

BOARD of SUPERVISORS



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MEMORANDUM

TO: John Updike, Director, Real Estate Division
Kate Hartley, Acting Director, Mayor's Office of Housing and Community
Development
John Rahaim, Director, Planning Department

FROM: *al*
for Alisa Somera, Legislative Deputy Director
Rules Committee

DATE: October 24, 2017

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Peskin on October 17, 2017:

File No. 171107

Ordinance amending the Administrative Code to exempt certain City jurisdictional transfers for affordable housing from appraisal requirement.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

c: Eugene Flannery, Mayor's Office of Housing and Community Development
Amy Chan, Mayor's Office of Housing and Community Development
Scott Sanchez, Planning Department
Lisa Gibson, Planning Department
AnMarie Rodgers, Planning Department
Aaron Starr, Planning Department
Joy Navarrete, Planning Department
Laura Lynch, Planning Department

1 [Administrative Code - Appraisals for Jurisdictional Transfers of Real Property for Affordable
2 Housing]

3 **Ordinance amending the Administrative Code to exempt certain City jurisdictional**
4 **transfers for affordable housing from appraisal requirement.**

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

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

13 Section 1. The Administrative Code is hereby amended by revising Sections 23.14
14 and 23.15, to read as follows:

15 **SEC. 23.14. DIRECTOR OF PROPERTY'S REPORT.**

16 Within 30 days after the receipt of the request required by Section 23.13, the Director
17 of Property shall prepare a report for the Mayor and the requesting department of the
18 estimated fair market value of the Real Property, the character of the improvements thereon,
19 and an evaluation as to whether, in the opinion of the Director of Property, the Real Property
20 can be advantageously used by the requesting department for the purposes specified in the
21 request. If the Director of Property determines the estimated fair market value of Real
22 Property exceeds \$10,000, the Director of Property shall obtain an Appraisal for the Real
23 Property; provided, however, the Director of Property shall not be required to obtain an Appraisal
24 when the requesting department (a) is not an Enterprise Department, as defined in Administrative Code
25 Section 23A.4, and (b) will use the Real Property for 100% Affordable Housing, as defined in
Administrative Code Section 23A.4; provided further that such 100% Affordable Housing requirement

1 shall not exclude other ancillary uses of the Real Property that benefit the Affordable Housing on the
2 Real Property or benefit the community. If the Appraisal determines the fair market value of the
3 Real Property exceeds \$200,000, the Director of Property shall obtain an Appraisal Review for
4 such Appraisal. Any Appraisal and Appraisal Review shall have an effective date of value that
5 is not earlier than nine months before the date any legislation for the proposed transfer is
6 submitted to the Board of Supervisors. The Appraisal requirement in this Section 23.14 shall not
7 apply to any jurisdictional transfers under Administrative Code Chapter 23A.

8 **SEC. 23.15. MAYOR'S CONSENT TO TRANSFER; CONSENT OF DEPARTMENT**
9 **HAVING JURISDICTION.**

10 If, on receipt of the Director of Property's report, the Mayor believes that the
11 department requesting the transfer can advantageously use the Real Property, the Mayor
12 shall request the department under whose jurisdiction it is to consent to the transfer of the
13 Real Property to the department desiring the transfer. If the second-mentioned department
14 consents to the transfer within 30 days, the Mayor shall recommend to the Board of
15 Supervisors that it order the Real Property transferred, sending to the Board with the request
16 such data regarding the Real Property as he or she has received from the Director of
17 Property. No Real Property shall be transferred from one department to another without the
18 consent of the department having jurisdiction over the Real Property, except as provided by
19 Section 253.18 below.

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

24 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
25 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,

1 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
2 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
3 additions, and Board amendment deletions in accordance with the "Note" that appears under
4 the official title of the ordinance.

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

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By:



CAROL WONG
Deputy City Attorney

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LEGISLATIVE DIGEST

[Administrative Code - Appraisals for Jurisdictional Transfers of Real Property for Affordable Housing]

Ordinance amending the Administrative Code to exempt certain City jurisdictional transfers for affordable housing from appraisal requirement.

Existing Law

Administrative Code Section 23.14 requires an appraisal for a proposed jurisdictional transfer of real property if the Director of Property determines the estimated fair market value of the real property exceeds \$10,000.

Amendments to Current Law

This ordinance waives the appraisal requirement for jurisdictional transfers of real property when the requesting department (a) is not an Enterprise Department, as defined in Administrative Code Section 23A.4, and (b) will use the real property for 100% Affordable Housing, as defined in Administrative Code Section 23A.4. Such 100% Affordable Housing requirement will not exclude other ancillary uses of the real property that benefit the Affordable Housing on the real property or benefit the community.

This ordinance also corrects a citation in Administrative Code Section 23.15.

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