

1 [Administrative Code - Affordable Housing Production and Preservation Fund]

2
3 **Ordinance amending the Administrative Code to establish the Affordable Housing**
4 **Production and Preservation Fund to receive appropriated excess Education Revenue**
5 **Augmentation Fund revenues received by the City, for the purpose of funding land**
6 **acquisition and production of new 100% affordable housing projects; and acquisition**
7 **and preservation of existing housing to make that housing permanently affordable.**

8
9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.
11 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
12 **Board amendment additions** are in double-underlined Arial font.
13 **Board amendment deletions** are in ~~strikethrough Arial font~~.
14 **Asterisks (* * * *)** indicate the omission of unchanged Code
15 subsections or parts of tables.

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

17 Section 1. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
18 adding Section 10.100-11, to read as follows:

19 **SEC. 10.100-11. AFFORDABLE HOUSING PRODUCTION AND PRESERVATION FUND.**

20 **(a) Establishment of Fund.** *The Affordable Housing Production and Preservation Fund*
21 *("the Fund") is hereby established as a category four fund to receive monies appropriated from excess*
22 *Education Revenue Augmentation Fund ("Excess ERAF") revenues received by the City.*

23 **(b) Intent to Appropriate Excess ERAF Funds.** *It is the intent of the Board of*
24 *Supervisors to appropriate 50% of all such projected Excess ERAF revenue to the Fund in each*
25 *fiscal year beginning in FY2019-2020, and to appropriate the remaining 50% of such revenue for*
general one-time or ongoing uses, subject to the fiscal and budgetary provisions of the Charter.

1 Further, it is the intent of the Board of Supervisors to appropriate at least 50% of all projected
2 Excess ERAF revenues in each fiscal year to one-time uses and up to 50% for ongoing uses.
3 The Board intends to make such appropriations on an annual basis, appropriating in each
4 year's Annual Appropriations Ordinance the projected Excess ERAF revenues that the City
5 receives in that fiscal year.

6 (b) Administration and Use of Funds. The Mayor's Office of Housing and Community
7 Development ("MOHCD") shall administer the Fund, and may consult with the City Administrator, the
8 Board of Supervisors, and other City bodies and departments on potential uses of monies in the Fund
9 to strive for a geographic balance of investments. Monies in the Fund shall only be used for the
10 purposes of (1) funding land acquisition and production of new 100% affordable housing projects, and
11 (2) acquisition and preservation of existing housing with the goal of making such housing permanently
12 affordable, including but not limited to acquisition of housing through the City's Small Sites Program.
13 ~~Half of the monies appropriated to the Fund in any fiscal year shall be used for each of these~~
14 ~~purposes, such that 50%~~ In each fiscal year, up to 60% of the monies appropriated to the Fund in
15 the fiscal year shall be used for purpose (1), and 50% at least 40% of the monies appropriated to the
16 Fund in the fiscal year shall be used for purpose (2).

17 (d) By no later than May 1, 2021 and every two years thereafter, MOHCD shall
18 submit to the Board of Supervisors and the Mayor a report evaluating the uses of monies in
19 the Fund. In preparing the report, MOHCD shall rely on data from the Housing Balance
20 Report required under Planning Code Section 103, as well as any other information MOHCD
21 determines are relevant. MOHCD's report shall include, at a minimum, information regarding
22 the number of new affordable units built using monies from the Fund, the number of units
23 preserved as permanently affordable using monies from the Fund, the geographic balance of
24 investments from the Fund, any unspent monies in the Fund, an analysis of funding gaps and
25

1 ongoing needs for affordable housing, and potential recommendations to alter the target
2 funding allocations in order to meet these needs.

3 Section 2. Effective Date. This ordinance shall become effective 30 days after
4 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
5 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
6 of Supervisors overrides the Mayor's veto of the ordinance.

7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10
11 By: _____
12 JON GIVNER
Deputy City Attorney

13 n:\legana\as2019\1900525\01362939.docx