

FILE NO. 001809

ORDINANCE NO. 283-00

[Ordinance to provide funds for rent subsidies, displacement assistance, capital improvement and real property acquisition for nonprofit organizations.]

ORDINANCE APPROPRIATING \$3,000,000 FROM THE GENERAL FUND RESERVE TO FUND A GRANT PROGRAM IN THE AMOUNT OF \$500,000 FOR RENT SUBSIDIES TO NONPROFIT SERVICE AND ADVOCACY ORGANIZATIONS AT RISK OF BEING EVICTED OR DISPLACED BY RENT INCREASES, AND APPROPRIATING \$2,500,000 TO FUND CAPITAL IMPROVEMENTS AND REAL PROPERTY ACQUISITIONS BY NONPROFIT ORGANIZATIONS, THROUGH THE MAYOR'S OFFICE OF COMMUNITY DEVELOPMENT, FOR FISCAL YEAR 2000-2001.

Note: Additions are *italic; Times New Roman*; deletions are ~~*strikethrough italic; Times New Roman*~~. Board amendment additions are double underlined. Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. Funds are hereby appropriated for FY 2000-01 as follows:

<u>Department and Number</u>	<u>Source of Funds and Purpose of Appropriation</u>	<u>Debit</u>	<u>Amount</u>	<u>Credit</u>
<u>Fund</u>	<u>Department</u>	<u>Program</u>		
1G-AGF-AAA	GEN-01	FCZ		
General Fund	General City Responsibility	General City Responsibility		
<u>Funding Sources</u>				
097-097GR	General Fund Reserve	\$3,000,000		
(*CON1GAGFAAA)				

Funding Uses

1 1G-AGF-AAA Mayor's Office of Community FEA
2 General Fund Development City Administration

Department and Number

Source of Funds and Purpose of Appropriation

Amount
Debit **Credit**

3
4
5 021-03800 City Grant Programs-Budget \$500,000
6 (xxxxxxxxxxx)

7 095-0951G Intrafund Transfer Out to \$2,500,000
8 (xxxxxxxxxxx) 1G-AGF-ACP, General Fund
9 Continuing Project

10 Total 1G-AGF-AAA \$3,000,000 \$3,000,000

Fund

Department

Program

11
12 1G-AGF-ACP MYR FAB
13 General Fund- Mayor's Office Community Development
14 Continuing Project

Funding Uses

Project

15
16 xxxxxx Nonprofit Space Acquisition/Development
17 950-9501G Intrafund Transfer In from \$2,500,000
18 (xxxxxxxxxxx) General Fund

19 021-03500 Other Current Expenses \$2,500,000
20 (xxxxxxxxxxx)

21 Total 1G-AGF-ACP \$2,500,000 \$2,500,000

1 Section 2. *Rent and Displacement Assistance Emergency Fund. The \$500,000*
2 *appropriation for rent subsidies and displacement assistance shall be expended by the Mayor's Office*
3 *of Community Development as follows:*

4 1. *Eligible Organizations. In order to be eligible to receive an emergency grant for rent*
5 *subsidy or displacement assistance, an organization must meet all of the following criteria:*

6 a. *Must be a nonprofit organization that is (i) currently incorporated and in good standing*
7 *as a Section 501(c)(3) corporation pursuant to the federal tax laws or (ii) a fiscally sponsored project*
8 *of a tax-exempt corporation that is operating for purposes consistent with Section 501(c)(3) status.*
9 *Any 501(c)(3) or fiscally-sponsored organization that provides benefits to the public or advocacy for*
10 *charitable causes may be eligible for funding, with the exception of organizations that support, create*
11 *or perform an arts-related function;*

12 b. *Must be able to demonstrate financial accountability by submitting the organization's*
13 *Form 990 for the most recent tax year, a year-end financial report corresponding to the Form 990, and*
14 *an operating budget for the current fiscal year.*

15 c. *Must be able to demonstrate a recent history of financial stability as reflected by an*
16 *absence of unplanned operating deficit of significance, a positive fund balance, or a meaningful cash*
17 *reserve. The financial impact of a recent rent increase shall not be considered as a negative factor*
18 *with respect to the organization's history of financial stability.*

19 d. *Must have been in existence in San Francisco for at least two years prior to the filing of*
20 *an application for rent or displacement assistance.*

21 e. *Must substantially serve, either directly or indirectly, the citizens of the City and County*
22 *of San Francisco.*

23 2. *Limits on Emergency Grant Funds.*

24 a. *An organization must demonstrate financial need for assistance as a result of a recent or*
25 *upcoming eviction or significant increase in rent.*

1 b. An organization may receive rent assistance funds pursuant to this legislation only for
2 the portion of rent that represents an increase over the prior year's rent.

3 c. An organization may not receive assistance from this emergency fund that totals more
4 than \$30,000.

5 d. An organization may apply for assistance from the emergency fund one time only.

6 e. City funding pursuant to this legislation must be expended on rent for leaseholds within
7 San Francisco and for displacement assistance only if the grantee will remain in San Francisco.

8 3. Administration and Selection Process.

9 a. The Mayor's Office of Community Development may adopt reasonable rules and
10 procedures to implement this legislation consistent with its purposes, and may recoup its reasonable
11 administrative costs from the funding appropriated pursuant to this legislation.

12 b. In reviewing applications and awarding grants, the Mayor's Office of Community
13 Development shall, in consultation and coordination with the Partnership for Affordable Non-Profit
14 Space, convene a selection panel or advisory body to assist its analysis and shall be guided by the
15 following considerations:

16 (i) An applicant organization should be making best efforts to address and resolve its future
17 space and funding needs; and

18 (ii) An applicant organization must recognize that assistance from the emergency fund is a
19 short-term measure. The applicant must demonstrate a commitment to the development and execution
20 of a longer-term solution. In some cases, the award of displacement assistance may be accompanied
21 by a requirement to receive technical assistance as a condition of the grant; and

22 (iii) All other factors being equal, preference will be given to applications that will benefit
23 more than one nonprofit organization; and
24
25

1 (iv) All other factors being equal, preference will be given to organizations that currently
2 receive funding for operating expenses pursuant to a grant or contract with any City department, from
3 any funding source administered by the City, and are in good standing with that department; and

4 (v) All other factors being equal, preference will be given to organizations primarily serving
5 the citizens of the City and County of San Francisco.

6 c. The Director of the Mayor's Office of Community Development shall determine which
7 organizations are qualified to receive emergency assistance pursuant to this legislation, and shall
8 determine how to disperse the available funding.

9 d. Interest-Bearing Account and Carry Over of Funds. The \$500,000 appropriated to this
10 purpose shall be held in an interest-bearing account. Any interest earned shall be credited to and
11 become part of the principal thereof, and shall not be expended for any purpose other than the
12 purposes of this legislation. Any balance remaining in this account at the close of any fiscal year shall
13 be deemed to have been provided for a specific purpose within the meaning of the Charter and shall be
14 carried forward and accumulated in said account for the purposes recited in this legislation.

15
16 Section 3. Capital Fund. The \$2.5 million for capital improvements and real property
17 acquisitions for nonprofit organizations is intended to be the first contribution to a fund for nonprofit
18 space, established by the Partnership for Affordable Nonprofit Space, and which is to be administered
19 by the Northern California Community Loan Fund, a nonprofit intermediary, or a comparable
20 community development financial institution. The fund for nonprofit space is being modeled after the
21 successful Childcare Facilities Fund. The capital fund shall be expended by the Mayor's Office of
22 Community Development as follows:

23 1. Eligible Organizations. In order to be eligible to receive capital funds, an organization
24 must meet all of the following criteria:

1 a. *Must be (i) currently incorporated and in good standing as a Section 501(c)(3)*
2 *corporation pursuant to the federal tax laws or (ii) a fiscally sponsored project of a tax-exempt*
3 *corporation that is operating for purposes consistent with Section 501(c)(3) status.*

4 b. *Must be able to demonstrate financial accountability by submitting the organization's*
5 *Form 990 for the most recent tax year, a year-end financial report corresponding to the Form 990, and*
6 *an operating budget for the current fiscal year.*

7 c. *Must be able to demonstrate a recent history of financial stability as reflected by an*
8 *absence of unplanned operating deficit of significance, a positive fund balance, or a meaningful cash*
9 *reserve. The financial impact of a recent rent increase shall not be considered as a negative factor*
10 *with respect to the organization's history of financial stability.*

11 d. *Must be able to demonstrate the capacity to carry out the capital improvement or*
12 *acquisition activities, and to leverage the City's financial contributions significantly.*

13 e. *Must have been in existence in San Francisco for at least two years prior to the filing of*
14 *an application for funding.*

15 f. *Must substantially serve, either directly or indirectly, the citizens of the City and County*
16 *of San Francisco.*

17 2. *Limits on Capital Funds.*

18 a. *City funding pursuant to this legislation must be expended on capital improvements to*
19 *and/or acquisitions of real property within the City and County of San Francisco.*

20 b. *City funding pursuant to this legislation must be expended on capital improvements to*
21 *and/or acquisitions of real property directly benefiting nonprofit organizations.*

22 3. *Administration.*

23 a. *The Mayor's Office of Community Development may adopt reasonable rules and*
24 *procedures to implement this legislation consistent with its purposes.*

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b. *The Mayor's Office of Community Development may give a grant of the entire \$2.5 million to the Northern California Community Loan Fund or a comparable entity, to administer in a manner consistent with the Northern California Community Loan Fund's existing capital improvement and acquisition fund (or that of a comparable fund), with the additional restrictions set forth above.*

c. *Administrative Costs. The Mayor's Office of Community Development may recoup its reasonable administrative costs from the funding appropriated pursuant to this legislation, and may authorize an outside administering agency to recoup its reasonable administrative costs as well.*

d. *Interest-Bearing Account and Carry Over of Funds. The \$2.5 million appropriated to this purpose shall be held in an interest-bearing account. Any interest earned shall be credited to and become part of the principal thereof, and shall not be expended for any purpose other than the purposes of this legislation. Any balance remaining in this account at the close of any fiscal year shall be deemed to have been provided for a specific purpose within the meaning of the Charter and shall be carried forward and accumulated in said account for the purposes recited in this legislation.*

1 e. *Funding Priorities. Priority for both capital improvement and acquisition financing will*
2 *be given as follows:*

3 (i) *to applications that benefit more than one nonprofit organization and result in long-term*
4 *affordable space; and*

5 (ii) *to organizations that currently receive funding for operating expenses pursuant to a*
6 *grant or contract with any City department, from any funding source administered by the City, and are*
7 *in good standing with that department; and*

8 (iii) *to organizations primarily serving the citizens of the City and County of San Francisco.*

9
10 APPROVED AS TO FORM:

11 LOUISE H. RENNE, City Attorney

12
13 By:


14 _____
15 MIRIAM L. STOMBLER
16 Deputy City Attorney

17 FUNDS AVAILABLE:

18 By:

(see file for signature)
19 _____
20 EDWARD M. HARRINGTON
21 Controller



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Ordinance

File Number: 001809

Date Passed:

Ordinance appropriating \$3,000,000 from the General Fund Reserve to fund a grant program in the amount of \$500,000 for rent subsidies to non-profit service and advocacy organizations at risk of being evicted or displaced by rent increases, and appropriating \$2,500,000 to fund capital improvements and real property acquisitions by nonprofit organizations, through the Mayor's Office of Community Development, for fiscal year 2000-2001.

October 30, 2000 Board of Supervisors — CALLED FROM COMMITTEE

November 6, 2000 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki
Absent: 1 - Yee

November 6, 2000 Board of Supervisors — CONTINUED AS AMENDED ON FIRST READING

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki
Absent: 1 - Yee

November 13, 2000 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

November 13, 2000 Board of Supervisors — AMENDED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

November 13, 2000 Board of Supervisors — PASSED ON FIRST READING AS AMENDED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

November 20, 2000 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

November 20, 2000 Board of Supervisors — PASSED ON FIRST READING AS AMENDED
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki, Yee

November 20, 2000 Board of Supervisors — CONTINUED AS AMENDED ON FINAL PASSAGE
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki, Yee

December 4, 2000 Board of Supervisors — FINALLY PASSED
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki, Yee

File No. 001809

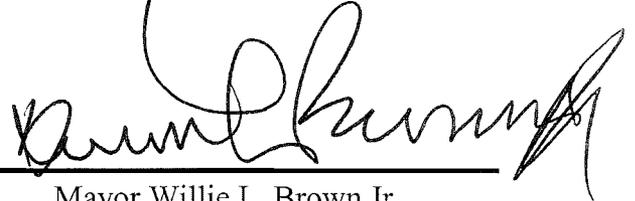
I hereby certify that the foregoing Ordinance
was **FINALLY PASSED** on December 4, 2000
by the Board of Supervisors of the City and
County of San Francisco.

DEC 15 2000

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Willie L. Brown Jr.