



July 31, 2026

To: Chair Packard and Members of the Ballot Simplification Committee c/o Clerk Karlie O'Toole

Re: Request for Reconsideration – Digest for the Affordable Housing Guarantee Act. CCHO urges the Committee to restore the term "affordable housing."

Dear Chair Packard and Members of the Committee:

Thank you for your work finalizing the digest for this measure. The Council of Community Housing Organizations (CCHO) is submitting this letter to request five changes to the approved digest. CCHO is San Francisco's coalition of nonprofit affordable housing developers, community-based organizations, and tenant advocates. Founded in 1978, our members have helped secure more than \$6.5 billion in public affordable housing funding and have built, acquired, and stewarded more than 30,000 permanently affordable homes in this city.

1. Affordability Is Determined by Income Restriction and Enforceable Deed Restriction

In San Francisco and under California law, housing is "affordable housing" because it is restricted to households at or below defined percentages of Area Median Income (AMI) and because that restriction is secured by a recorded regulatory agreement or ground lease enforceable by the City. No definition in the Charter, the Planning Code, the Administrative Code, or state housing law conditions affordability on the ownership structure of the entity holding the property. A for-profit developer, a nonprofit corporation, a public agency, a limited-equity housing cooperative, and a community land trust that each restrict a unit to a household earning 60% of AMI have each produced affordable housing. Under every definition of affordable housing the City currently uses, community land trusts and similar models of housing preservation are categorized as affordable housing.

2. The Term "Alternative Housing Models" Misleads Voters About What the Measure Funds

Voters understand "affordable housing" to mean income-restricted homes for people who cannot afford market rents. That is precisely what this measure funds, and we believe the digest is clearest for voters when it uses that term. From the vantage point of the City's affordable housing providers, the term is also the most accurate one available.

3. The Measure's Text Confirms Every Category of Spending Is Affordable Housing

The measure is titled the "Affordable Housing Guarantee Act." Its text dedicates transfer tax revenue exclusively to the protection, preservation, and production of affordable housing in San Francisco. Every dollar spent on housing production under this measure (60% of total funds) is spent within a single legal category: "Affordable Housing Production Programs"

(Section 1114.2(c)(1)), as administered by the Mayor's Office of Housing and Community Development. The "Affordable Housing Production Programs" category has two parts, and both parts fund affordable housing: at least half goes to "Alternative Models for Permanent Affordable Housing" – affordable housing delivered through alternative ownership and financing structures, such as resident-owned and community land trust models (Section 1114.2(c)(1)(A)). The remainder goes to conventional "Multifamily Affordable Housing" (Section 1114.2(c)(1)(B)). The word "Alternative" in the statute modifies how the affordable housing is financed and delivered – not whether it is affordable housing. **Every category of housing production funded by this measure is affordable housing.**

We respectfully ask the Committee to restore the term "affordable housing" to the digest. We join Fair Housing SF in requesting the following corrections:

1. Replace "alternative" with "affordable"

"Proposition __ would dedicate half of the transfer tax revenues when certain real estate of \$10,000,000 or more changes hands, to be spent only on ~~alternative~~ affordable housing models and housing assistance."

"The City could spend revenue from the new transfer tax only on ~~alternative~~ affordable housing and housing assistance as follows:"

2. Clarify housing and social housing production is affordable

- "At least 60% for affordable housing production, with at least half to affordable social housing developments;"

3. Replace "alternative housing models" with "affordable housing programs"

A "YES" Vote Means: If you vote "yes," you want to dedicate half of the transfer tax revenues when certain real estate of \$10,000,000 or more changes hands, to be spent only on ~~alternative~~ affordable housing ~~models~~ programs and housing assistance.

4. Include the measure's mandatory audit requirement

The measure requires the Controller to conduct a mandatory annual audit of the House SF Fund and report the results to the Board of Supervisors each year (Business and Tax Regulations Code Section 1114.1(b)). We request a parallel sentence for this measure:

Proposition __ would require the Controller to conduct a mandatory annual audit of the House SF Fund and report the results to the Board of Supervisors.

We appreciate the Committee's consideration of these requested edits.

Sincerely,

Quintin Mecke

Executive Director, Council of Community Housing Organizations