

August 4, 2022

Chair Packard and Members of the Ballot Simplification Committee
San Francisco City Hall
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102
via email to: publications@sfgov.org

RE: Request for Reconsideration for Affordable Housing Production Act

Dear Chair Packard and Members of the Ballot Simplification Committee:

I commend the Committee's thorough review of the two housing measures yesterday and its work to create simplified ballot digest language, which thoughtfully distilled two highly technical proposals. As is often the case with this process, some critical details were lost, and I write to request reconsideration of the ballot digest for the Affordable Housing Production Act (the Board's Measure A) to restore two key points:

1. Clarify that the Board of Supervisors' approval authority affects these accelerated approvals.

We strongly recommend re-inserting the language specifying that the Board of Supervisors' authority affects the accelerated approvals process at the top of "The Proposal" section. The draft ballot digest initially stated,

"Proposition ___ would change City laws to expedite approval of three types of affordable housing, subject to the Charter requirement for Board of Supervisors' discretionary approvals where the City provides land or financing" (emphasis added).

This language was deleted because the Board determined that a similar point is discussed in the text below.

However, it is critical to mention the Board's approval authority in the first sentence because this authority directly affects the extent to which "accelerate[d] approval" applies to the listed housing types. Though the ballot digest discusses the Board's authority in the section below the bulleted list, this delayed mention does not adequately capture the impact of this discretionary authority on the accelerated review process, which is the fundamental purpose of this measure. The Board's discretion to approve or deny funding decisions involving City land or funding creates added processing time, uncertainty, and costs to projects, which the Board may still prevent from

moving forward. Additionally, the Board's approval authority necessarily triggers environmental review that would further delay and encumber projects. Omitting an up-front caveat when framing that the proposal would "accelerate approval" will mislead voters into thinking that any three project types described in the bulleted list will all be expedited through the same process. Re-inserting mention of the Board's approval authority appropriately qualifies the statement that expedited approval would apply to the three listed project types to accurately present the measure to voters.

Additionally, voters will struggle to differentiate between the two proposals if the first section of "The Proposal" (the lead-in to the bulleted list) does not mention the Board's approval authority. As the Committee conceded in the discussion yesterday, many voters will not read the full proposal. Accordingly, it is essential to convey this key differentiating information at the top of the digest before they lose interest. Doing so will ensure that voters benefit from this key information when voting.

We support the Committee's decision to clarify the ballot digest by removing technical language such as "discretionary," and we recommend the following simplification to the original language to address the concern raised above:

The Proposal: Proposition ___ would accelerate approval of three types of multifamily affordable housing, except in cases where the Board of Supervisors' approval is required: [...]

2. Correct a factual error to specify that the approval of the permit will expire after 24 months.

The Final Digest does not accurately reflect the measure's provision that development approvals remain valid for 24 months. The approved ballot digest states, "Construction must begin within 24 months of the permit being issued." However, this use of mandatory language ("must") when discussing construction is misleading absent further qualification. As the City Attorney mentioned, the 24 months refers to the validity of the development permit, not to an obligation to begin construction. Under the measure, the housing developer has no obligation to construct anything; or, in other words, neither the City nor anyone else may require the developer to actually develop the project. The current language may give the average voter the false impression that a housing project approved under the measure must actually be constructed within 24 months. That is simply not the case.

Instead, we recommend incorporating the following qualification to specify that a permit will expire after this 24-month period through the following revision to the bulleted section of "The Proposal":

Additionally, the approval will expire unless construction has begun ~~must begin~~ within 24 months of Planning Department approval.

This qualification simply and accurately captures this important fact about permit expiration without weighing the sentence down with technical detail.

I have also attached a redline of the digest with these proposed changes. Thank you for your hard work and consideration of these two suggestions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Augustina Ullman', with a stylized, flowing script.

Augustina Ullman, Policy Assistant
SPUR

SPUR Request for Reconsideration – Redline of Final Digest

Affordable Housing – Board of Supervisors *

Digest by the Ballot Simplification Committee

Status: Approved Digest

On: Wednesday, August 3, 2022

Members: Packard, Anderson, Merrill, Patterson

Deadline to Request Reconsideration: 4:30pm Thursday August 4, 2022

The Way It Is Now: Under City law, various City boards, commissions and officials generally must review and make decisions to approve or deny the development of new housing. Development of new housing must comply with the City's Planning and Building codes. State law generally requires the project to be evaluated for impacts on the environment.

The City has affordable housing programs. Affordable housing has restrictions on eligibility for households, such as maximum household income.

The Proposal: Proposition ___ would accelerate approval of three types of multifamily affordable housing, except in cases where the Board of Supervisors' approval is required:

- Multifamily housing where all residential units are affordable for households with income up to 120% of area median income (AMI). The average household income for all residential units can be no more than 80% of AMI.
- Multifamily housing with 10 or more residential units and that provides on-site affordable units required by City law, plus additional affordable housing units equal to at least 8% of the total number of units in the entire project. For example, as of July 2022, if a project has 100 residential rental units, the project must include 22 affordable units on-site. Under this measure, the project must provide 8 additional affordable housing units on-site, which is 8% of the total units of the entire project for a total of 30 affordable units to include both two- and three-bedroom units. Additionally, the approval will expire unless construction has begun ~~must begin~~ within 24 months of Planning Department approval.
- Multifamily housing, or a development that includes housing and other commercial uses, where all residential units are for households that include at least one San Francisco Unified School District or City College employee, with certain household income restrictions.

Proposition ___ would accelerate the approval process by exempting these affordable housing developments from most discretionary approvals by the City if those developments comply with the Planning and Building codes. When the City leases its property or provides financing for housing, the approval by the Board of Supervisors may be necessary.

Under the measure, the City would have six months to approve these developments, in addition to the time required for any Board of Supervisors' approvals, if necessary.

This measure may also allow these developments to proceed without environmental review under state law. This measure requires the mayor to provide annual affordable housing reports with the mayor's proposed budget.

Under this proposition, the Board of Supervisors could not amend City law to apply these accelerated approvals to additional types of housing projects.

Contractors who build projects under this measure must pay their employees prevailing wages. Contractors who build projects for educators or projects of 25 units or more that provide additional affordable housing units must also use a skilled and trained workforce that includes a certain percentage of workers who have graduated from apprenticeship programs.

If Proposition ___ passes with more votes than Proposition [initiative], then Proposition [initiative] would have no legal effect.

SPUR Request for Reconsideration – Redline of Final Digest

A "YES" Vote Means: If you vote "yes," you want to accelerate approval of affordable housing projects that provide:

- multifamily housing where all of the units are for households with income up to 120% of area median income;
- additional on-site affordable units equal to 8% of the total number of units in the entire project; or
- that all residential units are for households that include at least one San Francisco Unified School District or City College employee, with certain household income restrictions.

Projects that use City property or City financing would continue to require Board of Supervisors' discretionary approval.

The Board of Supervisors could not amend City law to apply these accelerated approvals to additional types of housing projects.

In certain projects, contractors must use a skilled and trained workforce that includes workers who have graduated from apprenticeship programs.

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