

1 [Surplus City Property.]

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3 **Ordinance amending the San Francisco Administrative Code by amending Sections**
4 **23A.9, 23A.10 and 23A.11 to specify terms for appointed members of the Surplus**
5 **Property Citizens’ Advisory Committee, to clarify the requirements under**
6 **Administrative Code Section 23.3 applicable to dispositions of surplus and**
7 **underutilized property, and to clarify policy and procedures for dispositions of City-**
8 **owned surplus and underutilized real property that is not listed on the annual Surplus**
9 **Property Report.**

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~~.

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

15 Section 1. The San Francisco Administrative Code is hereby amended by amending
16 Section 23A.9, to read as follows:

17 **Sec. 23.A9. SURPLUS PROPERTY CITIZENS’ ADVISORY COMMITTEE.**

18 (a) There shall be a Surplus Property Citizens’ Advisory Committee composed of 13
19 members appointed as follows:

20 (1) One member with expertise in the area of developing permanent housing for
21 Homeless people and those at-risk of homelessness, appointed by the Board of Supervisors.

22 (2) One member with experience in providing supportive services to help individuals
23 and families exit homelessness, appointed by the Board of Supervisors.

24 (3) One member who holds a Real Estate and/or Broker’s license, appointed by the
25 Board of Supervisors.

1 (4) One member who is currently or formerly homeless, appointed by the Board of
2 Supervisors.

3 (5) One member who is currently or formerly homeless with their family or is an
4 advocate or service provider for homeless families, appointed by the Board of Supervisors.

5 (6) One member who is a member of a union, appointed by the Board of Supervisors.

6 (7) One member who has expertise with disability community issues, appointed by the
7 Board of Supervisors.

8 (8) One member who is a homeless senior citizen or is an advocate or service provider
9 for homeless senior citizens, appointed by the Board of Supervisors.

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

11 (10) One member who advocates on behalf of open space and/or neighborhood parks,
12 appointed directly by the Mayor, without confirmation by the Board of Supervisors.

13 (11) One member who broadly represents the interests of San Francisco's
14 neighborhoods, appointed directly by the Mayor, without confirmation by the Board of
15 Supervisors.

16 (12) The Mayor's Budget Director or his or her designee.

17 (13) The Chair of the Board of Supervisors Finance and Audits Committee or his or her
18 designee.

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

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

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

12 (d) This subsection (d) shall not apply to the representative from the Mayor's Office of
13 Housing, the Mayor's Budget Director or his or her designee or the Chair of the Board of Supervisors
14 Finance and Audits Committee or his or her designee. The remaining ten members of the Surplus
15 Property Citizens' Advisory Committee shall be appointed for a term of two years; provided, however,
16 that the ten members first appointed shall, by lot at the first meeting, classify their terms so that five
17 shall serve for a term of one year and five shall serve for a term of two years.

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19 Section 2. The San Francisco Administrative Code is hereby amended by amending
20 Section 23A.10, to read as follows:

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

22 The Board of Supervisors shall be guided by the following policy regarding the
23 disposition of Surplus and Underutilized Property, which policy shall be the official policy of
24 the City. This policy applies to Surplus and Underutilized Property regardless of whether such
25 Property has been included on an annual Surplus Property Report.

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

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

8 1. The housing shall remain affordable for the useful life of the Property;

9 2. Housing costs_in such housing shall not exceed 30% of the resident's
10 income;

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

14 (ii) Second, for other on-site_services for people who are Homeless or for non-
15 profit agencies serving people who are Homeless-,including not limited to job training,
16 senior services, healthcare and childcare for people who are homeless.

17 (iii) Third, for the development of affordable housing for persons earning no
18 more than 60% of the Area Median Income for the San Francisco PMSA as established
19 by the United States Department of Housing and Urban Development and reported by
20 the Mayor's Office of Housing, provided that the housing shall remain affordable for the
21 useful life of the Property.

22 When the Executive Director determines Surplus Property is unsuitable for the uses
23 described in subsections (i), (ii) and (iii) above because it is unsafe, inconveniently located or
24 located in an area inappropriate for housing, or otherwise cannot not meet the purposes of
25 this Chapter, or when the Executive Director receives no acceptable applications pursuant to

1 Section 23A.8, it shall be City policy to encourage the sale of such Surplus Property in
2 accordance with the requirements of Administrative Code Section 23.3 and other applicable
3 laws and to designate use of the net proceeds of such sales and/or leases for the purpose of
4 financing affordable housing in San Francisco that meets the criteria set forth in subsection (i)
5 above.

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7 Section 3. The San Francisco Administrative Code is hereby amended by amending
8 Section 23A.11, to read as follows:

9 **SEC. 23A.11. DISPOSITION AND UTILIZATION OF SURPLUS, UNDERUTILIZED AND**
10 **UNUTILIZED PROPERTY.**

11 (a) Subject to (i) the terms and conditions of any gift, trust, deed restriction, bond
12 covenant or other covenants or restrictions, mortgage, deed of trust, lease, license, use
13 agreement or other agreement applicable to such Property, (ii) state or federal laws related to
14 the disposition of surplus City Property, including, without limitation, California Government
15 Code Section 54220 et. seq., and (iii) the jurisdictional authority over City Property granted to
16 certain Commissions under the City's Charter, including, without limitation, as set forth in
17 Charter Sections 4.112, 4.113, 4.114, 4.115, 5.101, 8A.102, the Board of Supervisors may by
18 resolution approve the dispositions recommended by the Executive Director in accordance
19 with this Chapter or approve dispositions different from those recommended by the Executive
20 Director. Upon the approval of such a resolution, it shall be the duty of the Executive Director
21 to take all steps necessary to implement the resolution.

22 (b) Any final declaration that Property is Surplus or Underutilized and any final
23 conveyance of Property under this Chapter shall be in accordance with and subject to all
24 applicable laws, including (i) the terms and conditions of any gift, trust, deed restriction, bond
25 covenant or other covenants or restrictions, mortgage, deed of trust, lease, license, use

1 agreement or other agreement applicable to such Property, (ii) state or federal laws related to
2 the disposition of surplus City Property, including, without limitation, Government Code
3 Section 54220 et. seq., (iii) the jurisdictional authority over City Property granted to certain
4 Commissions under the City's Charter, including, without limitation, as set forth in Charter
5 Sections 4.112, 4.113, 4.114, 4.115, 5.101, 8A.102, and (iv) the requirements set forth in
6 Administrative Code Sec. 23.3 of further Board of Supervisors approval by resolution or
7 ordinance of final transaction documents after the completion of all required environmental
8 review under CEQA, provided, however, that the requirements set forth Administrative Code Section
9 23.3 of sale by public auction or competitive bidding and a sales price of at least 100 percent of
10 appraised fair market value shall not apply to dispositions pursuant to this Chapter. Any such duly
11 approved conveyance may be at no cost or less than fair market value as a conveyance that
12 further a proper public purpose.

13 (c) Any conveyance of Property at less than fair market value or for homeless uses
14 under this section shall include covenants that require that the Property be used in
15 conformance with this Chapter and prohibits any developer of Property from reselling,
16 transferring or subleasing Property at a profit, or such other "anti-speculation" requirements as
17 the Executive Director may approve. In the case of home ownership development, the limited
18 equity is subject to the Property remaining available to the Homeless population in the
19 calculation of any resale price.

20 (d) Any City department other than an Enterprise Department wishing to dispose of Surplus or
21 Underutilized Property under such department's jurisdiction in a manner other than pursuant to this
22 Chapter, regardless of whether such Surplus or Underutilized Property is listed on the then current
23 Surplus Property Report, shall notify the Administrator, the Executive Director and the Surplus
24 Property Citizens' Advisory Committee prior to seeking any approvals of any proposed disposition.
25 The notice shall include the same information about the Surplus or Underutilized Property required

1 under Section 23A.5. The Administrator, the Executive Director and the Surplus Property Citizens'
2 Advisory Committee shall review such information and, within 45 days after submission, make
3 recommendations to the Board of Supervisors regarding the disposition of the Surplus or Underutilized
4 Property and consistent with the policy set forth in Section 23A.10. The Board of Supervisors may by
5 resolution approve a disposition consistent with such recommendations and this Chapter or approve a
6 different disposition. Upon approval of such a resolution, it shall be the duty of the Administrator, the
7 Executive Director and other City officials, as appropriate, to take all steps necessary to implement the
8 resolution.

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10 APPROVED AS TO FORM:
11 DENNIS J. HERRERA, City Attorney

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By: _____
AMY BROWN
Deputy City Attorney

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