



# San Francisco Apartment Association

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2010 MAR -4 AM 11:53  
DEPARTMENT OF ELECTIONS

March 4, 2010

Ms. Barbara Carr  
Ballot Simplification Committee  
Department of Elections  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Barbara, Madam Chair and Committee:

We respectfully request reconsideration of the ballot digest for the tenants' hardship application measure adopted by the Ballot Simplification Committee at its meeting on March 3, 2010. While we believe the Committee has made improvements to the digest language, the adopted version of the digest still contains some confusing language that we think can be improved for voters who rely on the digest to provide an impartial summary. We therefore request that the following language be reconsidered and revised:

1. Revision: "Proposition \_\_\_ would amend the Ordinance to establish ~~additional~~ conditions for hardship applications."

This sentence is currently misleading because of the insertion of the word "additional" and we request that this word be removed. Including the word "additional" in this sentence to describe "the way it is now" incorrectly implies that the Ordinance *currently* includes specific conditions. It does not. As the Committee discussed and correctly noted at its March 3<sup>rd</sup> meeting, the City's Residential Rent Ordinance does not currently include specific statutory conditions for filing hardship applications, which are handled by the Rent Board pursuant to a long-term policy. (See Letter from the Rent Board dated Jan. 26, 2010, provided to Committee at March 3<sup>rd</sup> meeting.) We trust you will agree that voters should be provided with accurate information on how hardship applications are handled now. The word "additional" should therefore be removed.

2. Complete and Accurate Information.

As described above, the "way it is now" section currently fails to provide any information whatsoever regarding how hardship applications are currently handled and determined by the Rent Board, making it difficult if not impossible for a voter to determine how things may be different if the measure is adopted. This is in contrast to the more detailed information describing the proposal.

We further note that this lack of information regarding current Rent Board policy compounds the voter-confusion issue identified above with respect to the insertion of the word "additional." We therefore request that the statement from the January 26<sup>th</sup> Rent Board letter succinctly describing its *own* existing hardship policy be inserted immediately after the sentence quoted above: "In many respects, the Rent Board's existing hardship policy is more liberal than the provisions in the proposed measure."

3. Revision: "If you vote "yes," you want to amend the Ordinance to allow tenants to apply to the Rent Board to postpone certain rent increases if they become unemployed, their wages decrease by 20% or more, or they do not receive a cost of living increase in their government benefits and this is their sole income."

The existing language is incomplete in that it omits the word "certain" prior to the phrase "rent increases." As noted by the Committee at its meeting, the Ordinance does not apply to all rent increases, and the omission of the word "certain" here incorrectly implies otherwise. We recommend that this word be inserted in the text.

Please note that for your reference a redline version of the digest incorporating our suggested revisions is included with this letter.

We thank you for your attention to this matter and look forward to speaking with you at the meeting on Thursday, March 11, 2010.

Best regards,



Janan New  
Director

CC: John Arntz, Director, Department of Elections

**Ballot Simplification Committee**

**Approved Digest –by: Packard, Fasick, Fraps, Jorgensen, Unruh, 12:00 p.m. Wednesday, March 3, 2010**

**Requests for Reconsideration due by 1:00 p.m. on Thursday, March 4, 2010**

**Renters' Economic Relief** (*working title only, subject to change*)

**The Way It Is Now:** The City's Residential Rent Ordinance (Ordinance) applies to most rental housing built before June 1979. The Ordinance limits when and by how much a landlord may increase a tenant's rent. For example, landlords may increase rent once a year by a percentage set by the Residential Rent Stabilization and Arbitration Board (Rent Board).

In certain circumstances, landlords may increase rents to pay for property improvements or increases in the property tax bill. A tenant may file a hardship application with the Rent Board to seek to limit some of these increases. In many respects, the Rent Board's existing hardship policy is more liberal than the provisions in the proposed measure.

**The Proposal:** Proposition \_\_\_ would amend the Ordinance to establish additional conditions for hardship applications. In response to most rent increases, a tenant may submit a financial hardship application if one of the following conditions applies:

- the tenant has become unemployed;
- the tenant's wages have been reduced by 20% or more compared to the previous 12 months; or
- the tenant's sole income consists of government benefits, such as Social Security or disability, and the tenant has not received a cost of living increase in the previous 12 months.

After the tenant submits a financial hardship application to the Rent Board, an Administrative Law Judge (ALJ) holds a hearing on the application.

The ALJ would base a final decision on:

- whether the tenant satisfies one of the above conditions;
- whether the rent, with the increase, totals more than 33% of the tenant's income; and
- consideration of the tenant's assets.

If the ALJ finds that the tenant has a financial hardship, the landlord may not increase the tenant's rent for a specified period based on the tenant's circumstances. The rent increase may take effect later if the tenant's financial circumstances change. Either the tenant or the landlord may appeal the ALJ's decision to the Rent Board.

**A "YES" Vote Means:** If you vote "yes," you want to amend the Ordinance to allow tenants to apply to the Rent Board to postpone certain rent increases if they become unemployed, their wages decrease by 20% or more, or they do not receive a cost of living increase in their government benefits and this is their sole income.

**A "NO" Vote Means:** If you vote "no," you do not want to make these changes.

word count: 365 [suggested word limit: 300]