

Patrick Monette-Shaw

975 Sutter Street, Apt. 6

San Francisco, CA 94109

Phone: (415) 292-6969 • e-mail: pmonette-shaw@earthlink.net

October 14, 2024

Add Rent Control Ordinance Amendment Extending “New Construction Exemption” an Additional Year, Annually.

San Francisco Board of Supervisors

The Honorable Aaron Peskin, Board President

The Honorable Connie Chan, Supervisor, District 1

The Honorable Catherine Stefani, Supervisor, District 2

The Honorable Joel Engardio, Supervisor, District 4

The Honorable Dean Preston, Supervisor, District 5

The Honorable Matt Dorsey, Supervisor, District 6

The Honorable Myrna Melgar, Supervisor, District 7

The Honorable Rafael Mandelman, Supervisor, District 8

The Honorable Hillary Ronen, Supervisor, District 9

The Honorable Shamann Walton, Supervisor, District 10

The Honorable Ahsha Safai, Supervisor, District 11

1 Dr. Carlton B. Goodlett Place

San Francisco, CA 94102

Supervisor Safai’s Proposed Rent-Control Carve Out for Building and Construction Trade Unions Was Offensive!

Re: **Testimony on New Construction Exemption From Rent Control**
(Agenda Item 4, File #240880)

Dear President Peskin and Members of the Board of Supervisors,

Supervisor Safai’s proposed carve out to amend the Rent Control measure being considered on October 8 was patently offensive, in part because 292,413 of the 449,866 registered voters who voted on November 3, 2020 are renters. Safai sought to throw almost 300,000 renters under the bus to curry favor with the Building and Construction Trades Council — perhaps to increase donations to his political campaigns!

Putting that aside for the moment, Supervisor Peskin and this Board should consider introducing a final amendment to this proposed Ordinance today to add a provision that if Costa-Hawkins is repealed on November 5 by California’s voters, on a rolling basis thereafter, San Francisco’s Rent Ordinance should automatically be amended to extend the “*new construction exemption*” period affecting rent control by one additional year annually beyond just 1994, to add additional rental units after apartment building’s initial 30-year mortgage periods are paid off and end.

While it may make sense to exempt adding additional rental units subject to Rent Control until a building’s 30-year mortgages expire, once those 30-year periods end those units should automatically become rent-control protected so the Board of Supervisors doesn’t have to amend the Rent Control Ordinance every year!

Specifically, amend Section 1-c *Purpose and Findings*, lines 15 to 18, to revise lines 15 and 16 read:

“ ...new construction exemption to apply to units that first received a certificate of occupancy up to and including June 13, 1994, extending the ending year by an additional year every year following 2024.

Then, line 18 would also require editing to automatically increase the “1994” ending year annually by adding an additional year, thereafter.

Why lock in and enshrine in perpetuity the “1994” ending date, when a rolling “*new construction exemption*” period ending date could be added today?

This proposed amendment is essential to extending rent control protection to more rental units in San Francisco, so that the City can more efficiently extend replenishing our aging rent-controlled housing, and tenants in newer housing can enjoy the same protections as those in older housing. It’s simply a matter of equity if “Costa-Hawkins” is repealed as predicted!

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Safai's delaying tactic on October 8 requesting adding an additional amendment to create yet another "*technical advisory committee*" at City Hall regarding rent control to hand the Building and Construction Trade Unions some sort of seat at the table — but not, say, a seat at the table for SEIU Local 1021, or any other labor unions.

Safai testified on October 8 that he had received a letter purportedly only "*that morning*" from Rudy Gonzalez, the Secretary Treasurer of the *San Francisco Building and Trades Council*, apparently on behalf of the Council's president, Larry Mazzola, Jr. Of note, the Trades Council represents 32 labor organization, with an unknown number of union members.

Of interest, Safai implied the Building and Trades Council had written in regard to the rent control Ordinance amendments being considered on October 8 by the Board of Supervisors that were continued to the Board's October 15 meeting. That turns out to have been a probable lie, because the letter Safai apparently received was dated September 16 regarding appointment of Josh Arce as a Commissioner to the San Francisco Public Utilities Commission, which deals with utility **ratepayer** issues — **not** rent control matters.

The SFPUC plays no role in rent control by any stretch of the imagination. Indeed, Gonzalez's September 16 letter mentioned nothing about rent control at all. So, I have to conclude Safai was lying, trying to pull the wool over not only all members of the Board of Supervisors, but also over the eyes of all San Francisco voters and San Francisco renters.

For the November 3, 2020 municipal election, the Department of Elections reported there were a total of 449,866 registered voters across all 11 Supervisorial Districts. That averages 40,897 registered voters in each of the 11 Districts. To the extent 65% of those voters are renters, that suggests there was an average of 26,583 renters who were registered voters in 2020 in each District.

From a different perspective, the Elections Department indicated 31,099 ballots had been cast for District 11 Supervisor in November 2020, handing the election to Safai. Of those 31,099 ballots, 65% of those voters who are likely renters total 20,216 renters. Safai's own constituents who are renters were thrown under the bus by their own District Supervisor on October 8, in favor of an unknown number of construction trade union members — who may or may not even live in San Francisco (let alone in District 11), and who may, in fact, be renters themselves!

So, it appears that Safai was seeking to represent the interests of perhaps a mere couple of thousand of union members represented by the *San Francisco Building and Trades Council*, at the expenses of representing the tens of thousands of renters in his own District 11, and rather than the 292,413 (65%) of **San Franciscans** who are renters that voted in November 2020, and the 60% of renters who live in rent-controlled units. Worse, there may be many more renters in San Francisco who are not registered voters.

Anyone who would throw 300,000 to 500,000 renters under the bus to get some measely silver coin campaign contributions from construction labor unions does not deserve to be elected San Francisco's mayor!

Do the right thing. Pass this Ordinance on second reading, today, unanimously to make a Mayoral veto impossible. But before you vote, introduce a final amendment to extend the "*new construction exemption*" rent control period by increasing it an additional year annually once buildings built after 1994 have their 30-year mortgage periods end!

If you have not already done so, **request today to be added as a co-sponsor of this Ordinance**. Constituents who vote as renters in your District will also remember this, if you don't sign on as a co-sponsor!

Respectfully submitted,

Patrick Monette-Shaw

A Childless Cat Daddy, and Voter

Columnist, Westside Observer Newspaper

cc: Angela Calvillo, Clerk of the Board

Alisa Somera, Deputy Director, Legislative Services