San Francisco Building and

825 VAN NESS AVENUE • SUITE 301 SAN FRANCISCO, CA 94109 EMAIL: rudy@sfbuildingtradescouncil.org



Construction Trades Council TEL. (415) 345-9333

www.sfbuildingtradescouncil.org

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October 8, 2024

RECEIVED
OFFICE OF THE CLERK OF THE BOARD
10/15/2024 @ 1:22 p.m.

Hon. Aaron Peskin (via email: <u>Aaron.Peskin@sfgov.org</u>)
President of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102-4689

Re: File No. 240880; Oppose Unless Amended

Dear President Peskin,

I write to you on behalf of the affiliated unions of the San Francisco Building & Construction Trades Council, AFL-CIO. We represent hardworking union construction workers and their families, many of whom both work and live in the city. We also support career paths to the trades by way of our recruitment of San Franciscans through registered apprenticeship and pre-apprenticeship programming.

The purpose of this letter is to inform you of our opposition, unless amended, to File No. 240880. It should be noted that as of the writing of this letter we have not had the opportunity to discuss this matter with you or your staff. For this reason, we kindly request a continuance of the matter until such discussions can take place. To be clear, if there are no negotiations, we are then put in a regrettable position to oppose your legislation. If amendments are accepted, we request that labor be given seats at the table by which to voice our respective interests. This must include a representative of the unionized construction sector that our Council represents. We can also see value including other representatives of organized labor so that a broad perspective can be achieved.

With regard to amendments, we seek to address those projects where union retirees, by way of their pension funds, have invested in existing projects where changing rent calculations will surely change the math on the investment. Imposing new restrictions on existing buildings prior to a pro forma reaching certain milestones could have a devastating impact on existing projects that already factored in a multitude of fees and regulations, not the least of which includes the current inclusionary housing law.

We also need assurances that new construction will not be hampered as an unintended consequence of this well-meaning legislative effort. Simply put, the definition of new construction should be set as a matter of fact in this ordinance and not subject to a change in state law or rolling period.

Third, we want to address a lack of labor standards in the maintenance of rent controlled buildings above 75 units. Too often we hear of landlords deferring important maintenance because of their units being subject to rent control. We believe there should be an incentive for those who do maintain their buildings and utilize a high-road contractor/subcontractor to do the work.

Fourth, we see an opportunity to use a legislative working group akin to the TAC (Technical Advisory Committee) that brings together perspectives and analysis to calibrate this ordinance initially and periodically into the future.

The model by which you and your colleagues, some present and some past, have negotiated important housing legislation should be followed here. The policy implications and intent are important enough to deserve good faith discussion and collaboration. Please do not rush this through the board. We stand ready to work with you and other stakeholders to negotiate a policy that can truly benefit our members as tenants, retirees, future apprentices, and San Franciscans overall.

Sincerely,

Rudy Gonzalez

Secretary-Treasurer

Cc: Clerk of the Board, Members of the Board