

File 140392

Mayor's Office of Housing and Community Development
City and County of San Francisco

BO 5-11
cpage



Edwin M. Lee
Mayor

Olson Lee
Director

April 24, 2014

Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102

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BOARD OF SUPERVISORS
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Subject: Release of Reserve for Nonprofit Rent Stabilization Services

Dear Ms. Calvillo:

I respectfully request that the reserve in the amount of \$4,515,000 for nonprofit rent stabilization services for FY2013-2014 be released and scheduled to be heard before the Board of Supervisors sitting as a Committee of the Whole on Tuesday, April 29, 2014. This amount was placed on reserve by the Board on March 18, 2014.

On November 15, 2013, the City and County of San Francisco adopted Resolution No. 395-13, which urged the Director of the Mayor's Office of Housing and Community Development to convene a work group to develop a series of recommendations on how the City can address the issue of nonprofit displacement. This recommendation arose in part because of a report issued on October 8, 2013, by the City's Budget & Legislative Analyst's Office, entitled "Review of the Impact of Increasing Rents in San Francisco on Local Nonprofits." Subsequent to the report, on October 9, 2013, the Budget and Finance Committee of the Board also conducted a hearing on the impact of the rapid rise of commercial rents and early termination of leases on non-profit organizations.

Resolution No 395-13 stated that a Working Group be formed and include staff from the Mayor's Office of Housing and Community Development, Mayor's Budget Office, Arts Commission, Office of Economic and Workforce Development, the Human Services Agency, the Department of Public Health, the Department of Children, Youth and their Families, the Department of Real Estate and the Planning department, as well as a broad representation of community stakeholders. On March 28, 2014, the Board of Supervisors recommended placing on reserve appropriated \$4,515,000 of General Fund Reserve Monies to be used for nonprofit rent stabilization services. The usage of these funds was to be guided by the recommendations contained within the Final Report of the Working Group. The Working Group held a series of meetings resulting in the creation of a Final Report on Nonprofit Displacement. The Final Report will be submitted to the Board on April 29, 2014.

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I request that \$2,000,000 be released to the Arts Commission to be used for nonprofit displacement stabilization services for nonprofit arts organizations, and that \$2,515,000 be released to the Mayor's Office of Housing and Community Development for nonprofit displacement stabilization services for all other general nonprofit organizations.

If there are any questions in regards to this request, please feel free to contact me directly at (415) 701-5584 or brian.cheu@sfgov.org.

Sincerely,



Brian Cheu
Director of Community Development
Mayor's Office of Housing and Community Development

cc: Kate Howard
Josh Low
Debra Newman
Tom DeCaigny
Amy Chan
April Veneracion