

1 [Authorizing Expenditures - SoMa Community Stabilization Fund - \$10,000,000]

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3 **Resolution authorizing the Mayor’s Office of Housing and Community Development to**
4 **expend SoMa Community Stabilization Fund dollars in the amount of \$10,000,000 to**
5 **provide acquisition and rehabilitation loans for projects that are eligible under Mayor’s**
6 **Office of Housing and Community Development’s Small Sites Program and are located**
7 **within the boundaries of SoMa.**

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9 WHEREAS, On August 19, 2005, the Board of Supervisors approved Ordinance No.
10 217-05 (the “Ordinance”), which, among other things, established a new Rincon Hill
11 Downtown Residential Mixed Use District; and

12 WHEREAS, The Ordinance added Section 418 to the San Francisco Planning Code,
13 which identifies a need to mitigate the impacts of new development in the Rincon Hill area and
14 establishes two new fees: (1) the Rincon Hill Community Infrastructure Impact Fee, which
15 provides specific improvements, including community open spaces, pedestrian and
16 streetscape improvements and other facilities and services; and (2) a SoMa Community
17 Stabilization Fee, which mitigates impacts on affordable housing, economic and community
18 development and community cohesion in SoMa, as defined in San Francisco Planning Code,
19 Section 401 (the area bounded by Market Street to the north, Embarcadero to the east, King
20 Street to the south, and South Van Ness and Division to the west); and

21 WHEREAS, Both the Rincon Hill Community Infrastructure Impact Fee and the SoMa
22 Community Stabilization Fee are imposed on new residential development within the Rincon
23 Hill Downtown Residential Mixed Use District, as defined in San Francisco Planning Code,
24 Section 827 (the area generally bounded by Folsom Street, the Bay Bridge, the Embarcadero,
25 and Essex Street); and

1 WHEREAS, The Ordinance established two separate funds: (1) a Rincon Hill
2 Community Improvements Fund for the deposit of the Rincon Hill Community Infrastructure
3 Impact Fees collected; and (2) a SoMa Community Stabilization Fund for the deposit of
4 SOMA Community Stabilization Fees collected; and

5 WHEREAS, The money collected from the SoMa Community Stabilization Fee, along
6 with up to \$6,000,000 transferred from the Rincon Hill Community Improvements Impact
7 Fund, is to be deposited in the SoMa Community Stabilization Fund maintained by the
8 Controller, which will be used to address various impacts of destabilization on residents and
9 businesses in SOMA; and

10 WHEREAS, Under the Ordinance, the Board of Supervisors established the SoMa
11 Community Stabilization Fund Community Advisory Committee (SoMa CAC) to advise the
12 Mayor's Office of Community Development (MOCD), now the Mayor's Office of Housing and
13 Community Development (MOHCD), and the Board of Supervisors on the uses of the Fund;
14 and

15 WHEREAS, On May 6, 2008, the Board of Supervisors approved Resolution
16 No. 216-08, creating the SoMa Community Stabilization Fund Strategic Plan and authorized
17 MOHCD to administer the Fund in accordance with the Strategic Plan; and

18 WHEREAS, The Strategic Plan states that an investment objective of the SoMa
19 Community Stabilization Fund is to increase access to perpetually affordable housing
20 opportunities for existing residents of SoMa; and

21 WHEREAS, MOHCD administers an acquisition and rehabilitation loan program, the
22 Small Sites Program, to protect and establish long-term affordable housing in smaller
23 properties throughout San Francisco that are particularly vulnerable to market pressure
24 resulting in property sales, increased evictions and rising tenant rents; and

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1 WHEREAS, The SoMa CAC and MOHCD staff worked collaboratively to identify the
2 need for additional loan funding for projects that are within the boundaries of SOMA and are
3 eligible under the MOHCD's Small Sites Program; and

4 WHEREAS, A copy of the Small Sites Notice of Funding Availability and the Small
5 Sites Program Underwriting Guidelines has been filed with the Clerk of the Board under File
6 No. _____; now, therefore, be it

7 RESOLVED, That the MOHCD is hereby authorized to expend \$10,000,000 from the
8 SoMa Community Stabilization Fund to provide acquisition and rehabilitation loans, all in
9 accordance with the purposes and goals for the funding as generally set forth in the Strategic
10 Plan and the Small Sites Program Guidelines and filed with the Clerk of the Board; and, be it

11 FURTHER RESOLVED, That all projects funded by loans made by MOHCD under this
12 authorization shall meet the requirements of the Small Sites Program Underwriting
13 Guidelines; and

14 FURTHER RESOLVED, The MOHCD shall provide an annual report to the Board of
15 Supervisors stating for each loan: the amount, the receiving entity, and certification that the
16 loan meets the Small Sites Underwriting Guidelines.

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1 Recommended:

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3 Olson Lee, Director, MOHCD

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5 Approved:

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7 Edwin M. Lee, Mayor

Ben Rosenfield, Controller

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