

December 2, 2019

Ballot Simplification Committee
John Arntz
Director of Elections
Department of Elections
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102

VIA ELECTRONIC MAIL TO: publications@sfgov.org

Re: Ballot Digest for “Limits on Office Development” measure on March 2020 Ballot

Dear Ballot Simplification Committee and Mr. Arntz:

Thank you for the opportunity to review the ballot digest for the March 3, 2020 ballot. The Office of Economic and Workforce Development submits the following suggested corrections to the draft digest published by the BSC.

We believe the proposed measure presents two significant policy issues to the voters which should be highlighted in the Committee’s draft digest.

- 1) The measure annualizes the eight-year Regional Housing Needs Allocation (RHNA) goal for San Francisco and uses a performance metric based on one-eighth of this goal each year to determine whether the City has met its RHNA “goal” for that year. The measure then adjusts the annual office allocation available that year, based on whether the City has met that annual “goal,” regardless of past or future performance on the eight-year RHNA goal. Any office allocation lost based on this metric cannot be recovered in the future even if the City were to eventually meet or exceed its full eight-year RHNA goal.

Voters should be aware that this measure could impact office allocation on a year to year basis, though affordable housing production is inherently variable, based on local funding, available construction crews and larger economic trends, which is why the RHNA goals are based on an eight-year cycle.

- 2) The measure includes two “incentive reserves” which allow 1) Central SoMa office projects which meet certain criteria or 2) other office projects that meet certain affordable housing production targets to proceed even if there is not sufficient office allocation available. The draft digest describes these as “exceptions” to the Annual Limit. We do not believe the word “exceptions” is accurate since in fact the measure allows these projects to “borrow” against future allocations, to be



“paid back” by having the amount of allocation “borrowed” deducted from the bank in 10 equal installments over the following 10 years.

Voters should be aware that should be Planning Commission avail itself of the opportunity to “borrow” office allocation for projects that qualify, it would have the effect of reducing the ability to approve office projects in the City for the following ten years.

Thank you for your consideration of these suggestions.

Very truly yours,

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a horizontal line ending in a small flourish.

Joaquín Torres
Director

cc: Ken Rich; Lisa Pagan

