo County, housing affordability is at an all time low. Only 12 percent of San Mateo County households could afford to purchase a median priced home of \$854,858 in 2005.* This lack of affordable housing limits the ability of people to live here and makes it difficult for employers to recruit qualified workers. The imbalance between job and housing availability contributes to traffic congestion as people commute to work for outside the county where housing is more affordable. The high cost of housing can also lead to overcrowding in housing units, an exodus of essential service workers, increased poverty, and homelessness.

Prop. 1C will build on the success of Proposition 46, which has produced more than 100,000 units of affordable housing over the last four years but is now running out of funds.

The first two-thirds of Prop. 46 funds, distributed by July 1 of this year, included 36 grants to Habitat for Humanity affiliates in California. The grants totaled more than \$12 million and directly contributed to construction of more than 530 new Habitat homes.

Prop. 1C will continue the successful programs in Prop. 46 and add several new ones. Each dollar allocated by Prop. 46 leveraged an average of almost \$3 in additional funding from other sources. Prop. 1C will also move beyond stop-gap measures to manage homelessness. In addition to \$50 million for emergency shelters and transitional homes, it will also provide long-term assistance aimed at preventing and ending homelessness. Proposition 1C will allocate \$395 million to the Multifamily Housing Program to create affordable apartments, including \$50 million earmarked for homes for emancipated foster youth. Another \$195 million will build permanent supportive homes for families, seniors and people with disabilities.

Every new Habitat for Humanity home means one more low-income family can achieve the American dream of homeownership. Every new shelter space means one more battered woman and her children can escape daily violence. Every affordable rental home means one more senior couple can both eat and afford their prescription medications. And every new apartment means two former foster youths can move toward self-sufficiency.

For these, and many other vulnerable people, Proposition 1C offers hope for a stable life. It's a big step toward a California where no one has to sleep in the streets or choose between paying rent or feeding their children.

Prop. 1C has been endorsed by 16 Habitat for Humanity affiliates representing all regions of California. Endorsing affiliates include Peninsula Habitat for Humanity and Habitat for Humanity of Calaveras, East Bay, Golden Empire, Greater Los Angeles, Hemet/San Juan, Orange County, Riverside, Sacramento, San Diego, San Francisco, San Luis Obispo, Sonoma County, Silicon Valley, Southern Santa Barbara County and Tulare County.

For more information about Prop. 1C, please visit www.homes4ca.org.

**2006 Report Card, Indicators for a Sustainable San Mateo County*