

BOARD of SUPERVISORS



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MEMORANDUM

TO: Jeff Kositsky, Director, Dept. Of Homelessness and Supportive Housing
Robert Collins, Executive Director, Rent Board
Dan Adams, Acting Director, Mayors Office of Housing and Community Development (MOHCD)
Tom Hui, Director, Building Inspection Department
Theo Miller, Director, HOPE SF
Barbara Smith, Acting Executive Director, Housing Authority

FROM: Victor Young, Assistant Clerk
Rules Committee

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

DATE: October 10, 2019

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following legislation on October 1, 2019:

File No. 191000

Ordinance amending the Administrative Code to clarify the right of current households to occupy replacement housing units, provide a priority to former households of an existing public housing development to return to a revitalized housing development, and provide a priority to current and former households of an existing public housing development to occupy a new affordable housing unit.

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: victor.young@sfgov.org.

c: Dylan Schneider, Dept. Of Homelessness and Supportive Housing
Abigail Stewart-Kahn, Dept. Of Homelessness and Supportive Housing
Eugene Flannery, MOHCD
Amy Chan, MOHCD
Dan Adams, MOHCD
William Strawn, Building Inspection Department

Carolyn Jayin, Building Inspection Department
Barbara Amaro, HOPE SF
Cindy Gamez, Housing Authority
Dariush Kayhan, Housing Authority
Linda Martin-Mason, Housing Authority

1 [Administrative Code - Right to Affordable Housing Unit in a Revitalized Housing
2 Development]

3 **Ordinance amending the Administrative Code to clarify the right of current households**
4 **to occupy replacement housing units, provide a priority to former households of an**
5 **existing public housing development to return to a revitalized housing development,**
6 **and provide a priority to current and former households of an existing public housing**
7 **development to occupy a new affordable housing unit.**

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

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

16 Section 1. Chapter 39 of the Administrative Code is hereby amended by revising
17 Sections 39.2, 39.3, and 39.4, to read as follows:

18 **SEC. 39.2. INTENT AND PURPOSE.**

19 (a) It is the intent and purpose of the City to expressly give public housing households
20 a right to revitalized housing after temporary relocation or displacement as a result of a Public
21 Housing Development Project so long as the household is not in eviction processes, having
22 been duly and properly served with a summons and complaint by the SFHA *or its agents*, or
23 has not been evicted from a unit that is managed by the SFHA *or its agents*. ~~In order to~~To further
24 such purpose, it is the intent of the City that, upon notification of eligibility for a revitalized
25 housing unit, the household shall not be subject to any additional screening by the landlord or

1 someone acting under the landlord's authority.

2 (b) Additionally, it is the intent and purpose of the City to protect the relocation rights
3 of such households. ~~In order to~~To further such purpose, it is the intent of the City to require that
4 any relocation plans produced by the project sponsor of a Public Housing Development
5 Project must be reviewed by the City department providing the Financial Assistance, as well
6 as to establish the San Francisco Residential Rent Stabilization and Arbitration Board as an
7 independent third party to review relocation claims and make advisory recommendations
8 thereon to the SFHA for its final determination. This Chapter 39 shall be construed consistent
9 with the intent and purpose as stated ~~above~~in this Section 39.2, and in accordance with
10 applicable state and federal law.

11 (c) HOPE SF, the City's signature anti-poverty and equity initiative, is committed to
12 breaking intergenerational patterns related to the insidious impacts of trauma and poverty, and to
13 creating economic and social opportunities for current and former public housing residents through
14 deep investments in education, economic mobility, health, and safety. The HOPE SF master plans
15 consist of a mixed-use, mixed-income development with several different components: (1) construction
16 of public infrastructure; (2) demolition and one-for-one replacement of all public housing units; (3)
17 development of new private affordable housing on affordable parcels; (4) development of private
18 residential projects on market rate parcels; and (5) development of community improvements (e.g.,
19 open space areas, community facilities). In addition to protecting the relocation rights of current
20 HOPE SF residents, it is critical to minimize permanent displacement of former HOPE SF residents
21 and provide an opportunity for both current and former HOPE SF residents to live in and benefit from
22 their revitalized community. Therefore, it is a necessary and important public purpose for the City to
23 provide current and former HOPE SF residents of a Former Public Housing Development a right to,
24 and the highest priority for, an affordable housing unit or other financially subsidized unit in a
25 revitalized housing development under HOPE SF.

1 **SEC. 39.3. DEFINITIONS.**

2 As used in this ~~Article~~Chapter 39, the following terms shall have the following meanings:

3
4 ~~(a)~~—"Agreement" means any contract with the City for the provision of Financial
5 Assistance for a Public Housing Development Project.

6 ~~(b)~~—"City" means the City and County of San Francisco.

7 ~~(c)~~—"Community Redevelopment Law or CRL" means Cal. Health & Safety Code §
8 33000 et seq.

9 ~~(d)~~—"Current Household(s)" means a lawful household, including each member of
10 the household, that occupies a Public Housing Unit in an Existing Public Housing
11 Development on the Initiation Date or a Temporary Relocation Unit. For purposes of this
12 Chapter 39, each lawful tenant within a household of a Public Housing Unit ~~household or~~
13 Temporary Relocation Unit shall be treated as a single household and shall not have rights to
14 separate Replacement Units. Current Households do not include any Former HOPE SF
15 Households.

16 ~~(e)~~—"Existing Public Housing Development" means an existing development of Public
17 Housing Units that will be demolished, disposed of, removed, and/or converted, in whole or in
18 part, in connection with a Public Housing Development Project.

19 ~~(f)~~—"Financial Assistance" means the provision of any federal, state, or local public
20 funds that are administered, allocated, or committed by the City to SFHA, another public
21 entity, private developer, and/or any agents, managers or partners of such entities in
22 connection with a Public Housing Development Project.

23 "Former HOPE SF Household" means any household of a Former Public Housing
24 Development that has permanently moved off-site from such Former Public Housing Development and
25 is qualified by MOHCD under the eligibility requirements set forth in Section 39.4(b)(2). Former

1 HOPE SF Households do not include any Current Household.

2 "Former Public Housing Development" means Public Housing Units that have been
3 demolished, disposed of, removed, and/or converted, in whole or in part, in connection with a
4 Revitalized Housing Development.

5 (g)—"Initiation Date" is the date of the first notice of eligibility for relocation benefits in
6 connection with a Public Housing Development Project.

7 "Member of a Current Household" means any member or former member of a Current
8 Household who is not the head of the household or individually entitled to a Replacement Unit as of the
9 Initiation Date.

10 "MOHCD" means the Mayor's Office of Housing and Community Development.

11 (h)—"New Development" means a residential and/or mixed use development that is
12 developed under federal regulations to replace an Existing Public Housing Development in
13 connection with a Public Housing Development Project or Revitalized Housing Development.

14 "Off-Site Replacement Unit" means a Replacement Unit subject to a housing assistance
15 payment contract with SFHA and constructed off-site from a Revitalized Housing Development.

16 (i)—"Public Housing Development Project" means a development or redevelopment
17 project that:

18 (1) involves the demolition, disposition, removal, revitalization, rehabilitation,
19 and/or conversion, in whole or in part, of an Existing Public Housing Development;

20 (2) involves the relocation of Current Household(s) in connection therewith; and

21 (3) as a result of such activities, is required to comply with the Uniform

22 Relocation Assistance and Real Property Acquisitions Policies Act, ~~24 U.S.C.~~ 42 U.S.C. §

23 4601 et seq. and the implementing regulations issued by the Department of Transportation at

24 49 CFR part 24.

25 ///

1 ~~(f)~~—"Public Housing Unit" means a public housing dwelling unit as defined in the
2 United States Housing Act of 1937, as amended (42 U.S.C. § 1437) and any regulations
3 adopted in connection therewith, and that is owned and operated by SFHA in the City.

4 ~~(f)~~—"Relocation Assistance Laws" means any and all federal, state, and local
5 relocation assistance laws that may be applicable to a Public Housing Development Project,
6 including but not limited to, the California Relocation Assistance Law, Cal. Govt. Code § 7260
7 et seq.; Uniform Relocation Assistance and Real Property Acquisitions Policies Act, ~~24 U.S.C.~~
8 42 U.S.C. § 4601 et seq.; the Housing and Community Development Act, 42 U.S.C. § 5301 et
9 seq.; the United States Housing Act, 42 U.S.C. § 1437 and all regulations, guidelines, and/or
10 HUD Handbooks adopted in connection with each; and this Chapter 39.

11 ~~(f)~~—"Rent Board" means the San Francisco Residential Rent Stabilization and
12 Arbitration Board.

13 ~~(m)~~—"Replacement Housing Laws" means any and all federal, state, and local
14 replacement housing laws that may be applicable to a Public Housing Development Project,
15 including but not limited to, the Community Redevelopment Law, Cal. Health & Safety Code §
16 33000 et seq.; the Housing and Community Development Act, 42 U.S.C. § 5301 et seq.; and
17 all regulations, guidelines, and/or HUD Handbooks or Notices adopted in connection with
18 each; and this Chapter.

19 ~~(n)~~—"Replacement Unit(s)" means a comparable Public Housing Unit or other
20 comparable residential unit that is developed under federal regulations stated in 24 CFR Part
21 941, 24 CFR 970, or 24 CFR 972 to replace a Public Housing Unit that is demolished,
22 disposed of, removed, revitalized, rehabilitated, or converted as a result of a Public Housing
23 Development Project.

24 "Revitalized Housing Development" means a development that transforms the site of an
25 Existing Public Housing Development Project within the Hunters View, Alice Griffith, Sunnydale, or

1 Potrero HOPE SF communities into a new mixed-income community which at completion includes
2 replacement of units at such Existing Public Housing Development Project, additional Tax Credit
3 Units, and, where applicable, market-rate units.

4 (e) — "SFHA" means the San Francisco Housing Authority, a public body, corporate
5 and politic, organized and existing under the California Housing Authorities Law (Cal. Health &
6 Saf. Code § 34200 et seq.).

7 "Tax Credit Unit" means an affordable rental housing unit financed with federal low income
8 housing tax credits, in whole or in part, as part of a Revitalized Housing Development.

9 "Temporary Relocation Unit" means a rental unit for the purpose of temporarily housing a
10 Current Household as necessary during any phase of a Revitalized Housing Development, including,
11 but not limited to, (1) a Public Housing Unit in like new condition that is less than five years old, (2) a
12 Public Housing Unit refurbished to like new condition, or (3) other rental unit under a housing
13 assistance payment contract with SFHA authorized under Section 8 of the United States Housing Act of
14 1937, as amended.

15
16 **SEC. 39.4. REQUIREMENTS FOR AGREEMENTS FOR FINANCIAL ASSISTANCE;**
17 **RIGHT TO RETURN TO A REVITALIZED HOUSING DEVELOPMENT.**

18 Every officer and employee of the City shall include in any Agreement a provision
19 requiring the recipient of the Financial Assistance, as a condition of receiving the Financial
20 Assistance, to provide (i) Current Households with a Replacement Unit as provided in
21 subsection (a)(1) and ~~(b) and to obtain a~~ review of relocation plans as provided in subsection
22 (a)(2)(e), (ii) Former HOPE SF Households with a priority to apply for and occupy a Replacement
23 Unit at a Revitalized Housing Development as provided in subsection (b), or (iii) Current Households,
24 Member of a Current Household, or Former HOPE SF Households with a priority to apply for and
25 occupy a Tax Credit Unit at a Revitalized Housing Development as provided in subsection (c). In

1 addition, the recipient of the Financial Assistance shall be required as a condition of receiving
2 the Financial Assistance, to include these requirements in any contract with SFHA regarding
3 the Public Housing Development Project. Every officer and employee of the City who enters
4 into such Agreement shall confer with the City Attorney's Office in drafting and negotiating the
5 provisions thereof in order to implement these requirements, including the provision of
6 appropriate remedies for violation of the Agreement.

7 **(a) Right to Replacement Unit.** Subject to Section 39.4~~(b)~~(a)(1), all Current
8 Households whose tenancy at the Existing Public Housing Development Project was not
9 lawfully terminated prior to or after the Initiation Date, unless such lawful termination was done
10 pursuant to the relocation plan in connection with the Public Housing Development Project,
11 shall have a right to, and the highest priority for, a Replacement Unit at the New Development
12 or, if applicable, for an ~~Off-site~~ Replacement Unit. As part of a Revitalized Housing
13 Development, any Current Household that moves to a Temporary Relocation Unit shall retain the right
14 to an on-site Replacement Unit at such Revitalized Housing Development as a Current Household and
15 is not considered a Former HOPE SF Household under Section 39.4(b).

16 ~~(b)(1)~~ Eligibility and Screening Criteria. Current Households shall be deemed
17 eligible for a Replacement Unit, and shall not be subjected to any eligibility or screening
18 criteria for a Replacement Unit other than income eligibility restrictions that may apply to a
19 suitable Replacement Unit due to a subsidy affecting the unit.

20 ~~(e)(2)~~ Review of Relocation Plan. The recipient of Financial Assistance shall
21 obtain a review by the City department providing the Financial Assistance of any relocation
22 plan drafted for a Public Housing Development Project. The recipient of Financial Assistance
23 shall present the proposed relocation plan to the applicable City department at least ~~thirty~~30
24 days prior to adoption and request that the City department submit comments regarding the
25 plan or policy in the form of a memorandum to the entity responsible for adopting the final

1 plan. If the City department decides not to take a position or does not seek to provide
2 comment, it shall issue a memorandum to the appropriate entity stating as such.

3 **(b) Former HOPE SF Household Right to Return to a Replacement Unit.**

4 **(1) Priority for Replacement Units.** *After all Current Households have had the*
5 *opportunity to occupy available Replacement Units completed during any phase of a Revitalized*
6 *Housing Development, eligible Former HOPE SF Households shall have the right to return to a*
7 *Revitalized Housing Development from where they moved from and priority for occupancy of an*
8 *available Replacement Unit located at such Revitalized Housing Development over any and all lists*
9 *maintained by MOHCD, SFHA, or any other public agency. A Former HOPE SF Household may*
10 *exercise its right to return to the Revitalized Housing Development where it moved from by submitting*
11 *an application to rent any available Replacement Unit that is not needed to permanently house a*
12 *Current Household.*

13 **(2) Eligibility.** *MOHCD shall establish and administer a process for a household to*
14 *verify the household's status as a "Former HOPE SF Household" that, at a minimum, shall require a*
15 *household to provide written, verifiable documentation of the following: (A) each Former HOPE SF*
16 *Household shall satisfy the affordable housing and/or financial requirements applicable to the*
17 *Replacement Unit, as approved by MOHCD and/or SFHA, as applicable; and (B) proof of residency at*
18 *a Former Public Housing Development, in MOHCD's reasonable discretion, including, without*
19 *limitation, at least one of the following: (i) landline phone bills, (ii) cable or internet bills, (iii)*
20 *paystubs, (iv) benefits records, including health insurance, (v) school records, (vi) letter from SFHA*
21 *verifying residency, (vii) lease with the household as tenant, (viii) City identification card; or (ix) other*
22 *evidence sufficient to establish, in MOHCD's reasonable discretion, that the household resided at a*
23 *Former Public Housing Development. Upon accepting and occupying a Replacement Unit using the*
24 *priority under this Section 39.4(b), a Former HOPE SF Household shall no longer be eligible for a*
25 *priority under this Section 39.4(b).*

1 **(c) Priority for Tax Credit Units.**

2 **(1) Tax Credit Units.** *Any Current Household, Member of a Current Household, or*
3 *Former HOPE SF Household shall have priority to remain in or return to, as applicable, a Revitalized*
4 *Housing Development and the highest priority for occupancy of any available Tax Credit Unit over any*
5 *priorities related to Tax Credit Units, all affordable housing preferences under Administrative Code*
6 *Chapter 47, and/or all lists maintained by MOHCD, SFHA, or any other public agency.*

7 **(2) Eligibility.** *MOHCD shall establish and administer a process for a household to*
8 *verify the household's status as a resident of a Former Public Housing Development as a Current*
9 *Household, Member of a Current Household, or a Former HOPE SF Household that, at a minimum,*
10 *shall require a household to provide written, verifiable documentation of the following: (A) Each*
11 *household shall satisfy the affordable housing and/or financial requirements applicable to a Tax Credit*
12 *Unit, as approved by MOHCD; and (B) each household shall provide sufficient evidence of residency,*
13 *in MOHCD's reasonable discretion, at a Former Public Housing Development, including, without*
14 *limitation, at least one of the following: (i) landline phone bills, (ii) cable or internet bills, (iii) pay*
15 *stubs, (iv) benefits records, including health insurance, (v) school records, (vi) letter from SFHA*
16 *verifying residency, (vii) Member of a Current Household listed under a lease with SFHA, (viii) City*
17 *identification card; or (ix) other evidence sufficient to establish, in MOHCD's reasonable discretion,*
18 *that the household resided at a Former Public Housing Development. Upon a household accepting*
19 *and occupying a Tax Credit Unit using the priority under this Section 39.4(c), such household shall no*
20 *longer be eligible for a priority under this Section 39.4(c).*

21 **(d) Implementation.** *MOHCD shall implement the priorities of this Section 39.4 by*
22 *developing procedures and amending its applicable regulations or policies. The requirements of this*
23 *subsection (d) are directory rather than mandatory. For purposes of this Chapter 39, a household has*
24 *the burden of proof to demonstrate that it is eligible as a Former HOPE SF Household or Member of a*
25 *Current Household. If a household disputes MOHCD's determination that it does not qualify as a*

1 Former HOPE Household or Member of a Current Household, such household shall have the right to a
2 hearing conducted by a Rent Board Administrative Law Judge (as defined in Administrative Code
3 Section 37.2(f)), with MOHCD as the responding party.

4
5 Section 2. Chapter 47 of the Administrative Code is hereby amended by revising
6 Section 47.3, to read as follows:

7 **SEC. 47.3. APPLICATION OF PREFERENCE.**

8 Except to the extent prohibited by an applicable State or Federal funding source,
9 MOHCD shall give, or require project sponsors or their successors in interest funded through
10 MOHCD to give, preference in occupying units or receiving assistance under all City
11 Affordable Housing Programs after any priority given under Administrative Code Section 39.4.

12 Each preference enumerated below shall be applied as of the effective date of the legislation
13 establishing each preference. The City established preference for holders of Certificates of
14 Preference in Ordinance 232-08, Displaced Tenants, Category 1 in Ordinance 277-13, and
15 Displaced Tenants, Category 2 and Neighborhood Residents in legislation adding this
16 Chapter 47. The preference requirements are intended to have prospective effect only, and
17 shall not be interpreted to impair the obligations of any pre-existing contract entered into by
18 the City. Notwithstanding the prior sentence, the preference requirements shall apply to
19 contracts entered into by the City on or after the effective date of the legislation establishing
20 each preference, including contracts materially amended on or after the effective date.

21 Preference shall be given:

22 * * * *

23
24 Section 3. Effective Date. This ordinance shall become effective 30 days after
25 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
2 of Supervisors overrides the Mayor's veto of the ordinance.

3
4 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
8 additions, and Board amendment deletions in accordance with the "Note" that appears under
9 the official title of the ordinance.

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

13
14 By: 
15 KEITH NAGAYAMA
16 Deputy City Attorney
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