File No. 120669 Committee Item No. 2
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Economic Development **Date** March 25, 2013

Board of Supervisors Meeting **Date** _____

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Completed by: Alisa Miller **Date** March 22, 2013
Completed by: _____ **Date** _____

[Subdivision Code - Condominium Conversion Impact Fee]

Ordinance amending the Subdivision Code, by adding Section 1396.4, to adopt a condominium conversion impact fee applicable to buildings ~~qualifying for~~ participating but not being selected ~~or participating~~ in the 2012 or 2013 condominium conversion lotteries only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and adopting environmental findings.

NOTE: Additions are *single-underline italics Times New Roman*; deletions are *~~strike-through italics Times New Roman~~*. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. Findings. (a) The Planning Department has determined that the actions contemplated in this Ordinance are in compliance with the California Environmental Quality Act (California Public Resources Code sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 120669 and is incorporated herein by reference.

(b) A copy of the report on the fees identified herein is in Clerk of the Board of Supervisors File No. 120669 and is incorporated herein by reference. The City Controller's Office has independently confirmed that the fee amounts identified in said report remain valid. This determination is on file with the Clerk of the Board of Supervisors File No. 120669 and is incorporated herein by reference.

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

SEC. 1396.4. CONDOMINIUM CONVERSION IMPACT FEE.

(a) Findings. The findings of Planning Code Section 415.1 concerning the City's inclusionary affordable housing program are incorporated herein by reference and support the basis for charging the fee set forth herein as it relates to the conversion of dwelling units into condominiums.

(b) Any building that: ~~(1)~~ *participated in the 2013* or 2012 *condominium conversion lottery, but was not selected for conversion* ~~or (2) could have participated in the 2013 condominium conversion lottery, but elected not to do so~~*, may bypass the provisions of Section 1396 (the annual lottery conversion limitation) if the building owners for said building comply with Section 1396.3(g)(1) and pay the condominium conversion impact fee subject to the requirements of this Section.* In addition, no property subject to the prohibition set forth in Section 1396.2 is eligible for said bypass.

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

(1) The applicant(s) for the subject building shall pay the fee specified in Subsection (e) no later than January 24, 2014 for the entire building.

(2) No later than the last business day before July 25, 2014:

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

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

(3) The applicant shall obtain final and effective tentative approval of the condominium subdivision or parcel map no later than December 31, 2014.

(4) Any map application subject to a required public hearing on the subdivision or a subdivision appeal shall have the time limit set forth in Subsection (c)(3) suspended until March 13, 2015.

(5) The Director of the Department of Public Works is authorized to waive the time limit set forth in Subsection (c)(3) as it applies to a particular building due to extenuating or unique

circumstances. Such waiver may be granted only after a public hearing and in no case shall the time limit extend beyond July 24, 2015.

(6) The applicant(s) must meet the following requirements applicable to Subdivision Code Article 9, Conversions: Sections 1381, 1382, 1383, 1386, 1387, 1388, 1389, 1390, 1391(a) and (b),1392, 1393, 1394, and 1395. In addition, the applicant(s) must certify that to the extent any tenant vacates his or her unit after January 28, 2013 and before recordation of the final parcel or subdivision map, such tenant did so voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code Sections 37.9(a)(8)-(14). If an eviction has taken placed under 37.9(a)(11) or 37.9(a)(14) then the applicant(s) shall certify that the original tenant reoccupied the unit after the temporary eviction.

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

(e) The fee amount is $20,000.00 per unit. Said fee is reduced for each year the building has participated in the condominium conversion lottery up to and including the 2013 lottery in accordance with the following formula:

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

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

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

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

(f) For purposes of Section (e), a building's owner(s) *shall get credit only for those years that* ~~it~~ he or she *participated in the lottery even though such building could have qualified for and participated in other condominium conversion lotteries.*

(g) Life Time Lease for Non-purchasing Tenants. No subdivider or subsequent condominium unit owner shall refuse to renew a lease or extend a rental agreement to any non-purchasing tenant at

the time of Final Map or Parcel Map approval. Any extended leases or rental agreements made pursuant hereto shall expire only upon the death or demise of such tenant or the last surviving member of the tenant's household, provided such surviving member is related to the tenant by blood, marriage, or domestic partnership, and is aged 62 or older at the time of death or demise of such tenant, or at such time as the tenant voluntarily vacates the unit after giving due notice of such intent to vacate. Each lease shall contain a provision allowing the tenant to terminate the lease and vacate the unit upon 30 days' notice. Rent charged during the term of any extended lease or rental agreement pursuant to the provisions of this Section shall not exceed the rent charged at the time of filing of the application for conversion, plus any increases proportionate to the increases in the residential rent component of the "Bay Area Cost of Living Index, U.S. Dept. of Labor," provided that the rental increase provisions of this Section shall be operative only in the absence of other applicable rent increase or arbitration laws. This Section shall not alter or abridge the rights or obligations of the parties in performance of their covenants, including but not limited to the provision of services, payment of rent or the obligations imposed by Sections 1941, 1941.1 and 1941.2 of the California Civil Code. There shall be no decrease in dwelling unit maintenance or other services historically provided to such units and such tenants. A binding and recorded agreement between the City and property owner(s) concerning this requirement shall be a tentative map condition imposed on each parcel or subdivision map subject to this Subsection 1396.4(g). For purposes of this Subsection, the Board of Supervisors delegates authority to the DPW Director, in consultation with the Mayor's Office of Housing, to enter in said agreement on behalf of the City and County of San Francisco.

(h) In recognition of the rental requirements of Section (g), the fee for each unit in which a non-purchasing tenant resides at the time specified in Section (g) shall be refunded to the subdivider under the following formula:

(1) One unit, 10% fee reduction for such unit;

(2) Two units, 20% fee reduction for each unit;

(3) Three units, 30% fee reduction for each unit.

(i) Upon confirmation of compliance with the rental requirement, DPW or the City department in possession of the fee revenue *shall refund the amount specified in Section (h) to the subdivider and have all remaining fee revenues transferred to the* ~~Citywide Affordable Housing Fund~~ Mayor's Office Home Ownership Assistance Loan Fund.

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

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

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

(k) Any building that participates in the fee program set forth herein shall automatically be ineligible to participate in the 2014 condominium conversion lottery. ~~DPW~~ The City *shall refund to*

the applicant any fees paid to participate in the 2014 lottery and shall remove any lottery tickets associated with the subject building from the lottery drawing.

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

Section 3. Effective Date. This ordinance shall become effective 30 days from the date of passage.

Section 4. This section is uncodified. In enacting this Ordinance, the Board intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams, or any other constituent part of the Subdivision Code that are explicitly shown in this legislation as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the legislation.

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

By: _____
John D. Malamut
Deputy City Attorney

FILE NO. 120669

REVISED LEGISLATIVE DIGEST

(1/28/2013, Amended in Committee)

[Subdivision Code - Condominium Conversion Impact Fee]

Ordinance amending the Subdivision Code, by adding Section 1396.4, to adopt a condominium conversion impact fee applicable to buildings participating but not being selected in the 2012 or 2013 condominium conversion lotteries only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and adopting environmental findings.

Existing Law

The San Francisco Subdivision Code regulates the conversion of apartments and tenancy-in-common buildings to condominium subdivisions and prohibits the conversion of buildings in excess of 6 units. Subdivision Code Section 1396 limits the number of conversions to 200 units annually which are selected in a condominium lottery. In order to participate in the lottery, a specified number of building owners must continuously occupy a unit(s) in the building for at least three years in advance of the lottery. Section 1396.3 sets forth the selection process for the annual 200-unit condominium lottery and bases the selection process, in part, on seniority of participation in past lotteries.

Amendments to Current Law

This Ordinance would impose a one-time fee on condominium conversions that would allow those buildings which participated but lost in the 2012 or 2013 condominium lottery to by-pass the 2014 lottery by paying the specified $20,000 per unit fee. The fee would be reduced 20% for every year before 2013 that the building participated in the lottery, and the fee revenue collected would be placed into the Mayor's Office Home Ownership Assistance Loan Fund. The Ordinance also would require that all non-purchasing tenants at the time of final or parcel map approval of the condominium subdivision receive a lifetime lease with certain specified terms and subject to a binding agreement with the City concerning the lease. In recognition of the lifetime lease requirements, buildings would receive a refund on the condominium conversion fee tied to the number of units associated with a lifetime lease. The legislation would establish various time periods to pay the fee and complete steps of the conversion process. The Ordinance also would adopt environmental findings.

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

June 20, 2012

File No. 120669

Bill Wycko
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Mr. Wycko:

On June 12, 2012, Supervisor Farrell introduced the following proposed legislation:

File No. 120669

Ordinance: 1) amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected or participating in the 2012 condominium conversion lottery only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and 2) adopting environmental findings.

This legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

By: Alisa Miller, Committee Clerk
Land Use & Economic Development Committee

Attachment

c: Monica Pereira, Environmental Planning
Joy Navarrete, Environmental Planning

Statutory Exemption
CEQA Section 15273
Rates, Tolls, Fares & Charges
1/4/13
JOY NAVARRETE

From: Michelle Allersma/CON/SFGOV@SFGOV
To: Mark Farrell/BOS/SFGOV@SFGOV,
Cc: Catherine Stefani/BOS/SFGOV@SFGOV, Ben Rosenfield/CON/SFGOV@SFGOV, John Malamut/CTYATT@CTYATT, Kurt Fuchs/CON/SFGOV@SFGOV
Date: 03/02/2012 11:19 AM
Subject: condo conversion fee update

Hello Supervisor Farrell--

We have reviewed the January 2011 Condominium Conversion Nexus Analysis prepared by Keyser Marsten Associates. We believe the data in the report are recent enough to provide a reliable estimate of the nexus amount attributable to condominium conversion, and that an updated report is not necessary for fee discussions at this time.

Attached is an updated estimate of potential fee revenue, which depends heavily on 1) the assumed current value of TICs and 2) the fee level. We've chosen an average value of $500K, based on the nexus study, which estimates that the low end is $300K-$500K, and average recent sales prices (approximately $600K in the past two years).

Table IV-5 of the nexus study lists the maximum supported fees per unit to be:
$21,787 for a $300K unit
$30,117 for a $400K unit
$34,603 for a $500K unit.

Estimates of increased property and property transfer tax revenue that could result from condominium conversions also depend heavily on TIC values and the number of TIC owners that would elect to convert. Kurt Fuchs will look into this more next week and get back to you.

Please let us know if you have questions,
Michelle

Michelle Allersma
Budget and Analysis Division
Controller's Office
City & County of San Francisco
415.554.4792

CITY AND COUNTY OF SAN FRANCISCO OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

MEMORANDUM

TO: The Honorable Supervisor Farrell

FROM: Ben Rosenfield, Controller

DATE: March 9, 2012

SUBJECT: Estimated Condominium Conversion Fee and Associated Property Tax and Property Transfer Tax

Per your request, the Controller's Office has estimated the range of potential revenues that may be generated by the proposed Condominium Conversion Impact Fee Ordinance as currently drafted. As shown in Table 1, the estimated revenues range from $7.4 million to $24.6 million in fee revenues plus approximately $0.1 million in additional property tax and real property transfer tax revenues. These estimates are highly sensitive to several key assumptions outlined below.

Table 1 Projected Single Year Fee Revenue, Property Tax, and Property Transfer Tax at Different Participation Rates

	100% take up rate 1,857 Units	50% take up rate 929 Units	50% take up rate 557 Units
Fee Revenue (one-time)	$ 24,644,000	$ 12,322,000	$ 7,393,200
Property Tax	$ 40,000	$ 20,000	$ 10,000
Transfer Tax	$ 50,000	$ 30,000	$ 20,000
Total	**$ 24,734,000**	**$ 12,372,000**	**$ 7,423,200**

Estimated Condominium Conversion Impact Fee Revenue

Our projections are based on Keyser Marsten Associates' (KMA) January 2011 Condominium Conversion Nexus Analysis. We have reviewed this report and believe the market data and other assumptions are sufficiently current to provide a reliable estimate of the nexus amount attributable to condominium conversion, and that an updated report is not necessary for fee discussions at this time.

The Condominium Conversion Fee contemplated by the ordinance ranges from $20,000 to $4,000 per unit, with the fee reduced the longer the property has been in the condo conversion lottery. The proposed fees are less than the maximum per unit fee to convert a tenancy-in-common (TIC) to a condominium supported by the KMA nexus study, summarized below:

1. $300,000 TIC value; $21,787 maximum conversion fee,
2. $400,000 TIC value; $30,117 maximum conversion fee, and
3. $500,000 TIC value; $34,603 maximum conversion fee.

The first step in our analysis was to estimate the participation rate of TIC owners willing to pay the conversion fee rather than taking a chance on winning in subsequent rounds of the condo lottery. Our assumption is that the alternative to paying the fee is that the TIC owner borrows an amount equal to the net increase in value from converting from a TIC to a condo for the projected number of years to win the lottery without paying a fee (based on the increased probability of winning the lottery each subsequent year). If the net benefit from paying the fee is greater than the alternative described above, it is assumed that the TIC owner would opt to pay the fee.

For purposes of the analysis, we have assumed an average TIC value of $500,000, based on the range of values in the KMA nexus study, and average recent TIC sales prices of approximately $600,000 in the past two years.

The potential revenue generated by the proposed fee is dependent on several key variables summarized below, which also include the assumptions used in the analysis:

1. TIC Value ($500,000 per unit assumed in this analysis)
2. Value Premium from converting TIC to Condo (15%, per the KMA study)
3. Conversion Impact Fee level (based on proposed ordinance, initially $20,000)
4. Percent of owners willing to pay the fee, or the "take up rate" (to account for uncertainty, a range is presented, assuming 100%, 50%, and 30% of owners opt to pay the fee)
5. Cost to convert from TIC to Condo ($10,900 per unit for permits and code compliance corrections, per the KMA study)

Exhibit A presents a summary of the potential revenue generated by the proposed Condominium Conversion Impact Fee, based on the above key assumptions. As indicated, the fee is estimated to generate from **$7.4 million to $24.6 million**, depending on the participation rate. The bottom of Exhibit A includes an estimate of the fee revenue for a range of TIC values, as well as the revenue generated assuming fees were set at a rate to maximize participation.

Estimated Property Tax and Property Transfer Tax

The incremental value from converting a TIC to a condominium is not realized until the property is sold. In other words, the conversion process itself is not an "assessable event" and will not generate any increased property taxes or property transfer taxes. Only when the property is transferred will tax revenue be generated, based on the value enhancement from converting a TIC to a condominium (again, assumed to be 15% for purposes of this analysis).

Exhibit B presents an estimate of potential tax revenue generated from conversion. The analysis makes the simplifying assumption that the market value of the TIC is equal to the current assessed value. The key assumption in this analysis is the percent of units sold after conversion (which triggers re-assessment and transfer taxes). The turnover rate of residential properties in San Francisco averaged about 5% per year, based on the average annual units sold from 1994 to 2011 divided by the owner-occupied housing inventory.

Applying this turnover rate to the incremental value added through conversion and the assumed "take up" rate provides an estimate of the total incremental value of condos sold each year. Applying the tax rates to this incremental value results in about $40,000 in property taxes and

$50,000 in transfer taxes, assuming 100% take up rate and a $500,000 base value, as indicated in Exhibit B.

If you have any questions, please contact me or you may call Kurt Fuchs on my staff, at 415-554-5369, or Kurt.Fuchs@sfgov.org.

Attachments

Exhibit A

1. Estimated Condominium Conversion Fee Revenue at $500,000 Average TIC Value

			100% take up rate		50% take up rate		30% take up rate	
Lottery Group	Proposed Fee	% Discount from B2 Fee	# Units Participating	Potential Fee Revenue	# Units Participating	Potential Fee Revenue	# Units Participating	Potential Fee Revenue
A6	4,000	80%	253	1,012,000	127	506,000	76	303,600
A5	8,000	60%	324	2,592,000	162	1,296,000	97	777,600
A4	12,000	40%	350	4,200,000	175	2,100,000	105	1,260,000
B3	16,000	20%	440	7,040,000	220	3,520,000	132	2,112,000
B2	20,000		490	9,800,000	245	4,900,000	147	2,940,000
Total			**1,857**	**24,644,000**	**929**	**12,322,000**	**557**	**7,393,200**

Key Assumptions

$500,000	Average TIC value
15%	Value premium from converting TIC to condo
$10,900	Average cost of condo conversion per unit (code compliance, permitting)
7.99%	Annual interest rate

Note: 100% of units in each lottery group would participate if the net benefit from paying the fee is larger than net benefit of the alternative. The net benefit of paying the fee is a 15% increase in the value, minus the fee and average costs of condo conversion. The alternative to paying the fee is to borrow an amount equal to the increase in value that converting to a condo would provide for the number of years it would take to win the lottery without paying a fee (i.e. number of years until unit has been in lottery for seven years).

2. Estimated Condominium Conversion Fee Revenue and Participation at Range of Average TIC Values

			Revenue assuming take up rates of			
Current TIC Value	B2 Fee	# Units Participating	100%	50%	30%	Note
$300,000	$20,000	0	-	-	-	proposed B2 fee level
$400,000	$20,000	577	3,604,000	1,802,000	1,081,200	
$500,000	$20,000	1857	24,644,000	12,322,000	7,393,200	
$300,000	$12,200	1857	15,032,840	7,516,420	4,509,852	revenue-maximizing B2 fee level
$400,000	$17,700	1857	21,809,940	10,904,970	6,542,982	
$500,000	$23,200	1857	28,587,040	14,293,520	8,576,112	

Key Observations

Revenue are highly dependent on assumptions, particularly the assumed current value of TICs, the fee level, and participation rate.

Exhibit B

Property Tax and Transfer Tax Estimates to General Fund Based on Incremental Value of Converting TIC to Condo

Number of Units Participating	Market/ Assessed Value - TIC	New Assessed Value - Condo	Incremental AV/ unit	Take Up Rate (% paying fee)	% to Sell After Conversion	Total Incremental Value of Condos Sold	Estimated Property Tax	Estimated Transfer Tax
							0.57%	0.75%
$500k TIC Value								
1,857	$500,000	$575,000	$75,000	100%	5%	*$6,963,750*	**$40,000**	**$50,000**
1,857	$500,000	$575,000	$75,000	50%	5%	*$3,481,875*	**$20,000**	**$30,000**
1,857	$500,000	$575,000	$75,000	30%	5%	*$2,089,125*	**$10,000**	**$20,000**
$400k TIC Value								
577	$400,000	$460,000	$60,000	100%	5%	*$1,731,000*	**$10,000**	**$10,000**
577	$400,000	$460,000	$60,000	50%	5%	*$865,500*	**$5,000**	**$6,000**
577	$400,000	$460,000	$60,000	30%	5%	*$519,300*	**$3,000**	**$4,000**

Key Assumptions

15% Value premium from converting TIC to condo; taaxes estimated on this incremental value only.

5% Annual Residential Turnover rate (based on annual average residential units sold from 1994 to 2011 (6,000) divided by the City's owner-occupied housing inventory (125,000 units)). Source: Paragon Real Estate Group (based on MLS data); Dataquick; US Census, 2010.

Key Observations

Tax revenues will only be realized when converted units are sold, which are based on historic turnover for all property types. To the extent that newly converted condos turnover faster, the potential tax revenue will be realized sooner.

120669

Youth Commission
City Hall ~ Room 345
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4532

(415) 554-6446
(415) 554-6140 FAX
www.sfgov.org/youth_commission

YOUTH COMMISSION

MEMORANDUM

TO: Honorable Mayor Edwin M. Lee
Honorable Members, Board of Supervisors

CC: Angela Calvillo, Clerk of the Board
Honorable Members, Board of Education
Richard Carranza, Superintendent, San Francisco Unified School District
Greg Suhr, Chief of Police
William P. Siffermann, Chief, Juvenile Probation Department
Maria Su, Director, Department of Children, Youth and their Families
Jason Elliott, Director of Legislative & Government Affairs, Mayor's Office
Nicole Wheaton, Commissions & Appointments, Mayor's Office

FROM: Youth Commission

DATE: Wednesday, February 27, 2013

RE: Four Youth Commission actions: Questions regarding BOS file no. 120669 [Subdivision Code - Condominium Conversion Impact Fee]; resolutions urging the City not to equip juvenile probation officers with firearms and police officers with Tasers; and resolution regarding City/school district partnership on federal Deferred Action program for undocumented youth

---

At our regular meeting Tuesday, February 19, 2013, the Youth Commission voted to take no position on BOS file no. 120669 [Subdivision Code - Condominium Conversion Impact Fee]. The Youth Commission urges the Board of Supervisors to consider the following three issues in the ongoing negotiations regarding this proposed legislation:

- The average household income of the owners of Tenancies in Common (TIC) who would be eligible for the condo conversion bypass and fee proposed in this ordinance;

- How the most vulnerable San Franciscans—especially young people, people of color, seniors, queers, single mothers, dependent children and low-income people in general—living in eligible TIC's could be impacted by this legislation (we wonder if the City could undertake a study of these issues, which could be called an "equity impact analysis"); and

- What the long term impact of this legislation will be on affordability of housing.

***

At this same meeting, moreover, the Youth Commission adopted resolution *1213—AL10 Urging the SFUSD to create a centralized process and facilitating the application process for students that are eligible for the Deferred Action for Childhood Arrivals (DACA) program and urging the Board of Supervisors and Mayor to work together with the SFUSD to support our undocumented students and transitionally aged youth.*

This resolution (attached) calls on the San Francisco Unified School District (SFUSD) to join with the City's Office of Civic Engagement and Immigrant Affairs (OCEIA) in publicizing the Deferred Action for Childhood Arrivals program, an Obama administration policy that provides the federal government with the discretion to defer deportation proceedings for undocumented young immigrants who meet certain qualifications. The resolution also asks the Mayor and the Board to do whatever possible to support our undocumented students and transitionally aged youth.

Please note that this resolution has already born fruit: many thanks to the SFUSD for already creating this centralized web resource for public school students who are eligible for Deferred Action!

***

In addition to this immigration-related resolution, the Youth Commission adopted two resolutions regarding criminal justice and law enforcement.

Resolution *1213—AL11 Urging the Mayor and the Board of Supervisors to urge the San Francisco Juvenile Probation Department not to equip probation officers in the Serious Offender Program unit with firearms* is meant as a contribution to a policy discussion that is currently underway in the City. Last December, San Francisco Chief Juvenile Probation Officer William P. Siffermann announced he was reviewing his department's safety protocols for juvenile probation officers and was considering revising these protocols to include the provision of firearms for certain juvenile probation officers. Chief Siffermann said at the January 9 meeting of the Juvenile Probation Commission that he plans to present revised protocols in April of 2013.

This resolution acknowledges the Chief's need to revise safety protocols given the new public safety climate. At the same time, the resolution expresses the Youth Commission's steadfast opposition to any potential protocols that include providing firearms for juvenile probation officers.

In turn, resolution *1213—AL12 Urging the Mayor and the Board of Supervisors to urge the San Francisco Police Department not to acquire stun weapons (Tasers) for police officers* draws on studies from Amnesty International and researchers at UCSF, as well as literature from the American Civil Liberties Union and the Lawyers Committee for Civil Rights, in urging the City Family not to move forward with the Police Chief's proposal to arm police officers with Tasers.

***

If you have any questions about these items or anything related to the Youth Commission, please don't hesitate to contact our office at (415) 554-6446 or your Youth Commissioner.

120669

Miller, Alisa

From: Board of Supervisors
Sent: Friday, February 01, 2013 10:30 AM
To: Miller, Alisa
Subject: File 120669: TIC-Condo Conversions

From: Lee Goodin [mailto:lgoodin1@mindspring.com]
Sent: Tuesday, January 29, 2013 2:45 PM
To: Board of Supervisors; Chiu, David; Campos, David; Cohen, Malia; Farrell, Mark; Wiener, Scott; Kim, Jane; Breed, London; Mar, Eric (BOS); Avalos, John; Chu, Carmen; Yee, Norman (BOS); letters
Cc: CW Nevius; matierandross
Subject: TIC-Condo Conversions

Supervisors and Editor,

When we decided to move back to the city ten years ago, we looked at a number of TICs (tenants-in-common) while house-hunting. All were owner-occupied by young couples with young children. They were stuck with joint mortgages with the other owner(s)/occupier(s) – loans generally with higher interest rates than for condos. These are the young folks the city wants to keep in SF – but will not let them fully pursue the American dream of homeownership. Can someone please tell me just why the tenants' union has an iron in this fire? By the way, a $20,000 conversion fee is awfully steep for young families with kids. And, oh yeah, we bought a condo in North Beach.

Lee Goodin

600 Chestnut Street #408

SF CA 94133

415 346-4335

lgoodin1@mindspring.com

120669

Miller, Alisa

From: joseph chmielewski [jcin506@yahoo.com]
Sent: Monday, January 28, 2013 12:11 PM
To: Chiu, David
Cc: Miller, Alisa
Subject: No on Condo Bypass Legislation

Jan 28, 2013

Dear Supervisor Kim and Chiu,

Please vote to table or otherwise kill the Ofarrell/Wiener Condo Bypass Legislation at today's Land Use Committee meeting.

As a district 6 voter and San Francisco tenant for 31 years I have seen how the whole TIC/Condo conversion dynamic has permantly removed rent-controled housing from the finite stock that exists. This housing is crucial for people like me and thousdands of other low -- moderate income earners making $35k a year or more. Income earners like me can't qualify for the low-income housing this legislation will create money for. For moderate income earners like me it is crucial that the finite stock of rent-controlled housing remain intact.

Lifetime leases are a poor substitue for rent controled buildings. Are lifetime leases legal?

Please refer to emails I sent both of you over the weekend, and again please vote to table or otherwise kill this legislation.

Thank you.

Sincerely,

Joe Chmielewski
50 Golden Gate Ave. #506
SF, 94102
415.440-3152
jcin506@yahoo.com

January 24, 2013

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2013 JAN 24 PM 2:44

Supervisor Scott Wiener
Supervisor Jane Kim
President David Chiu
Angela Calvillo, Clerk of the BOS
Alisa Miller, Clear of Land Use and Economic Development Committee

Re: File #120669 Condominium Conversion Impact Fee
Public Testimony

Dear Supervisors Wiener and Kim, President Chiu and Ms. Cavillo,

I was born and raised in San Francisco and have owned a home in this City for many years. I am in favor of the Condominium Conversion Impact Fee and ask that you support this proposal. I ask this for the following reasons:

- The Proposal will offer a solution to the lottery backlog. I was very much surprised to learn that many Tenancy-In-Common Owners have participated in the condo conversion lottery for more than ten years and have had no success.
- The Proposal will allow Tenancy-In-Common owners the opportunity to refinance into fixed 30 year mortgages with predictable payments. I understand that financing or refinancing for TIC's is extremely difficult and that the interest rates are high on such loans. However, the rate for condos is much lower. This will undoubtedly prevent foreclosures and preserve our neighborhoods.

I ask that you support this legislation.

Respectfully:

Arlene Filippi
42 Wood Street
San Francisco, CA 94118

January 23, 2013

Supervisor Scott Wiener
Supervisor Jane Kim
President David Chiu
Angela Calvillo, Clerk of the BOS
Alisa Miller, Clear of Land Use and Economic Development Committee

RE: File #120669 Condominium Conversion Impact Fee
Public Testimony

Dear Supervisors Wiener and Kim, President Chiu and Ms Cavillo,

As a member of an owner-occupied TIC group, I urge you to vote in support of the Condominium Conversion Impact Fee. This legislation will allow TIC owners, who are often entry level buyers in San Francisco, the chance to refinance into fixed 30 year mortgages with stable predictable payments instead of short-term adjustable mortgages that are the only option for financing TICs. This will allow us to keep our properties, prevent foreclosures and stabilize our neighborhoods.
The proposed fees will help to finance low income housing and tenents will be protected. This is a win-win for everyone in San Francisco. Please support this important piece of legislation.

Thank you,

Maria V. Rivero

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2013 JAN 24 AM 8:54

January 23, 2013

Supervisor Scott Wiener
Supervisor Jane Kim
President David Chiu
Angela Calvillo, Clerk of the BOS
Alisa Miller, Clear of Land Use and Economic Development Committee

RE: File #120669 Condominium Conversion Impact Fee
Public Testimony

Dear Supervisors Wiener and Kim, President Chiu and Ms Cavillo,

As a member of an owner-occupied TIC group, I urge you to vote in support of the Condominium Conversion Impact Fee. This legislation will allow TIC owners, who are often entry level buyers in San Francisco, the chance to refinance into fixed 30 year mortgages with stable predictable payments instead of short-term adjustable mortgages that are the only option for financing TICs. This will allow us to keep our properties, prevent foreclosures and stabilize our neighborhoods.
The proposed fees will help to finance low income housing and tenants will be protected. This is a win-win for everyone in San Francisco. Please support this important piece of legislation.

Thank you,
Lois Wander

Lois Wander

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2013 JAN 24 AM 8:55

120669
BOS-11

9/11/12 Received via 5:34pm email

SIERRA CLUB
FOUNDED 1892

San Francisco Group, Sierra Club,
85 Second Street, 2nd Floor, Box SFG, San Francisco CA 94105-3441

September 9, 2012

Dear San Francisco Board of Supervisors:

The Sierra Club opposes the proposed Condominium Conversion Ordinance introduced by Supervisors Mark Farrell and Scott Wiener (File No. 120669) and urges its rejection by the San Francisco Board of Supervisors. The primary reasons for the Sierra Club's opposition are as follows:

- Converting a Tenancy in Common unit ("TIC") to a condominium ("condo") doesn't create new housing. It only converts a unit from one type of ownership to another, and makes it easier to sell.
- The proposed fees for converting a TIC to a condo ($4,000 to $20,000) do not come close to providing the needed funds to build replacement rental units.
- The proposed ordinance endangers San Francisco's stock of rent-stabilized (commonly referred to as rent-controlled) units. While the ordinance does include a provision for a lifetime lease for existing tenants, those leases would leave tenants no less vulnerable to eviction, and moreover, once that lease expires and the condo is sold, another unit of housing with rent-stabilization protections is lost forever.

Instead of enacting this ordinance, the Sierra Club believes that the City of San Francisco should pursue policies that:

- Protect rent stabilization and rent-stabilized units, which are a housing type that can't be expanded (by law).
- Support the construction of more affordable housing, including family-size units.

We urge the Board to reject this proposal and instead look for better solutions to the challenge of providing of housing for San Francisco families.

Yours truly,

Rebecca Evans

Chair

cc: Mayor Edwin Lee

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
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NOTICE OF PUBLIC HEARING

LAND USE & ECONOMIC DEVELOPMENT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

NOTICE IS HEREBY GIVEN THAT the Land Use and Economic Development Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: **Monday, January 28, 2013**

Time: **1:00 p.m.**

Location: **Legislative Chamber, Room 250, located at City Hall**
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

Subject: **File No. 120669.** Ordinance amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for, but not being selected or participating in, the 2012 condominium conversion lottery only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and adopting environmental findings.

If the legislation passes, a one-time fee on condominium conversions would be imposed to allow buildings to by-pass the 2013 lottery if they either participated, but lost, in the 2012 condominium lottery or could have qualified for the 2012 lottery, but elected not to do so. The fee would be $20,000 per unit, and for buildings that participated in the 2012 lottery, the fee would reduced by 20% for every year before 2012 that the building participated in the lottery. The fee revenues would be placed in the Citywide Affordable Housing Fund.

In accordance with Section 67.7-1 of the San Francisco Administrative Code, persons who are unable to attend the hearing on this matter may submit written comments to the City prior to the time the hearing begins. These comments will be made a part of the official public record and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, Room 244, City Hall, 1 Dr. Carlton Goodlett Place, San Francisco CA 94102. Information relating to the proposed fee is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Friday, January 25, 2013.

Angela Calvillo, Clerk of the Board

DATED: January 9, 2013
PUBLISHED: January 14 & 21, 2013

Miller, Alisa

From: glenda_sobrique@dailyjournal.com
Sent: Wednesday, January 09, 2013 1:32 PM
To: Miller, Alisa
Subject: Confirmation of Order 2431361 for AM - File 120669 Fee Ad 01.28.13

Dear Customer:

The order listed below has been received and processed. If you have any questions regarding this order, please contact your ad coordinator or the phone number listed below.

Customer Account Number: 120503
Type of Notice : GPN - GOVT PUBLIC NOTICE
Ad Description : AM - File 120669 Fee Ad 01.28.13
Our Order Number : 2431361
Newspaper : SAN FRANCISCO CHRONICLE-CITY&CO. 10%
Publication Date(s) : 01/14/2013,01/21/2013

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Alisa Miller
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1 DR CARLTON B GOODLETT PL #244
SAN FRANCISCO, CA 94102

CNS 2431361

COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE

Ad Description AM - File 120669 Fee Ad 01.28.13

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO CHRONICLE. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the Clerk of the Board. Publication date(s) for this notice is (are):

01/14/2013 , 01/21/2013

NOTICE OF PUBLIC HEARING
LAND USE & ECONOMIC DEVELOPMENT COMMITTEE
SAN FRANCISCO BOARD OF SUPERVISORS
JANUARY 28,2 013 - 1:00 PM
LEGISLATIVE CHAMBER, ROOM 250, CITY HALL
1 DR.C ARLTON B.G OODLETT PL, SAN FRANCISCO,C A

NOTICE IS HEREBY GIVEN THAT the Land Use and EconomicD evelopment Committee will a hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard. **File No. 120669.** Ordinance amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected orp articipating in the 2012 condominium conversion lottery only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and adopting environmental findings.

If the legislation passes, a one-time fee on condominium conversions would be imposed to allow buildings to by-pass the 2013 lottery if they either participated, but lost, in the 2012 condominium lottery or couldh ave qualified for the 2012 lottery, but elected not to do so. The fee would be $20,000 per unit, and for buildings that participated in the 2012 lottery, the fee would reduced by 20% for every year before 2012 that the building participated in the lottery. The fee revenues would be placed in the Citywide Affordable Housing Fund.

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Angela Calvillo,C lerk oft he Board

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BOARD of SUPERVISORS

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Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
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MEMORANDUM

TO: Youth Commission
Attn: Mario Yedidia, Director

FROM: Alisa Miller, Clerk, Land Use and Economic Development Committee
Board of Supervisors

DATE: February 14, 2013

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Economic Development Committee has received the following proposed ordinance, introduced by Supervisor Farrell on June 12, 2013:

File No. 120669

Ordinance amending the Subdivision Code, by adding Section 1396.4, to adopt a condominium conversion impact fee applicable to buildings participating but not being selected in the 2012 or 2013 condominium conversion lotteries only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and adopting environmental findings.

This matter will be heard in Committee on February 25, 2013 at 10:00 a.m. in the Legislative Chamber.

If you have any 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.

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
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June 20, 2012

File No. 120669

Bill Wycko
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Mr. Wycko:

On June 12, 2012, Supervisor Farrell introduced the following proposed legislation:

File No. 120669

Ordinance: 1) amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected or participating in the 2012 condominium conversion lottery only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and 2) adopting environmental findings.

This legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

By: Alisa Miller, Committee Clerk
Land Use & Economic Development Committee

Attachment

c: Monica Pereira, Environmental Planning
Joy Navarrete, Environmental Planning

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Ben Rosenfield, Controller
John Rahaim, Director, Planning Department
Vivian Day, Director, Department of Building Inspection
Mohammed Nuru, Director, Department of Public Works

FROM: Alisa Miller, Clerk, Land Use and Economic Development Committee
Board of Supervisors

DATE: June 20, 2012

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Economic Development Committee has received the following proposed legislation, introduced by Supervisor Farrell on June 12, 2012, which is being forwarded to your department for review.

File No. 120669

Ordinance: 1) amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected or participating in the 2012 condominium conversion lottery only, subject to specified requirements, including lifetime leases for non-purchasing tenants; and 2) adopting environmental findings.

Please note, on Page 1, Lines 19-20, there is a reference to a "report on the fees." If your department is responsible for providing this report, please forward it to me at your earliest convenience.

If you have any additional reports or comments 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.

c: Carolyn Jayin, Department of Building Inspection

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

☐ 1. For reference to Committee: _____

An ordinance, resolution, motion, or charter amendment.

☐ 2. Request for next printed agenda without reference to Committee.

☐ 3. Request for hearing on a subject matter at Committee: _____

☐ 4. Request for letter beginning "Supervisor _____ inquires"

☐ 5. City Attorney request.

☐ 6. Call File No. _____ from Committee.

☐ 7. Budget Analyst request (attach written motion).

☒ 8. Substitute Legislation File No. 120669

☐ 9. Request for Closed Session (attach written motion).

☐ 10. Board to Sit as A Committee of the Whole.

☐ 11. Question(s) submitted for Mayoral Appearance before the BOS on _____

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a different form.

Sponsor(s):

Supervisors Farrell, Wiener

Subject:

Condominium Conversion Impact Fee

The text is listed below or attached:

Attached

Signature of Sponsoring Supervisor: _____

For Clerk's Use Only:

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

☒ 1. For reference to Committee: Land Use & Economic Development

An ordinance, resolution, motion, or charter amendment.

☐ 2. Request for next printed agenda without reference to Committee.

☐ 3. Request for hearing on a subject matter at Committee:

☐ 4. Request for letter beginning "Supervisor inquires"

☐ 5. City Attorney request.

☐ 6. Call File No. from Committee.

☐ 7. Budget Analyst request (attach written motion).

☐ 8. Substitute Legislation File No.

☐ 9. Request for Closed Session (attach written motion).

☐ 10. Board to Sit as A Committee of the Whole.

☐ 11. Question(s) submitted for Mayoral Appearance before the BOS on

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☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a different form.

Sponsor(s):

Supervisors Farrell and Wiener

Subject:

Subdivision Code - Condominium Conversion Impact Fee

The text is listed below or attached:

Attached

Signature of Sponsoring Supervisor: Mark S. Farrell

For Clerk's Use Only: