WHEREAS, The San Francisco Rent Ordinance (SF Administrative Code, Chapter 37) was enacted effective June 13, 1979, to alleviate the city's housing crisis; and

WHEREAS, California passed the Costa-Hawkins Rental Housing Act in 1995, severely limiting municipal rent control ordinances by prohibiting rent control on single-family and condominium units, prohibiting vacancy control, and exempting new units built after 1995, or, for cities with existing rent control, all units built after the local rent control ordinance, which for San Francisco was 1979; and

WHEREAS, More than 54% of Californians are currently rent-burdened [https://calbudgetcenter.org/resources/californians-parts-state-pay-can-afford-housing/] and almost one-third are severely rent-burdened, meaning they are spending more than half of their incomes on rent; and

WHEREAS, People of color make up more than two-thirds (68.2%) of Californians facing unaffordable housing costs [https://calbudgetcenter.org/resources/californians-parts-state-pay-can-afford-housing/]; and

WHEREAS, A significant majority of San Francisco's households (65%) rent their place of residence [https://default.sfplanning.org/publications_reports/Housing-Needs-and-Trends-Report-2018.pdf]; and

WHEREAS, As of 2018, nearly one-quarter of rental units in San Francisco were not subject to rent control [https://default.sfplanning.org/publications_reports/Housing-Needs-and-Trends-Report-2018.pdf]; and
Trends-Report-2018.pdf, a number that has increased as more new unrestricted units have been constructed; and

WHEREAS, Despite some recent reductions in market-rate rents due to COVID, rents remain far out of reach for many, at an average asking rent for a two-bedroom of $3,922 per month [https://www.zumper.com/rent-research/san-francisco-ca] far out of reach for many, and 40 percent more than the full monthly pay for someone working at San Francisco minimum wage; and

WHEREAS, The cost of housing has forced many in the San Francisco workforce - including teachers, police officers, healthcare workers, first responders, and the newly recognized category of "essential workers," which includes those working in groceries, pharmacies, public transit, construction, hardware, and more - to live farther away from work to find housing they can afford, resulting in unsustainable commutes, dangerous environmental impacts, and a risk to our city's ability to function; and

WHEREAS, Proposition 21, Keep Families in Their Homes, is an initiative ordinance on the November 3, 2020, ballot that would significantly amend California Civil Code, Sections 1954.50 through 1954.53, now known as the Costa-Hawkins Rental Housing Act; and

WHEREAS, Proposition 21 would rename California Civil Code, Sections 1954.50 through 1954.53 the Rental Affordability Act; and

WHEREAS, This measure would allow local governments to adopt rent control on housing units, with exceptions for units first occupied within the last 15 years and units owned by natural persons who own no more than two single-family units; and

WHEREAS, Proposition 21 would allow local governments to prohibit landlords from imposing rent increases over 15 percent during the first three years following a vacancy; and

WHEREAS, By replacing Costa-Hawkins, Proposition 21 would allow cities to have more flexibility in governing affordable housing needs in their communities, to ensure that
existing vacant rent-controlled housing stock is made available to residential tenants, and to
strengthen rent stabilization measures; and

WHEREAS, In 2017, the City and County of San Francisco indicated its support for
California State Assembly Bill 1506 (Chiu), which would have repealed Costa-Hawkins; and

WHEREAS, In 2019, California passed AB 1482, which caps rent increases for the
next ten years statewide at five percent plus local rate of inflation, and which expires on
January 1, 2030; and

WHEREAS, Under the San Francisco Rent Stabilization Ordinance, rent increases on
rent-controlled units is calculated at 60% of the local rate of inflation, which for the period
starting March 1, 2020, was 1.8%, plus allowable pass-throughs; and

WHEREAS, Proposition 21 is sponsored and/or endorsed by the California Democratic
Party, AIDS Healthcare Foundation, Housing Now, the American Civil Liberties Union, the
San Francisco Tenants Union, local jurisdictions and elected officials, and a broad network of
labor, housing advocacy, community, and faith-based organizations throughout the state; and

WHEREAS, According to the California Secretary of State website, the California
Apartment Association has already spent nearly $28 million to defeat this measure; and

WHEREAS, In 2018, the City and County of San Francisco formally endorsed
Proposition 10, the Affordable Housing Act, on the November 6, 2018, ballot, to repeal the
Costa Hawkins Rental Housing Act; and

WHEREAS, Proposition 10 in 2018 was defeated statewide, but a majority of San
Francisco voters voted in favor; and

WHEREAS, Proposition 21, on the November 3, 2020, ballot, is modeled after
Proposition 10 in 2018, but unlike that proposition, Proposition 21 exempts from new rent
control ordinances homes owned by landlords who only own up to two homes; now, therefore,
be it
RESOLVED, That the City and County of San Francisco hereby formally endorses Proposition 21, Keep Families in Their Home, on the November 3, 2020, ballot; and, be it

FURTHER RESOLVED, That the City and County of San Francisco go on record in support of the Proposition 21, Keep Families in Their Home, on the November 3, 2020, ballot; and, be it

FURTHER RESOLVED, That the City and County of San Francisco urges other municipalities to support Proposition 21, Keep Families in Their Home, on the November 3, 2020, ballot.
Resolution

Resolution supporting California State Proposition 21, Keep Families in Their Homes, on the November 3, 2020, ballot.

September 28, 2020 Land Use and Transportation Committee - RECOMMENDED AS COMMITTEE REPORT

September 29, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 201069

I hereby certify that the foregoing Resolution was ADOPTED on 9/29/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

10/09/2020

Date Approved

10/09/2020

Date