

File No. 190458 Committee Item No. 3  
 Board Item No. \_\_\_\_\_

**COMMITTEE/BOARD OF SUPERVISORS**  
 AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date January 27, 2020

Board of Supervisors Meeting Date \_\_\_\_\_

**Cmte Board**

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
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**OTHER (Use back side if additional space is needed)**

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Referral ADMIN PLN 050719 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | CEQA Determination 060419 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | PC Transmittal 062519     |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | CEQA Determination 072619 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Hearing Notice 011320     |
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Completed by: Erica Major Date January 23, 2020  
 Completed by: Erica Major Date \_\_\_\_\_

1 [Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide  
2 Affordable Housing Fund]

3 **Ordinance amending the Planning Code and the Administrative Code to abolish the**  
4 **North of Market Affordable Housing Fund, and have reflect the certain current**  
5 **affordable housing fees collected in conjunction with the North of Market Residential**  
6 **Special Use District affordable housing, and deposited such fee in the Citywide**  
7 **Affordable Housing Fund; and making findings of consistency with the General Plan,**  
8 **and the eight priority policies of Planning Code, Section 101.1, and findings of public**  
9 **convenience, necessity, and welfare under Planning Code, Section 302.**

10 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.  
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
13 **Board amendment additions** are in double-underlined Arial font.  
14 **Board amendment deletions** are in ~~Arial font~~.  
15 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
16 subsections or parts of tables.

16 Be it ordained by the People of the City and County of San Francisco:

17 Section 1. Findings.

18 (a) On June 13, 2019, the Planning Commission, in Resolution No. 20465, adopted  
19 findings that the actions contemplated in this ordinance are consistent, on balance, with the  
20 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board  
21 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the  
22 Board of Supervisors in File No. 190458, and is incorporated herein by reference.

23 (b) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this  
24 ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in  
25 Planning Commission Resolution No. 20465, and incorporates such reasons by this reference

1 thereto. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File  
2 No. 190458.

3 Section 2. Article 2 of the Planning Code is hereby amended by revising Section  
4 263.7, to read as follows:

5 **SEC. 263.7. SPECIAL HEIGHT EXCEPTIONS: NORTH OF MARKET RESIDENTIAL**  
6 **SPECIAL USE DISTRICT.**

7 \* \* \* \*

8 (d) **Conditions.** The ~~City~~ Planning Commission shall impose conditions on the  
9 approval of applications for conditional use authorization, required pursuant to Section 253 for  
10 buildings which exceed 40 feet in height in an R District, if such authorization includes a grant  
11 of an exception to the 80-foot base height limit, in order to mitigate the impact that such height  
12 exception is likely to have on the existing supply of affordable housing in the area. The  
13 condition shall require that the applicant pay a fee to the ~~City~~ Controller which shall be  
14 deposited in the Citywide North of Market Affordable Housing Fund established in Administrative  
15 Code Section 10.100-49 (the "Fund").

16 (e) **Fee.** The fee required pursuant to ~~S~~ subsection (d) above shall be equal to the sum  
17 of \$25.41 times the total gross square footage of floor space located above 80 feet in height  
18 as determined by the Zoning Administrator, as shown on the building plans. The fee shall be  
19 due and payable prior to the issuance of a temporary certificate of occupancy, unless the  
20 project sponsor agrees to and qualifies for participation in an amortized payment program, to  
21 be established by the Director of the Mayor's Office of Housing and Community Economic  
22 Development (MOHCED) and the Director of City Planning, such program to be subject to  
23 subsequent review and approval by the City Planning Commission and the Board of  
24 Supervisors, which program would result in the City receiving an amount equivalent to the  
25 value of the contribution at the time the temporary certificate of occupancy is issued.

1 \* \* \* \*

2 (g) **North of Market Citywide Affordable Housing Fund.** ~~There is hereby established a~~  
3 ~~separate fund set aside for a special purpose called the "North of Market Affordable Housing Fund~~  
4 ~~(Fund)".~~ All fees monies collected by the Controller pursuant to this Section 263.7 shall be  
5 deposited in the Fund, but the fees shall be separately accounted for and expended by MOHCD as  
6 provided in this Section. All monies fees collected under this Section and deposited in the Fund shall  
7 be used solely to stabilize, rehabilitate, and retain affordable housing in the North of Market  
8 Residential Special Use District. No fees collected under this Section portion of the Fund may be  
9 used, by way of loan or otherwise, to pay any administrative, general overhead, or similar  
10 expense of any entity except for servicing cost related to participation in the amortized  
11 payment program. ~~The Fund shall be administered by the Director of the Mayor's Office of Housing~~  
12 ~~and Economic Community Development (MOHECD).~~

13 (h) **Rules and Regulations for Implementation.** The Director of MOHCED and the  
14 Director of City Planning shall prepare and submit to the ~~City~~ Planning Commission and the  
15 Board of Supervisors for review and approval such rules and regulations as may be  
16 necessary for the implementation of this Section. The Director of MOHCED and the Director of  
17 City Planning shall further propose such amendments or additions to the rules and regulations  
18 that he or she determines to be necessary. Such amendments and additions shall include  
19 periodic revision of the fee to reflect current conditions.

20 Section 3. Chapter 10 of the Administrative Code is hereby amended by revising  
21 Section 10.100-49, to read as follows:

22 **SEC. 10.100-49. CITYWIDE AFFORDABLE HOUSING FUND.**

23 (a) **Establishment of Fund.** The Citywide Affordable Housing Fund is established as  
24 a category eight fund to receive fee revenue dedicated to affordable housing and other  
25 contributions to the fund. The fund receives money from, among other sources:

1           (1) The North of Market Residential Special Use District, Planning Code Section 263.7;  
2           ~~(4)(2)~~ The Jobs Housing Linkage Program, Planning Code Sections 413 et seq.;  
3           ~~(2)(3)~~ The Inclusionary Affordable Housing Program, Planning Code Sections 415  
4 et seq.;

5           ~~(3)(4)~~ The Market and Octavia Affordable Housing Program, Planning Code  
6 Section 416.5;

7           (5) The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee, Planning  
8 Code Section 417.5;

9           ~~(4)(6)~~ The Eastern Neighborhoods Housing Fund, Planning Code Section 423.5;  
10          ~~(5)(7)~~ The Expedited Condominium Conversion Program, Subdivision Code  
11 Section 1396.4; and,

12          ~~(6)(8)~~ Repayments of loans and other program income associated with  
13 investments initially made with monies from the fund.

14           \* \* \* \*

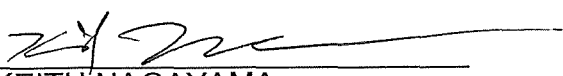
15           Section 4. Effective Date. This ordinance shall become effective 30 days after  
16 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
17 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
18 of Supervisors overrides the Mayor's veto of the ordinance.

19           Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
20 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
21 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
22 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
23 additions, and Board amendment deletions in accordance with the "Note" that appears under  
24 the official title of the ordinance.

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APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By:   
\_\_\_\_\_  
KEITH NAGAYAMA  
Deputy City Attorney  
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**REVISED LEGISLATIVE DIGEST**

(7/23/2019, Amended in Board)

[Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide Affordable Housing Fund]

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund, reflect the current affordable housing fee collected in conjunction with the North of Market Residential Special Use District, and deposit such fee in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

Existing Law

The North of Market Affordable Housing Fund ("NOM Fund") is currently established in the Planning Code as a special fund established by the Controller to receive fees in the amount of \$5 times the total gross square footage of floor space located above 80 feet in height as determined by the Zoning Administrator and as shown on the building plans within the North of Market Residential Special Use District ("NOM Fees"). The NOM Fund is administered by the Mayor's Office of Housing and Community Development ("MOHCD") and must be used solely to stabilize, rehabilitate, and retain affordable housing in the North of Market Residential Special Use District. The Citywide Affordable Housing Fund (the "Citywide Fund") is established under the Administrative Code to receive fee revenue dedicated to affordable housing from several different programs related to affordable housing, including programs in the Planning Code. MOHCD administers the Citywide Fund for the exclusive purpose of supporting affordable housing or other eligible uses prescribed by the code where a fee was established. The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee is currently established in the Planning Code and must be deposited into the Citywide Fund.

Amendments to Current Law

The Proposed Legislation amends the Planning Code to abolish the NOM Fund, reflect the current rate of the NOM Fees which has adjusted from \$5 to \$25.41 times the total gross square footage of floor space located above 80 feet in height, and require NOM Fees to be deposited into the Citywide Fund, and clarify MOHCD as the administrator of the NOM Fees in the Citywide Fund. The NOM Fees within the Citywide Fund must be separately accounted for and expended by MOHCD. The Proposed Legislation also amends the Administrative Code to add the NOM Fees and the Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee as fee revenue to be received by the Citywide Fund.

Background Information

The Proposed Legislation reflects amendments made by the Board on July 23, 2019. Under Planning Code Section 409(b), development fees are adjusted annually by the Controller based on the Annual Infrastructure Construction Cost Inflation Estimate ("AICCIE") prepared by the San Francisco Office of Resilience and Capital Planning, which uses inflation data, market trend analyses, employment data, and a variety of national, state, and local commercial and institutional construction cost inflation data. The initial NOM Fee rate of \$5 under Planning Code 263.7 was established in 1985. On June 13, 2019, the Planning Commission recommended an amendment to the Proposed Legislation that the NOM Fees under Planning Code 263.7 reflect the current adjusted fee based on the AICCIE. Such amendment was not reflected prior to the Land Use Committee hearing on July 15, 2019.

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BOARD of SUPERVISORS



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

July 25, 2019

File No. 190458

Lisa Gibson  
Environmental Review Officer  
Planning Department  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Ms. Gibson:

On July 23, 2019, the Board of Supervisors AMENDED, AMENDMENT OF THE WHOLE BEARING SAME TITLE, and re-referred this matter to Committee:

**File No. 190458**

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

Attachment

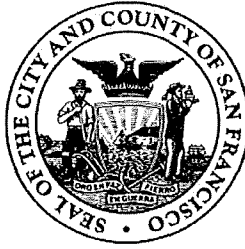
c: Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

joy navarrete

Digitally signed by joy navarrete  
DN: dc=org, dc=sfgov, dc=cityplanning,  
ou=CityPlanning, ou=EnvironmentalPlanning,  
cn=joy navarrete,  
email=joy.navarrete@sfgov.org  
Date: 2019.07.25 16:34:45 -0700

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. 554-5227

May 7, 2019

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On April 30, 2019, Mayor Breed introduced the following legislation:

**File No. 190458**

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

c: John Rahaim, Director  
Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
AnMarie Rodgers, Director of Citywide Planning  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs  
Joy Navarrete, Environmental Planning  
Laura Lynch, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

joy navarrete

Digitally signed by joy navarrete  
DN: dc=org, dc=sfgov, dc=cityplanning,  
ou=CityPlanning, ou=Environmental  
Planning, cn=joy navarrete,  
email=joy.navarrete@sfgov.org  
Date: 2019.06.04 13:21:05 -0700

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**From:** Starr, Aaron (CPC)  
**Sent:** Thursday, July 25, 2019 3:58 PM  
**To:** Major, Erica (BOS); Gibson, Lisa (CPC); Ionin, Jonas (CPC)  
**Cc:** Rodgers, AnMarie (CPC); Sanchez, Scott (CPC); Gibson, Lisa (CPC); Jain, Devyani (CPC); Sider, Dan (CPC); Navarrete, Joy (CPC); Teague, Corey (CPC); Lewis, Don (CPC)  
**Subject:** RE: REFERRAL CEQA/PC (190458-2) Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide Affordable Housing Fund

Erica,

The Planning Commission considered the proposed amendment at their hearing on June 13, 2019 and included the amendment in their recommendation to the Board. Therefore, they will not be rehearing this item and it can be scheduled at committee accordingly.

Sincerely,

**Aaron Starr, MA**  
**Manager of Legislative Affairs**

Planning Department, City and County of San Francisco  
1650 Mission Street, Suite 400, San Francisco, CA 94103  
**Direct:** 415-558-6362 **Fax:** 415-558-6409  
**Email:** [aaron.starr@sfgov.org](mailto:aaron.starr@sfgov.org)  
**Web:** [www.sfplanning.org](http://www.sfplanning.org)




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**From:** Major, Erica (BOS) <[erica.major@sfgov.org](mailto:erica.major@sfgov.org)>  
**Sent:** Thursday, July 25, 2019 2:21 PM  
**To:** Gibson, Lisa (CPC) <[lisa.gibson@sfgov.org](mailto:lisa.gibson@sfgov.org)>; Ionin, Jonas (CPC) <[jonas.ionin@sfgov.org](mailto:jonas.ionin@sfgov.org)>  
**Cc:** Starr, Aaron (CPC) <[aaron.starr@sfgov.org](mailto:aaron.starr@sfgov.org)>; Rodgers, AnMarie (CPC) <[anmarie.rodgers@sfgov.org](mailto:anmarie.rodgers@sfgov.org)>; Sanchez, Scott (CPC) <[scott.sanchez@sfgov.org](mailto:scott.sanchez@sfgov.org)>; Gibson, Lisa (CPC) <[lisa.gibson@sfgov.org](mailto:lisa.gibson@sfgov.org)>; Jain, Devyani (CPC) <[devyani.jain@sfgov.org](mailto:devyani.jain@sfgov.org)>; Sider, Dan (CPC) <[dan.sider@sfgov.org](mailto:dan.sider@sfgov.org)>; Navarrete, Joy (CPC) <[joy.navarrete@sfgov.org](mailto:joy.navarrete@sfgov.org)>; Teague, Corey (CPC) <[corey.teague@sfgov.org](mailto:corey.teague@sfgov.org)>; Lewis, Don (CPC) <[don.lewis@sfgov.org](mailto:don.lewis@sfgov.org)>  
**Subject:** REFERRAL CEQA/PC (190458-2) Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide Affordable Housing Fund

Greetings,

These matters are being referred to the Planning Commission pursuant to Planning Code Section 302, for public hearing and recommendation and the Planning Department for environmental review.

**ERICA MAJOR**  
**Assistant Clerk**  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244 San Francisco, CA 94102  
Phone: (415) 554-4441 | Fax: (415) 554-5163  
[Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

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*Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.*



# SAN FRANCISCO PLANNING DEPARTMENT

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June 25, 2019

Ms. Angela Calvillo, Clerk  
Honorable Mayor Breed  
Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

**Re: Transmittal of Planning Department Case Number 2019-006418PCA:  
North of Market Affordable Housing Fund  
Board File No. 190458  
Planning Commission Recommendation: Approval with Modification**

Dear Ms. Calvillo and Mayor Breed,

On June 13, 2019, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Mayor Breed that would amend Planning Code Section 263.7. At the hearing the Planning Commission recommended approval with modification.

The Commission recommended the following modification:

- Increase the North of Market Housing Fee from \$5.00 per square foot to \$25.41 per square foot

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Mayor Breed, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr".

Aaron D. Starr  
Manager of Legislative Affairs

**Transmittal Materials**

**CASE NO. 2019-006418PCA  
North of Market Affordable Housing Fund**

cc:

Keith Nagayama, Deputy City Attorney  
Amy Chan, Mayor's Office of Housing and Community Development  
Erica Major, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution  
Planning Department Executive Summary



# SAN FRANCISCO PLANNING DEPARTMENT

## Planning Commission Resolution No. 20465

HEARING DATE JUNE 13, 2019

*Project Name:* North of Market Affordable Housing Fund  
*Case Number:* 2019-006418PCA [Board File No. 190458]  
*Initiated by:* Mayor Breed / Introduced April 30, 2019  
*Staff Contact:* Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 415-575-9173  
*Reviewed by:* Aaron D Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

**RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND THE ADMINISTRATIVE CODE TO ABOLISH THE NORTH OF MARKET AFFORDABLE HOUSING FUND AND HAVE CERTAIN FEES COLLECTED IN CONJUNCTION WITH NORTH OF MARKET AFFORDABLE HOUSING DEPOSITED IN THE CITYWIDE AFFORDABLE HOUSING FUND; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC CONVENIENCE, NECESSITY, AND WELFARE UNDER PLANNING CODE, SECTION 302.**

WHEREAS, on April 30, 2019 Mayor Breed introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 190458, which would amend the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 13, 2019; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed modifications are as follows:

1. Increase the North of Market Housing Fee from \$5.00 per square foot to \$25.41 per square foot.

## **FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The Commission finds the Ordinance supports the Housing Element's goal to ensure preserve and retain and retain affordable housing for current and future San Franciscans.
2. The Commission finds the Ordinance supports the North of Market Residential Special Use District's (SUD) goals to preserve and retain affordable housing in the SUD.
3. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

## **DOWNTOWN PLAN**

### **OBJECTIVE: SPACE FOR HOUSING**

#### **Policy 7**

Expand the supply of housing in and adjacent to downtown.

#### **Policy 8**

Protect residential uses in and adjacent to downtown from encroachment by commercial uses.

*The Downtown Plan identifies the North of Market Residential Special Use District (SUD) as one of the surrounding downtown locations where existing housing should be protected. The Ordinance relates to the North of Market Affordable Housing Fee that will stabilize, rehabilitate, and retain affordable housing in the SUD.*

## **HOUSING ELEMENT**

### **OBJECTIVE 2**

**RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.**

#### **Policy 2.4**

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.



*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

**OBJECTIVE 3**

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

**Policy 3.1**

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

**Policy 3.5**

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund. The funds may be used to rehabilitate SRO units, which are predominant in the Tenderloin area.*

**OBJECTIVE 7**

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

**Policy 7.1**

Expand the financial resources available for permanently affordable housing, especially permanent sources.

**Policy 7.6**

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

**OBJECTIVE 8**

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

**Policy 8.1**

Support the production and management of permanently affordable housing.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

4. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on housing or neighborhood character. The Ordinance will help preserve the existing housing stock in the North of Market Residential Special Use District.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing. The Ordinance will help preserve and rehabilitate existing affordable housing in the North of Market Residential Special Use District.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.*

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

*The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.*

7. That the landmarks and historic buildings be preserved;

*The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.*

8. That our parks and open space and their access to sunlight and vistas be protected from

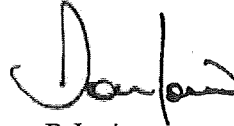
development;

*The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.*

5. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 13, 2019.



Jonas P. Ionin  
Commission Secretary

AYES: Melgar, Fung, Hillis, Johnson, Moore, Richards

NOES: None

ABSENT: Koppel

ADOPTED: June 13, 2019



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary Planning Code Text Amendment

HEARING DATE: JUNE 13, 2019  
90-DAY DEADLINE: AUGUST 5, 2019

*Project Name:* North of Market Affordable Housing Fund  
*Case Number:* 2019-006418PCA [Board File No. 190458]  
*Initiated by:* Mayor Breed / Introduced April 30, 2019  
*Staff Contact:* Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 415-575-9173  
*Reviewed by:* Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362  
*Recommendation:* **Approval with Modifications**

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

### PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and instead have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund.

#### The Way It Is Now:

1. North of Market Affordable Housing Fees are deposited into the North of Market Affordable Housing Fund. The collected fees are earmarked to stabilize, rehabilitate, and retain affordable housing the North of Market Residential Special Use District (SUD).
2. The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee is established per Planning Code Section 417, but not listed under the Citywide Affordable Housing Fund in the Administrative Code.

#### The Way It Would Be:

1. The North of Market Affordable Housing Fund would be abolished. The North of Market Affordable Housing Fee would instead be deposited into and administered by the Citywide Affordable Housing Fund. The fees would still be allocated towards the same purpose.
2. The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee would be deposited into and administered by the Citywide Affordable Housing Fund.

### BACKGROUND

The North of Market Residential Special Use District (SUD) was established in response to the 1985 Downtown Plan's concerns regarding preserving affordable housing surrounding downtown. The SUD established the North of Market Affordable Housing Fund, which set aside money to stabilize, rehabilitate, and retain affordable housing in the North of Market Residential SUD. This Ordinance will

abolish the North of Market Affordable Housing Fund and deposit all the collected North of Market Fees into the Citywide Affordable Housing Fund in the Administrative Code. This code clean-up is to make the collection of North of Market Fees consistent with all other affordable housing fees.

## ISSUES AND CONSIDERATIONS

### Preserving Affordable Housing

The 1985 Downtown Plan identified areas surrounding downtown, where housing was most at risk of being demolished or converted to non-residential uses. North of Market/Tenderloin was one of these identified locations. The Downtown Plan called for a rezoning of North of Market/Tenderloin area to protect existing housing from encroachment by hotels and office buildings. This resulted in the North of Market Residential Special Use District (SUD) (see Figure A). The SUD requires Conditional Use Authorization for any proposed buildings taller than 80 feet to provide a transition between the higher downtown heights to the surrounding residential neighborhoods. It was anticipated that any buildings greater than 80 feet in height would create pressures on the existing affordable housing stock.

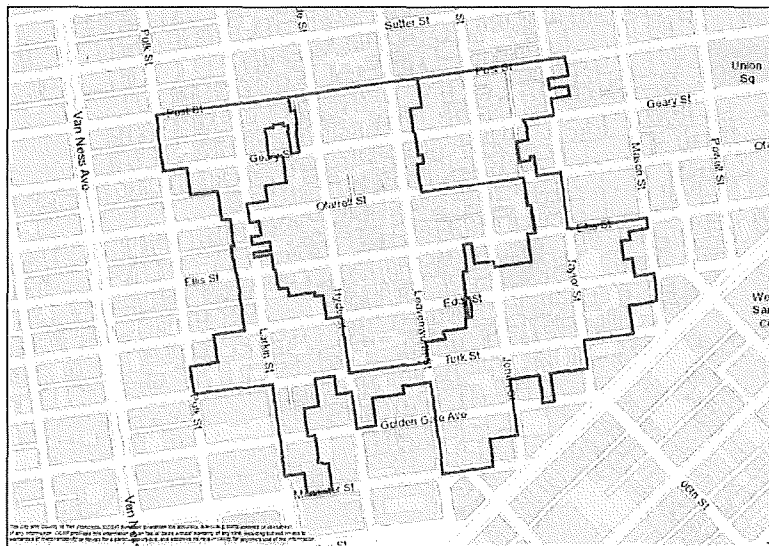


Figure A: North of Market Residential Special Use District boundaries

To relieve some of these pressures, the North of Market Residential SUD requires an affordable housing fee for any square footage greater than 80 feet tall. The collected funds are deposited into the North of Market Affordable Housing Fund and dedicated towards stabilizing, rehabilitating, and retaining affordable housing in the North of Market Residential SUD. The purpose of the fees remains the same; the Ordinance seeks to include this fee in the Citywide Affordable Housing Fund alongside all other affordable housing fees.

### Annual Infrastructure Construction Cost Inflation Estimate

The original fee, established in 1985, was \$5 per square foot for square footage above 80 feet; however, this figure does not reflect today's economy or factor in any inflation since the original fee inception.

The Office of Resilience and Capital Planning (ORCP) forecasts the Annual Infrastructure Construction Cost Inflation Estimate (AICCIE) using inflation data, market trend analyses, employment data, and a variety of national, state, and local commercial and institutional construction cost inflation. This figure informs the way ORCP calculates and indexes impact fees. ORCP's research shows that the AICCIE has steadily increased each year since 2011 (see Figure B), even during some economic downturn. The Mayor's Office of Housing and Community Development (MOHCD), the agency that administers the North of Market Affordable Housing Fund and all other affordable housing fees, would index the North of Market Affordable Housing Fee based on ORCP's AICCIE figures, which are available from 2011 moving forward. For the years prior beginning in 1986 until 2010, the fee would be indexed 5% a year, which is ORCP's estimated average historical AICCIE. This approach uses more precise figures using the available data from ORCP.

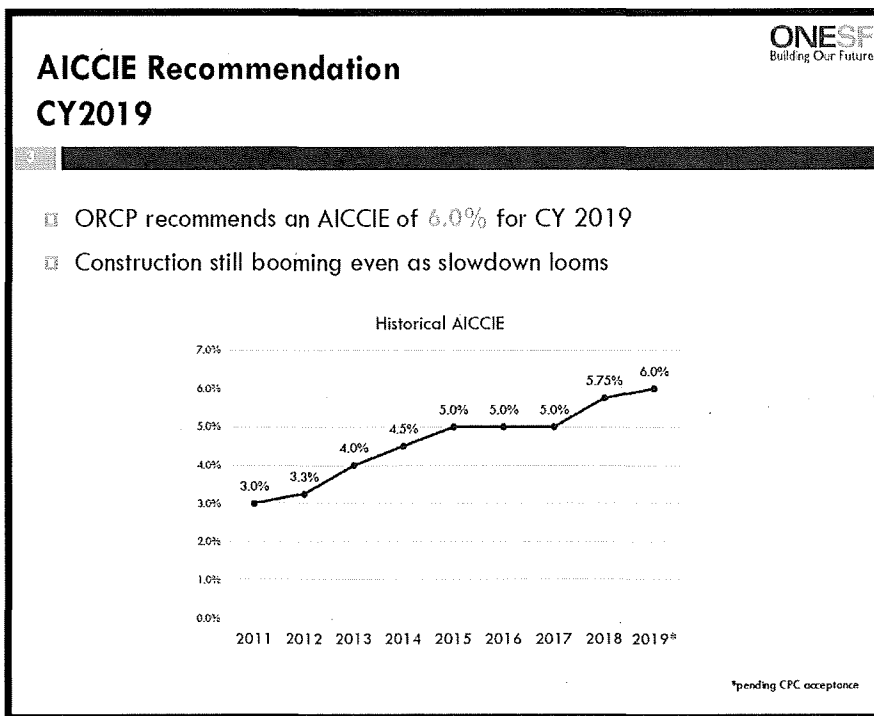


Figure B: Office of Resilience and Capital Planning Data on Annual Infrastructure Construction Cost Inflation Estimate

### General Plan Compliance

The Downtown Plan identifies the North of Market Residential Special Use District (SUD) as one of the surrounding downtown locations where existing housing should be protected. The Ordinance relates to the North of Market Affordable Housing Fee that stabilizes, rehabilitates, and retains affordable housing in the SUD. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund. The North of Market Affordable Housing Fees within the Citywide Affordable Housing Fund will still be earmarked for the North of Market Residential SUD. The Ordinance supports the preservation of existing housing by retaining the North of Market Affordable Housing Fee.

### Racial and Social Equity Analysis

The Department determined that this Ordinance does not present any new burdens to developers or applicants. The North of Market Affordable Housing Fee is an existing fee that helps the City meet its affordable housing goals, and this Ordinance will simply move it from one fund to another.

### Implementation

The Department has determined that this Ordinance will not impact our current implementation procedures.

## RECOMMENDATION

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendation is as follows:

1. Increase the North of Market Housing Fee from \$5.00 per square foot to \$25.41 per square foot.

## BASIS FOR RECOMMENDATION

The Department supports the proposed Ordinance because it supports the Housing Element's goals to preserve and retain affordable housing for current and future San Franciscans. Additionally, the Ordinance specifically supports the North of Market Residential SUD's goals to preserve and retain affordable housing in the SUD. The Ordinance will move the North of Market Housing Fees into the Citywide Affordable Housing Fund and still be dedicated towards the same purposes.

**Recommendation 1: Increase the North of Market Housing Fee from \$5.00 per square foot to \$25.41 per square foot.**

The original \$5 fee per square foot above 80 feet was established in 1985. Staff recommends updating the fee because this has not been assessed since its original introduction. MOHCD would to index the fee based on ORCP's AICCIE figures from 2011 moving forward. For the years prior beginning in 1986 until 2010, the fee would be indexed 5% a year, which is ORCP's estimated the average historical AICCIE. This approach results in a new fee to \$25.41 per square foot.

## REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

## ENVIRONMENTAL REVIEW

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

## PUBLIC COMMENT

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

### Attachments:

- Exhibit A: Draft Planning Commission Resolution  
Exhibit B: Board of Supervisors File No. 190458



# SAN FRANCISCO PLANNING DEPARTMENT

---

## Planning Commission Draft Resolution HEARING DATE JUNE 13, 2019

*Project Name:* North of Market Affordable Housing Fund  
*Case Number:* 2019-006418PCA [Board File No. 190458]  
*Initiated by:* Mayor Breed / Introduced April 30, 2019  
*Staff Contact:* Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 415-575-9173  
*Reviewed by:* Aaron D Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362

1650 Mission St.  
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**RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND THE ADMINISTRATIVE CODE TO ABOLISH THE NORTH OF MARKET AFFORDABLE HOUSING FUND AND HAVE CERTAIN FEES COLLECTED IN CONJUNCTION WITH NORTH OF MARKET AFFORDABLE HOUSING DEPOSITED IN THE CITYWIDE AFFORDABLE HOUSING FUND; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC CONVENIENCE, NECESSITY, AND WELFARE UNDER PLANNING CODE, SECTION 302.**

WHEREAS, on April 30, 2019 Mayor Breed introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 190458, which would amend the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 13, 2019; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and



WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance.

**FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The Commission finds the Ordinance supports the Housing Element’s goal to ensure preserve and retain and retain affordable housing for current and future San Franciscans.
2. The Commission finds the Ordinance supports the North of Market Residential Special Use District’s (SUD) goals to preserve and retain affordable housing in the SUD.
3. **General Plan Compliance.** The proposed Ordinance and the Commission’s recommended modifications are consistent with the following Objectives and Policies of the General Plan:

**DOWNTOWN PLAN**

**OBJECTIVE: SPACE FOR HOUSING**

**Policy 7**

Expand the supply of housing in and adjacent to downtown.

**Policy 8**

Protect residential uses in and adjacent to downtown from encroachment by commercial uses.

*The Downtown Plan identifies the North of Market Residential Special Use District (SUD) as one of the surrounding downtown locations where existing housing should be protected. The Ordinance relates to the North of Market Affordable Housing Fee that will stabilize, rehabilitate, and retain affordable housing in the SUD.*

**HOUSING ELEMENT**

**OBJECTIVE 2**

**RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.**

**Policy 2.4**

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

**OBJECTIVE 3**

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

**Policy 3.1**

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

**Policy 3.5**

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund. The funds may be used to rehabilitate SRO units, which are predominant in the Tenderloin area.*

**OBJECTIVE 7**

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

**Policy 7.1**

Expand the financial resources available for permanently affordable housing, especially permanent sources.

**Policy 7.6**

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

**OBJECTIVE 8**

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

**Policy 8.1**

Support the production and management of permanently affordable housing.

*The Ordinance retains the North of Market Affordable Housing Fee. The only change is that the collected fees will be deposited into and administered by the Citywide Affordable Housing Fund.*

4. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on housing or neighborhood character. The Ordinance will help preserve the existing housing stock in the North of Market Residential Special Use District.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing. The Ordinance will help preserve and rehabilitate existing affordable housing in the North of Market Residential Special Use District.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.*

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

*The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.*

7. That the landmarks and historic buildings be preserved;

*The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.*

8. That our parks and open space and their access to sunlight and vistas be protected from development;

*The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.*

5. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 13, 2019.

Jonas P. Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: June 13, 2019

1 [Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide  
2 Affordable Housing Fund]

3 **Ordinance amending the Planning Code and the Administrative Code to abolish the**  
4 **North of Market Affordable Housing Fund and have certain fees collected in**  
5 **conjunction with North of Market affordable housing deposited in the Citywide**  
6 **Affordable Housing Fund; and making findings of consistency with the General Plan,**  
7 **and the eight priority policies of Planning Code, Section 101.1, and findings of public**  
8 **convenience, necessity, and welfare under Planning Code, Section 302.**

9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
11 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
12 **Board amendment additions** are in double-underlined Arial font.  
13 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
14 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
15 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Findings.

16 (a) On \_\_\_\_\_, the Planning Commission, in Resolution No. \_\_\_\_\_,  
17 adopted findings that the actions contemplated in this ordinance are consistent, on balance,  
18 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The  
19 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of  
20 the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

21 (b) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this  
22 ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in  
23 Planning Commission Resolution No. \_\_\_\_\_, and incorporates such reasons by this  
24 reference thereto. A copy of said resolution is on file with the Clerk of the Board of  
25 Supervisors in File No. \_\_\_\_\_.

1 Section 2. Article 2 of the Planning Code is hereby amended by revising Section  
2 263.7, to read as follows:

3 **SEC. 263.7. SPECIAL HEIGHT EXCEPTIONS: NORTH OF MARKET RESIDENTIAL**  
4 **SPECIAL USE DISTRICT.**

5 \* \* \* \*

6 (d) **Conditions.** The ~~City~~ Planning Commission shall impose conditions on the  
7 approval of applications for conditional use authorization, required pursuant to Section 253 for  
8 buildings which exceed 40 feet in height in an R District, if such authorization includes a grant  
9 of an exception to the 80-foot base height limit, in order to mitigate the impact that such height  
10 exception is likely to have on the existing supply of affordable housing in the area. The  
11 condition shall require that the applicant pay a fee to the ~~City~~ Controller which shall be  
12 deposited in the Citywide North of Market Affordable Housing Fund established in Administrative  
13 Code Section 10.100-49 (the "Fund").

14 (e) **Fee.** The fee required pursuant to ~~S~~ subsection (d) above shall be equal to the sum  
15 of \$5 times the total gross square footage of floor space located above 80 feet in height as  
16 determined by the Zoning Administrator, as shown on the building plans. The fee shall be due  
17 and payable prior to the issuance of a temporary certificate of occupancy, unless the project  
18 sponsor agrees to and qualifies for participation in an amortized payment program, to be  
19 established by the Director of the Mayor's Office of Housing and Community Economic  
20 Development (MOHCED) and the Director of City Planning, such program to be subject to  
21 subsequent review and approval by the City Planning Commission and the Board of  
22 Supervisors, which program would result in the City receiving an amount equivalent to the  
23 value of the contribution at the time the temporary certificate of occupancy is issued.

24 \* \* \* \*

25 ///

1 (g) **North of Market Citywide Affordable Housing Fund.** *There is hereby established a*  
2 *separate fund set aside for a special purpose called the "North of Market Affordable Housing Fund*  
3 *("Fund")." All fees monies collected by the Controller pursuant to this Section 263.7 shall be*  
4 *deposited in the Fund, but the fees shall be separately accounted for and expended by MOHCD as*  
5 *provided in this Section. All monies fees collected under this Section and* deposited in the Fund shall  
6 be used solely to stabilize, rehabilitate, and retain affordable housing in the North of Market  
7 Residential Special Use District. *No fees collected under this Section portion of the Fund* may be  
8 used, by way of loan or otherwise, to pay any administrative, general overhead, or similar  
9 expense of any entity except for servicing cost related to participation in the amortized  
10 payment program. *The Fund shall be administered by the Director of the Mayor's Office of Housing*  
11 *and Economic Community Development (MOHECD).*

12 (h) **Rules and Regulations for Implementation.** The Director of MOHCED and the  
13 Director of City Planning shall prepare and submit to the ~~City~~ Planning Commission and the  
14 Board of Supervisors for review and approval such rules and regulations as may be  
15 necessary for the implementation of this Section. The Director of MOHCED and the Director of  
16 City Planning shall further propose such amendments or additions to the rules and regulations  
17 that he or she determines to be necessary. Such amendments and additions shall include  
18 periodic revision of the fee to reflect current conditions.

19 Section 3. Chapter 10 of the Administrative Code is hereby amended by revising  
20 Section 10.100-49, to read as follows:

21 **SEC. 10.100-49. CITYWIDE AFFORDABLE HOUSING FUND.**

22 (a) **Establishment of Fund.** The Citywide Affordable Housing Fund is established as  
23 a category eight fund to receive fee revenue dedicated to affordable housing and other  
24 contributions to the fund. The fund receives money from, among other sources:

25 (1) The North of Market Residential Special Use District, Planning Code Section 263.7;

- 1           ~~(1)~~(2) The Jobs Housing Linkage Program, Planning Code Section 413 et seq.;
- 2           ~~(2)~~(3) The Inclusionary Affordable Housing Program, Planning Code Section 415
- 3 et seq.;
- 4           ~~(3)~~(4) The Market and Octavia Affordable Housing Program, Planning Code
- 5 Section 416.5;
- 6           (5) The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee, Planning
- 7 Code Section 417.5;
- 8           ~~(4)~~(6) The Eastern Neighborhoods Housing Fund, Planning Code Section 423.5;
- 9           ~~(5)~~(7) The Expedited Condominium Conversion Program, Subdivision Code
- 10 Section 1396.4; and,
- 11           ~~(6)~~(8) Repayments of loans and other program income associated with
- 12 investments initially made with monies from the fund.

13           \* \* \* \*

14           Section 4. Effective Date. This ordinance shall become effective 30 days after

15 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

16 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board

17 of Supervisors overrides the Mayor’s veto of the ordinance.

18           Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors

19 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,

20 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal

21 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment

22 additions, and Board amendment deletions in accordance with the “Note” that appears under

23 ///

24 ///

25 ///



1 the official title of the ordinance.

2 APPROVED AS TO FORM:  
3 DENNIS J. HERRERA, City Attorney

4

5 By:

\_\_\_\_\_  
6 KEITH NAGAYAMA  
7 Deputy City Attorney  
n:\legana\as2019\1900437\01356784.docx

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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. 554-5227

July 25, 2019

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On July 23, 2019, the Board of Supervisors AMENDED, AMENDMENT OF THE WHOLE BEARING SAME TITLE, and re-referred this proposed legislation to Committee:

**File No. 190458**

**Ordinance amending various sections of the Planning Code to modify maximum amounts of parking permitted in certain Neighborhood Commercial, Residential-Mixed, Community Commercial, and Mission Bay zoning districts, to require that above-grade parking in all districts be designed for conversion to other uses, and to update outdated references, clarify existing requirements, and improve the organization of the Code; amending the Environment Code to update a Planning Code cross-reference; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and general welfare under Planning Code, Section 302.**

The proposed ordinances are being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinances are pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

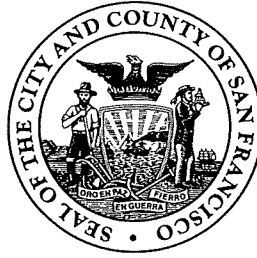
Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

c: John Rahaim, Director  
Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
AnMarie Rodgers, Director of Citywide Planning  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs  
Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

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

July 25, 2019

File No. 190458

Lisa Gibson  
Environmental Review Officer  
Planning Department  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Ms. Gibson:

On July 23, 2019, the Board of Supervisors AMENDED, AMENDMENT OF THE WHOLE BEARING SAME TITLE, and re-referred this matter to Committee:

**File No. 190458**

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

## Major, Erica (BOS)

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**From:** Major, Erica (BOS)  
**Sent:** Thursday, July 25, 2019 2:21 PM  
**To:** Gibson, Lisa (CPC); Ionin, Jonas (CPC)  
**Cc:** Starr, Aaron (CPC); Rodgers, AnMarie (CPC); Sanchez, Scott (CPC); Gibson, Lisa (CPC); Jain, Devyani (CPC); Sider, Dan (CPC); Navarrete, Joy (CPC); Teague, Corey (CPC); Lewis, Don (CPC)  
**Subject:** REFERRAL CEQA/PC (190458-2) Planning, Administrative Codes - North of Market Affordable Housing Fees and Citywide Affordable Housing Fund  
**Attachments:** 190458 PC.pdf; 190458-2 CEQA.pdf

Greetings,

These matters are being referred to the Planning Commission pursuant to Planning Code Section 302, for public hearing and recommendation and the Planning Department for environmental review.

### ERICA MAJOR

Assistant Clerk

Board of Supervisors

1 Dr. Carlton B. Goodlett Place, City Hall, Room 244 San Francisco, CA 94102

Phone: (415) 554-4441 | Fax: (415) 554-5163

[Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)



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*Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.*

BOARD of SUPERVISORS



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TDD/TTY No. 554-5227

May 7, 2019

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On April 30, 2019, Mayor Breed introduced the following legislation:

**File No. 190458**

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

c: John Rahaim, Director  
Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
AnMarie Rodgers, Director of Citywide Planning  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs  
Joy Navarrete, Environmental Planning  
Laura Lynch, Environmental Planning

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May 7, 2019

Planning Department  
Attn: John Rahaim  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Mr. Rahaim:

On April 30, 2019, Mayor Breed introduced the following proposed legislation:

**File No. 190458**

**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

The proposed ordinance is being transmitted pursuant to the Rules of Order 3.22 for review and comment. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

c: Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
AnMarie Rodgers, Director of Citywide Planning  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs  
Joy Navarrete, Environmental Planning  
Laura Lynch, Environmental Planning  
Tim Frye, Principal Planner

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## NOTICE OF PUBLIC HEARING

### BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO LAND USE AND TRANSPORTATION COMMITTEE

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

**Date:** Monday, January 13, 2020

**Time:** 1:30 p.m.

**Location:** Legislative Chamber, Room 250, located at City Hall  
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

**Subjects:** **File No. 190458.** Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market affordable housing deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.

If this legislation passes, applicants subject to the conditional requirements under Planning Code, Section 263.7 (d), will be required to pay an increased fee to the Controller which will be deposited in the North of Market Affordable Housing Fund. The sum of the fee will increase from \$5 to \$25.41 times the total gross square footage of floor space located above 80 feet in height as determined by the Zoning Administrator.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in this matter, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Information relating to this matter can be found in the Legislative Research Center at [sfgov.legistar.com/legislation](http://sfgov.legistar.com/legislation). Meeting agenda information relating to this matter will be available for public review on Friday, January 10, 2020.

  
Angela Calvillo, Clerk of the Board

DATED/POSTED: January 3, 2020  
PUBLISHED: January 3 and January 8, 2020

OFFICE OF THE MAYOR  
SAN FRANCISCO



LONDON N. BREED  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Sophia Kittler  
RE: Planning, Administrative Codes - North of Market Affordable Housing Fees  
and Citywide Affordable Housing Fund  
DATE: April 30, 2019

sk

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**Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund and have certain fees collected in conjunction with North of Market Affordable Housing deposited in the Citywide Affordable Housing Fund, and making findings of consistency with the General Plan and Planning Code, Section 101.1 and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

Should you have any questions, please contact Sophia Kittler at 415-554-6153.

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2019 APR 30 PM 4:30  
BY sk