

1 [Administrative Code - Eastern Neighborhoods Code Cleanup]

2

3 **Ordinance amending the San Francisco Administrative Code Section 10E.2 to: 1) clarify**
4 **the requirements for the Controller's Assessment in order to improve the City's ability**
5 **to implement the goals, objectives, and policies of the Eastern Neighborhoods Plan;**
6 **and 2) making environmental findings.**

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

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

11 Section 1. The Planning Department has determined that the actions contemplated in
12 this Ordinance are in compliance with the California Environmental Quality Act (California
13 Public Resources Code Sections 21000 et seq.) Said determination is on file with the Clerk of
14 the Board of Supervisors in File No. _____ and is incorporated herein by reference.

15 Section 2. The San Francisco Administrative Code is hereby amended by amending
16 Section 10E, to read as follows:

17 **SEC. 10E.2. EASTERN NEIGHBORHOODS AREA PLANS MONITORING PROGRAM.**

18 (a) **FINDINGS.**

19 (1) The Board of Supervisors and the Planning Commission have adopted the Eastern
20 Neighborhoods Area Plans as part of the General Plan of the City and County of San
21 Francisco as further described in Ordinance Nos. 297-08, 298-08, 299-08, copies of which are
22 on file with the Clerk of the Board of Supervisors in File Nos. 081152, 081153, 081154 and
23 are incorporated herein by reference. The Area Plans outline specific goals that cumulatively
24 frame the community's vision for the management of growth and development in the Eastern
25

1 Neighborhoods (East SoMa, Mission, Showplace Square/Potrero Hill, and Central
2 Waterfront).

3 (2) The Eastern Neighborhoods Area Plans introduce innovative policies and land use
4 controls to achieve the Plan goals. Successful realization of the Plan's goals requires a
5 coordinated implementation of land use controls, community and public service delivery, key
6 policies, and community infrastructure improvements.

7 (3) The Eastern Neighborhoods Area Plans also establish general public
8 improvements and amenities needed to meet the needs of both existing residents, as well as
9 those needs generated by new development, and identified these in the Eastern
10 Neighborhoods Needs Assessment. A copy of this document is on file with the Clerk of the
11 Board of Supervisors in File No. 081155 and is incorporated herein by reference.

12 (4) In order to ensure a Citywide commitment to implementation of the Eastern
13 Neighborhoods Area Plans, the implementing agencies identified in each Plan's
14 Implementation Matrix, including the Arts Commission, Department of Building Inspection
15 (DBI), Department of Public Health (DPH), Division of Emergency Services (DEM), Capital
16 Planning Committee, City Administrator's Office, Controller's Office, Department of Public
17 Works (DPW), Human Services Agency (HSA), Mayor's Office on Community Investment
18 (MOCI), Mayor's Office of Education, Mayor's Office of Housing (MOH), Office of Economic
19 and Workforce Development (OEWD), or successor offices, Planning Department, Port of San
20 Francisco, Public Utilities Commission (PUC), Recreation and Park Department (RPD), San
21 Francisco County Transportation Authority (SFCTA), San Francisco Unified School District
22 (SFUSD), San Francisco Municipal Transportation Agency (SFMTA), and other necessary
23 agencies, shall be responsible for making progress towards the Plan's policies and
24 implementation measures; for budgeting revenue towards such implementation where
25 possible; and for cooperating with the Planning Department to report on such progress.

1 (5) In order to ensure a balanced implementation of the Eastern Neighborhoods Area
2 Plans, the Planning Department shall institute a formal monitoring program for the Area Plan
3 policies and implementation measures. This monitoring program shall provide basic statistics
4 on development activity, housing construction, and infrastructure improvements in the Eastern
5 Neighborhoods Plan Areas, and shall evaluate the effectiveness of the Plans' implementation
6 according to growth in the Plan Areas.

7 (6) The purpose of this Monitoring Program shall be to provide rigorous monitoring and
8 review of the effectiveness of the Eastern Neighborhoods Area Plans, to ensure rational
9 growth in these neighborhoods, and to ensure implementation of improvements to accompany
10 this growth. The program shall monitor progress towards the Eastern Neighborhoods Area
11 Plans' objectives and policies, by evaluating advancement according to each Plan's matrix of
12 implementation actions; and measure the balance of growth against needed improvements,
13 according to standards established in the Eastern Neighborhoods Needs Assessment.

14 (b) **REPORTING REQUIREMENTS.**

15 (1) **Report.** By July 1st two years after Plan adoption, and on July 1st every five years
16 thereafter, the Planning Department shall prepare a report detailing development activity,
17 housing construction, and infrastructure improvements in the Eastern Neighborhoods Plan
18 Area. The information shall be presented to the Board of Supervisors, Planning Commission,
19 the Citizens Advisory Committee, and Mayor, and shall also include recommendations for
20 measures deemed appropriate to deal with the impacts of neighborhood growth.

21 (2) **Time Period and Due Date.** Reporting shall be presented by July 1st two years
22 after Plan adoption to address the time period since Plan adoption; and by July 1st during
23 each required year thereafter to address the five calendar years immediately preceding.

24 (3) **Data Source.** The Planning Department shall assemble data for the purpose of
25 providing the reports. City records shall be used wherever possible. Outside sources shall be

1 used when data from such sources are reliable, readily available and necessary in order to
2 supplement City records. When data is not available for the exact boundaries of the Plan
3 Area, a similar geography will be used and noted.

4 (4) **Eastern Neighborhoods Implementation Matrix.** The report shall review
5 progress toward each implementation measure specified in each Plan's Implementation
6 Matrix. Copies of these matrices are on file with the Clerk of the Board of Supervisors in File
7 No. 081155 and are incorporated herein by reference. It shall evaluate the actions of each
8 responsible agency/ies according to the timeline specified in the Implementation Matrix, and
9 recommend amendments to implementation measures where relevant. All departments
10 responsible for implementation measures shall cooperate and furnish information relating to
11 their responsibilities as stated in the matrices.

12 (5) **Development Activity.** The report shall detail all development activity in the Plan
13 Area over the Monitoring Period, including additions and deletions of residential and
14 commercial space, and shall include unit size and bedroom count of units constructed, retail
15 space and employment generated, conversions and other development statistics. The
16 monitoring program shall include the following categories of information:

17 (A) **Office Space.** Amount of office space constructed in preceding years and related
18 employment.

19 (B) **Visitor and Hotel Space.** Amount of hotel rooms constructed in preceding years
20 and related employment.

21 (C) **Retail Space.** Amount of retail space constructed in preceding years and related
22 employment.

23 (D) **Business Formation and Relocation.** An estimate of the rate of the
24 establishment of new businesses and business and employment relocation trends and
25 patterns within the City and the Bay Area.

1 (E) **Housing.** An estimate of the number of housing units newly constructed,
2 demolished, or converted to other uses.

3 (6) **Public Benefit.** The report shall detail the construction of any improvements or
4 infrastructure as described in the Eastern Neighborhoods Public Benefits Program, a copy of
5 which is on file with the Clerk of the Board of Supervisors in File No. 081155 and is
6 incorporated herein by reference. The report shall include the following categories of
7 information:

8 (A) **Inclusionary Housing Program.** A summary of the number and income mix of
9 units constructed or assisted through this program, an analysis of units constructed within
10 each alternative, including new alternatives established for the Eastern Neighborhoods UMU
11 districts.

12 (B) **Jobs/Housing Linkage Program.** A summary of the operation of the
13 Jobs/Housing Linkage Program (formerly the Office Affordable Housing Production Program)
14 and the Housing Affordability Fund, identifying the number and income mix of units
15 constructed or assisted with these monies.

16 (C) **Streetscape, Transportation, and Public Realm.** A detailed description of any
17 transportation serving infrastructure completed in the preceding five years, including transit,
18 pedestrian, bike, traffic and other modes of transportation.

19 (D) **Open Space and Recreational Facilities.** A summary of new parks, trails, public
20 rights-of-way, recreational facilities or activity space completed to serve the purposes of
21 recreation in the preceding five years, as well as any improvements to parks or recreational
22 facilities.

23 (E) **Community fFacilities.** An assessment of the existing service capacity of
24 community services and facilities, and of any new services or facilities joining the
25 neighborhood in the past five years. This shall include a review of child care, library services

1 and any other categories deemed relevant, such as health care centers, human services, and
2 cultural centers.

3 (F) **Neighborhood Serving Businesses.** An assessment of neighborhood serving
4 businesses in the area, including their establishment, displacement, and economic health.

5 (7) **Fees and Revenues.** The report shall monitor expenditure of all implemented fees,
6 including the Eastern Neighborhoods Impact Fee and all Citywide fees, and tax revenue, as
7 listed below. It shall report on studies and implementation strategies for additional fees and
8 programming.

9 (A) **Impact Fee.** A summary of the collected funds from the Eastern Neighborhoods
10 Impact Fee collected from development, and a detailed accounting of its expenditure over that
11 same period.

12 (B) **Fiscal Revenues.** An estimate of the net increment of revenues by type (property
13 tax, business taxes, hotel and sales taxes) from all uses.

14 (C) **Fee Adjustments.**

15 (i) The Planning Department shall review the amount of the Eastern Neighborhoods
16 fee against any increases in construction costs, according to changes published in the
17 Construction Cost Index published by Engineering News Record, or according to another
18 similar cost index should there be improvements to be funded through the Eastern
19 Neighborhoods Impact Fee as listed in the Eastern Neighborhoods Program.

20 (ii) The Planning Department shall review the level of the Eastern Neighborhoods
21 housing requirements and fees to ensure they are not so high as to prevent needed housing
22 or commercial development.

23 (8) **Agency Responsibilities.** All implementing agencies identified in the Eastern
24 Neighborhoods Implementation Matrix shall be responsible for:

1 (A) Reporting to the Planning Department, for incorporation into the Monitoring report,
2 on action undertaken in the previous reporting period to complete the implementation actions
3 under their jurisdiction, as referenced in the Eastern Neighborhoods Implementation Matrix.

4 (B) Providing an analysis of the actions to be completed in the next reporting period,
5 for incorporation into the Monitoring report, including a description of the integrated approach
6 that will be used to complete those tasks.

7 (i) To the extent the Agencies identified in the Implementation Matrix are outside the
8 jurisdiction of this Board, this Board hereby urges such Agencies to participate in this process.

9 (9) **Budget Implications.** In cooperation with the Annual Progress reports required by
10 Administrative Code Chapter 36.4, and prior to the annual budget process, the Board shall
11 receive a presentation by the Interagency Planning and Implementation Committee and its
12 member agencies to describe how each agency's proposed annual budget advances the
13 Plans' objectives, including specific projects called for by this section. The Board of
14 Supervisors shall give particular consideration to proposed agency budgets that meet the
15 implementation responsibilities as assigned by the City's General Plan, including the Eastern
16 Neighborhoods Implementation Matrix. Budget proposals that do not include items to meet
17 these implementation responsibilities shall respond to Board inquiries as to why inclusion was
18 not possible.

19 (c) **EASTERN NEIGHBORHOODS CAPITAL EXPENDITURE EVALUATION.**

20 (1) **Purpose.** The Board of Supervisors and the Planning Commission have adopted
21 the Eastern Neighborhoods Area Plans in part to further the implementation of capital
22 improvements within the neighborhoods affected by new development, as described in the
23 Eastern Neighborhoods Public Benefits Program and incorporated herein by reference. A
24 Capital Expenditure Evaluation, in conjunction with the Plan's Monitoring Programs, will
25

1 provide a means to measure the balance of growth against these needed improvements, and
2 to evaluate the effectiveness of the Plans' implementation as growth occurs.

3 (2) **Controls.**

4 (A) **Reporting ~~R~~Requirements.** By July 1st five years after Plan adoption, and every
5 five years thereafter, the Planning Department shall submit to the Board of Supervisors and
6 the Office of the Controller an Eastern Neighborhoods Capital Expenditure Evaluation Report.
7 The Eastern Neighborhoods Capital Expenditure Evaluation Report shall specifically report
8 the amount of funds collected to date from the Eastern Neighborhoods Impact Fee. The
9 Capital Expenditure Evaluation Report shall also describe how these funds have been
10 allocated or spent for the purpose of developing capital projects as identified in the Eastern
11 Neighborhoods Priority Capital Project list. The Capital Expenditure Evaluation shall
12 specifically report on allocations of funds or expenditures, based on their percentages share
13 of the total fees collected to date, toward the following Eastern Neighborhoods Priority Capital
14 Project development activities: planning, design, environmental review, approval, and
15 implementation. For the purposes of this section, the "Eastern Neighborhoods Priority Capital
16 Project List" shall mean a list of capital projects which are a priority subset of the full Eastern
17 Neighborhoods Public Benefits Program as set forth in the Eastern Neighborhoods
18 Interdepartmental Memorandum of Understanding and amended from time to time by the
19 Planning Commission with advice from the Eastern Neighborhoods Citizens Advisory
20 Committee. A draft copy of said memorandum is on file with the Clerk of the Board of
21 Supervisors in File No. 081446 and is incorporated herein by reference,

22 (B) **Office of Controller Assessment.** Within 60 days of receiving the Eastern
23 Neighborhoods Capital Expenditure Evaluation Report, the Controller shall assess whether
24 funds collected from the Eastern Neighborhoods Impact Fee are being effectively utilized for
25 capital projects included on the Eastern Neighborhoods Priority Capital Project List, and

1 whether such projects are successfully advancing towards implementation. For the purposes
2 of this section, "effectively utilized" shall mean approximately eighty percent of total Eastern
3 Neighborhoods impact fees collected in each Improvement Type category (as identified in Tables
4 423.5 and 423.5A) upon issuance of the Eastern Neighborhoods Capital Expenditure
5 Evaluation Report have been allocated to one or more of the projects identified in the Eastern
6 Neighborhoods Priority Capital Projects list, whether or not such projects have been approved
7 or completed, or that all projects in that Improvement Type category have been funded. On or after
8 the ten-year anniversary of Plan Adoption the Controller shall also consider whether projects
9 that were initially funded by the issuance of the five year report, or any subsequent updated or
10 revised report, have been fully funded and/or completed, assuming sufficient funds are
11 available from the Eastern Neighborhoods impact fees collected to date.

12 (C) **Inclusion in Annual Capital Plan.** Each year the Planning Department shall submit
13 for inclusion into the City and County of San Francisco Proposed Capital Plan for the current
14 fiscal year, in accordance with Sections 3.20 et seq., a schedule of capital improvements to
15 be funded, developed and implemented within the Eastern Neighborhoods, by neighborhood.
16 That schedule shall illustrate costs and revenue streams, total projects costs and the
17 proposed timeline for implementation.

18 (d) **INTEGRATED PDR REPORTING.**

19 (1) The owner of any property subject to an Integrated PDR Notice of Special
20 Restrictions (NSR) recorded pursuant to Planning Code Section 328 is required to ensure that
21 any new tenants or new occupants of any space that is permitted as Integrated PDR contact
22 the Integrated PDR Program of the Office of Economic and Workforce Development (OEWD),
23 or its successor, to register their respective Integrated PDR business with OEWD's Integrated
24 PDR Program Database and that these same businesses continually update OEWD's PDR
25 Program Database on an annual basis.

1 (2) Upon successful registration of a new Integrated PDR business, OEWD will
2 provide each individual Integrated PDR business registrant with a dated receipt
3 acknowledging that the subject Integrated PDR business has newly registered or updated
4 their existing registration with OEWD. This receipt shall be referred to as an "Integrated PDR
5 Registration Record" for purposes of this Section and Planning Code Section 328. If an
6 Integrated PDR business failed to register for an Integrated PDR Registration Record as of
7 December 31st of the subject year, the OEWD is prohibited from issuing a receipt for that
8 year.

9 (3) It is the responsibility of the owner of any property subject to an Integrated PDR
10 NSR recorded pursuant to Planning Code Section~~s~~ 328 to collect and retain copies of any
11 Integrated PDR Registration Records obtained by any tenant or occupant in a property
12 subject to this Section.

13 (4) Property owners who cannot provide sufficient evidence in the form of Integrated
14 PDR Registration Records to demonstrate to the Planning Department that current and former
15 occupants of any Integrated PDR space have satisfied the initial registration and annual
16 reporting requirements outlined in this Section will not be eligible for any waivers or reductions
17 of Outstanding Discount-Program Fees as set forth in Planning Code Section 328.

18 (5) OEWD, or its successor, shall make available summary reports of any and all
19 Integrated PDR business data collected pursuant to this program at the request of the
20 Planning Department staff or the Planning Commission, as necessary for their enforcement of
21 any provisions of the Planning Code or for general information.

22 (6) OEWD, or its successor, shall provide a 5-year summary report on the status of
23 employment of disadvantaged workers, as defined in Planning Code Section 328(b)(2) and
24 the profile of all businesses registered under this program within 6 months of the 5-year
25 anniversary of the adoption of this Section. This summary report shall contain data on the total

1 number and types of businesses occupying Integrated PDR space, as well the total
2 percentage share of the total workforce employed by businesses occupying Integrated PDR
3 space that qualify as disadvantaged workers as of the 5-year anniversary of the effective date
4 of this Section.

5 (e) **EASTERN NEIGHBORHOODS CITIZENS ADVISORY COMMITTEE.**

6 (1) **Establishment and Purpose.** An Eastern Neighborhoods Citizens Advisory
7 Committee (CAC) is hereby established. Within 6 months of adoption of the Eastern
8 Neighborhoods Area Plan and related Planning Code changes, the Mayor and the Board of
9 Supervisors shall have appointed all members to the CAC. The CAC shall be the central
10 community advisory body charged with providing input to City agencies and decision makers
11 with regard to all activities related to implementation of the Eastern Neighborhoods Area
12 Plans. The CAC is established for the purposes of providing input on the prioritization of
13 Public Benefits, updating the Public Benefits program, relaying information to community
14 members in each of the four neighborhoods regarding the status of development proposals in
15 the Eastern Neighborhoods, and providing input to Plan Area monitoring efforts as
16 appropriate. The CAC shall be advisory, as appropriate, to the Planning Department, the
17 Interagency Planning & Implementation Committee (IPIC), the Planning Commission and the
18 Board of Supervisors. The CAC may perform the following functions as needed:

19 (A) Collaborate with the Planning Department and the Interagency Plan
20 Implementation Committee on prioritizing the community improvement projects and identifying
21 implementation details as part of annual expenditure program that is adopted by the Board of
22 Supervisors;

23 (B) Provide an advisory role in a report-back process from the Planning Department on
24 enforcement of individual projects' compliance with the Area Plans standards and on specific
25

1 conditions of project approvals so that those agreements will be more effectively
2 implemented;

3 (C) Collaborate with the Planning Department and relevant city agencies in the
4 monitoring of the Plans' implementation program at approximately every fifth year, in
5 coordination with the Monitoring Program required by the Administrative Code Section 10.E;
6 and provide input to Plan Area monitoring efforts for required time-series reporting.

7 **(2) Representation and Appointments.**

8 (A) The CAC shall consist 19 members representing the diversity of the Eastern
9 Neighborhoods; key stakeholders, including resident renters, resident homeowners, low-
10 income residents, local merchants, established neighborhood groups within the Plan Area;
11 and other groups identified through refinement of the CAC process. The 19 members of the
12 CAC shall be comprised of 15 voting members and 4 non-voting members as set forth below.

13 (B) All members shall live, work, own property or own a business in the Eastern
14 Neighborhoods Plan Area they are appointed to represent. For purposes of this Subsection,
15 the Eastern Neighborhoods Plan Area also shall include the Western SoMa Planning Area
16 Special Use District as set forth in Planning Code Section 823.

17 (C) The Board of Supervisors shall appoint a total of nine members to the CAC, with
18 two members representing each of the four Eastern Neighborhoods Plan Areas. Based on this
19 representational requirement and the Supervisorial District boundaries, the District 10
20 Supervisor shall nominate 4 four CAC members, the District 6 and District 9 Supervisors shall
21 nominate two CAC members, and the District 8 Supervisor shall nominate one CAC member.
22 The appointment of each of the Board's CAC nominees shall be confirmed by the full Board of
23 Supervisors.

1 (D) The Mayor shall appoint a total of six members, with one voting member
2 representing each of the four neighborhoods, and two voting at-large members. In addition,
3 the Mayor shall appoint two non-voting at-large members.

4 (E) The Western SoMa Planning Area Task Force shall appoint two non-voting
5 members representing the Western SoMa Planning Area Special Use District. Should the
6 Task Force be terminated or otherwise stop meeting for a period of 6 months or more, the
7 Board President shall appoint the members representing the Western SoMa Planning Area
8 Special Use District. In either case, these CAC members shall be confirmed by the full Board
9 of Supervisors.

10 (F) Members shall serve for two-year terms, but those terms shall be staggered such
11 that, of the initial membership, some members will be randomly selected to serve four year
12 terms and some will serve two year terms.

13 (G) At the first official meeting of the CAC, which shall not occur until at least 13 voting
14 members of the CAC have been appointed by the respective appointment process, a lottery
15 shall be conducted in order to randomly select four Board of Supervisors appointees and two
16 Mayoral appointees to serve four-year terms. At a subsequent meeting, when the final two
17 voting members of the CAC have been appointed by the respective appointment process, a
18 lottery shall be conducted in order to randomly select which member shall serve a four-year
19 term. At a subsequent meeting, when the four non-voting members of the CAC have been
20 appointed by the respective appointment process, a lottery shall be conducted in order to
21 randomly select one Western SoMa Planning Area Special Use District member and one
22 Mayoral appointee to serve a four-year term. The terms of the final two voting members and
23 all non-voting members shall be deemed to start on the date of the first official meeting of the
24 CAC.

25

1 (H) The Board of Supervisors, Mayor, or Western SoMa Planning Area Task Force
2 may renew a member's term by repeating the respective appointment process.

3 (I) If the Board of Supervisors approves legislation to establish an area-specific impact
4 fee for all or a portion of the Western SoMa Planning Area Special Use District and the fee is
5 integrated into the Eastern Neighborhoods Impact Fee, the four non-voting members of the
6 CAC shall automatically become voting members on the effective date of said legislation.

7 (3) **Committees or Working Groups of the CAC:** According to procedures set forth
8 in bylaws adopted by the CAC, the CAC may, at its discretion create subcommittees or
9 working groups based around geographic areas or functional issues. Each of these
10 subcommittees or working groups shall contain at least one CAC member who is eligible to
11 vote, but may also be comprised of individuals who are not members of the CAC. If a non-
12 voting member of the CAC serves on a subcommittee or working group that individual may act
13 as a voting member of the subcommittee or working group.

14 (4) **Staffing for Eastern Neighborhoods Citizens Advisory Committee:** The
15 Planning Department or Interagency Plan Implementation Committee shall designate
16 necessary staffing from relevant agencies to the CAC, as needed to complete the
17 responsibilities and functions of the CAC described in this code. To the extent permitted by
18 law, staffing and administrative costs for the CAC shall be funded through the Eastern
19 Neighborhoods Public Benefits Fund. Staff shall participate in the Interagency Planning and
20 Implementation Committee as set forth in Administrative Code Section 36.

21 (5) The Eastern Neighborhoods CAC will automatically terminate on December 31,
22 2020, unless the Board of Supervisors extends the CAC's term by Ordinance.

1 Section 3. Effective Date. This ordinance shall become effective 30 days from the
2 date of passage.

3
4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA, City Attorney

6 By: _____
7 JUDITH A. BOYAJIAN
8 Deputy City Attorney