

FILE NO. 100705

ORDINANCE NO. 186-10

[Administrative Code – Mayor's Office of Housing Administrative Fees.]

Ordinance amending the San Francisco Administrative Code by adding Section 8.43 and amending Section 10.100-117 to establish fees for applications to and subordination requests from the Mayor's Office of Housing, and to provide for the use of the proceeds of these fees.

NOTE: Additions are *single-underline italics Times New Roman*;
 deletions are ~~*strike-through italics Times New Roman*~~.
 Board amendment additions are double-underlined;
 Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. The San Francisco Administrative Code is hereby amended by adding Section 8.43 and amending Section 10.100-117, to read as follows:

SEC. 8.43. MAYOR'S OFFICE OF HOUSING ADMINISTRATIVE FEES.

(a) Authority. The Mayor's Office of Housing or its successor ("MOH") is hereby authorized to charge fees to defray the cost of issuing, administering, and processing documents related to certain housing transactions. Said fees shall be due at the time of filing an application. Failure to pay such fees shall result in a return of the application as incomplete to the applicant. Any persons requesting or requiring the following services shall pay the following fees:

<u>Mortgage Credit Certificate</u>	<u>\$600 per application</u>
<u>Refinance Mortgage Credit Certificate</u>	<u>\$600 per application</u>
<u>Down-payment assistance loan</u>	<u>\$500 per application</u>
<u>First-time homebuyer loan</u>	<u>\$500 per application</u>
<u>Escrow account administration</u>	<u>\$200 per borrower</u>
<u>Loan subordination fee, single family borrowers</u>	<u>\$500 per subordination</u>

1 Loan servicing fee, multifamily rental projects

\$2,000 per application plus time and materials
2 charges

3 Other actions not specified above shall be based on actual costs that MOH incurs in
4 administering and processing the action or procedure and shall be charged on a time and materials
5 basis. MOH shall provide the applicant with a written estimate of said costs at the time of application,
6 and the applicant shall pay such fees prior to the time that the application is deemed complete. To the
7 extent that the estimated fees do not cover actual costs, any outstanding amount due shall be a
8 condition of MOH's final decision on the action or procedure. To the extent that the estimated fees
9 exceeded the actual costs, MOH shall refund the excess amount to the applicant within a reasonable
10 period after MOH's final decision on the action or procedure.

11 (b) Additional Costs. In instances where administration of any application or document is or
12 will exceed the fee amount established pursuant to Section 8.43(a), the Director of the Mayor's Office
13 of Housing, in his or her discretion, may require an applicant to pay a sum in excess of the subject fee
14 amounts. This additional sum shall be sufficient to recover actual costs that MOH incurs and shall be
15 charged on a time and materials basis. The Director also may charge any time or materials costs that
16 other agencies, boards, commissions, or departments of the City, including the City Attorney's, Office
17 incur in connection with the processing or administration of a particular application. Whenever
18 additional fees are or will be charged, the Director, upon request of the applicant, shall provide in
19 writing the basis for the additional fees or an estimate of the additional fees to be charged.

20 (c) Payment of fees charged under this Code does not waive the fee requirements of other
21 ordinances and rules and regulations pursuant thereto.

22 (d) Fee Calculation Method. Establishment of the fees for each category and use specified
23 in section 8.43(a) shall be based on the Department's actual costs to process and administer the
24 particular application. Said fees may include the actual costs that other agencies, boards, commission,
25 or department of the City incur in connection with processing or administering these programs.

1 Beginning with fiscal year 2011-2012, fees set in this Section may be adjusted each year, without
2 further action by the Board of Supervisors, to reflect changes in the relevant Consumer Price Index, as
3 determined by the Controller. No later than April 15th of each year, the Director shall submit its
4 current fee schedule to the Controller, who shall apply the price index adjustment to produce a new fee
5 schedule for the following year. No later than May 15th of each year, the Controller shall file a report
6 with the Board of Supervisors reporting the new fee schedule and certifying that: (a) the fees produce
7 sufficient revenue to support the costs of providing the services for which each fee is assessed, and (b)
8 the fees do not produce revenue which is significantly more than the costs of providing the services for
9 which each fee is assessed. The Controller shall, if necessary, adjust the fees upward or downward for
10 the upcoming fiscal year as appropriate to ensure that the Mayor's Office of Housing recovers the
11 costs of operation without producing revenue that is significantly more than such costs. The adjusted
12 rates shall become operative on July 1.

13 **SEC. 10.100-117. MAYOR'S OFFICE OF HOUSING PROGRAMS FEES FUND.**

14 **(a) Establishment of Fund.** The Mayor's Housing Programs Fees Fund is
15 established as a category ~~two~~six~~two~~ fund to receive monies from fees earned by the Mayor's
16 Office of Housing in connection with the administration of affordable housing programs. Such
17 fees shall include, but are not be limited to, fees from single-family and multifamily housing
18 mortgage revenue bonds as issuer or as administrator, fees from the California Natural
19 Disaster Assistance Program, fees from applications and subordination requests as
20 authorized under Section 8.43, and fees from similar housing programs in which the city earns
21 fees for services provided by the Mayor's Office of Housing. This Section 10.~~117~~100-117
22 shall not authorize the levy of fees except as otherwise provided by ordinance or resolution of
23 the Board of Supervisors.

24 **(b) Use of Fund.** The fund shall be used for the purpose of supporting the City's
25 efforts to provide affordable housing for persons and households of low and moderate income

1 in the City. For the purposes of this Fund, "low and moderate income" shall mean incomes
2 which are not greater than 120 percent of median for San Francisco, as defined by the United
3 States Department of Housing and Urban Development. Monies from the Fund may be used
4 for the following purposes:

5 1. To pay the costs of the Mayor's Office of Housing for administering housing
6 programs for which administrative funding is not otherwise available from the City's General
7 Fund, federal or state grants, or other sources of administrative funding. Such programs shall
8 include the City's single-family and multifamily housing mortgage revenue bond programs, the
9 first time homebuyer programs, rental housing development programs, and the monitoring of
10 units to ensure their continued affordability.

11 2. To the extent that monies are available and not needed to cover current and
12 anticipated future administrative costs described in Subparagraph (1) and with the approval of
13 the Board of Supervisors, to transfer said monies to the Affordable Housing Fund to make
14 loans or grants for the development of affordable housing ~~or to provide homeownership~~
15 ~~assistance to first-time homebuyers in the City.~~

16 (c) **Exceptions to Fund Category.** The Director of the Mayor's Office of Housing
17 shall approve expenditures from the fund.

18 (d) **Administration of Fund.** The Mayor's Office of Housing shall administer the
19 Fund, and in such capacity shall review the needs of the administration of affordable housing
20 programs and the availability of monies from the fund for other eligible purposes. *Funds for*
21 *administration of affordable housing programs shall be appropriated through the annual budget*
22 *process or by supplemental appropriation for the Mayor's Office of Housing.* Funds for
23 administration of affordable housing programs shall be appropriated through the annual
24 budget process or by supplemental appropriation for the Mayor's Office of Housing. The
25 Mayor's Office of Housing shall report annually to the Board of Supervisors on the current

1 status of the Housing Program Fees Fund as a part of the annual budget process for the
2 Mayor's Office of Housing, including the amounts of fees received and to be budgeted for
3 administrative funding, and any recommendations deemed necessary to improve
4 effectiveness of the Housing Program Fees Fund in achieving its purpose.

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

7 By: 
8 Susan Cleveland-Knowles
9 Deputy City Attorney
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City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 100705

Date Passed: July 13, 2010

Ordinance amending the San Francisco Administrative Code, Chapter 8, by adding Section 8.43 to establish fees for applications to and subordination requests from the Mayor's Office of Housing.

June 29, 2010 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

July 13, 2010 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

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I hereby certify that the foregoing Ordinance was FINALLY PASSED on 7/13/2010 by the Board of Supervisors of the City and County of San Francisco.

Mayor Gavin Newsom

Angela Calvillo
Clerk of the Board

July 23, 2010

Date Approved