

1 [Surplus City Property.]

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3 **Ordinance amending the San Francisco Administrative Code by amending Sections**
4 **23A.4, 23A.6, 23A.7, 23A.8, 23A.10, and 23A.11, and adding Section 23A.9, to specify**
5 **procedures for identification of surplus City real property, assessment of the use of**
6 **such property for housing for the homeless, and approvals for disposition and**
7 **development of appropriate surplus real property and to establish a Citizens' Advisory**
8 **Committee.**

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10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough normal~~.

12

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

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15 Section 1. The San Francisco Administrative Code is hereby amended by amending
16 Section 23A.4, to read as follows:

17 **SEC. 23A.4. DEFINITIONS.**

18 For purposes of this section:

19 (a) "Administrator" shall mean the City Administrator as set forth in Section 3.104 of
20 the City's Charter.

21 (b) "Citizens' Advisory Committee" shall mean the group of citizens appointed pursuant to
22 Section 23A.9.

23 (c) "Enterprise Departments" shall mean the following City departments: the Port, the
24 Airport, the Public Utilities Commission, the Municipal Transportation Agency, the Recreation and
25 Parks Commission and the Fine Arts Museums Board of Trustees.

1 (d) “Executive Director” shall mean the Executive Director of the Mayor’s Office of Housing.

2 (e) ~~(b)~~ “Homeless” shall mean:

3 1. An individual or family who lacks a fixed, regular and adequate nighttime
4 residence; or

5 2. An individual or family who has a primary nighttime residence that is:

6 A. A supervised publicly or privately operated shelter designed to provide
7 temporary living accommodations; or

8 B. An institution that provides a temporary residence for individuals who
9 have been institutionalized; or

10 C. A public or private place not designed for, or ordinarily used as, a
11 regular sleeping accommodation for human beings.

12 (f) ~~(e)~~ “Property” shall mean any real property owned by the City and County of San
13 Francisco, excluding land and buildings reserved for open space or parks purposes, or any
14 land dedicated for public right-of-way purposes~~roads~~, or any land used or reserved for transit lines,
15 or public utility rights-of-way, or any publicly dedicated streets or rights-of-way. “Property”
16 shall not include any real property owned by or on behalf of the San Francisco Unified School District.

17 (g) ~~(d)~~ “Surplus Property” shall mean any Property that is not required to fulfill the
18 mission of the City department, commission or agency with jurisdiction or control of such
19 Property or that ~~would not~~ is not required to fulfill the mission of another governmental agency
20 pursuant to an inter-governmental transfer;

21 (h) ~~(e)~~ “Underutilized Property” shall mean an entire Property or portion thereof, with or
22 without improvements, that is used by the City only at irregular periods of time or
23 intermittently, or that is used by the City for current purposes that can be satisfied with only a
24 portion of such Property, or that is not currently occupied or used by the City and for which
25 there are no plans by the City to occupy or use such Property within the next fiscal year.

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Section 2. The San Francisco Administrative Code is hereby amended by amending Section 23A.6, to read as follows:

SEC. 23A.6. COMPILATION OF INFORMATION BY ADMINISTRATOR.

By June 1st of each year, the The Administrator shall review the list of Property submitted by City departments pursuant to ~~compile the information described in~~ Section 23A.5 above and shall strike from this initial list any Property that is under the jurisdiction of the Recreation and Park Department, is part of the public right-of-way, or is subject to deed restrictions or other legal restrictions that would prevent the City from disposing of such Property pursuant to this Chapter. The Administrator shall further consult with other City Departments, Mayor, members of the Board of Supervisors and the Citizens' Advisory Committee to identify any Property listed on the initial list for which a City Department other than the Department with current jurisdiction has a specific operational need and shall remove such Properties from the Surplus Property Report. The Administrator shall thereafter initiate the transfer of jurisdiction over those identified Properties to the Departments that can utilize them. The Administrator shall state in writing the reasons for the removal of each Property from the initial list and shall provide such report to the Mayor's Office of Housing, the Board of Supervisors, and the Citizens Advisory Committee. By June 1st of each year, the Administrator shall compile a comprehensive report for the remaining Property listed that includes, at a minimum, the following information: ~~including~~ the street address, if any, and the block and lot number for each Property; the City Department with jurisdiction over each Property; a description of the zoning applicable to and surrounding such Properties; a plat map for each Property; the area in square footage for each Property; a description of the surrounding properties and neighborhood; any limitations on the development of the Property; and pictures of the Property (the "Surplus Property Report"). The Surplus Property Report shall also include a list of any and all City-owned properties that are adjacent to each listed Property and appear to be vacant or underutilized, along with the

1 identification of the City Department with jurisdiction over such adjacent property. No later than June
2 30th of each year, the Administrator shall transmit the completed Surplus Property Report to the
3 Mayor's Office of Housing and to ~~and transmit the Surplus Property Report to~~ the Board of
4 Supervisors. The Administrator shall maintain and release written records of all information
5 compiled under this Chapter in conformance with all state and local laws governing the
6 retention and disclosure of public records.

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8 Section 3. The San Francisco Administrative Code is hereby amended by amending
9 Section 23A.7, to read as follows:

10 **SEC. 23A.7. TRANSFER OF JURISDICTION OVER SURPLUS PROPERTIES TO THE**
11 **MAYOR'S OFFICE OF HOUSING PUBLICATION OF SURPLUS PROPERTIES LIST.**

12 ~~By June 15th of each year, the Administrator shall publish the then current Surplus Property~~
13 ~~Report on the City's web site. Additionally, the Administrator shall transmit notice of the availability~~
14 ~~of the Surplus Property Report and the applications described in Section 23A.8 below to those private~~
15 ~~and public agencies that serve the Homeless. The Administrator shall maintain a public information~~
16 ~~telephone number to provide the public with specific information about properties on the Surplus~~
17 ~~Property Report and the application process described below. By July 15th of each year, the~~
18 ~~Administrator, working with the Executive Director and City Attorney's Office, shall submit to the~~
19 ~~Mayor and Board of Supervisors legislation transferring jurisdiction over the Properties, save and~~
20 ~~except for those Properties that are under the jurisdiction of Enterprise Departments, on the Surplus~~
21 ~~Property Report completed in accord with Section 23A.6 above to the Mayor's Office of Housing~~
22 ~~("MOH") for the purpose of MOH's assessment of each Surplus Property for development as~~
23 ~~affordable housing consistent with this Chapter.~~

24 For those Properties transferred to MOH that MOH does not deem suitable for such
25 development, the Executive Director shall notify the Administrator, who shall prepare and submit to the

1 Mayor and Board of Supervisors legislation transferring jurisdiction over such Properties from MOH
2 to either the City's Real Estate Division or to another City Department, as determined by the
3 Administrator. It shall be City policy to encourage the sale of such Surplus Property in accordance
4 with the requirements of Administrative Code Section 23.3 and other applicable laws and to designate
5 use of the net proceeds of such sales for the purpose of financing affordable housing in San Francisco.

6 For those Surplus Properties MOH deems suitable for such development, the Executive
7 Director shall publicize the availability of the Surplus Properties and seek applications for
8 development of the Properties as described further in Section 23.A8 below. The Executive Director
9 also shall take all steps necessary to comply with the State Surplus Property Statute. With respect to
10 Surplus Property under the jurisdiction of Enterprise Departments, the Board of Supervisors may, by
11 separate legislation, urge the Commissions or Boards of such Enterprise Departments to consider
12 approving a transfer of jurisdiction over the Properties to MOH for uses consistent with this Chapter.
13 In the event any Commissions or Boards of Enterprise Departments take such action, the Administrator
14 shall then prepare and submit to the Mayor and Board of Supervisors the appropriate legislation to
15 transfer jurisdiction over that Enterprise Department's Surplus Property.

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17 Section 4. The San Francisco Administrative Code is hereby amended by amending
18 Section 23A.8, to read as follows:

19 **SEC. 23.A8. ~~Application for~~ DEVELOPMENT OF PROPERTY.**

20 (a) The Executive Director shall solicit applications from A non-profit agencies serving the
21 Homeless ~~may submit an application~~ to lease or acquire Property that is listed as Surplus or
22 Underutilized in any Surplus Property Report for use to assist the Homeless in accordance with
23 the priorities set forth below in Section 23A.10(i) and (ii). The ~~application form shall be developed by~~
24 ~~the Administrator~~ Executive Director shall require that all applications. ~~Such application form shall~~
25 ~~require the applicant to~~ describe in detail (i) the type of conveyance the applicant seeks (i.e., a

1 lease for a specific term or transfer of fee title) and the ~~compensation~~legal consideration, if any,
2 the applicant proposes to pay for such conveyance, (ii) the intended use of the Property,
3 including how it relates to the priorities of uses set forth in Section 23A.10 below; (iii) a
4 specific plan and schedule for the development or improvement of the Property, including
5 compliance with all applicable federal, state and local laws, including, without limitation, laws
6 regarding disabled access, health, building and safety codes, and environmental compliance
7 with the California Environmental Quality Act ("CEQA"), California Public Resources Code
8 Sections 21000 et. seq., and San Francisco Administrative Code Chapter 31; and (iv) a plan
9 to secure adequate financial resources to develop, improve, insure, manage and maintain the
10 Property. The ~~Administrator~~ Executive Director ~~must provide in each application packet sent to~~
11 ~~interested persons~~ shall make available to all interested non-profit agencies contact information: (a)
12 identifying any independent organizations working on behalf of homeless people that can
13 assist homeless service providers in resolving any problems that may arise in the application
14 processes; and (b) City staff persons who are available to assist in the application process.
15 ~~An applicant must submit a written notice of intent to apply to the Administrator by July 15th of each~~
16 ~~year and a complete application to the Administrator by September 15th.~~ The Executive Director
17 shall require submission of applications by September 30th of each year, but ~~The Administrator~~ may,
18 in its sole discretion, grant extensions of the deadline ~~for submitting a completed application~~,
19 provided in no event shall such extensions exceed thirty (30) days.

20 (b) Upon receipt of all applications for development of housing or other on-site services for the
21 Homeless, the Executive Director shall work with the City Attorney's Office to prepare legislation
22 containing the Executive Director's recommendations as to the terms of disposition and development of
23 each Surplus Property for submission for the Board of Supervisor's approval in accord with the
24 policies and procedures set forth in this Chapter. The Clerk of the Board of Supervisors shall calendar
25 a hearing before a committee of the Board of Supervisors no later than January 30 of each year to

1 review the status of applications and the recommendations of the Surplus Property Citizens' Advisory
2 Committee made pursuant to Section 23A.9(c) below.

3 (c) In the event the Executive Director does not receive any acceptable applications for certain
4 of the Surplus Properties for development of housing or other on-site services for the Homeless, then
5 the Executive Director may solicit applications from developers for the development of affordable
6 housing other than solely housing for the Homeless, provided that the Executive Director first obtains
7 the agreement of the Surplus Property Citizens' Advisory Committee that such solicitation of
8 applications is warranted. The Executive Director shall require that any proposed affordable housing
9 development under this subsection (c) shall serve persons earning no more than 60% of the Area
10 Median Income for the San Francisco PMSA and, in preparing recommendations as to the applications
11 received, shall give priority to projects that include the highest percentage of extremely low-income
12 persons.

13 (d) Upon receipt of all applications for development of affordable housing, the Executive
14 Director shall work with the City Attorney's Office to prepare legislation containing the Executive
15 Director's recommendations as to the terms of disposition and development of each Surplus Property
16 for submission for the Board of Supervisor's approval in accord with the policies and procedures set
17 forth in this Chapter.

18 (e) If, after solicitation of applications pursuant to both subsections (a) and (c), the Executive
19 Director determines that further efforts to solicit applications would likely be futile, the Executive
20 Director shall notify the Administrator, who shall prepare and submit to the Mayor and Board of
21 Supervisors legislation transferring jurisdiction over such Properties from MOH to either the City's
22 Real Estate Division or to another City Department, as determined by the Administrator. It shall be
23 City policy to encourage the sale of such Surplus Property in accordance with the requirements of
24 Administrative Code Section 23.3 and other applicable laws and to designate use of the net proceeds of
25 such sales for the purpose of financing affordable housing in San Francisco.

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Section 5. The San Francisco Administrative Code is hereby amended by adding Section 23A.9, to read as follows:

Sec. 23.A9. SURPLUS PROPERTY CITIZENS' ADVISORY COMMITTEE.

(a) There shall be a Surplus Property Citizens' Advisory Committee composed of 9 members appointed by the Board of Supervisors as follows:

(1) One member with expertise in the area of developing permanent housing for Homeless people and those at-risk of homelessness.

(2) One member with experience in providing supportive services to help individuals and families exit homelessness.

(3) One member who holds a Real Estate and or/ Broker's license.

(4) One member who is currently or formerly homeless.

(5) One member who is currently or formerly homeless with their family or is an advocate or service provider for homeless families.

(6) One member who is a member of a union.

(7) One member who has expertise with disability community issues.

(8) One member who is a homeless senior citizen or is an advocate or service provider for homeless senior citizens.

(9) One representative from the Mayor's Office of Housing.

(b) The Board shall attempt through its appointments to ensure the broadest possible representation from the different geographic areas of the City and County of San Francisco.

(c) The Surplus Property Citizens' Advisory Committee shall comply with all applicable public records and meetings laws and shall be subject to the Conflict of Interest provisions of the City's Charter and Administrative Code. The Surplus Property Citizens' Advisory Committee shall review each Surplus Property Report and any applications for such Surplus or Underutilized Property

1 submitted to the Executive Director under Section 23A.8 above. Based on such review and testimony
2 from such public hearings as the Surplus Property Citizens' Advisory Committee may hold, by
3 December 15th of each year, the Surplus Property Citizens' Advisory Committee shall make written
4 recommendations to the Board of Supervisors as to (i) Property that was not listed by the City as
5 Surplus or Underutilized Property, but which should be so listed in the next year's Surplus Property
6 Report, (ii) which Property included in that year's Surplus Property Report as Surplus or Underutilized
7 Property is suitable for disposition for the purpose of directly assisting people who are homeless, (iii)
8 which applications for use of such Surplus or Underutilized Property should be granted, and (vi) which
9 Property should be disposed of for other uses, but the proceeds of which should be used in accord with
10 the policy set forth in Section 23A.10 below.

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12 Section 6. The San Francisco Administrative Code is hereby amended by amending
13 Section 23A.10, to read as follows:

14 **SEC. 23A.10. BOARD OF SUPERVISORS REVIEW AND CRITERIA.**

15 The Board of Supervisors shall be guided by the following policy regarding the
16 disposition of Surplus and Underutilized Property, which policy shall be the official policy of
17 the City; ~~until the Board of Supervisors adopts a new policy by ordinance or July 1, 2004, whichever is~~
18 ~~sooner.~~

19 Subject to any disposition priority required by State law and other limitations expressly
20 set forth herein, Surplus and Underutilized Property shall be used in the following order of
21 priority:

22 (i) First, for the development of affordable housing for people who are
23 Homeless and persons earning less than 20% of the Area Median Income for the San
24 Francisco PMSA as established by the United States Department of Housing and
25 Urban Development and reported by the Mayor's Office of Housing. Provided that:

1 1. The housing shall remain affordable for the useful life of the Property;
2 2. ~~Tenants' rents~~ Housing costs in such housing shall not exceed ~~33~~30% of
3 the ~~tenant~~resident's income;

4 3. Projects in which people who are Homeless rehabilitate and renovate
5 property in exchange for their tenancy or "sweat equity" in the property shall be
6 encouraged.

7 (ii) Second, for other on-site services for people who are Homeless or for non-
8 profit agencies serving people who are Homeless-, including not limited to job training,
9 senior services, healthcare and childcare for people who are homeless.

10 (iii) Third, for the development of affordable housing for persons earning no more than
11 60% of the Area Median Income for the San Francisco PMSA as established by the United
12 States Department of Housing and Urban Development and reported by the Mayor's Office of
13 Housing, provided that the housing shall remain affordable for the useful life of the Property.
14 When the Executive Director determines Surplus Property is unsuitable for the uses described
15 in subsections (i), (ii) and (iii) above because it is unsafe, inconveniently located or located in an area
16 inappropriate for housing, or otherwise cannot not meet the purposes of this Chapter, or when the
17 Executive Director receives no acceptable applications pursuant to Section 23A.8, it shall be City
18 policy to encourage the sale of such Surplus Property in accordance with the requirements of
19 Administrative Code Section 23.3 and other applicable laws and to designate use of the net proceeds of
20 such sales and/or leases for the purpose of financing affordable housing in San Francisco that meets
21 the criteria set forth in subsection (i) above.

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23 Section 7. The San Francisco Administrative Code is hereby amended by amending
24 Section 23A.11, to read as follows:
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1 **SEC. 23A.11. DISPOSITION AND UTILIZATION OF SURPLUS, UNDERUTILIZED AND**
2 **UNUTILIZED PROPERTY.**

3 (a) Subject to (i) the terms and conditions of any gift, trust, deed restriction, bond
4 covenant or other covenants or restrictions, mortgage, deed of trust, lease, license, use
5 agreement or other agreement applicable to such Property, (ii) state or federal laws related to
6 the disposition of surplus City Property, including, without limitation, California Government
7 Code Section 54220 et. seq., and (iii) the jurisdictional authority over City Property granted to
8 certain Commissions under the City's Charter, including, without limitation, as set forth in
9 Charter Sections 4.112, 4.113, 4.114, 4.115, 5.101, 8A.102, the Board of Supervisors may by
10 resolution approve the dispositions recommended by the Executive Director in accordance with this
11 Chapter or direct the ~~Administrator~~ Executive Director (in cooperation with the City Attorney) to
12 prepare documents regarding the conveyance of specific Surplus or Underutilized Property in
13 a manner other than as recommended by the Executive Director, prepare other documents related
14 to potential discretionary acts of City related to a change in use or development of such
15 Property, and present such documents to the Board of Supervisors and other City
16 departments or Commissions with jurisdiction over such Property for their approval.

17 (b) Any final declaration that Property is Surplus or Underutilized and any final
18 conveyance of Property under this Chapter shall be in accordance with and subject to all
19 applicable laws, including (i) the terms and conditions of any gift, trust, deed restriction, bond
20 covenant or other covenants or restrictions, mortgage, deed of trust, lease, license, use
21 agreement or other agreement applicable to such Property, (ii) state or federal laws related to
22 the disposition of surplus City Property, including, without limitation, Government Code
23 Section 54220 et. seq., (iii) the jurisdictional authority over City Property granted to certain
24 Commissions under the City's Charter, including, without limitation, as set forth in Charter
25 Sections 4.112, 4.113, 4.114, 4.115, 5.101, 8A.102, and (iv) the requirements set forth in

1 Administrative Code Sec. 23.3 of further Board of Supervisors approval by resolution or
2 ordinance of final transaction documents after the completion of all required environmental
3 review under CEQA. Any such duly approved conveyance may be at no cost or less than fair
4 market value.

5 (c) Any conveyance of Property at less than fair market value or for homeless uses
6 under this section shall include covenants that require that the Property be used in
7 conformance with this Chapter and prohibits any ~~purchaser~~ developer of Property from
8 reselling, transferring or subleasing Property at a profit, or such other “anti-speculation”
9 requirements as the Executive Director ~~of the Mayor’s Office of Housing~~ may approve. In the
10 case of home ownership development, the limited equity is subject to the Property remaining available
11 to the Homeless population in the calculation of any resale price.

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13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

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17 By: _____
18 AMY BROWN
19 Deputy City Attorney

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