WORKING FAMILIES FIGHTING TO STAY IN SAN FRANCISCO

July 25, 2016

Members, Ballot Simplification Committee Department of Elections City and County of San Francisco 1 Dr. Carlton B. Goodlett Place, Room 48 San Francisco, CA 94102

Re: Comments on Draft Digest for "Competitive Bidding for Affordable Housing Projects on City-Owned Property" Initiative

Dear Members of the Ballot Simplification Committee:

On behalf of the Working Families Fighting to Stay in San Francisco, a ballot measure committee primarily formed to support the above-referenced measure, we respectfully submit these few comments on the draft Digest which you will be considering at tomorrow's meeting.

In general, we believe that the proposed Digest accurately and impartially conveys the substance of the measure. However, we believe that a few minor changes are warranted to make it more understandable and accessible to the average voter, and to avoid inadvertently creating misconceptions about the legal effect of the Measure.

Proposed Changes

1. Global Comments.

The proposed Digest refers to the role of the Mayor's Office of Housing and Community Development—generally identified as "MOHCD"—in administering affordable housing projects. While we understand that MOHCD does fulfill that role, we believe that the specific office involved is more "inside baseball" than is necessary for the purposes of this Digest, and the repeated use of the "MOHCD" acronym makes the entire Digest to "jargony"—the opposite of the "plain language" approach that the Digest is supposed to take. We would propose to substitute delete the second sentence of the first paragraph as unnecessary, and substitute "the City" for "MOHCD" throughout the Digest.

We also believe that the Digest's repeated references to "proposals" by developers fails to give a sufficiently clear idea what is being discussed. We believe that "bids" more accurately conveys the nature of the developers' submissions. "Proposals" could mean too many different things to a layperson unfamiliar with the process, and especially someone at an eighth grade reading level. Moreover, given that the Digest refers to the Initiative itself as "The Proposal," we think there is further opportunity for confusion in using that word to refer to the bids.

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2. "The Proposal"

The final sentence of this section currently advises voters that "Under this measure, the City could not proceed with an affordable housing project if MOHCD receives fewer than three proposals." While technically accurate, we believe the phrasing of this sentence is may mislead voters into believing that the measure imposes substantive prohibitions on affordable housing projects that it does not impose.

That misconception is further reinforced by the statement in the "A 'YES' Vote Means" section, discussed below, that "You also want to prohibit MOHCD from proceeding with an affordable housing project if MOHCD receives fewer than three proposals." In tandem, we believe that these sentences may give the false impression that a vote in favor of the measure is a vote against affordable housing projects more generally, or that the intent of the ballot measure is to prohibit the City from moving forward with affordable housing projects.

To clarify the meaning, we would propose the following minor changes to the last sentence of the "The Proposal" section:

Under this measure, the City could not proceed with an affordable housing project <u>only</u> if <u>MOHCDit</u> receives <u>fewer thanat least</u> three <u>proposalbids</u>.

Though the literal meaning of the sentence remains unchanged, we believe that these minor changes better convey the fact that the Measure is not intended to prevent affordable housing projects generally, or keep them from going forward, and that a vote in favor of the Measure is not a vote against affordable housing.

3. "A 'YES' Vote Means"

Related to the foregoing point, we believe that the statement that a vote in favor of the Measure means the voter wishes to "prohibit" affordable housing projects unless three bids are submitted gives the impression that a vote for the Measure is a vote against affordable housing more generally.

Second, we believe that it would be useful to include additional context in connection with the statement that the accepted bid must be the one with the "best value." Though the "The Proposal" section contains bullet points describing what that means, our experience is that many voters will focus almost exclusively on the "A 'YES' Vote Means ... A 'NO' Vote Means" sections.

Third, we believe that in the final sentence it is appropriate to say that the City would "finance" an affordable housing project, rather than "proceed with" it. "Proceed with" is vague and lacks concreteness. "Finance" explains exactly what the City will be doing.

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And finally, we believe that this section can be simplified somewhat, mindful of the Committee's charge to ensure that the Digest is understandable to those with an eight grade reading level.

In view of the three foregoing points, we would propose amending the "A 'YES' Vote Means" section to read as follows:

"A "YES" Vote Means: If you vote "yes," you want to require that when the City of San Francisco, through MOHCD, invites developers to submit proposalbids for an affordable housing project on City-owned property, MOHCDthe City must publish the proposed project to the public and invite the submission of proposalbids; and accept the proposalbid with the "best value,-" defined with reference to community engagement and benefits, cost control and financial feasibility, and durability and sustainability. You also want to prohibit permit MOHCDthe City fromto proceeding with finance an affordable housing project only if MOHCDit receives fewer than at least three proposal bids."

We hope that these comments are useful as the Ballot Simplification Committee conducts the important task of drafting the digest. We would look forward to discussing these comments at tomorrow's meeting.

Sincerely,

Tom Hsieh

Tom Hsieh

Enclosures

Competitive Bidding for Affordable Housing Projects on City-Owned Property*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration
On: Tuesday, July 26, 2016

Members: Packard, Anderson, Fasick, Fraps, Jorgensen Word count: (suggested 300-word limit)

Deadline to Request Reconsideration: TBD

The Way It Is Now: The City has various programs that provide financing to developers to build new affordable housing and rehabilitate existing affordable housing on City-owned property ("affordable housing projects"). The Mayor's Office of Housing and Community Development (MOHCD) administers most of these programs.

When MOHCD-the City has funds available for an affordable housing project, MOHCD-it posts a description of the proposed project on its website and invites developers to submit proposalsbids. The posting describes the criteria MOHCD-the City will use to select a proposal-bid and sets a deadline for submissions. Criteria generally include the anticipated cost to the City, how much experience the developer has with similar projects, the feasibility of the developer's proposal-bid, the quality of the developer's design, and the extent to which the proposal-bid meets community needs. After the deadline for submissions, MOHCD-the City applies the evaluation criteria to select a proposal-bid.

MOHCD-The City may select a qualified developer to proceed with an affordable housing project even if it receives fewer than three proposalsbids.

The Proposal: Proposition would require MOHCDthe City, any time it invites developers to submit proposals bids for an affordable housing project on City-owned property, to:

- publish the proposed project to the public and invite the submission of proposalsbids; and
- accept the <u>proposal bid</u> with the "best value."

Criteria for evaluating whether a proposal-bid has the "best value" include, but are not limited to, the extent to which, the developer submitting the proposal-bid:

- demonstrates the ability to engage in a community design process;
- describes ways to demonstrate cost control efforts while providing durability and sustainability;
- includes in the proposal bid community-oriented amenities; and
- demonstrates the proposal's bid's financial feasibility.

Under this measure, the City could not proceed with an affordable housing project only if MOHCD the City receives fewer than at least three proposals bids.

A "YES" Vote Means: If you vote "yes," you want to require that when the City, through MOHCD, invites developers to submit proposals bids for an affordable housing project on City-owned property, MOHCD the City must publish the proposed project to the public and invite the submission of proposals bids; and accept the proposal bid with the "best value.", "defined with reference to community engagement and benefits, cost control and financial feasibility, and durability and sustainability. You also want to prohibit—permit the CityMOHCD from to proceeding finance with an affordable housing project only if it MOHCD receives fewer than at least three proposals bid.

A "NO" Vote Means: If you vote "no," you do not want to make these changes.

*Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.

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When the City has funds available for an affordable housing project, it posts a description of the proposed project on its website and invites developers to submit bids. The posting describes the criteria the City will use to select a bid and sets a deadline for submissions. Criteria generally include the anticipated cost to the City, how much experience the developer has with similar projects, the feasibility of the developer's bid, the quality of the developer's design, and the extent to which the bid meets community needs. After the deadline for submissions, the City applies the evaluation criteria to select a bid.

The City may select a qualified developer to proceed with an affordable housing project even if it receives fewer than three bids.

The Proposal: Proposition____would require the City, any time it invites developers to submit bids for an affordable housing project on City-owned property, to:

- publish the proposed project to the public and invite the submission of bids; and
- accept the bid with the "best value."

Criteria for evaluating whether a bid has the "best value" include, but are not limited to, the extent to which, the developer submitting the bid:

- demonstrates the ability to engage in a community design process;
- describes ways to demonstrate cost control efforts while providing durability and sustainability;
- includes in the bid community-oriented amenities; and
- demonstrates the bid's financial feasibility.

Under this measure, the City could proceed with an affordable housing project only if the City receives at least three bids.

A "YES" Vote Means: If you vote "yes," you want to require that when the City invites developers to submit bids for an affordable housing project on City-owned property, the City must publish the proposed project to the public and invite the submission of bids; and accept the bid with the "best value," defined with reference to community engagement and benefits, cost control and financial feasibility, and durability and sustainability. You also want to permit the City to finance an affordable housing project only if it receives at least three bid.

A "NO" Vote Means: If you vote "no," you do not want to make these changes.

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