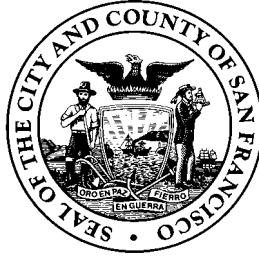


BOARD of SUPERVISORS



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February 19, 2019

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On February 12, 2019, Mayor Breed introduced the following substitute legislation:

**File No. 190047**

**Ordinance amending the Administrative Code and Planning Code to authorize the Departments of Homelessness and Supportive Housing (HSH) and Public Works to enter into and amend contracts without requiring competitive bidding for construction work and professional and other services relating to sites and programs for people experiencing homelessness; permitting Homeless Shelters in PDR (Production Distribution Repair) and SALI (Service/Arts/Light Industrial) districts; authorizing HSH to operate Navigation Centers for more than two years; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), and or public hearing and recommendation. The ordinance is pending before the Rules Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink that reads "Victor Young".

By: Victor Young, Clerk  
Rules Committee

Attachment

c: John Rahaim, Director  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs

AnMarie Rodgers, Director of Citywide Planning  
Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
Joy Navarrete, Environmental Planning  
Laura Lynch, Environmental Planning

1 [Administrative, Planning Codes - Streamlined Contracting for Homeless Services and Siting  
2 for Homeless Shelters]

3 **Ordinance amending the Administrative Code and Planning Code to authorize the**  
4 **Departments of Homelessness and Supportive Housing (HSH) and Public Works to**  
5 **enter into and amend contracts without requiring competitive bidding for construction**  
6 **work and professional and other services relating to sites and programs for people**  
7 **experiencing homelessness; permitting Homeless Shelters in PDR (Production**  
8 **Distribution Repair) and SALI (Service/Arts/Light Industrial) districts; authorizing HSH**  
9 **to operate Navigation Centers for more than two years; affirming the Planning**  
10 **Department's determination under the California Environmental Quality Act; and**  
11 **making findings of consistency with the General Plan, and the eight priority policies of**  
12 **Planning Code, Section 101.1.**

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

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

21 Section 1. Findings.

22 (a) California Government Code Sections 8698 through 8698.2 authorize the  
23 governing body of a political subdivision, including the Board of Supervisors, to declare the  
24 existence of a shelter crisis upon a finding by the governing body that a significant number of  
25 persons within the jurisdiction are without the ability to obtain shelter, and that the situation  
has resulted in a threat to the health and safety of those persons. In 2016, through the

1 enactment of Ordinance No. 57-16, the Board of Supervisors declared the existence of a  
2 shelter crisis in San Francisco, based on findings that in January 2015, there were 6,686  
3 individuals in San Francisco who were homeless. Since that time, the shelter crisis has  
4 grown. According to the January 2017 Point in Time Homeless Count administered by the  
5 Department of Homelessness and Supportive Housing (HSH), there were approximately  
6 7,499 people experiencing homelessness in San Francisco on a single night. Of those  
7 persons, 58% were unsheltered, 21% were under the age of 25 years, and 32% were over the  
8 age of 51 years with attendant deteriorating physical and mental health.

9 (b) On October 2, 2018, Mayor London Breed declared her intent that the City add  
10 1,000 new shelter beds for people experiencing homelessness, with half of the new beds  
11 becoming available by the summer of 2019, and the remainder becoming available by 2020.  
12 The beds will become available as a result of establishing new Navigation Centers, expanding  
13 existing Navigation Centers, and opening a new type of shelter called a SAFE Center, a name  
14 that stands for Shelter Access for Everyone.

15 (c) In early 2018, the Board of Supervisors enacted Ordinance No. 29-18, which  
16 waived competitive bidding requirements for contracts and leases relating to a number of  
17 identified Shelter Crisis Sites, as well as the City's existing Navigation Centers and homeless  
18 shelters. That ordinance allowed HSH to expedite the award of contracts and grants for  
19 construction and services relating to homeless individuals, and to open three Navigation  
20 Centers with 340 beds and a permanent supportive housing site with 51 units. However, the  
21 expedited contracting and leasing authority that was granted by Ordinance No. 29-18 will  
22 expire on March 1, 2019. It is in the public interest to extend this authority so long as the City  
23 is experiencing a shelter crisis.

24 (d) In 2016, the Board of Supervisors enacted Ordinance No. 117-16, requiring the  
25 City to open and operate six Navigation Centers to address street homelessness and connect

1 homeless people to health and mental health services, housing, and other benefits. The City  
2 has complied with that mandate, and plans to expand upon this successful model of shelter  
3 and service delivery. Ordinance No. 117-16 provided that once a Navigation Center opened,  
4 it could operate for no more than two years without approval of extension of the time limit by  
5 resolution of the Board of Supervisors. In light of the success of Navigation Centers, the  
6 capital investments that are required to open a center, and the fact that Navigation Centers  
7 have not been found to have had adverse impacts on the neighborhoods in which they have  
8 been located, the Board of Supervisors has, in Resolution No. 180522, approved the  
9 extension of two Navigation Centers beyond the two-year limit. For the same reasons, it is in  
10 the public interest to permit Navigation Centers generally to operate longer than two years  
11 without re-authorization.

12 (e) For all HSH-funded projects that involve new construction, a change in use, or an  
13 expansion of an existing use at a specific location, HSH complies with the requirements of  
14 Administrative Code Chapter 79 (Citizens' Right-to-Know Act of 1998) and Chapter 79A by  
15 providing community notice that it is considering approval of such a project, and by  
16 establishing a process by which members of the public may obtain additional information  
17 about the project, and submit comments. Before opening a new facility, HSH staff collaborate  
18 with the member of the Board of Supervisors who represents the district in which the facility  
19 will be located, to conduct a thorough community outreach process that includes, at a  
20 minimum, written notice to neighbors located within 300 feet of the facility, information about  
21 how neighbors may provide input into the proposed programming at the facility, and the  
22 hosting of a community meeting. After opening a facility, HSH takes steps to ensure that its  
23 immediate surroundings are kept clean and secure.

24 (f) The Planning Department has determined that the actions contemplated in this  
25 ordinance comply with the California Environmental Quality Act (California Public Resources

1 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of  
2 Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference. The Board  
3 affirms this determination.

4 (g) The Planning Department has determined that the actions contemplated in this  
5 ordinance are consistent, on balance, with the City's General Plan and eight priority policies of  
6 Planning Code Section 101.1. The Board adopts these findings as its own. A copy of this  
7 determination is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_, and  
8 is incorporated herein by reference.

9  
10 Section 2. The Administrative Code is hereby amended by adding Chapter 21B,  
11 consisting of Sections 21B.1, 21B.2, 21B.3, and 21B.4, to read as follows:

12  
13 **CHAPTER 21B: COMMODITIES AND SERVICES RELATING TO PROJECTS**  
14 **ADDRESSING HOMELESSNESS.**

15  
16 **SECTION 21B.1. PURPOSE AND GOALS.**

17 *In recognition of the fact that a significant number of persons within San Francisco lack the*  
18 *ability to obtain shelter, resulting in a threat to the health and safety of those persons, and that such*  
19 *threat constitutes a shelter crisis, the intent of this Chapter 21B is to expedite the procurement of*  
20 *professional and other services relating to Projects Addressing Homelessness. For purposes of this*  
21 *Chapter 21B, "Projects Addressing Homelessness" means projects designed to prevent homelessness*  
22 *through the provision of housing subsidies or other services, and projects designed to provide shelter,*  
23 *housing, food, and/or social services to people experiencing homelessness.*

24  
25 **SECTION 21B.2. WAIVER OF COMPETITIVE BIDDING REQUIREMENTS.**

1            Notwithstanding Section 21.1 of the Administrative Code or any other provision of the  
2 Municipal Code, the Department of Public Works and the Department of Homelessness and Supportive  
3 Housing may enter into and/or amend contracts, including grants, for professional and other services  
4 or commodities relating to Projects Addressing Homelessness without adhering to the requirements of  
5 Section 21.1 or any other competitive procurement requirements. The power to amend such contracts  
6 and grants extends to contracts and grants entered into prior to the effective date of the ordinance in  
7 Board File No. \_\_\_\_\_ enacting this Chapter 21B.

8  
9            **SECTION 21B.3. REPORTING.**

10           Within one year of the effective date of this Chapter 21B, and every year thereafter, the  
11 Department of Homelessness and Supportive Housing and the Department of Public Works shall  
12 submit to the Board of Supervisors a report that includes the following information for each contract or  
13 grant that the department executed during the prior year without adhering to the requirements of  
14 Section 21.1, pursuant to the authority in this Section 21B.3: the name of the contractor or grantee; the  
15 services to be provided under the contract or grant; the amount of funds conveyed; the duration of the  
16 contract or grant; and any measurable outcomes of the contract or grant.

17  
18           **SECTION 21B.4. SUNSET PROVISION.**

19           This Chapter 21B shall expire by operation of law five years from its effective date, or on the  
20 effective date of an ordinance making the finding that according to the most recent Point in Time  
21 Homeless Count, there are fewer than 5,250 homeless persons in San Francisco, whichever date is  
22 earlier. Upon expiration of this Chapter 21B, the City Attorney shall cause this Chapter to be removed  
23 from the Administrative Code.

1 Section 3. Article IV of Chapter 6 of the Administrative Code is hereby amended by  
2 adding Section 6.76, to read as follows.

3  
4 **SECTION 6.76. PUBLIC WORKS ADDRESSING HOMELESSNESS.**

5 (a) The Department of Public Works is authorized to enter into and/or amend any contract for  
6 any Public Work or Improvement, as defined in Administrative Code Section 6.1, including any  
7 professional services for a Public Work or Improvement, without the competitive bid, quote, or  
8 proposal requirements in Sections 6.20, 6.21, 6.40, and Article IV of Chapter 6 of the Administrative  
9 Code; provided, however, that the Public Work or Improvement is for the construction, repair, or  
10 improvement of one or more sites that will be used for the primary purpose of providing housing,  
11 shelter, or services to people experiencing homelessness. The power to amend such contracts extends  
12 to contracts entered into prior to the effective date of the ordinance in Board File No. \_\_\_\_\_ enacting  
13 this Chapter 21B.

14 (b) This Section 6.76 shall expire by operation of law five years from its effective date, or on  
15 the effective date of an ordinance making the finding that according to the most recent Point in Time  
16 Homeless Count, there are fewer than 5,250 homeless persons in San Francisco, whichever date is  
17 earlier. Upon expiration of this Section 6.76, the City Attorney shall cause this Section to be removed  
18 from the Administrative Code.

19  
20 Section 4. Chapter 106 of the Administrative Code is hereby amended by revising  
21 Sections 106.1 and 106.3, to read as follows:

22  
23 **SEC. 106.1. NAVIGATION CENTERS REQUIRED.**

24 As specified further in this Chapter 106, the City ~~may open and operate~~ ~~shall open and~~  
25 ~~operate no fewer than six~~ Navigation Centers to address street homelessness and connect



1 homeless people to health and mental health services, housing, benefits, and other services.  
2 For purposes of this Chapter, "Navigation Center" means a temporary, low-barrier-to-entry  
3 shelter that, through case management and social service programs, aids in moving homeless  
4 people off the streets and into permanent housing or transitional or stable supportive housing  
5 that eventually leads to permanent housing.

6  
7 **SEC. 106.3. PROGRAM IMPLEMENTATION.**

8 \* \* \* \*

9 ~~(b) Navigation Centers shall be temporary facilities, and once opened shall operate on a~~  
10 ~~specific site for no fewer than six months and no more than two years without approval of adjustment~~  
11 ~~or extension of the time limit by resolution of the Board of Supervisors.~~

12 (b) The City may enter into grant agreements with nonprofit organizations to provide services  
13 relating to Navigation Centers.

14 \* \* \* \*

15  
16 Section 5. Article 2 of the Planning Code is hereby amended by modifying Section  
17 210.3 as follows:

18  
19 **SEC. 210.3. PDR DISTRICTS.**

20 \* \* \* \*

21 (19) During a declared shelter crisis, Homeless Shelters that satisfy the provisions of  
22 California Government Code Section 8698.4(a)(1) shall be P, principally permitted and may be  
23 permanent. Otherwise, In this District, Homeless Shelter uses are permitted only with  
24 Conditional Use authorization and only if each such use (a) would operate for no more than  
25 four years, and (b) would be owned or leased by, operated by, and/or under the management

1 or day-to-day control of the City and County of San Francisco. If such a use is to be located  
 2 within a building or structure, the building or structure must be either (a) preexisting, having  
 3 been completed and previously occupied by a use other than a Homeless Shelter, or (b)  
 4 temporary. Other than qualifying Homeless Shelters constructed during a declared shelter crisis, In  
 5 this District, construction of a permanent structure or building to be used as a Homeless  
 6 Shelter is not permitted.

7  
 8 Section 6. Article 8 of the Planning Code is hereby amended by modifying Section 846  
 9 as follows:

10 **SEC. 846. SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT.**

11 \* \* \* \*

SPECIFIC PROVISIONS FOR SALI DISTRICTS		
Article Code Section	Other Code Section	Zoning Controls
§ 846.23b § 890.88(d)	§ 102	<p><u>During a declared shelter crisis, Homeless Shelters that satisfy the provisions of California Government Code Section 8698.4(a)(1) shall be P, principally permitted and may be permanent.</u></p> <p><u>Otherwise In this District</u>, Homeless Shelter uses are permitted only with Conditional Use authorization and only if each such use (a) would operate for no more than four years, and (b) would be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco. If such a use is to be located within a building or structure, the building or structure must be either (a) preexisting, having been completed and previously occupied by a use other than a Homeless Shelter, or (b) temporary. <u>Other than qualifying Homeless Shelters constructed during a declared shelter crisis, In this District</u>, construction of a permanent structure or building to be used as a Homeless Shelter is not permitted.</p>
* * * *	* * * *	* * * *

1  
2 Section 7. Effective Date; Retroactive Operation; Ratification of Prior Acts.

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

7 (b) Sections 2 and 3 of this ordinance (Chapter 21B and Section 6.76 of the  
8 Administrative Code, respectively) shall be retroactive to March 1, 2019.

9 (c) The Board of Supervisors hereby ratifies and confirms all actions taken by City  
10 officials or City agencies in accordance with the provisions of Chapter 21B and Section 6.76  
11 of the Administrative Code, respectively, from March 1, 2019, to the effective date of this  
12 ordinance.

13  
14 Section 8. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
15 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
16 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
17 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
18 additions, and Board amendment deletions in accordance with the "Note" that appears under  
19 the official title of the ordinance.

20  
21 Section 9. Undertaking for the General Welfare. In enacting and implementing this  
22 ordinance, the City is assuming an undertaking only to promote the general welfare. It is not  
23 assuming, nor is it imposing on its officers and employees, an obligation for breach of which it


24 ///

25 ///

1 is liable in money damages to any person who claims that such breach proximately caused  
2 injury.

3

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

6 By:   
7 ANNE PEARSON  
8 Deputy City Attorney

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