

BOARD of SUPERVISORS



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January 22, 2020

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

Dear Commissioners:

On January 14, 2020, Supervisor Yee introduced the following substitute legislation:

File No. 191249-2

Ordinance amending the Planning Code to require that in Educator Housing projects at least 30% of residential units have two or more bedrooms, and at least 20% of residential units have three or more bedrooms; 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 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, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
Adam Varat, Acting Director of Citywide Planning
Aaron Starr, Manager of Legislative Affairs
Andrea Ruiz-Esquide, Deputy City Attorney
Joy Navarrete, Major Environmental Analysis
Georgia Powell, Planning Misc. Permits Routing

1 [Planning Code - 100% Affordable Housing and Educator Housing Streamlining Program]

2
3 **Ordinance amending the Planning Code to require that in Educator Housing projects at**
4 **least 30% of residential units have two or more bedrooms, and at least 20% of**
5 **residential units have three or more bedrooms; affirming the Planning Department's**
6 **determination under the California Environmental Quality Act; making findings of**
7 **consistency with the General Plan, and the eight priority policies of Planning Code,**
8 **Section 101.1; and adopting findings of public convenience, necessity, and welfare**
9 **under Planning Code, Section 302.**

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

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

21 Section 1. Environmental and Planning Code Findings.

22 (a) The Planning Department has determined that the actions contemplated in this
23 ordinance comply with the California Environmental Quality Act (California Public Resources
24 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
25 Supervisors in File No. 191016 and is incorporated herein by reference. The Board affirms
this determination.

(b) On November 21, 2019, the Planning Commission, in Resolution No. 20570,
adopted findings that the actions contemplated in this ordinance are consistent, on balance,

1 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
2 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
3 the Board of Supervisors in File No. 191016, and is incorporated herein by reference.

4 (c) Pursuant to Planning Code Section 302, the Board finds that this ordinance will
5 serve the public necessity, convenience, and welfare for the reasons set forth in Planning
6 Commission Resolution No. 20570 and the Board incorporates such reasons herein by
7 reference. A copy of Planning Commission Resolution No. 20570 is on file with the Clerk of
8 the Board of Supervisors in File No. 191016.

9 (d) The Board of Supervisors finds that the amendments of Planning Code Section
10 206.9 contained in this ordinance further the purpose of that Section.

11
12 Section 2. Article 2 of the Planning Code is hereby amended by revising Section 206.9
13 to read as follows:

14 **SECTION 206.9. 100% AFFORDABLE HOUSING AND EDUCATOR HOUSING**
15 **STREAMLINING PROGRAM.**

16 * * * * *

17 (b) **Definitions.** The definitions of Section 102 and the definitions in Section 401 for
18 "Area Median Income" or "AMI," "Housing Project," and "Life of the Project," shall generally
19 apply to Section 206.9. The following definitions shall also apply, and shall prevail if there is a
20 conflict with other sections of the Planning Code, including Section 206.2.

21 (1) "100% Affordable Housing." Residential Units that are deed-restricted
22 for 55 years or the Life of the Project, whichever is longer and consistent with any applicable
23 tax credit regulatory requirements, to be affordable to Very-Low, Low, or Moderate income
24 households with an income up to 120% of the unadjusted area median family income (AMI)

1 for the HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco, as published
2 annually by MOHCD.

3 (2) "100% Affordable Housing Project." A project for the development of
4 Residential Units all of which are 100% Affordable Housing, up to a maximum overall average
5 of 80% AMI across all Residential Units in the project. A 100% Affordable Housing Project
6 may also include principally permitted non-residential uses on the ground floor, and non-
7 residential uses that are accessory to and supportive of the affordable housing.

8 Notwithstanding the foregoing, the maximum affordable rent or sales price for a Residential
9 Unit in a 100% Affordable Housing Project may be no higher than 20% below median market
10 rents or sales prices for that unit size in the neighborhood in which the project is located,
11 which neighborhood shall be defined in accordance with the American Community Survey
12 Neighborhood Profile Boundaries Map. MOHCD shall determine the allowable rents and
13 sales prices, and the eligible households for such units accordingly.

14 (3) "Educator Housing Project." A project for the development of deed-
15 restricted Residential Units all of which are restricted for the Life of the Project or 55 years,
16 whichever is longer and consistent with any applicable tax credit regulatory requirements, to
17 occupancy by at least one employee of the San Francisco Unified School District ("SFUSD")
18 or San Francisco Community College District ("SFCCD"), as verified by the Planning
19 Department or MOHCD. At least four-fifths of the units in an Educator Housing Project must
20 be deed restricted for the Life of the Project or 55 years, whichever is longer and consistent
21 with any applicable tax credit regulatory requirements to be affordable to households with an
22 income from 30% to 140% of the unadjusted area median family income (AMI), with an overall
23 average of 100% AMI across all such units. Up to one-fifth of the units may be deed restricted
24 up to a maximum 160% AMI for the HUD Metro Fair Market Rent Area (HMFA) that contains
25 San Francisco, as published annually by MOHCD. An Educator Housing Project is also

1 allowed to be a mixed-use development project with a maximum 20% of the gross building
2 square footage designated for non-residential neighborhood-serving uses.

3 (A) No units in an Educator Housing Project shall be smaller than
4 the minimum unit sizes set forth by the California Tax Credit Allocation Committee as of May
5 16, 2017, or smaller than 300 square feet for a studio.

6 (B) Any units in an Educator Housing Project with a rental rate set
7 above 120% of Area Median Income shall have a minimum occupancy of two persons.

8 (C) Notwithstanding any other provision of this Code, an Educator
9 Housing Project with a Development Application filed after January 14, 2020, shall include a
10 minimum of 30% 50% of the total units as 2-bedroom units or larger, and a minimum of 20% of
11 the total units as 3-bedroom units or larger.

12 All references in this Section 206.9 to other sections of the Planning Code shall refer to
13 those other sections as they may be amended from time to time after the effective date of the
14 initiative measure enacting this Section 206.9.

15 * * * *

16
17 Section 3. Effective Date. This ordinance shall become effective 30 days after
18 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
19 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
20 of Supervisors overrides the Mayor's veto of the ordinance.

21
22 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
23 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
24 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
25 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment

1 additions, and Board amendment deletions in accordance with the "Note" that appears under
2 the official title of the ordinance.

3
4 Section 5. Supermajority Vote Requirement. Under Planning Code Section 206.9(h)
5 the City may enact this ordinance only if the Board approves the ordinance by at least a two-
6 thirds vote of all its members.

7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10 By: 
11 AUDREY WILLIAMS PEARSON
Deputy City Attorney

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REVISED LEGISLATIVE DIGEST

(Substituted, 1/14/2020)

[Planning Code - 100% Affordable Housing and Educator Housing Streamlining Program]

Ordinance amending the Planning Code to require that in Educator Housing projects at least 30% of residential units have two or more bedrooms, and at least 20% of residential units have three or more bedrooms; 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 convenience, necessity, and welfare under Planning Code, Section 302.

Existing Law

The 100% Affordable Housing and Educator Housing Streamlining Program, adopted in Proposition E in the November 5, 2019 Municipal Consolidated Election, and amended in Ordinance 289-19, effective on January 20, 2020, requires that Educator Housing projects, as defined, include at least 50% of units as two-bedroom units.

Amendments to Current Law

This ordinance would require that Educator Housing projects include 30% of units as two-bedroom units, and 20% of units as three bedroom units.

Background Information

Proposition E on the November 5, 2019 Municipal Consolidated Election ballot established the 100% Affordable Housing and Educator Housing Streamlining Program in Planning Code section 206.9, which required that Educator Housing projects include 30% of units as two-bedroom units and 20% of units as 3-bedroom units. The dwelling unit mix requirements of the Program were amended in Ordinance 289-29 to require 50% of units as 2-bedroom units or larger. This ordinance would impose the original dwelling unit mix requirements adopted in Proposition E for projects with development applications submitted after January 14, 2020. Under section 206.9(h), the Board must approve the ordinance by at least a two-thirds vote of all its members.