

1 [Planning Code Amendments to implement the Van Ness and Market Downtown Residential  
2 Special Use District.]

3 **Ordinance amending the San Francisco Planning Code to implement the Market and**  
4 **Octavia Area Plan of the General Plan by adding Section 249.33 to establish the Van**  
5 **Ness and Market Downtown Residential Special Use District (VNMDR-SUD) including**  
6 **providing that projects in the VNMDR-SUD may exceed allowable Floor Area Ratio**  
7 **(FAR) up to a certain ratio by paying \$30 per gross square foot into the Citywide**  
8 **Affordable Housing Fund but not by acquiring Transferable Development Rights**  
9 **(TDRs); and providing that projects may further exceed FAR limits above a site FAR of**  
10 **9:1 by paying \$15 per additional gross square foot into the Van Ness and Market**  
11 **Neighborhood Infrastructure Fund and adopting environmental findings and findings of**  
12 **consistency with the General Plan and the eight priority policies of Planning Code**  
13 **Section 101.1.**

14 Note: Additions are *single-underline italics Times New Roman*;  
15 deletions are *strikethrough italics Times New Roman*.  
16 Board amendment additions are double underlined.  
17 Board amendment deletions are ~~strikethrough normal~~.

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

19 Section 1. Findings. The Board of Supervisors of the City and County of San  
20 Francisco hereby finds and determines that:

21 (a) Under Planning Code Section 302, the Board of Supervisors finds that this  
22 ordinance will serve the public necessity, convenience and welfare for the reasons set forth in  
23 Planning Commission Resolution No. 17460 recommending the approval of this Planning  
24 Code Amendment, and incorporates such reasons by this reference thereto. A copy of said  
25 resolution is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

1 (b) Under Planning Code Section 101.1, the Board of Supervisors finds that this  
2 ordinance is consistent with the Priority Policies of Planning Code Section 101.1(b) of the  
3 Planning Code and with the General Plan as proposed to be amended in companion  
4 legislation and hereby adopts the findings of the Planning Commission, as set forth in  
5 Planning Commission Resolution No. 17460, and incorporates said findings by this reference  
6 thereto.

7 (c) In accordance with the actions contemplated herein, this Board adopted Motion  
8 No. 17407, concerning findings pursuant to the California Environmental Quality Act  
9 (California Public Resources Code sections 21000 et seq.). A copy of said Motion is on file  
10 with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and is incorporated by  
11 reference herein.

12 (d) This ordinance duplicates and adds to Section 249.33 of Planning Code Text  
13 Amendments approved on April 5, 2007 by the Planning Commission and recommended for  
14 adoption to the Board of Supervisors in Planning Commission Motion No. 17409\_. It is the  
15 intention of the Planning Commission and the Board of Supervisors that the proposed Section  
16 249.33 in this ordinance would replace in its entirety the Section 249.33 included in the  
17 ordinance attached to Motion No. 17409\_\_.

18 Section 2. The San Francisco Planning Code is hereby amended by adding new  
19 Section 249.33, to read as follows.

20 **SEC. 249.33 VAN NESS & MARKET DOWNTOWN RESIDENTIAL SPECIAL USE DISTRICT**

21 (a) Purpose. There shall be a Van Ness & Market Downtown Residential Special Use District,  
22 which is comprised of the parcels zoned C-3-G in the Market Octavia Better Neighborhoods Plan area,  
23 and whose boundaries are designated on Sectional Map No. 2SU and 7SU of the Zoning Map of the  
24 City and County of San Francisco. This district is generally comprised of parcels focused at the

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1 intersections of Van Ness Avenue at Market Street and South Van Ness Avenue at Mission Street, along  
2 with parcels on both sides of Market and Mission Streets between 10th and 12th Streets. This district is  
3 intended to be a transit-oriented, high-density, mixed-use neighborhood with a significant residential  
4 presence. This area is encouraged to transition from largely a back-office and warehouse support  
5 function to downtown into a more cohesive downtown residential district, and serves as a transition  
6 zone to the lower scale residential and neighborhood commercial areas to the west of the C-3. A  
7 notable amount of large citywide commercial and office activity will remain in the area, including  
8 government offices supporting the Civic Center and City Hall. This area was initially identified in the  
9 Downtown Plan of the General Plan as an area to encourage housing adjacent to the downtown. As  
10 part of the city's Better Neighborhoods Program, this concept was fully articulated in the Market and  
11 Octavia Area Plan, and is described therein.

12 (b) Use Controls.

13 (1) Non-residential uses. For newly-constructed buildings or additions which exceed 20 percent  
14 or more of an existing structure's gross floor area, non-residential uses are not permitted above the 4th  
15 story, and at least two occupied square feet of residential use shall be provided for each occupied  
16 square foot of non-residential use. In order to accommodate local government office uses near City  
17 Hall, publicly-owned or leased buildings or lots are exempted from the requirements of this subsection.

18 (2) Residential Density. There shall be no density limit for residential uses by lot area, but by  
19 the applicable requirements and limitations elsewhere in this Code, including but not limited to height,  
20 bulk, setbacks, open space, and exposure, as well as by the Market & Octavia Area Plan Fundamental  
21 Principals for Design, other applicable design guidelines, applicable elements and area plans of the  
22 General Plan, and design review by the Planning Department. The limitations of Section 215 shall not  
23 apply.

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1 (3) Residential Affordable Housing Program. All projects in this district shall be subject to all  
2 the terms of Section 315 and following of the Residential Inclusionary Affordable Housing Program.  
3 Notwithstanding the foregoing, projects within the Van Ness and Market Downtown Residential  
4 Special Use District shall at a minimum fulfill the requirements to the levels specified in this section.  
5 Should Section 315 require greater contributions to the affordable housing program, those  
6 requirements shall supercede this section. Proposed exceptions to these requirements due to hardships  
7 associated with construction type, specifically heights above 120 feet, are not applicable in this  
8 Special Use District because parcels are receiving an up zoning through increased density and  
9 benefits through the general transformation of the district to a transit oriented neighborhood with a  
10 mixed use character. Requirements and administration of this program shall follow the conditions  
11 outlined in Section 315 of the Planning Code unless otherwise specified in this section.

12 (A) On site housing requirements and benefits. For projects that choose to fulfill the  
13 requirements of Section 315 through the provision of onsite housing, the Planning Department shall  
14 require that 15% of all units constructed on the project site shall be affordable to qualifying  
15 households so that a project applicant must construct .15 times the total number of units produced in  
16 the principal project beginning with the construction of the fifth unit. If the total number of units is not  
17 a whole number, the project applicant shall round up to the nearest whole number for any portion of  
18 .5 or above.

19 (B) Compliance through in-lieu fees. Projects in the Van Ness and Market Special Use  
20 District may choose to fulfill no more than fifty percent (50%) of the requirements of Section 315 and  
21 following through the payment of in-lieu fees as provided in Section 315.6.

22 (C) Compliance through off-site housing development. For projects that choose to fulfill the  
23 requirements of Section 315 through the provision of off-site housing, the Planning Department shall  
24 require that 20% of all units constructed on the project site shall be affordable to qualifying households  
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1 so that a project applicant must construct .20 times the total number of units produced in the principal  
2 project beginning with the construction of the fifth unit. If the total number of units is not a whole  
3 number, the project applicant shall round up to the nearest whole number for any portion of .5 or  
4 above.

5 (4) Open Space Provider. The off-site open space permitted by this Section may be provided  
6 individually by the project sponsor or jointly by the project sponsor and other project sponsors,  
7 provided that each square foot of jointly developed open space may count toward only one sponsor's  
8 requirement. With the approval of the Planning Commission, a public or private agency may develop  
9 and maintain the open space, provided that (i) the project sponsor or sponsors pay for the cost of  
10 development of the number of square feet the project sponsor is required to provide, (ii) provision  
11 satisfactory to the Commission is made for the continued maintenance of the open space for the actual  
12 lifetime of the building giving rise to the open space requirement, and (iii) the Commission finds that  
13 there is reasonable assurance that the open space to be developed by such agency will be developed  
14 and open for use by the time the building, the open space requirement of which is being met by the  
15 payment, is ready for occupancy.

16 (A) Off-site provision of required open space. Up to 40 percent of usable open space required  
17 by Sections 135 and 138 may be provided off-site if it is within the SUD or within 900 feet of the project  
18 site and meets the standards described below for publicly accessible open space described below.

19 (B) Publicly-Accessible Open Space Standards.

20 (C) Open space must be of one or more of the following types:

21 (i) An unenclosed park or garden at street grade or following the natural topography, including  
22 improvements to hillsides or other unimproved public areas according to the Market & Octavia Area  
23 Plan;

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1            (ii) An unenclosed plaza at street grade, with seating areas and landscaping and no more than  
2 10 percent of the floor area devoted to food or beverage service;

3            (iii) An unenclosed pedestrian pathway that meets the minimum standards described in Section  
4 827(g)(3)(A)-(E);

5            (iv) A terrace or roof garden with landscaping;

6            (v) Streetscape improvements with landscaping and pedestrian amenities that result in  
7 additional space beyond the pre-existing sidewalk width and conform to the Market & Octavia Area  
8 Plan, such as sidewalk widening or building setbacks; and

9            (vi) Streetscape improvements with landscaping and pedestrian amenities on alleyways from  
10 building face to building face, beyond basic street tree planting or street lighting as otherwise required  
11 by this Code, in accordance with the Market & Octavia Area Plan.

12            (D) Open space must meet the following standards:

13            (i) Be in such locations and provide such ingress and egress as will make the area convenient,  
14 safe, secure and easily accessible to the general public;

15            (ii) Be appropriately landscaped;

16            (iii) Be protected from uncomfortable winds;

17            (iv) Incorporate ample seating and, if appropriate, access to limited amounts of food and  
18 beverage service, which will enhance public use of the area;

19            (v) Be well signed and accessible to the public during daylight hours;

20            (vi) Be well lighted if the area is of the type requiring artificial illumination;

21            (vii) Be designed to enhance user safety and security;

22            (viii) Be of sufficient size to be attractive and practical for its intended use; and

23            (ix) Have access to drinking water and toilets if feasible.

1           (E) Maintenance. Open spaces shall be maintained at no public expense, except as might be  
2 provided for by any community facilities district that may be formed. The owner of the property on  
3 which the open space is located shall maintain it by keeping the area clean and free of litter and  
4 keeping in a healthy state any plant material that is provided. Conditions intended to assure continued  
5 maintenance of the open space for the actual lifetime of the building giving rise to the open space  
6 requirement may be imposed in accordance with the provisions of Section 309.1.

7           (F) Informational Plaque. Prior to issuance of a permit of occupancy, a plaque of no less than  
8 24 inches by 36 inches in size shall be placed in a publicly conspicuous location outside the building at  
9 street level, or at the site of any publicly-accessible open space, identifying said open space feature and  
10 its location, stating the right of the public to use the space and the hours of use, describing its principal  
11 required features (e.g., number of seats, availability of food service) and stating the name and address  
12 of the owner or owner's agent responsible for maintenance.

13           (G) The Zoning Administrator shall have authority to require a property owner to hold  
14 harmless the City and County of San Francisco, its officers, agents and employees, from any damage or  
15 injury caused by the design, construction or maintenance of open space, and to require the owner or  
16 owners or subsequent owner or owners of the property to be solely liable for any damage or loss  
17 occasioned by any act or neglect in respect to the design, construction or maintenance of the open  
18 space.

19           (5) Lot coverage. The rear yard requirements of Section 134 shall not apply. Lot coverage is  
20 limited to 80 percent at all residential levels except on levels in which all residential units face onto a  
21 public right-of-way. The unbuilt portion of the lot shall be open to the sky except for those obstructions  
22 permitted in yards per Section 136(c). Exceptions to the 20 percent open area may be granted pursuant  
23 to the procedures of Section 309 for conversions of existing non-residential structures where it is

1 determined that provision of 20 percent open area would require partial demolition of the existing non-  
2 residential structure.

3 (6) Floor Area Ratio.

4 (A) The maximum FAR allowed, except as allowed in this Section, shall be that described in  
5 Section 123(C), provided that it shall not be greater than 9:1. The definition of Gross Floor Area shall  
6 be that in Section 102.9 as of the date of approval of this Ordinance, and shall include all residential  
7 uses. The provisions of Section 124(g) shall not apply in this special use district.

8 (B) Floor Area Bonus Permitted for Public Improvements or In-lieu Contributions to the Van  
9 Ness and Market Neighborhood Infrastructure Fund and In lieu Contributions to the Citywide  
10 Affordable Housing Fund.

11 (i) The gross floor area of a structure or structures on a lot may exceed the maximum ratio  
12 described in Section 123(c) through participation in the Van Ness and Market Affordable Housing and  
13 Neighborhood Infrastructure Program, according to the procedures described below in subsection  
14 (b)(7).

15 (ii) Notwithstanding the provisions of Sections 127 and 128, ~~P~~projects are eligible to  
16 apply bonus FAR only for that floor area above the maximum ratio permitted in Section 123(c)  
17 and provided that the project has acquired in this Special Use District are not eligible to  
18 acquire Transferable Development Rights from a Transfer Lot or Lots pursuant to the provisions of  
19 Sections 127-128 for that increment of FAR above the base FAR limit in Section 124 up to the  
20 maximum FAR described in Section 123(c). Instead, a project may pay to the City's Citywide  
21 Affordable Housing Fund thirty dollars (\$30) per additional gross square foot for that  
22 increment of FAR above the base FAR limit in Section 124 up to the maximum FAR described  
23 in Section 123(c). Any monies deposited into the Citywide Affordable Housing Fund shall be  
24 administered as provided for in Section 315 et seq. ~~If a project sponsor demonstrates that the~~  
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1 potential supply of TDR from all remaining potential eligible Transfer Lots as provided in  
2 Section 128, is insufficient to satisfy the demand produced by a specific project, the Planning  
3 Commission may permit the substitution of the Van Ness and Market Affordable Housing and  
4 Neighborhood Infrastructure Program described in subsection (b)(6) and (7) for that square  
5 footage that would otherwise require TDR.

6 (7) Van Ness and Market Affordable Housing and Neighborhood Infrastructure Program.

7 (A) Purpose and Findings.

8 (i) Affordable Housing: The Van Ness and Market Residential SUD enables the creation of a very  
9 dense residential neighborhood through significant increases in development potential. This increase in  
10 development potential permits an increase in market rate housing development. As described in Section  
11 315.2 affordable housing is a priority for San Francisco and additional demand for affordable housing  
12 is closely correlated to the development of new market rate housing. At the direction of the Board of  
13 Supervisors and as part of a larger analysis of development impact fees in the City, the City contracted  
14 with Keyser Marston Associates to prepare a nexus analysis in support of the Inclusionary Housing  
15 Program, or an analysis of the impact of development of market rate housing on affordable housing  
16 supply and demand.

17 The City's current position is that the City's Inclusionary Housing Program including the in lieu  
18 fee provision which is offered as an alternative to building units within market rate projects, is not  
19 subject to the requirements of the Mitigation Fee Act, Government Code Sections 66000 et seq. While  
20 the City does not expect to alter its position on this matter, due to past legislative actions supporting  
21 such a study, the Citywide study being undertaken to conduct nexus studies in other areas, and a  
22 general interest in determining whether the Inclusionary Program can be supported by a nexus type  
23 analysis as an additional support measure, the City contracted to undertake the preparation of a nexus  
24 analysis.

1 The final study can be found in Board of Supervisors File No. \_\_\_\_\_ and is incorporated  
2 by reference herein. The Board of Supervisors has reviewed the study and staff analysis and report of  
3 the study and, on that basis finds that the study supports the current inclusionary housing requirements  
4 as specified in this Section 249.33 combined with this Affordable Housing FAR Bonus Program.  
5 Specifically, the Board finds that the nexus study: identifies the purpose of the fee to mitigate impacts  
6 on the demand for affordable housing in the City; identifies the use to which the fee is to be put as  
7 being to increase the City's affordable housing supply; and establishes a reasonable relationship  
8 between the use of the fee for affordable housing and the need for affordable housing and the  
9 construction of new market rate housing. Moreover, the Board finds that the current inclusionary  
10 requirements combined with the Affordable Housing FAR Bonus Program are less than the cost of  
11 mitigation and do not include the costs of remedying any existing deficiencies. The Board also finds  
12 that the study establishes that the current inclusionary requirements combined with the Affordable  
13 Housing FAR Bonus Program do not duplicate other city requirements or fees.

14 Moreover, according to the study undertaken by Seifel Consulting at the direction of the  
15 Planning Department, increased development potential in the Van Ness and Market Downtown  
16 Residential Special Use district through the increased FAR allowance enables an increased  
17 contribution to the Citywide Affordable Housing Fund without discouraging the development of new  
18 market rate housing. A copy of said study is on file with the Clerk of the Board of Supervisors in File  
19 No. \_\_\_\_\_.

20 (ii) Neighborhood Infrastructure. The Van Ness & Market Residential SUD enables the creation of  
21 a very dense residential neighborhood in an area built for back-office and industrial uses. Projects that  
22 seek the FAR bonus above the maximum cap would introduce a very high localized density in an area  
23 generally devoid of necessary public infrastructure and amenities, as described in the Market  
24 & Octavia Area Plan. While envisioned in the Plan, such projects would create localized levels of

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1 demand for open space, streetscape improvements, community facilities and public transit above and  
2 beyond the levels both existing in the area today and funded by the Market & Octavia Community  
3 Improvements Fee. Such projects also entail construction of relatively taller or bulkier structures in a  
4 concentrated area, increasing the need for offsetting open space for relief from the physical presence of  
5 larger buildings. Additionally, the FAR bonus provisions herein are intended to provide an economic  
6 incentive for project sponsors to provide public infrastructure and amenities that improve the quality of  
7 life in the area. The bonus allowance is calibrated based on the cost of responding to the intensified  
8 demand for public infrastructure generated by increased densities available through the FAR density  
9 bonus program.

10 (iii) Public Improvements. The public improvements acceptable in exchange for granting the  
11 FAR bonus, and that would be necessary to serve the additional population created by the increased  
12 density, are listed below. All public improvements shall be consistent with the Market & Octavia Area  
13 Plan.

14 (a) Open Space Acquisition and Improvement: Brady Park (as described in the Market &  
15 Octavia Area Plan), or other open space of comparable size and performance. Open space shall be  
16 dedicated for public ownership or permanent easement for unfettered public access and improved for  
17 public use, including landscaping, seating, lighting, and other amenities.

18 (b) Streetscape and Pedestrian Improvements: Streetscape improvements within the Special Use  
19 District as described in the Market & Octavia Area Plan, including Van Ness and South Van Ness  
20 Avenues, Gough, Mission, McCoppin, Otis, Oak, Fell, 11th and 12th Streets, along with adjacent  
21 alleys. Improvements include sidewalk widening, landscaping and trees, lighting, seating and other  
22 street furniture (e.g. newsracks, kiosks, bicycle racks), signage, transit stop and subway station  
23 enhancements (e.g. shelters, signage, boarding platforms), roadway and sidewalk paving, and public  
24 art.

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1           (c) Affordable Housing. The type of affordable housing needed in San Francisco is documented  
2 in the City's Consolidated Plan and the Residence Element of the General Plan. New affordable rental  
3 housing and ownership housing affordable to households earning less than the median income is  
4 greatly needed in San Francisco.

5           (B) The Van Ness and Market Affordable Housing and Neighborhood Infrastructure Program  
6 ("Program") is hereby established and shall be implemented through In-Kind public improvements,  
7 participation in Community Facilities (Mello-Roos) District, or in-lieu payment into the Van Ness and  
8 Market Neighborhood Infrastructure Fund ("Fund") or in lieu payments to the Citywide Affordable  
9 Housing Fund.

10           (i) The Program shall be administered by the Board of Supervisors, except for the in lieu fee  
11 payments to the Citywide Affordable Housing Fund which shall be administered as provided for in  
12 Section 315 et seq.

13           (C) Value, Form, and Timing of Contribution to the Program.

14           (i) The total value of the contribution ("contribution") to the Program shall be equal to \$15 per  
15 additional gross square foot above a site FAR of 9:1. The contribution must be made or the fee paid  
16 prior to issuance by the Department of Building Inspection of the first site or building permit for the  
17 subject project. Except as provided in Section 7(C)(vii), ~~\$0~~\$7.50 must be paid as a fee to the Citywide  
18 Affordable Housing Fund as described below in subsection (7)(C)(v); and ~~\$15~~\$7.50 or its equivalent  
19 must be paid or contributed to the Van Ness and Market Neighborhood Infrastructure Program in one  
20 of the ways described below in subsections (ii) through (iii) including any form of any combination,  
21 either in whole or in part, of an In-Kind Agreement to provide neighborhood improvements, In-Lieu  
22 Payment to the City Treasurer, or a Community Facilities District Agreement to participate in a Mello-  
23 Roos Community Facilities District. The fee may be adjusted in accordance with the procedures  
24 described in Section 326.3(d) or 315.6(b)3.

1            (ii) In-Kind Improvements. The Planning Commission may allow the provision of In-Kind  
2 Improvements, through the approval of an In-Kind Agreement in accordance with the procedures  
3 outlined in Section 326.3(e).

4            (iii) In-Lieu Payment. Because the total cost of the individual public improvements (e.g. a public  
5 park or a streetscape project) may be greater than the proportional contribution to the Program or the  
6 need created by any one project, and because it may be infeasible or impractical to make a fractional  
7 public improvement (e.g. acquisition of a fraction of a park) it is necessary to allow direct payments, at  
8 the rate described in subsection (7)(C)(i) above, in-lieu of providing In-Kind improvements, as a form  
9 of contribution, either in whole or in part, to the Program. Such payment shall be made to the City  
10 Treasurer for deposit in the Van Ness and Market Neighborhood Infrastructure Fund. Upon payment of  
11 the In-Lieu Payment in full to the Treasurer, the Treasurer shall issue a certification that the credit has  
12 been paid.

13            (iv) Community Facilities District. The Planning Commission may allow the participation in a  
14 Community Facilities (Mello-Roos) District through the procedures described in Section 326.3 (f) and  
15 (g).

16            (v) ~~Zero~~Seven dollars and fifty cents per square foot (\$~~0~~7.50) except as provided in 7(C)(vii)  
17 shall be deposited in the special fund maintained by the Controller called the Citywide Affordable  
18 Housing Fund as established by section 313.12. Except as specifically provided in this Section,  
19 collection, management, enforcement, and expenditure of funds shall conform to the requirements  
20 related to in lieu fees in Planning Code Sections 315 et seq., specifically including, but not limited to,  
21 the provisions of Section 315.6.

22  
23            (vi) The sponsor shall present Treasurer certification of In-Lieu Payment, a signed In-Kind  
24 Agreement and/or Community Facilities District Agreement totaling the full value of the contribution to  
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1 the Planning Department and Department of Building Inspection prior to the issuance by DBI of the  
2 first site or building permit for the project. A failure of the Treasurer, DBI or the Planning Department  
3 to give any notice under this Section shall not relieve a sponsor from compliance with this Section.

4 (vii) At the close of the fiscal year in which the Market and Octavia Community Improvements  
5 Program has generated funding for no less than \$211 million for expenditure in the plan area,  
6 including revenue generated through Planning Code Section 249.33 and Section 326 fee payment, in-  
7 kind and community facility district contributions; public grants; San Francisco general funds;  
8 assessment districts; and other sources which contribute to the overall programming; all future funds  
9 generated through this section, 249.33 of the Planning Code shall be redirected one-hundred (100)  
10 percent to the Citywide Affordable Housing Fund.

11 (D) There is hereby established a separate fund set aside for a special purpose entitled the Van  
12 Ness and Market Neighborhood Infrastructure Fund (“Fund”). All monies collected by the Treasurer  
13 pursuant to subsection (7)(C)(i) above shall be deposited in this fund to be maintained by the  
14 Controller. The receipts of the Fund are hereby appropriated in accordance with law to be used solely  
15 to fund public infrastructure subject to the following conditions:

16 (i) All monies deposited in the Fund, plus accrued interest, shall be used solely to design,  
17 engineer, acquire and develop neighborhood open spaces and streetscape improvements that result in  
18 new publicly-accessible facilities within the Van Ness and Market Special Use District or the area  
19 bounded by 10th Street, Howard Street, South Van Ness Avenue, the northeastern line of the Central  
20 Freeway, Market Street, Franklin Street, Hayes Street, and Polk Street. These improvements shall be  
21 consistent with the Market and Octavia Area Plan of the General Plan and any Plan that is approved  
22 by the Board of Supervisors in the future for the area covered by this SUD, except that monies from the  
23 Fund may be used by the Planning Commission to commission studies to revise the fee pursuant to

1 subsection (7)(C)(i) above, or to commission landscape, architectural or other planning, design and  
2 engineering services in support of the proposed public improvements.

3 (ii) No portion of the Fund may be used, by way of loan or otherwise, to pay any administrative,  
4 general overhead, or similar expense of any public entity.

5 (iii) The Controller's Office shall file an annual report with the Board of Supervisors beginning  
6 one year after the effective date of this ordinance, which report shall set forth the amount of money  
7 collected in the Fund. Monies in the Fund shall be appropriated by the Board of Supervisors and  
8 administered by the Director of Planning.

9 (iv) Expenditure of funds shall be coordinated with appropriate city agencies as detailed in  
10 Section 326.6 (d) and (e).

11  
12 (v) The Director of Planning shall have the authority to prescribe rules and regulations  
13 governing the Fund, which are consistent with this ordinance. The Director of Planning shall make  
14 recommendations to the Board regarding allocation of funds.

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16 APPROVED AS TO FORM:  
17 DENNIS J. HERRERA, City Attorney

18 By: \_\_\_\_\_  
19 Susan Cleveland-Knowles  
20 Deputy City Attorney

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