



West of Twin Peaks Central Council

A Resource for Neighborhood Organizations West of Twin Peaks in San Francisco since 1936

PO Box 27112
San Francisco, CA 94127

<http://www.westoftwinpeaks.org/>

Meeting Minutes

Draft

Date: Monday, September 22, 2014

Time: 7:30pm – 9:00pm

Location: **Forest Hill Clubhouse**
381 Magellan Avenue
San Francisco, CA 94127

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|--------------------------|---|-------------------------------|---|-----------------------|
| Associations: | Those Present shown in bold | | | |
| | Balboa Terrace | Roger Ritter | Monterey Heights | Frank Avril |
| | Forest Hills | Walt Farrell | Mount Sutro Homeowners | |
| | Forest Knolls | Herbert Dunmeyer | Pine Lake Park | David Golden |
| | Ingleside Terrace | Robert and Carol Karis | Saint Francis Woods | Carolyn Squeri |
| | Golden Gate Heights | Sally Stephens | Sherwood Forest | |
| | Greater West Portal | Avrum Shepard | Sunnyside | Estelle Smith |
| | Lake Shore Acres | Bill Chiosini | The Woods | Judy Clarke |
| | Lakeside Property Owners | Joyce Richardson | Twin Peaks | |
| | Merced Manor | | Westwood Highlands | Dave Bisho |
| | Midtown Terrace | George Wooding | | |
| | Miraloma Park | Karen Wood | | |
| Officers Present: | President – Roger Ritter Vice President- Sally Stephens | | Treasurer- Carolyn Squeri Secretary – David Golden | |
| Guests Present: | Marco Magallon Bill and Barbara Chiosini E Jozish Marc Massarwehe Jay Chang Carmen Chu | | Lisa Spinali Mathias Mormino Gus Guibert Paul Conroy Lee Hsu | |

7:30 Approval of Minutes:

Avrum moves to approve, Second Estelle, Minutes Approved Unanimously.

7:35-7:45 Officer Reports:

President / Roger Ritter: Nothing to report, at this time.

Vice President / Sally Stephens: Nothing to report.

Secretary / David Golden: Nothing to report.

Treasurer / Carolyn Squeri: Some activity during the summer. Made payments on refreshments. Paid for insurance. Current balance is \$3,301.21. Question- How much is officer's insurance? Answer: ~\$1K. What is our deductible? Can we bundle our rates together with our member associations? Carol to review.

Parliamentarian / Lee Hsu: Not present when called.

7:45-8:00 Committee Reports:

Planning and Land Use / Estelle Smith:

- **Short Term Rental-** There has been back and forth between supervisors and planning. Going back to planning.
- **Permitting for Sidewalk Repair-** Some neighborhoods were sited for poor quality. Reports that there were additional markings added beyond those added by the city. City should provide an official letter stating areas that need repair. The official criteria are available on line. It can be worth checking. Get as much information as possible from the planning department is helpful to clarify scope of required repair. Its possible the city can provide a lien on the property if work is not fixed. City can do repair for you for a fee. City provided advance notice to neighborhood association if inspections. Markings in White by home owner. Green by PG&E.

Technology / Avrum Shepard

- If you have changed officers in your organization please let Avrum know so he can update our website.

Public Health / George Wooding

- Dave Campos- Introduced legislations that will create a 25 foot bubble around family planning centers. It is believed that the Dave Campos legislation would meet requirements of recent Supreme Court decision. Some concern raised if we are supporting something that does not meet Supreme Court.
- "Loneliness is Contagious:" Negative attitude of individuals spread these feelings to others and it is being classified as a "New disease."

Open Space & Parks / Sally Stephens

(Nothing)

Transportation / Avrum Shepard

- **Proposition L:** Asking Muni to reform itself, an advisory recommendation. It is noted that WotPCC has endorsed this measure.

Public Safety / Roger Ritter:

New neighborhood prosecutor- Replacing Ronny Sing. Will leave his business cards, and is available to answer questions. Question- Does the DA's office handle nuisance issues? Can assist, but these issues.

8:00-8:30 Proposition G—Real Estate Transfer Tax (30 min)

The presentation included a Pro-and-Con discussion followed by Q&A

Pro- Peter Cohen: Neighborhood activist himself. From Dubois Triangle. Works in Affordable Housing as a Professional.

- Concerned about the eviction crises that has been brought about by the rising cost of housing.
- Wants to make a disincentives from "flipping homes." And leading to eviction. Looks to discourage this activity.
- Encourages new development of additional units.
- How does this work- Adds a surtax if a multiple family house is bought and sold within 5 years.
- Not a funding mechanism for other housing.
- Speculation tax.
- Notes that rebuttal will probably claim hardships and unintended consequences.
- TIC are exempted
- New Housing Exempted.
- Lists numerous endorsements across the political spectrum.
- Encourages people to live in the community and buy it.
- **Question-** *Do these people who buy and flip the property add value?* Do they make enhancements? Should that be encouraged.

- **Question-** *If there are no eviction, within the 5 year period, does this tax still apply?* Answer: Yes. It applies based on time frame of holding, not on track record. The intent is to help with long term ownership and tenants.
- **Question-** *Can you give an idea of impact?* 150,000-170,000 rental units that would be subject to this law. That's the majority of the SF rental housing units. We are losing units at a rate of about 200 units/year.
- **Question:** *This seems like another attack on the rights of the owner?* The questioner does not understand what the impact is if the tenants aren't changes, what difference does it make that the owner is change. Answer- Believes it's the exception that no tenants change or are forced to change when buildings are sold.
- **Question:** *Doesn't adding tax add to the housing cost?* If the owner knows there will be a tax, won't they raise the rents on the tenants? Answer-
- **Question:** *The more we try to control the market, the worse the situation gets. The more we control the free market, the more problems it creates? How is this going to make a difference?* Answer: In my work we agree on making more housing. We should add to the stock at all value levels. What we have is just changing occupants, we are looking to provide stability to the tenants, and that is not a fair activity.

Con- Jay Chang- SF Assoc. of Realtors

- 14-24% tax on a home on the entire sale price of a home
- Medium tax, \$413,000 on average.
- ALL buildings 2 to 30 units.
- ALL single family homes with in-law units. 1/3 of single family homes in total.
- Notes this would apply to many units
- We recognize that eviction and speculation is a problem. But this legislation is blind to those issues. The only criteria is the timing of sale.
- Fears the legislation will hit small investors who are trying to
- Notes this legislation is based on legislation first proposed by Harvey Milk- Notes that there we exception.
- Notes that the exceptions that are included with the legislation are not sufficient.
- Gives the example of how probate tax exemption will not give enough time to process probate of will.
- Believes that the legislation will increase the price of the house.
- **Question-** *Does this apply to secondary units that have not declared?* Answer- The tax will apply if rent has been collected.
- **Question-** *If you do have an in-law unit, you will not be able to change it back?* Yes, that is true. That would be a risk the new owner would have to take. Notes that tax is retroactive to owners who bought prior to the legislation.
- **Question-** *Who is opposing-* Lists wide range of democratic associations opposing the legislation.
- **Question-** *How many years is it retro-active?* 5 years, would go back to 2010.

Rebuttal- All homeowners are exempt. The law clearly exempts in-laws both declared and undeclared. If the owner lives in the home, they are exempt. Believes this legislation is targeted at speculative purchasing, and that long time owners are encouraged to stay and build communities.

Question- *If AirBnB legislation passes, then many people will use that income model to maintain ownership to meet the 5 year deadline.* Answer- yes the two are related.

Question- *Medium income is \$74K/year. How is this going to effect these people, who make the medium income and live in rent controlled units. Aren't we protecting people at the higher income.* Answer- there are many folks who make less than \$74K. A 2 bedroom units is \$3,800 per month. We are unable to keep up with the decreasing housing stock, and the growing rents. We are fighting to maintain the character of the city and allow folks to stay here longer.

Question- *A questioner notes the issues he has had as a landlord, and the problems he has experienced, and resents additional restrictions being placed on his property?* Answer- The owner asking the question has owned the building much longer than 30 years and the new tax wouldn't apply.

Question- *How many people can SF hold?* That's a complex question. Currently SF has about 800,000 homes. SPUR believes SF can hold 1.5m. Peter believes that we need to build the infrastructure to support more growth.

8:30-8:45 Proposed Legalization of Short-Term Rentals

The legislation was heard at Land Use and Development Committee on Sept 15th.

Supervisors Yee's Aide- Matthias Reports

Many Changes were made

- Long hearing – over 7.5 hours 10% spoke opposed, 90% spoke in favor.
- Discussion continued for 2 weeks after debate
- Majority of Comments focused on a number of issues:
 - What if I am property owner, and my tenant wants to host their unit on AirBnB? As it stands the landlord would get notice. Landlord left to enforce their own rental agreement.

- What kind of insurance would be required? Currently legislation says only up to \$150K but doesn't discuss what kind or what they would cover.
 - Most Heavily Discussed- Allows Renter or Property Owner for short term of 90 days for a properties not occupied. Unlimited if you are the occupant of the building. Up to 90 days when "landlord" is not present. How would we know and enforce the legislation? Many commented that 90 days wasn't long enough.
 - Fee will be imposed by the city - \$50 for 2 years. City of Portland was \$180 for 1 year. There is debate about magnitude of fee.
 - Where will these units be allowed- Currently a Bed and Breakfast is not allowable in most places. A speaker noted he was making \$100K per year renting a 5 unit building. Matthias commented that certainly appears to be a commercial use.
 - There is a broad coalition looking to oppose this legislation and make changes.
 - Roger Ritter notes that WoTPCC endorsed the legislation that opposed the Airbnb, and would have gone to the voters.
 - Roger notes how WoTPCC opposed the legislation. Concerned about the rezoning of the neighborhoods across the city, the labeling of these short term rentals as a residential use.
 - Roger shows that the WSJ has a glowing article about AirBnB, and the profits that can be made.
 - George notes that Building Inspection doesn't want to enforce the legislation. It now rests with the Planning who is receiving limited funding to enforce the legislation across the entire city.
 - Notes that AirBnB has been running illegally for a long time? Asked Chu how the law would be enforced under new legislation. Concerned that the city won't enforce it.
 - Question- Will Supervisor Yee strongly oppose the legislation. Answer- Need additional support from other Supervisors.
- General discussion of measure to be voted upon by the BOS on September 23

8:55-9:00 Presentation of Certificate of Appreciation to Walt Farrell by Supervisor Mark Farrell

Supervisor Mark Farrell- Here to present a proclamation to Walt Farrell from all of us at City All- Lists many of roles and responsibilities for many decades across San Francisco, numerous organizations, including his diligence and attention to many details- "Sept 22, is here by proclaimed to Walt Farrell Day"

9:00pm Adjourn + Social

Walt Farrell Motions to Adjourn.

Adjourned.

Minutes by David Golden, Secretary