

1 [Subdivision Code – Condominium Conversion Impact Fee]

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3 **Ordinance amending the Subdivision Code by adding Section 1396.4 to adopt a**
4 **condominium conversion impact fee applicable to buildings qualifying for but not**
5 **being selected in the 2010 condominium conversion lottery only, subject to specified**
6 **requirements; adopting environmental findings.**

7 Note: Additions are *single-underline italics Times New Roman*;
8 deletions are *strikethrough italics Times New Roman*.
9 Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

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

11 Section 1. Findings. (a) The Planning Department has determined that the actions
12 contemplated in this Ordinance are in compliance with the California Environmental Quality
13 Act (California Public Resources Code sections 21000 et seq.). Said determination is on file
14 with the Clerk of the Board of Supervisors in File No. _____ and is incorporated
15 herein by reference.

16 (b) A report on the fees is in Clerk of the Board of Supervisors File No.
17 _____ and is incorporated herein by reference

18 Section 2. The San Francisco Subdivision Code is hereby amended by adding
19 Section 1396.4, to read as follows:

20 **SEC. 1396.4. CONDOMINIUM CONVERSION IMPACT FEE.**

21 (a) Findings. The findings of Planning Code Section 315.2 concerning the City's
22 inclusionary affordable housing program are incorporated herein by reference and support the
23 basis for charging the fee set forth herein as it relates to the conversion of dwelling units into
24 condominiums.

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1 (b) Any building that participated in the 2010 condominium conversion lottery, but was
2 not selected for conversion may bypass the provisions of Section 1396 (the annual lottery
3 conversion limitation) if the building owners for said building comply with Section 1396.3(g)(1)
4 and pay the condominium conversion impact fee subject to the requirements of this section.

5 (c) Eligible buildings as set forth in Subsection (b) may exercise their option to
6 participate in this fee program according to the following requirements:

7 (1) The applicant(s) for the subject building shall pay the fee specified in
8 Subsection (e) no later than February 1, 2011 for the entire building.

9 (2) No later than the last business day before July 31, 2011:

10 (i) DPW shall determined that the applicant's condominium conversion
11 subdivision application is complete, or

12 (ii) The application is deemed complete by operation of law.

13 (3) The applicant shall obtain final and effective tentative approval of the
14 condominium subdivision or parcel map no later than December 31, 2011.

15 (4) Any map application subject to a required public hearing on the subdivision
16 or a subdivision appeal shall have the time limit set forth in Subsection (c)(3) suspended until
17 March 15, 2012.

18 (5) The Director of the Department of Public Works is authorized to waive the
19 time limit set forth in Subsection (c)(3) as it applies to a particular building due to extenuating
20 or unique circumstances. Such waiver may be granted only after a public hearing and in no
21 case shall the time limit extend beyond July 31, 2012.

22 (d) Should the subdivision application be denied or be rejected as untimely in
23 accordance with the dates specified above, or the tentative subdivision map or tentative
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1 parcel map disapproved, DPW shall refund the entirety of the applicant's fee specified in
2 Subsection (e).

3 (e) The fee amount is \$20,000.00 per unit. Said fee is reduced for each year the
4 building has participated in the condominium conversion lottery up to and including the 2010
5 lottery in accordance with the following formula:

6 (1) 2 years of participation, 20% fee reduction per unit;

7 (2) 3 years of participation, 40% fee reduction per unit;

8 (3) 4 years of participation, 60% fee reduction per unit; and

9 (4) 5 or more years of participation, 80% fee reduction per unit.

10 (f) Waiver or reduction of fee based on absence of reasonable relationship.

11 (1) A project applicant of any project subject to the requirements in this Section
12 may appeal to the Board of Supervisors for a reduction, adjustment, or waiver of the
13 requirements based upon the absence of any reasonable relationship or nexus between the
14 impact of development and the amount of the fee charged or for the reasons set forth in
15 Subsection (2) below, a project applicant may request a waiver from the Board of Supervisors.

16 (2) Any appeal of waiver requests under this clause shall be made in writing
17 and filed with the Clerk of the Board no later than 15 days after the date the sponsor is
18 required to pay and has paid to the Treasurer the fee as required in this Section. The appeal
19 shall set forth in detail the factual and legal basis for the claim of waiver, reduction, or
20 adjustment. The Board of Supervisors shall consider the appeal at the hearing within 60 days
21 after the filing of the appeal. The appellant shall bear the burden of presenting substantial
22 evidence to support the appeal, including comparable technical information to support
23 appellant's position. If a reduction, adjustment, or waiver is granted, any change of use or
24 scope of the project shall invalidate the waiver, adjustment or reduction of the fee. If the
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1 Board grants a reduction, adjustment or waiver, the Clerk of the Board shall promptly transmit
2 the nature and extent of the reduction, adjustment or waiver to the Treasurer and Department
3 of Public Works.

4 (g) Any building that participates in the fee program set forth herein shall automatically
5 be ineligible to participate in the 2011 condominium conversion lottery. DPW shall refund to
6 the applicant any fees paid to participate in the 2011 lottery and shall remove any lottery
7 tickets associated with the subject building from the lottery drawing.

8 (h) Buildings that convert pursuant to this Section shall have no effect on the terms
9 and conditions of Section 1341A, 1385A, or 1396 of this Code.

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

By: _____
John D. Malamut
Deputy City Attorney