



San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

April 5, 2017

RE: Competing Inclusionary Housing Legislation

Dear President Breed and Members of the Board of Supervisors,

On behalf of the 300 businesses, organizations and individuals that represent the San Francisco Housing Action Coalition (SFHAC) membership, this letter indicates our position on the two competing pieces of inclusionary housing legislation as of the date of this letter. While neither is perfect, we support the proposal from Supervisors Safai, Breed, and Tang with the suggested amendments below. We oppose the legislation proposed by Supervisors Kim and Peskin. While we cannot know the motivations of Supervisors Kim and Peskin in drafting this legislation, we believe it will result in halting the creation of all middle-income housing in San Francisco.

Re: Safai, Breed, Tang Legislation:

SFHAC Supports: Consistent with the Technical Advisory Committee (TAC) recommendations, SFHAC supports the on-site (18% rental, 20% ownership) and off-site (23% rental, 28% ownership) inclusionary percentages proposed in this legislation. Furthermore, SFHAC supports the in-lieu fees (23% rental, 28% ownership) proposed in this legislation, which are also consistent with the TAC's recommendation. SFHAC also supports the higher Area Median Income (AMI) band proposal since San Francisco has historically underbuilt middle-income housing according to our Regional Housing Need Allocation (RHNA) goals. This lack of middle-income home creation has resulted in families, teachers, firefighters, first responders, and middle-income workers being forced out of San Francisco.

SFHAC Suggested Amendments: SFHAC opposes the proposed "impact fee" on homes added to a project through the implementation of the state density bonus, as this will almost certainly disincentivize home creation. Furthermore, SFHAC does not support any annual increases to the inclusionary percentages until agreed upon home creation metrics are identified, accurately tracked, and publicly reported. A data and metric driven approach to housing success in San Francisco is a must.

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Re: Peskin-Kim Legislation

SFHAC opposes the proposal from Supervisors Kim and Peskin. The legislation's recommendation to place the inclusionary percentage outside of the economically feasible range recommended by the TAC, pursuant to an economic feasibility analysis, could freeze housing creation in San Francisco, especially for the middle class. While some may support the construction of zero housing, which negatively affects San Francisco families and the middle-income workforce, others, including SFHAC, support the creation of new housing (market-rate and affordable), which either directly or indirectly results in more homes for families, teachers, firefighters, and all working people.

Sincerely,

A handwritten signature in blue ink that reads "Todd David". The signature is written in a cursive, flowing style.

Todd David
Executive Director

CC:

Supervisor Fewer, District 1
Supervisor Farrell, District 2
Supervisor Peskin, District 3
Supervisor Tang, District 4
Supervisor Breed, District 5
Supervisor Kim, District 6
Supervisor Yee, District 7
Supervisor Sheehy, District 8
Supervisor Ronen, District 9
Supervisor Cohen, District 10
Supervisor Safai, District 11
Mayor Edwin Lee
Jeff Buckley, Mayor's Office
Director Lee, Mayor's Office of Housing and Community Development
Ken Rich, Mayor's Office of Economic and Workforce Development