From: Robert Fruchtman

To: Mandelman, Rafael (BOS); MandelmanStaff, [BOS]; Board of Supervisors, (BOS); Chan, Connie (BOS); ChanStaff

(BOS); Stefani, Catherine (BOS); StefaniStaff, (BOS); Peskin, Aaron (BOS); PeskinStaff (BOS); Mar, Gordon (BOS); Marstaff (BOS); Preston, Dean (BOS); PrestonStaff (BOS); Haney, Matt (BOS); Haneystaff (BOS); Melgar, Myrna (BOS); MelgarStaff (BOS); Ronen, Hillary; RonenStaff (BOS); Walton, Shamann (BOS); Waltonstaff (BOS);

Safai, Ahsha (BOS); SafaiStaff (BOS)

Cc: <u>rafa@yimbylaw.org</u>; <u>nadia@yimbyaction.org</u>

Subject: [SF YIMBY] Opposition to the Revised Fourplex Legislation

Date: Tuesday, September 27, 2022 3:08:42 PM
Attachments: Opposition to the Revised Fourplex Legislation.pdf

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

San Francisco Board of Supervisors:

On behalf of San Francisco YIMBY, please find attached our letter of opposition to Board files #210866 and #220997.

Best regards, Robert Fruchtman Volunteer Lead, San Francisco YIMBY



San Francisco Board of Supervisors

1 Dr Carlton B Goodlett Place San Francisco, CA 94102

September 27, 2022

Opposition to the Revised Fourplex Legislation

EXECUTIVE SUMMARY

- City analysis finds that fourplexes are financially infeasible under San Francisco's current permitting process
- HCD (California Department of Housing and Community Development) believes that the fourplex legislation circumvents state housing law
- Discussion of any fourplex bill without addressing project feasibility is neither a productive nor effective use of BOS time
- The Board of Supervisors must focus on ambitious process, zoning, and funding reforms to adopt a housing element which HCD will certify
- Risks for failing to adopt a certified housing element include the loss of eligibility for hundreds of millions of dollars in housing and transportation funding, the diminishment of the City's land use authority, and litigation

RECOMMENDATIONS

- Withdraw fourplex legislation
- Call hearings in coordination with San Francisco Planning and the Mayor's Office to ensure City rules and regulations comply with state housing law, and to determine

what programs must be added to the City's upcoming housing element due to HCD by the end of January 2023

###

Dear Supervisors:

Three months ago, <u>San Francisco YIMBY took an opposed position</u> on the fourplex rezoning bill originally introduced by Supervisor Mandelman. This legislation would have undermined SB 9 in San Francisco, instead allowing "fake" fourplexes <u>which the City's own consultant found would be infeasible to build</u>, especially by the homeowners meant to take advantage of the bill. We were relieved that on July 21, Mayor Breed rightfully vetoed the fourplex legislation.

However, last week, the Board of Supervisors revived the fourplex bill. This legislation, now split into two bills, largely remains the same as the original bill which San Francisco YIMBY opposed in June. We **oppose** the new bills as well.

We are disappointed that the Board of Supervisors has learned little from the events of the last three months. We now understand that there is likely no legislation which makes fourplex projects feasible under San Francisco's discretionary permitting process. In last week's hearing, however, there was no discussion of the City's own feasibility analysis. The Board demonstrated little regard for the economic consequences of the new bills.

We are not the only group troubled by the Board's legislative efforts. After Mayor Breed's veto of the original bill, the California Department of Housing and Community Development (HCD) <u>issued a press release applauding her actions</u>. HCD wrote that



the original fourplex bill "evades the City's obligations under SB 9 to provide ministerial approval for small-scale projects," and that if passed "will render such projects financially infeasible to pursue, as the City's own analysis acknowledged." This was a sharp rebuke of the Board of Supervisors from a state agency.

The Board of Supervisors has clearly signaled that it holds state law in contempt by reviving the disingenuous fourplex legislation, against the wishes of HCD. We remind the supervisors that the State of California is investigating the City four times over, in no small part due to the Board's actions:

- In November 2021, HCD informed San Francisco Planning of inquiries into the Board's denial and delay of projects at 450 O'Farrell St and 469 Stevenson St respectively.
- Last month, in August, HCD announced a monthslong, multi-agency investigation of San Francisco's permitting practices. One news report quotes David Zisser, the head of HCD's Housing Accountability Unit, as saying, "San Francisco is literally at the top of the list [for housing approval and permit times in California]."
- Additionally in August, HCD sent the City notice of an inquiry into an improperly
 conditioned housing project at 3832 18th St. The improper conditions of approval
 were introduced by the Planning Commission and later upheld by the Board of
 Supervisors.

HCD also <u>rejected San Francisco's draft housing element in an August 8th letter</u>. HCD may well conclude that San Francisco does not intend to comply with state housing law in good faith, and may therefore withhold millions of dollars in affordable housing and transit grants from the City in 2023. This event would represent a tragic,



avoidable loss for the residents of San Francisco and trigger a funding crisis which looms increasingly larger the more the Board persists on this path.

We are concerned that advancing this revised fourplex legislation will not only waste time on a symbolic measure that will at best fail to build any housing, but that it will also further deepen ill will with HCD—thereby imperiling the City's housing element and risking its decertification.

We urge the Board of Supervisors to use its time to hold hearings on San Francisco's compliance with state housing law. HCD wrote in their rejection of the City's draft element that there are "indications of potential violations of various state laws, including the Permit Streamlining Act, Housing Accountability Act, Housing Crisis Act, and State Density Bonus Law." These are serious allegations, and ones which the Board of Supervisors would be wise to proactively investigate. The future of funding for affordable housing and transit in San Francisco may depend on it.

In conclusion, we are dismayed to see that the Board is now pursuing the revised fourplex legislation, despite admonishment from the state agency tasked with enforcing housing policy in California. We recommend the Board table discussion of the revised fourplex legislation and instead focus its resources on the housing element. We invite you to meet with San Francisco YIMBY and YIMBY Action to learn more about our housing element work, and to determine how best we can partner on an outcomes-focused pro-housing agenda for the city.

Best regards,

Robert Fruchtman

Volunteer Lead, San Francisco YIMBY



Rafa Sonnenfeld

Director of Legal Advocacy, YIMBY Law



From: Robert Fruchtman

To: Mandelman, Rafael (BOS); MandelmanStaff, [BOS]; Board of Supervisors, (BOS); Major, Erica (BOS); Chan,

Connie (BOS); ChanStaff (BOS); Stefani, Catherine (BOS); StefaniStaff, (BOS); Peskin, Aaron (BOS); PeskinStaff (BOS); Mar, Gordon (BOS); Marstaff (BOS); Preston, Dean (BOS); PrestonStaff (BOS); Dorsey, Matt (BOS); DorseyStaff (BOS); Melgar, Myrna (BOS); MelgarStaff (BOS); Ronen, Hillary; RonenStaff (BOS); Walton,

Shamann (BOS); Waltonstaff (BOS); Safai, Ahsha (BOS); SafaiStaff (BOS)

Cc: <u>rafa@yimbylaw.org</u>; <u>nadia@yimbyaction.org</u>

Subject: [SF YIMBY] Support for the Amended Fourplex Legislation

Date: Friday, October 7, 2022 3:47:54 PM

Attachments: Supported for the Amended Fourplex Legislation.pdf

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

San Francisco Board of Supervisors:

On behalf of San Francisco YIMBY, please find attached our letter of support for Board file 210866.

Best regards, Robert Fruchtman Volunteer Lead, San Francisco YIMBY



San Francisco Board of Supervisors

1 Dr Carlton B Goodlett Place San Francisco, CA 94102

October 7, 2022

Support for the Amended Fourplex Legislation

Dear Supervisors:

Last month, San Francisco YIMBY took an opposed position on the revised fourplex rezoning bill before the Land Use and Transportation Committee. Last week, the Board amended this bill to support the availability of SB 9 in San Francisco. In light of the amendments, we are pleased to **support** Board file 210866.

We are relieved and grateful that SB 9 will continue to apply to San Francisco. This will allow ministerial duplexes and lot splits in RH-1 and RH-1(D) zoning districts in the near future. Simultaneously, we appreciate the Board's legislation to create a fourplex rezoning overlay for the RH neighborhoods. While we do not expect this proposal will add much new housing, we are glad to see members of the Board being open to reforming our zoning laws. We also agree with the Board that it is important to create multiple pathways to increase density and create additional housing stock in San Francisco.

Many lots in RH districts will be rezoned as part of the ongoing updates to San Francisco's housing element. The city has a great deal of work ahead on this front. Topics to be addressed include support for affordable housing, removal of

development constraints, analysis of sites for the sites inventory, and compliance with state law—to name a few. We thank the Board of Supervisors for scheduling its first hearing on the housing element in November, and we look forward to engaging the Board of Supervisors as the update process continues.

Best regards,

Robert Fruchtman

Volunteer Lead, San Francisco YIMBY

Rafa Sonnenfeld

Director of Legal Advocacy, YIMBY Law



From: <u>Tom Radulovich</u>

To: Melgar, Myrna (BOS); Peskin, Aaron (BOS); Preston, Dean (BOS)

Cc: Mandelman, Rafael (BOS); Merlone, Audrey (CPC); Rich Hillis; Bintliff, Jacob (BOS); Major, Erica (BOS)

Subject: Support the Fourplex ordinance (File # 210866)

Date: Monday, October 3, 2022 10:16:54 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Supervisors,

On behalf of Livable City, we urge you to support the Fourplex ordinance before you on today's Land Use and Transportation Committee agenda, and to reconsider the provision prohibiting new owners from creating fourplexes under the provisions of the proposed law.

Permitting buildings of up to four units, and up to six units on corner lots, in all the residentially-zoned districts of the City is an important step towards a more equitable, diverse, sustainable, walkable, and affordable city. Prior to the imposition of strict density limits from the 1950s through the 1970s, this is how San Francisco grew. People incrementally built new multi-unit buildings, or remodeling single-family houses into multi-unit buildings, compatible in scale and character with the buildings around them. This incremental development created San Francisco's most diverse, and most loved, neighborhoods. These small apartment buildings add sorely needed housing, and foster a greater diversity of housing choices for in every neighborhood. Legalizing the right kinds of incremental development will permit new housing in neighborhoods where our exclusionary zoning laws currently prohibit it, expand rent-stabilized housing, and diversify housing choices to accommodate more types of households.

The ordinance before you would allow this incremental development process to resume, with provisions which protect existing residents and foster affordability. We strongly support rent stabilization, and are pleased that there are strong protections for existing multi-unit buildings and rent-stabilized units, including replacement in kind of any protected units and rent stabilization on the incremental new units permitted by the ordinance.

Where opportunities for incremental development exist in residential neighborhoods, it is better to build multiple modestly-sized units rather than over-large and expensive monster homes. But unfortunately, the law currently permits monster home development and prohibits fourplexes across most of the City's land area. We should align our laws with our values and societal goals, incentivize prosocial forms of development, and discourage anti-social ones.

The provision of the proposed ordinance which forbids new owners from proposing fourplexes runs counter to the social good. It is presented as an 'anti-speculative' measure, but does nothing to curb socially destructive forms of speculation. Anyone who can afford to can still buy a single-family house or vacant lot and flip the property, making money without improving anything. One can also buy a modest house or vacant lot, and immediately propose a new oversized house or propose to 'renovate' an existing building into a monster home. But new owners will be prohibited from proposing a fourplex for at least four years. It's a bad idea to prohibit owners or investors from proposing the most socially useful types of development -developments which will create moe units, modestly sized, and including new rent-stabilized

units. There is an important distinction between investment and speculation. The City should do more to discern those distinctions and curb destructive speculation. Creating fourplexes in neighborhoods is far better for the City than the other, currently legal and lucrative, forms of speculation and development permitted in residential neighborhoods, We don't object to people making a living doing things that are socially useful. Adding new multi-unit buildings in San Francisco neighborhoods, under the rules proposed in this ordinance, is socially useful. It should permitted regardless of ownership duration, and encouraged over the destructive forms of speculation.

Sincerely,

Tom

Tom Radulovich

Executive Director



301 8th Street, Suite 235. San Francisco, CA. 94103 T 415.344.0489 C 415 407-5237

LIVABLECITY.ORG | SIGN-UP FOR OUR NEWSLETTER



From: Robert Fruchtman

To: Mandelman, Rafael (BOS); MandelmanStaff, [BOS]; Board of Supervisors, (BOS); Major, Erica (BOS); Chan,

Connie (BOS); ChanStaff (BOS); Stefani, Catherine (BOS); StefaniStaff, (BOS); Peskin, Aaron (BOS); PeskinStaff (BOS); Mar, Gordon (BOS); Marstaff (BOS); Preston, Dean (BOS); PrestonStaff (BOS); Dorsey, Matt (BOS); DorseyStaff (BOS); Melgar, Myrna (BOS); MelgarStaff (BOS); Ronen, Hillary; RonenStaff (BOS); Walton,

Shamann (BOS); Waltonstaff (BOS); Safai, Ahsha (BOS); SafaiStaff (BOS)

Cc: <u>rafa@yimbylaw.org</u>; <u>nadia@yimbyaction.org</u>

Subject: [SF YIMBY] Support for the Amended Fourplex Legislation

Date: Friday, October 7, 2022 3:47:54 PM

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Best regards, Robert Fruchtman Volunteer Lead, San Francisco YIMBY



San Francisco Board of Supervisors

1 Dr Carlton B Goodlett Place San Francisco, CA 94102

October 7, 2022

Support for the Amended Fourplex Legislation

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Robert Fruchtman

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