BOARD of SUPERVISORS



City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco 94102-4689 Tel. No. 554-5184 Fax No. 554-5163 TDD/TTY No. 544-5227

December 19, 2017

The Honorable E. Dotson Wilson Chief Clerk of the Assembly California State Assembly California State Capitol, Room 3196 Sacramento, CA 95814

Re: Board of Supervisors Resolution No. 437-17

Dear Chief Clerk Wilson:

On December 5, 2017, the Board of Supervisors of the City and County of San Francisco adopted Resolution No. 437-17 (Supporting California State Assembly Bill 1506 (Bloom) - Repealing the Costa-Hawkins Act), which was enacted on December 15, 2017.

The Board of Supervisors directs the Clerk of the Board to forward the following document to the attention of the California State Assembly:

One certified copy of Resolution No. 437-17 (File No. 171166)

If you have any questions or require additional information, please contact the Office of the Clerk of the Board at (415) 554-5184, or by e-mail: board.of.supervisors@sfgov.org.

Sincerely,

Angela Calvillo Clerk of the Board

c. Supervisor Sandra Fewer, Member of the San Francisco Board of Supervisors Supervisor Hillary Ronen, Member of the San Francisco Board of Supervisors Supervisor Aaron Peskin, Member of the San Francisco Board of Supervisors Supervisor Jane Kim, Member of the San Francisco Board of Supervisors Supervisor London Breed, President of the San Francisco Board of Supervisors Mawuli Tugbenyoh, Mayor's Liaison to the San Francisco Board of Supervisors Kathryn Angotti, Mayor's Director of State and Federal Legislative Affairs Paul Yoder, City Lobbyists - Shaw/Yoder/Antwih Inc. Karen Lange, City Lobbyists - Shaw/Yoder/Antwih Inc.



City and County of San Francisco Certified Copy

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

171166

[Supporting California State Assembly Bill 1506 (Bloom) - Repealing the Costa-Hawkins Act]

Sponsors: Fewer; Ronen, Peskin, Kim and Breed

Resolution urging the Mayor and the Board of Supervisors to support California State Assembly Bill 1506, authored by Assembly Member Richard Bloom, repealing the Costa-Hawkins Act.

12/5/2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

12/15/2017 Mayor - RETURNED UNSIGNED

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

CLERK'S CERTIFICATE

I do hereby certify that the foregoing Resolution is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the offical seal of the City and County of San Francisco.

December 18, 2017

Date

Angela Calvillo
Clerk of the Board

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Assembly Bill 1506, authored by Assembly Member Richard Bloom, repealing the Costa-Hawkins Act.

Resolution urging the Mayor and the Board of Supervisors to support California State

[Supporting California State Assembly Bill 1506 (Bloom) - Repealing the Costa-Hawkins Act]

WHEREAS. Rent control has provided seniors, the disabled, and low income tenants with stabilized housing and maintained the integrity of San Francisco's neighborhoods; and

WHEREAS, Evictions due to rent de-control and the sale of buildings subject to rent control have led to thousands of tenants being displaced under Ellis Act and Costa Hawkins evictions, and skyrocketing rents are destabilizing San Francisco's communities; and

WHEREAS, Adopted in 1995, the Costa-Hawkins Rental Housing Act exempted housing built after 1995 from local rent control requirements, exempted all singlefamily homes from local rent control requirements, and required all local rent control laws to contain vacancy decontrol provisions, among other provisions; and

WHEREAS, Under the Costa-Hawkins Rental Housing Act, landlords are permitted to raise rents in cities where rent control is in effect once these units are vacated; and

WHEREAS, According to data from the Rent Stabilization Board, in 1979 the year when San Francisco's Rent Stabilization Ordinance was passed, the median gross rent for a 2-bedroom apartment was \$435 (\$1,007 in 2017 dollars); and

WHEREAS, In 2017, the average rent for a 2-bedroom apartment is \$4,555; and WHEREAS, While the cumulative rate of inflation from 1979 - 2017 was 131.5%, new tenants experienced an increase of 352% for 2 bedroom units, an increase of nearly 3 times as much as the rate of inflation; and

WHEREAS, In *Palmer* v. *City of Los Angeles* (2009), the Second District California Court of Appeal held that the Costa-Hawkins Rental Housing Act prohibits local governments from mandating rent restrictions on inclusionary units in new rental housing developments, as the act gives landowners the right to set the initial rent level at the start of a tenancy; and

WHEREAS, California State Assembly Bill 1506 (AB 1506) would repeal the Costa-Hawkins Rental Housing Act; and

WHEREAS, By repealing Costa-Hawkins, cities would have more flexibility in governing affordable housing needs in their communities and the City and County of San Francisco would be able to strengthen its Rent Stabilization program if AB 1506 were to pass; now, therefore, be it

RESOLVED, That by the adoption of this Resolution, the City and County of San Francisco hereby includes in its 2017-2018 State Legislative Program support of AB 1506 (Bloom) which would repeal the Costa-Hawkins Rental Housing Act; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs the Clerk of the Board to transmit copies to the Assembly of the State of California with a request to take all action necessary to achieve the objectives of this Resolution.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

171166

Date Passed: December 05, 2017

Resolution urging the Mayor and the Board of Supervisors to support California State Assembly Bill 1506, authored by Assembly Member Richard Bloom, repealing the Costa-Hawkins Act.

November 27, 2017 Land Use and Transportation Committee - RECOMMENDED

December 05, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 171166

I hereby certify that the foregoing Resolution was ADOPTED on 12/5/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Mayor

Date Approved

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 his 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