To: BSC.clerk@sfgov.org, publications@sfgov.org, karlie.otoole@sfgov.org

July 31, 2026

Chair Packard and the Ballot Simplification Council

San Francisco City Hall

1 Dr. Carlton B Goodlett Place Room 416

Dear Chair Packard and Members of the Ballot Simplification Council,

I am writing to urge the Council to reconsider their most recent digest language describing the Affordable Housing Guarantee Act. This body's decision to remove reference to "affordable housing" is not only technically and legally inaccurate, it will create confusion in voters who intend to finance affordable projects like those described in the measure's text. I urge the council to accept the suggested changes submitted by the Affordable Housing Guarantee campaign.

This measure finances both traditional and alternative models of permanent affordable housing, all of which are models currently financed and reviewed by the Mayor's Office of Housing and Community Development. To state that it only finances "alternative housing models" is inaccurate. **The measure states that at least 85% will be allocated to affordable housing production and preservation** with the remaining funds going to tenant stabilization and homeless prevention.

As the Supervisor of a district with many multilingual constituents, I am concerned that the removal of "affordable housing" from the digest will confuse voters who otherwise agree with its legal structure.

I commend your work to translate the reinstatement and dedication of the top two transfer tax tiers. While the measure's legal text may seem complicated, unfortunately that is a function of the legal gymnastics necessary to redress efforts to repeal 2020's voter-adopted Proposition I. That background is too complicated and unnecessary for voters, but it is important for them to understand that this measure is essentially a dedication of a tax they approved in 2020. Chair Packard rightly differentiated this at yesterday's hearing.

To that end, I concur with the suggested clarification provided by the measures' authors in their original request for changes to add a clarifying sentence at the end of the first paragraph of "The Proposal" which states: **"For each property sold, the total tax rate paid under this measure will be the same as the transfer tax rate charged today."**

I have attached a copy of the specific appealed changes as well as the additional appeal to revise the language around imposing a new tax.

Sincerely,

Supervisor Jackie Fielder

San Francisco Board of Supervisors

Note: ~~Struck-through red text~~ shows requested **deletions**; **underlined blue bold text** shows requested **insertions**.

The Way It Is Now: The City collects a transfer tax when most real estate changes hands. The tax rates depend on the property's sales price or value and the two highest tax rates are:

5.5% for properties between $10,000,000 and under $25,000,000, and

6% for properties at $25,000,000 or more.

Some real estate transfers are exempt from the tax or are subject to reduced rates.

Revenues generated from the transfer tax may be spent for any governmental purpose.

The Board of Supervisors (Board) may amend, reduce, suspend, or repeal the transfer tax without voter approval. Voters must approve any increase of the transfer tax.

State law limits the total revenue, including tax revenue, the City may spend each year. The voters may approve increases to this limit for up to four years.

The Proposal: 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 housing models~~ **affordable housing programs** and housing assistance. Specifically, the measure would:

For properties with a sales price or value between $10,000,000 and under $25,000,000:

Reduce the current transfer tax from 5.5% to 2.75%

Impose a new transfer tax of 2.75%

For properties with a sales price or value at $25,000,000 or more:

Reduce the transfer tax from 6% to 3%

Impose a new transfer tax of 3%

For each property sold, the total tax rate paid under this measure will be the same as the transfer tax rate charged today.

The same exemptions and tax reductions from the current transfer tax would still apply to the new transfer tax.

The new transfer tax would also exempt the first sale of certain multifamily real estate if it is sold within 5 years of completion of new residential units.

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

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

At least 25% towards the acquisition or rehabilitation of affordable housing, with at least 60% to acquisition of existing housing units;

At least 10% to tenant stabilization/homeless prevention programs, with at least half to eviction defense and prevention; and

Up to 5% for administration of the new tax revenue.

The Board could only change the transfer tax consistent with the purpose of the tax. All other changes would require voter approval.

Proposition __ would approve an unlimited number of new affordable housing units for low-income households funded by revenue from the new transfer tax.

Proposition __ would increase the City's spending limit for four years.

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.

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 housing models~~ **affordable housing programs** and housing assistance.

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