



**City and County of San Francisco**  
**Meeting Minutes**  
**Rules Committee**

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

*Members: Katy Tang, Eric Mar, Malia Cohen*

*Clerk: Derek Evans (415) 554-7702*

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**Monday, July 18, 2016**

**12:30 PM**

**City Hall, Committee Room 263**

**Special Meeting**

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**Present:** 3 - Katy Tang, Eric Mar, and Malia Cohen

*The Rules Committee met in special session on Monday, July 18, 2016, with Chair Katy Tang presiding.*

**ROLL CALL AND ANNOUNCEMENTS**

*Chair Tang called the meeting to order at 12:42 p.m. On the call of the roll, Chair Tang and Member Cohen were noted present. Vice Chair Mar was noted not present. There was a quorum.*

**AGENDA CHANGES**

*Pursuant to File No. 160802, passed by the Board of Supervisors at a Special Meeting on July 15, 2016, File No. 160588 was called from Committee. No discussion or action was taken on the item.*

**REGULAR AGENDA**

**160588 [Charter Amendment - Housing and Development Commission]****Sponsors: Peskin; Kim**

Charter Amendment (Third Draft) to amend the Charter of the City and County of San Francisco, to create the Housing and Development Commission to oversee the Department of Economic and Workforce Development and the Department of Housing and Community Development; to require the Commission to review and make recommendations regarding proposed development agreements and conveyance of certain surplus City property before the Board of Supervisors considers such proposals; to require the Commission to hold hearings and make recommendations regarding proposals to adopt or change inclusionary housing requirements for housing developments; to require the Commission to adopt rules creating competitive selection processes for the Department of Housing and Community Development's expenditure of affordable housing funds and for the development of affordable housing on City-owned property under the jurisdiction of the Department of Housing and Community Development; and to provide that ordinances regarding inclusionary housing requirements and rules regarding competitive selection for affordable housing adopted under the processes set forth in the Charter may supersede ordinances and rules adopted by the Board of Supervisors or the voters prior to March 1, 2017, at an election to be held on November 8, 2016.

05/24/16; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 6/23/2016.

06/03/16; REFERRED TO DEPARTMENT. Referred to the Mayor's Office, Office of the City Attorney, Department of Elections, Real Estate Division, Office of Economic and Workforce Development, and Office of Housing and Community Development for informational purposes (per Rules of Order 2.22.4). Referred to the City Controller for a financial analysis (per Elections Code, Section 305(B)(2) and Rules of Order 2.22.3). Referred to the Planning Department for environmental review.

06/24/16; RESPONSE RECEIVED. Planning Department determined that this Charter Amendment is not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

06/29/16; RESPONSE RECEIVED. The Controller determined that the proposed amendment would have a minimal impact on the cost of government, increasing the cost of government by approximately \$190,000 annually to fund the cost of a new city commission.

06/30/16; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Sunny Angulo, Legislative Aide (Office of Supervisor Aaron Peskin); Todd Rufo, Director; and Joaquin Torres, Deputy Director (Office of Economic and Workforce Development); Olson Lee, Director (Office of Housing and Community Development); Supervisor John Avalos (Board of Supervisors); Natasha Mihal (Controller's Office); presented information and answered questions raised throughout the hearing. Todd Radulovich, Executive Director (Livable City); Ace Washington; John Elke; Eileen Bogin; spoke in support of the proposed Charter Amendment. Alyssa Kies (SPUR); Corrine Woods; Kevin Carroll; Yaris Ng Pang (Andrea Baker Consulting); Julie Phelps (Counterpulse); Randy Shaw (Tenderloin Housing Clinic); Adriel Lively (Little Saigon Association); Dan Adams (Bridge Housing); Pratibha Tekkey (Central City SRO Collaborative); Scott Hauge (LAL Insurance); Paul Pendergust (Small Business Network); Tyra Fennell (Imprint City); Tim Colen (Housing Action Coalition); Harrison Lao (Chinatown Community Development Center); Samantha Higgins (Golden Gate Restaurant Association); Sharyl Davis; Arnold Townsend; Amos Brown, President (ACLU - San Francisco); Jim Lazarus (Chamber of Commerce); spoke in opposition of the proposed Charter Amendment. Gail Gilman; Dan Faulk (Tenderloin Neighborhood Development Corporation); Lee; spoke neither in support nor against the proposed Charter Amendment.

06/30/16; CONTINUED AS AMENDED.

07/06/16; RESPONSE RECEIVED. The Controller determined that the proposed amendment would have a minimal impact on the cost of government, increasing the cost of government by approximately \$190,000 annually to fund the cost of a new city commission.

07/07/16; CONTINUED. Heard in Committee. Speakers: Sunny Angulo, Legislative Aide (Office of Supervisor Aaron Peskin); Jon Givner, Deputy City Attorney (City Attorney's Office); Olson Lee, Director (Mayor's Office of Housing and Community Development); Ken Rich (Office of Labor Standards Enforcement); presented information and answered questions raised throughout the hearing. George Wooding; Patrick Monette-Shaw; Eileen Boken; Calvin Welch; Gabriel Medina; spoke in support of the proposed Charter Amendment.

07/10/16; REFERRED TO DEPARTMENT. Referred to the City Controller for a financial analysis (per Elections Code, Section 305(B)(2) and Rules of Order 2.22.3). Referred to the Planning Department for environmental review.

07/14/16; DUPLICATED. Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Todd Rufo, Director (Office of Economic and Workforce Development); Olson Lee, Director (Mayor's Office of Housing and Community Development); Natasha Mihal (Office of the Controller); Jon Giver, Deputy City Attorney (Office of the City Attorney); presented information and answered questions raised throughout the hearing. Randy Shaw (Tenderloin Housing Clinic); John Orland; spoke in opposition of the proposed Charter Amendment. Silvia Johnson; spoke neither in support nor against the proposed Charter Amendment.

07/14/16; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. See Duplicated File No. 160813.

07/14/16; CONTINUED AS AMENDED.

**NO ACTION TAKEN. CALLED FROM COMMITTEE.**

### **160813 [Charter Amendment - Affordable Housing and Community Development Hearings and Reports]**

**Sponsors: Peskin; Kim**

Charter Amendment (Third Draft) to amend the Charter of the City and County of San Francisco, to require the Office of Economic and Workforce Development (OEWD) and the Mayor's Office of Housing and Community Development (MOHCD) to propose five-year strategic plans for consideration and approval by the Board of Supervisors; to require OEWD and MOHCD to report to the Board of Supervisors regarding their annual work plans at least two times each fiscal year; and to provide that ordinances adopted under the processes set forth in the Charter regarding inclusionary housing requirements and regarding competitive selection for the expenditure of affordable housing funds and for the development of affordable housing on City-owned property under the jurisdiction of MOHCD shall supersede ordinances and rules adopted by the Board of Supervisors or the voters prior to March 1, 2017, at an election to be held on November 8, 2016.

07/14/16; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Duplicated from File No. 160588.

07/14/16; CONTINUED AS AMENDED.

07/14/16; DUPLICATED. Supervisor Mar duplicated File No. 160588 at the July 14, 2016, Rules Committee meeting.

*Heard in Committee. Speakers: None.*

**Member Cohen moved that this Charter Amendment be RECOMMENDED AS A COMMITTEE REPORT to the July 19, 2016, Board of Supervisors meeting. The motion carried by the following vote:**

Ayes: 2 - Tang, Cohen

Absent: 1 - Mar

*Vice Chair Mar was noted present at 12:55 p.m.*

**160698 [Initiative Ordinance - Planning Code - Requiring Conditional Use Authorization for Replacement of Production, Distribution, Repair, Institutional Community, and Arts Activities Uses]**

**Sponsors: Kim; Peskin**

Motion ordering submitted to the voters an Ordinance amending the Planning Code to require Conditional Use authorization for conversion of Production, Distribution, and Repair Use, Institutional Community Use, and Arts Activities Use and replacement space; and affirming the Planning Department's determination under the California Environmental Quality Act, at an election to be held November 8, 2016.

06/14/16; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 7/13/2016.

06/27/16; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review. Referred to the Controller for financial analysis. Referred to the Mayor and Department of Elections for informational purposes.

06/30/16; RESPONSE RECEIVED. Planning Department determined that this Initiative Ordinance is not defined as a project under CEQA guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment. Individual physical projects would require environmental review.

07/14/16; AMENDED. Heard in Committee. Speakers: April Veneracion Ang, Legislative Aide (Office of Supervisor Jane Kim); Josh Switzky (Planning Department); presented information and answered questions raised throughout the hearing. Gabriel Medina (Mission Economic Development Agency); Mari Eliza; Erick Arguello, President (Calle 24); John Orland; Dairo Romero; Skot Kuiper; spoke in support of the proposed Charter Amendment. David Meckel (California College of the Arts); Muhammad Nadhiri (Axis Development Group); Tim Colen (San Francisco Housing Action Coalition); Sarah Karlinsky (SPUR); Adrian Simi; Steve Vettel (Farella Braun and Martel); Jason Wallace; Kate (Manufacturing association); spoke in opposition of the proposed Charter Amendment. Silvia Johnson; spoke neither in support nor against the proposed Charter Amendment.

Supervisor Peskin requested to be added as a cosponsor.

07/14/16; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE.

07/14/16; CONTINUED AS AMENDED.

07/14/16; RESPONSE RECEIVED. Controller's Office provided financial analysis supporting the opinion that should the proposed ordinance be approved by the voters, it would have a minimal impact on the cost of government.

*Heard in Committee. Speakers: April Veneracion Ang, Legislative Aide (Office of Supervisor Jane Kim); Marlena Byrne, Deputy City Attorney, and Jon Givner, Deputy City Attorney (Office of the City Attorney); Sophie Hayward (Mayor's Office of Housing and Community Development); Josh Switzky (Planning Department); presented information and answered questions raised throughout the hearing. Adrian Simi (Carpenters Union Local 22); Kate Sofis, Executive Director (SF Made); spoke in opposition of the proposed Initiative Ordinance. Muhammad Nadhiri; Chloe Angelis (Reuben, Junius and Rose); Theo Oliphant (Axis Development Group); Ace "On the Case" Washington; spoke neither in support nor against the proposed Initiative Ordinance.*

**SERIATIM CONSIDERATION**

*Vice Chair Mar, seconded by Member Cohen, moved that this Initiative Ordinance be AMENDED by clarifying in the replacement standard that if prior use was PDR but a temporary space under different use came in, it does not wipe the slate clean; the next project sponsor would still be held to the replacement standard. The motion carried by the following vote:*

*Ayes: 3 - Tang, Mar, Cohen*

*Vice Chair Mar, seconded by Member Cohen, moved that this Initiative Ordinance be AMENDED by exempting the South Beach Marina project. The motion carried by the following vote:*

*Ayes: 3 - Tang, Mar, Cohen*

Member Cohen moved that this Initiative Ordinance be AMENDED by deleting areas zoned M from the replacement requirement. The motion carried by the following vote:

Ayes: 3 - Tang, Mar, Cohen

Vice Chair Mar, seconded by Member Cohen, moved that this Initiative Ordinance be AMENDED by lowering the replacement obligation to 0.5 from 0.7 and removing the MUG and MUR areas. The motion carried by the following vote:

Ayes: 3 - Tang, Mar, Cohen

Member Cohen moved that this Initiative Ordinance be AMENDED by amending the grandfathering provision to exempt any project for which an environmental evaluation application was submitted prior to June 14, 2016. The motion carried by the following vote:

Ayes: 3 - Tang, Mar, Cohen

Vice Chair Mar, seconded by Member Cohen, moved that this Initiative Ordinance be AMENDED by changing finding (a) to read 'San Francisco is a unique city and its character is made up of the diversity of its people and its businesses.'; inserting additional findings (b) through (j) and re-lettering the previous (b) through (i) as (k) through (t). The motion carried by the following vote:

Ayes: 3 - Tang, Mar, Cohen

Vice Chair Mar moved that this Initiative Ordinance be AMENDED by including the Central SoMa proposed plan area to Sec. 202.8 to read 'The following controls shall apply in the following Eastern Neighborhoods Plans Areas: Mission; Eastern SoMa; Western SoMa; and, if adopted, Central SoMa.' The motion carried by the following vote:

Ayes: 2 - Tang, Mar

Noes: 1 - Cohen

**Chair Tang moved that this Initiative Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, following a seriatim consideration. The motion carried by the following vote:**

Ayes: 3 - Tang, Mar, Cohen

(Economic Impact; No Office of Economic Analysis Report)

**Vice Chair Mar moved that this Initiative Ordinance be CONTINUED AS AMENDED to the July 21, 2016, Rules Committee Special Meeting. The motion carried by the following vote:**

Ayes: 3 - Tang, Mar, Cohen

## ADJOURNMENT

*There being no further business, the Rules Committee adjourned at the hour of 1:48 p.m.*

*N.B. The Minutes of this meeting set forth all actions taken by the Rules Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.*