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March 4, 2010

Barbara Carr
Department of Elections
City Hall
San Francisco, CA 94102

Dear Ms. Carr:

I am writing to request reconsideration of the ballot digest for the Renters Economic Relief measure. Following is what I am requesting reconsideration of the proposed new language.

In paragraph 2 of "Way It Is Now" I ask that the committee change "In certain circumstances, landlords may increase rents..." to "In certain circumstances addition, landlords may increase rents..." These additional rent increases are available to all landlords. The only "certain circumstances" would be, for example, a landlord would have to make improvements to the building in order to passthrough those costs, but that seems to be self evident.

Also in paragraph 2 of "Way It Is Now," in the same sentence I ask the committee to return to its original wording and change "increases" to "part of" so the sentence would read "...to pay for property improvements or increases in part of the property tax bill." There are 2 types of property tax rent increases: (a) 50% of all General Obligation Bonds and 50% of all Water Bonds may be passed onto tenants (automatically) and (b) actual year-to-year increases in the rest of the property tax bill may be passed on.

In the first sentence of "The Proposal" I ask the committee to change the word "condition" to "Basis" so that sentence would read: Proposition ___ would amend the Ordinance to establish an additional ~~conditions~~ basis for hardship applications. The language of the measure is clear that this is a whole new basis for hardship and not a moderation of any of the existing hardship measures.

"Condition" definitely implies it is a moderation as the definition of "condition (Merriam Webster) "a restricting or modifying factor : qualification" and, as you see, it also states it is restrictive. This change was made as the committee appeared unclear as to the codification of the various hardship procedures in the Rent ordinance & Regulations. These existing hardship procedures are codified in: *Rent Ordinance Section 37.8(f) Appeals, Rent Ordinance Section 37.7(h) Hardship Applications, Rent Ordinance Section, and 37.3(a) Rent Increases. In addition hardship provisions are the Rules and Regulations Section 6.16 Utility Passthroughs and 4.14 Water Revenue Bond Passthrough.* These various hardship provisions enable hardship filings for certain rent increases with varying degrees of specificity and the measure is clearly worded, in its very first sentence, that it adds a new provision: "(f) *Tenant Financial Hardship Applications. In addition to any existing hardship provisions in the Rent Stabilization and Arbitration Ordinance or Rules and Regulations at the time this Section 37.3 becomes effective.*" Thus to use words which are defined as "moderating" or "restricting" is clearly misleading as the measure equally clearly adds and does not modify or restrict.

Thank you for your reconsideration.

Ted Gullicksen
SF Tenants Union

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~~ addition, landlords may increase rents to pay for property improvements or increases ~~in part of~~ the property tax bill. A tenant may file a hardship application with the Rent Board to seek to limit some of these increases.

The Proposal: Proposition ___ would amend the Ordinance to establish an additional ~~conditions~~ basis 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 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]