

File No. 220631

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date June 29, 2022

Board of Supervisors Meeting

Date _____

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- Memorandum of Understanding (MOU)
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 - Ethics Commission
- Award Letter
- Application
- Form 700
- Information/Vacancies (Boards/Commissions)
- Public Correspondence

OTHER (Use back side if additional space is needed)

- Charter Amendment _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Completed by: Victor Young Date June 22, 2022

Completed by: _____ Date _____

1 [Charter Amendment, Initiative Ordinance, and Policy Declaration - Affordable Housing
2 Production Act]

3 **Describing and setting forth a proposal to the voters at an election to be held on November**
4 **8, 2022, to amend the Charter of the City and County of San Francisco to provide for**
5 **accelerated review and approval of eligible 100% affordable housing projects, educator**
6 **housing projects, and market-rate projects that provide significant increased affordability,**
7 **and providing for Planning Department ministerial review in lieu of approvals by or**
8 **certain appeals to City boards and commissions; to make corresponding amendments to**
9 **the Planning Code and the Business and Tax Regulations Code; to amend the**
10 **Administrative Code to provide for an Annual Affordable Housing Allocation Report as**
11 **part of the City’s budget deliberation process; and to declare as City policy the need to**
12 **accelerate approval of 100% affordable housing projects, educator housing projects, and**
13 **market-rate projects that provide significant increased affordability; to make findings of**
14 **compliance with the General Plan, and Planning Code, Section 101.1, and findings of**
15 **public necessity, convenience, and welfare under Planning Code, Section 302; and**
16 **affirming the Planning Department’s determination under the California Environmental**
17 **Quality Act.**

18
19 Section 1. CEQA FINDINGS. The Planning Department has determined that the actions
20 contemplated in this proposed Charter Amendment and ordinance comply with the California
21 Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said
22 determination is on file with the Clerk of the Board of Supervisors in File No. ____ and is
23 incorporated herein by reference. The Board affirms this determination.

1 Section 2. The Board of Supervisors hereby submits to the qualified voters of the City
2 and County, at an election to be held on November 8, 2022, a proposal to amend the Charter of
3 the City and County, the Planning Code, and the Business and Tax Regulations Code, and to
4 declare a City policy, as follows:

5 NOTE: **Unchanged Charter and Code text and uncodified text** are in
6 plain font.
7 **Additions to Charter and Code text** are single-underline italics
8 Times New Roman font.
9 **Deletions of Charter and Code text** are ~~strike-through italics~~
10 ~~Times New Roman font~~.
11 **Asterisks (* * * *)** indicate the omission of unchanged Charter and
12 Code text.

13 Section 1. TITLE. This measure shall be known and may be cited as the “Affordable
14 Housing Production Act” (the “Initiative”).

15 Section 2. PURPOSE AND FINDINGS. The People of the City and County of San
16 Francisco hereby find as follows:

17 (a) San Francisco is exceeding its market-rate housing goals and continues to fall far
18 behind on its goals to build affordable housing, as set forth in the Housing Element of the City’s
19 General Plan. The lack of affordable housing has led to the displacement and outmigration of
20 low- and middle-income families and individuals, and communities of color. There is a need to
21 accelerate affordable housing production in the City, to keep our city diverse and provide
22 housing for healthcare workers, firefighters, teachers, janitors, construction workers, hospitality
23 workers, small business owners, retail and non-profit workers, and transit operators. Teachers,
24 staff, and faculty at public schools in San Francisco are struggling to remain in the city, citing
25 high rent costs and the ever-increasing cost of living. Our educators need to be able to afford to
live in the district they work in to ensure our city can provide high-quality public education for
our students. Likewise, it is important that our first responders and essential workers be able to

1 live in the city they serve to ensure fast response times to an emergency and provide quality
2 healthcare and other vital services. Many essential workers including service providers,
3 restaurant workers, and grocery workers cannot afford to live in San Francisco, leading to
4 staffing shortages in the city. To provide a solid foundation for the local economy, the City and
5 County of San Francisco recognizes the need to create the land use policies, planning and
6 permitting processes, affordability standards, and financing that will contribute to the production
7 of ample amounts of housing and economic security for the low- and middle-income resident-
8 workers upon whom the City's economy depends. It is therefore incumbent on the City to
9 immediately remove barriers to building housing for low- and middle-income residents and
10 working families.

11 (b) According to the San Francisco Housing Inventory Report published by the Planning
12 Department in April 2021, production of new unrestricted units targeted to above-moderate-
13 income households was on track to exceed the 2015-2022 Regional Housing Needs Allocation
14 (RHNA) at 150% of the goal set by the state of California, while there has been a severe
15 underproduction of units for moderate-, low-, and very- low- income households, reaching only
16 49% of the target for affordable housing.

17 (c) Affordable housing is an especially predominant concern in San Francisco. San
18 Francisco's Housing Element 2022 Update of the General Plan will need to show that the City
19 can accommodate the creation of 82,069 total units in San Francisco by 2031, of which 57% (or
20 46,598 homes) need to be below-market-rate units affordable for very low- to moderate-income
21 San Franciscans, a target set by State and Regional agencies that is triple the City's current
22 target. This translates to an average of about 10,260 new units per year, of which 5,825 units per
23 year need to be below-market-rate affordable homes. The City's Housing Element will include
24 goals and policies that are designed to allow San Francisco to meet these regional targets.

25

1 (d) The current lengthy permit approval process favors larger developers who are able to
2 hire lawyers and expeditors to navigate the City’s bureaucracy, translating into a higher cost of
3 housing and less transparency in the approval process.

4 (e) Policies that incentivize unrestricted market-rate development without consideration
5 of vulnerable communities result in additional concentrations of development marketed to
6 higher-wage households that is unaffordable and inaccessible to existing lower-income and
7 Black, Indigenous, and people of color (BIPOC) communities and exclusionary to new lower-
8 income and BIPOC households, and can lead to increased gentrification and displacement.
9 Researchers at UC Berkeley’s Urban Displacement Project have found that development of
10 affordable housing in the Bay Area can have more than double the impact of market-rate units at
11 reducing displacement pressures.

12 (f) In January 2021, Mayor Breed and Supervisors Ronen, Mar, and Mandelman wrote to
13 the Association of Bay Area Governments (ABAG) expressing the concern of San Francisco's
14 elected leadership that “one of the main drivers of economic inequality has been the decades
15 long push to focus housing production to limited areas most often occupied by communities of
16 color.”

17 (g) There is a long history in California and San Francisco of racial covenants, banking
18 practices, and zoning laws being used to maintain high real estate values and exclude
19 immigrants, people of color, and low-income residents. Even after explicit racial covenants were
20 outlawed, the combination of systemic exclusionary policies such as blockbusting, redlining, and
21 zoning that maintained or increased land values were often used to legally segregate the nation’s
22 housing stock by creating barriers for low-income communities and communities of color to
23 enjoy certain housing opportunities and privileges. Their plight compounded by decades of
24 disinvestment from public schools and infrastructure, and from the disparate impact of
25 environmental racism, these same communities today bear the brunt of evictions, gentrification,

1 and displacement pressures, and are often the target for unrestricted market-rate luxury
2 development that is unaffordable to them. Unlike more resourced neighborhoods, lower-income
3 and BIPOC communities, after decades of disenfranchisement on development decisions that
4 affect their neighborhoods, are still fighting to claim the right to community planning and self-
5 determination.

6 (h) San Francisco has long benefited from the public’s participation in the design and
7 creation of programs designed to assist tenants, particularly tenants with limited incomes,
8 including the protection of tenants in subsidized housing, the creation of standards for relocation
9 benefits, the right to counsel in eviction proceedings, neighborhood preference and certificates of
10 preference for households displaced by urban renewal, community land trusts and cooperatives,
11 and residents’ active participation in the design of affordable housing projects and related
12 programs and services. Without civic participation and transparency, the public and City policy-
13 makers have limited ability to measure the efficacy of these programs, thus undermining the
14 public trust.

15 (i) San Francisco residents who work in the City need adequate levels of affordable
16 housing to maintain their economic security, and would benefit from greater transparent and
17 collaborative policy-making and budgetary decision making, public input and oversight of
18 affordable housing programming and financing within the Mayor’s Office of Housing and
19 Community Development, the Department of Homelessness and Supportive Housing, the Human
20 Services Agency, the Department of Public Health, and other City agencies responsible for the
21 planning and financing of affordable housing projects and related programs.

22 (j) Policies incentivizing increased development in any part of the City should also
23 specifically preserve at-risk existing housing, which provides long-term stability to existing
24 communities. State law provisions that provide displacement mitigations for redevelopment of
25 existing multifamily housing, prohibit demolition of price restricted or rent-controlled housing

1 without one-for-one replacement at the same affordability level or rent-controlled status, require
2 resident relocation for the length of construction and a right to return, restrict development on
3 sites where evictions have occurred in the last five years, and prohibit short-term rentals should
4 be strengthened.

5 (k) The barriers to production in high-demand market areas are primarily high land costs,
6 high construction costs, and heightened investor risk relating to the viability of large, high-
7 density projects. Upzoning and streamlining housing in hot markets results in increased land
8 values, which can exacerbate the instability of residents in those communities with increased
9 market rate development and impact the ability of the City and affordable housing developers to
10 compete for land.

11 (l) To attain the City's housing production goals, housing developments must promote
12 skilled construction workforce development and retention through utilization of state-approved
13 apprenticeships, payment of area-standard wages, and increased construction worker access to
14 employment-based fringe benefit plans. The employment of skilled and trained labor is critical to
15 ensuring wages and benefits are competitive to attract and retain enough qualified workers.
16 According to the Bureau of Labor Standards, productivity per unit of labor in the construction
17 industry declined across the United States 13% between 1987–2016, while productivity in other
18 business sectors increased by 31%, dramatizing the need for a skilled and trained residential
19 construction workforce. Additionally, the need for safe, high-quality installation and construction
20 practices will only continue to grow amidst increasing demand and requirements for the
21 installation and retrofit of technologies and building practices necessary to lower greenhouse gas
22 emissions.

23 (m) In recent years, San Francisco voters have approved several measures to create
24 robust funding for the production, preservation, and protection of affordable housing. These
25 measures include the establishment of the Gross Receipts Tax and Affordable Housing Trust

1 Fund in 2012, the Affordable Housing General Obligation Bond of 2015, the Our City Our
2 Home increase to the Gross Receipts Tax in 2018, and the Real Estate Transfer Tax increase
3 accompanied by Proposition K, a policy measure to dedicate the increase for social housing in
4 2020. Despite voters approving these measures, the City has failed to expend these funds under a
5 coherent strategic plan or with a level of transparency to provide the public with programmatic
6 input and oversight. Moreover, the City agencies and departments – the Mayor’s Office of
7 Housing and Community Development, the Department of Homelessness and Supportive
8 Housing, the Human Services Agency, and the Department of Public Health – charged with the
9 delivery of projects from these voter-approved funding streams have failed to provide adequate
10 transparency, oversight, and acceptance of voter-approved guidelines and public input to allocate
11 funding. Instead, many of these departments make programmatic and budgetary decisions
12 without regard to the experiences and recommendations from the public in need of affordable
13 housing.

14 (n) Accelerated review will allow San Francisco to incentivize and accelerate the
15 development of housing projects that specifically expand the city’s affordable housing supply by
16 reducing the time and expense associated with obtaining planning approval.

17 (o) The purpose of the Affordable Housing Production Act is to provide an Annual
18 Affordable Housing Allocation Report as part of the City’s budget deliberation process, and to
19 accelerate the development and construction of affordable housing in San Francisco.

20
21 Section 3. CHARTER AMENDMENT. The Charter of the City and County of San
22 Francisco shall be amended by adding new Section 16.126 and by revising Sections 4.105,
23 4.106, 4.135, and 5.103, to read as follows:

24
25

1 **SEC. 16.126. ACCELERATED REVIEW OF 100% AFFORDABLE,**
2 **INCREASED AFFORDABILITY, AND EDUCATOR HOUSING PROJECTS.**

3 (a) Definitions. For purposes of this Section 16.126 and the accelerated review process
4 contemplated in the Charter Amendment establishing this Section, the following terms shall have
5 the following meanings:

6 “100% Affordable Housing Project.” A project that meets the requirements of Planning
7 Code Section 206.9, as amended from time to time.

8 “Educator Housing Project.” A project that meets the requirements of Planning Code
9 Section 206.9, as amended from time to time.

10 “Increased Affordability Housing Project.” A Multi-Family housing development project
11 that provides on-site Affordable Units required by the City’s Inclusionary Affordable Housing
12 Program, or if applicable, the inclusionary requirements as set forth in Planning Code Section
13 206.3, as such provisions may be amended from time to time, plus additional on-site Affordable
14 Units in an amount equal to 15% of the total number of units in the Increased Affordability
15 Housing Project, including any units granted under state or local density bonus programs. The
16 additional on-site Affordable Units shall have maximum affordable purchase prices or
17 affordable rents consistent with the range of affordability tiers required by the City’s
18 Inclusionary Affordable Housing Program set forth in Planning Code Section 415 et seq., as
19 such provisions may be amended from time to time. In no case shall studio units have rents or
20 purchase prices set above 80% AMI. The additional on-site Affordable Units shall include at
21 least 30% of units as two-bedroom units and 20% of units as three-bedroom units with minimum
22 unit sizes consistent with the minimum unit sizes set forth by the California Tax Credit Allocation
23 Committee as of December 31, 2021, and no smaller than 300 square feet for studio units.

24 “MOHCD.” The Mayor’s Office of Housing and Community Development or its
25 successor agency.

1 “Multi-Family.” Multi-Family housing shall mean two or more residential units and
2 shall not include a single-family home.

3 (b) **Eligibility.** To be eligible for acceleration under this Section 16.126, projects shall
4 meet all the following requirements:

5 (1) The project is (A) an 100% Affordable Housing Project, or (B) an Increased
6 Affordability Housing Project, or (C) an Educator Housing Project; and

7 (2) The project (A) is not located on a site that is under the jurisdiction of the
8 Recreation and Park Department; and (B) is not located in a zoning district that prohibits
9 dwelling units; and (C) does not cause any removal or demolition of a designated state or
10 national landmark, or designated City landmark, or a contributory building in a designated
11 historic district as provided in Planning Code Article 10, or a Significant Building designated
12 Category I or II as provided in Planning Code Article 11; and (D) does not demolish, remove, or
13 convert any residential units, and does not include any other parcel that has any residential units
14 that would be demolished, removed, or converted as part of the project; and (E) contains two or
15 more Residential Units, not including any additional units permitted by a density bonus, and is
16 not a single family house; and

17 (3) All workers employed in the construction of the development must be paid at
18 least the general prevailing rate of per diem wages for the type of work and geographic location
19 of the development, as determined by the Director of Industrial Relations pursuant to Sections
20 1773 and 1773.9 of the California Labor Code, except that apprentices registered in programs
21 approved by the Chief of the Division of Apprenticeship Standards may be paid at least the
22 applicable apprentice prevailing rate. Notwithstanding subdivision (c) of Section 1773.1 of the
23 California Labor Code, the requirement that employer payments not reduce the obligation to pay
24 the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise
25 provided in a bona fide collective bargaining agreement covering the worker. The requirement

1 to pay at least the general prevailing rate of per diem wages does not preclude use of an
2 alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code; and

3 (4) The project sponsor of an Increased Affordability Housing Project or an
4 Educator Housing Project shall certify that a skilled and trained workforce will be used to
5 complete the development if the application is approved. For purposes of this subsection (b)(4),
6 a “skilled and trained workforce” has the same meaning as provided in Chapter 2.9
7 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code,
8 as amended from time to time.

9 (A) The Project Sponsor shall provide a report to the Office of Labor
10 Standards Enforcement on a monthly basis while the project or contract is being performed,
11 demonstrating compliance with the skilled and trained workforce and prevailing wage
12 requirements.

13 (B) Within 30 days of the effective date of this Section 16.126, the City
14 Administrator shall introduce at the Board of Supervisors, and within 180 days of the effective
15 date of this Charter provision the City shall enact, an ordinance to establish civil penalties for
16 failure to comply with the requirement to use a skilled and trained workforce, including a civil
17 penalty for each month for which the report referenced in subsection (b)(4)(A) has not been
18 provided, and a civil penalty per day for each worker employed in contravention of the skilled
19 and trained workforce requirement. The Office of Labor Standards Enforcement shall collect
20 such penalties, which shall be used to fund the San Francisco City Build program, or a similar
21 successor program that provides construction training.

22 (c) **Discretionary Approvals.** It is the intent of this Section 16.126 to exempt eligible
23 100% Affordable Housing Projects, Increased Affordability Housing Projects, and Educator
24 Housing Projects from any requirements for discretionary review or approvals by the City,
25 including but not limited to the Planning Commission, Historic Preservation Commission, Arts

1 Commission, Board of Supervisors, and Board of Appeals, except for approval required by the
2 provisions of Charter Section 9.118.

3 **(d) Implementation and Application.**

4 (1) The Planning Department and Department of Building Inspection, in
5 consultation with MOHCD, may each adopt regulations to implement this Section 16.126.

6 (2) The City shall not enact or adopt any regulations or requirements that are
7 applicable solely to 100% Affordable Housing Projects, Increased Affordability Housing
8 Projects, and Educator Housing Projects and that are greater or more burdensome than City
9 regulations and requirements that are broadly applicable to other housing developments in the
10 City.

11
12 **SEC. 4.105. PLANNING COMMISSION.**

13 * * * *

14 REFERRAL OF CERTAIN MATTERS. The following matters shall, prior to passage by
15 the Board of Supervisors, be submitted for written report by the Planning Department regarding
16 conformity with the General Plan:

- 17 1. Proposed ordinances and resolutions concerning the acquisition or vacation of
18 property by, or a change in the use or title of property owned by, the City and County;
- 19 2. Subdivisions of land within the City and County;
- 20 3. Projects for the construction or improvement of public buildings or structures
21 within the City and County;
- 22 4. Project plans for public housing, or publicly assisted private housing in the
23 City and County;
- 24 5. Redevelopment project plans within the City and County; and
- 25 6. Such other matters as may be prescribed by ordinance.

1 Notwithstanding the foregoing list of matters requiring a report regarding General Plan
2 conformity, any eligible 100% Affordable Housing Project, Increased Affordability Housing
3 Project, or Educator Housing Project, as defined in Charter Section 16.126, that the Planning
4 Department determines to be consistent with the applicable zoning as set forth in the Planning
5 Code shall be deemed to be consistent with the General Plan and shall not require referral for a
6 separate report of conformity by the Planning Department for the foregoing matters.

7 The Commission shall disapprove any proposed action referred to it upon a finding that
8 such action does not conform to the General Plan. Such a finding may be reversed by a vote of
9 two-thirds of the Board of Supervisors.

10 All such reports and recommendations shall be issued in a manner and within a time
11 period to be determined by ordinance.

12 PERMITS AND LICENSES. All permits and licenses dependent on, or affected by, the
13 City Planning Code administered by the Planning Department shall be approved by the
14 Commission prior to issuance except that permits, licenses, or other approvals for an eligible
15 100% Affordable Housing Project, Increased Affordability Housing Project, or an Educator
16 Housing Project, as defined in Charter Section 16.126, do not require approval by the
17 Commission prior to issuance. The Commission may delegate this approval function to the
18 Planning Department. Notwithstanding the foregoing, certificates of appropriateness for work to
19 designated landmarks and historic districts and applications for alterations to significant or
20 contributory buildings or properties in designated conservation districts that have been approved,
21 disapproved, or modified by the Historic Preservation Commission shall not require approval by
22 the Commission prior to issuance.

23 * * * *

24
25 **SEC. 4.106. BOARD OF APPEALS.**

1 * * * *

2 (b) The Board shall hear and determine appeals with respect to any person who has been
3 denied a permit or license, or whose permit or license has been suspended, revoked, or
4 withdrawn, or who believes that his or her interest or the public interest will be adversely
5 affected by the grant, denial, suspension, or revocation of a license or permit, except for a permit
6 or license under the jurisdiction of the Recreation and Park Commission or Department, or the
7 Port Commission, or a building or demolition permit for a project that has received a permit or
8 license pursuant to a conditional use authorization, or any permit or license for an eligible 100%
9 Affordable Housing Project, Increased Affordability Housing Project, or Educator Housing
10 Project, as defined in Charter Section 16.126; provided that the Board shall hear and determine
11 appeals of building permits for an eligible 100% Affordable Housing Project, Increased
12 Affordability Housing Project, or Educator Housing Project solely to consider whether such
13 permits comply with the objective standards set forth in the Building Code, including the
14 Electrical, Housing, Mechanical, and Plumbing Codes.

15 * * * *

16
17 **SEC. 4.135. HISTORIC PRESERVATION COMMISSION.**

18 * * * *

19 LANDMARK AND HISTORIC DISTRICT DESIGNATIONS. The Historic Preservation
20 Commission shall have the authority to recommend approval, disapproval, or modification of
21 landmark designations and historic district designations under the Planning Code to the Board of
22 Supervisors. Any recommendation of approval, disapproval, or modification of landmark
23 designations and historic district designations under the Planning Code shall include a finding
24 that the Historic Preservation Commission has considered the effect of such approval,
25 disapproval, or modification on affordable housing. The Historic Preservation Commission shall

1 send recommendations regarding landmarks designations to the Board of Supervisors without
2 referral or recommendation of the Planning Commission. The Historic Preservation Commission
3 shall refer recommendations regarding historic district designations to the Planning Commission,
4 which shall have 45 days to review and comment on the proposed designation, which comments,
5 if any, shall be forwarded to the Board of Supervisors together with the Historic Preservation
6 Commission's recommendation. Decisions of the Historic Preservation Commission to
7 disapprove designation of a landmark or historic district shall be final unless appealed to the
8 Board of Supervisors.

9 CERTIFICATES OF APPROPRIATENESS. The Historic Preservation Commission shall
10 approve, disapprove, or modify certificates of appropriateness for work to designated landmarks
11 or within historic districts. For minor alterations, the Historic Preservation Commission may
12 delegate this function to staff, whose decision may be appealed to the Historic Preservation
13 Commission. A Certificate of Appropriateness shall not be required for construction of an
14 eligible 100% Affordable Housing Project, Increased Affordability Housing Project, or Educator
15 Housing Project, as defined in Charter Section 16.126, in a historic district.

16 For projects that require multiple planning approvals, the Historic Preservation
17 Commission must review and act on any Certificate of Appropriateness before any other
18 planning approval action. For projects that (1) require a conditional use permit or permit review
19 under Section 309, et seq., of the Planning Code and (2) do not concern an individually
20 landmarked property, the Planning Commission may modify any decision on a Certificate of
21 Appropriateness by a 2/3 vote, provided that the Planning Commission shall apply all applicable
22 historic resources provisions of the Planning Code.

23 * * * *

24 ALTERATION OF SIGNIFICANT OR CONTRIBUTORY BUILDINGS OR BUILDINGS IN
25 CONSERVATION DISTRICTS IN THE C-3 DISTRICTS. The Historic Preservation

1 Commission shall have the authority to determine if a proposed alteration is a Major Alteration
2 or a Minor Alteration. The Historic Preservation Commission shall have the authority to
3 approve, disapprove, or modify applications for permits to alter or demolish designated
4 Significant or Contributory buildings or buildings within Conservation Districts. The Historic
5 Preservation Commission shall not have the authority to approve, disapprove, or modify
6 applications for permits to alter buildings for an eligible 100% Affordable Housing Project, an
7 Increased Affordability Housing Project, or Educator Housing Project, as defined in Charter
8 Section 16.126. For Minor Alterations, the Historic Preservation Commission may delegate this
9 function to staff, whose decision may be appealed to the Historic Preservation Commission.

10 * * * *

11 REFERRAL OF CERTAIN MATTERS. The following matters shall, prior to passage by the
12 Board of Supervisors, be submitted for written report by the Historic Preservation Commission
13 regarding effects upon historic or cultural resources: ordinances and resolutions concerning
14 historic preservation issues and historic resources; redevelopment project plans; waterfront land
15 use and project plans; and such other matters as may be prescribed by ordinance. An eligible
16 100% Affordable Housing Project, Increased Affordability Housing Project, or Educator
17 Housing Project, as defined in Charter Section 16.126, shall not require review by the Historic
18 Preservation Commission under this paragraph. If the Planning Commission is required to take
19 action on the matter, the Historic Preservation Commission shall submit any report to the
20 Planning Commission as well as to the Board of Supervisors; otherwise, the Historic
21 Preservation Commission shall submit any report to the Board of Supervisors.

22 * * * *

23 **SEC. 5.103. ARTS COMMISSION.**

24 * * * *

25 In furtherance of the foregoing the Arts Commission shall:

1 1. Approve the designs for all public structures, any private structure which extends over
2 or upon any public property and any yards, courts, set-backs, or usable open spaces which are an
3 integral part of any such structures, except that an eligible 100% Affordable Housing Project,
4 Increased Affordability Housing Project, or Educator Housing Project, as defined in Charter
5 Section 16.126, is not subject to design approval by the Arts Commission;

6 2. Approve the design and location of all works of art before they are acquired,
7 transferred, or sold by the City and County, or are placed upon or removed from City and County
8 property, or are altered in any way; maintain and keep an inventory of works of art owned by the
9 City and County; and maintain the works of art owned by the City and County;

10 3. Promote a neighborhood arts program to encourage and support an active interest in
11 the arts on a local and neighborhood level, assure that the City and County-owned community
12 cultural centers remain open, accessible and vital contributors to the cultural life of the City and
13 County, establish liaison between community groups, and develop support for neighborhood
14 artists and arts organizations; and

15 4. Supervise and control the expenditure of all appropriations made by the Board of
16 Supervisors for the advancement of the visual, performing, or literary arts.

17 Nothing in this ~~§~~Section 5.103 shall be construed to limit or abridge the powers or
18 exclusive jurisdiction of the charitable trust departments or the California Academy of Sciences
19 or the Library Commission over their activities; the land and buildings set aside for their use; or
20 over the other assets entrusted to their care.

21
22 SECTION 4. PLANNING CODE AMENDMENTS. The Planning Code is hereby
23 amended by adding Section 344, deleting Section 315, and revising Section 101.1, to read as
24 follows:
25

1 **SEC. 344. ACCELERATED REVIEW OF 100% AFFORDABLE HOUSING**
2 **PROJECTS, INCREASED AFFORDABILITY HOUSING PROJECTS, AND EDUCATOR**
3 **HOUSING PROJECTS.**

4 **(a) Purpose and Amendment.** *It is the intent of this Section 344 to exempt 100%*
5 *Affordable Housing Projects, Increased Affordability Housing Projects, and Educator Housing*
6 *Projects, as defined in Charter Section 16.126, from any requirements for discretionary review*
7 *or approval by the Planning Commission, Historic Preservation Commission, Board of*
8 *Supervisors, or Board of Appeals consistent with the Charter. The Board of Supervisors may by*
9 *ordinance amend any part of this Section 344 if the amendment is technical and non-substantive*
10 *in nature, is consistent with the intent of this Section 344, and is initiated by the Planning*
11 *Commission.*

12 **(b) Definitions and Eligibility.**

13 **(1) Definitions.**

14 **“100% Affordable Housing Project.”** *An 100% Affordable Housing Project shall*
15 *have the meaning set forth in Charter Section 16.126(a).*

16 **“Educator Housing Project.”** *An Educator Housing Project shall have the*
17 *meaning set forth in Charter Section 16.126(a).*

18 **“Increased Affordability Housing Project.”** *An Increased Affordability Housing*
19 *Project shall have the meaning set forth in Charter Section 16.126(a).*

20 **“MOHCD.”** *The Mayor’s Office of Housing and Community Development or its*
21 *successor agency.*

22 **(2) Eligibility.** *To be eligible for streamlining under this Section 344, projects*
23 *(A) shall meet the eligibility requirements of Charter Section 16.126(b), and (B) shall not include*
24 *non-residential uses that require conditional use approval by the Planning Commission under*
25 *the Planning Code. Within 60 days of submittal of a complete development application, the*

1 Planning Department shall determine whether an application is eligible to use the accelerated
2 process set forth in this Section 344. Prior to submitting a development application, the project
3 applicant shall place a poster at the subject property for 30 days, describing the project and
4 informing the public that the project is expected to be subject to the accelerated review process
5 under Planning Code Section 344. The poster shall be placed in a manner to be determined by
6 the Zoning Administrator that is visible and legible from the sidewalk or nearest public right-of-
7 way.

8 (c) Ministerial Review. Notwithstanding any other provisions of the Municipal Code,
9 including but not limited to Business and Tax Regulations Code Section 26, and Sections 311
10 and 317 of this Code, an eligible 100% Affordable Housing Project, Increased Affordability
11 Housing Project, or Educator Housing Project that complies with the Zoning Maps, Height and
12 Bulk Maps, and objective standards of the Planning Code or state law, including but not limited
13 to the modifications permitted by Planning Code Section 344(d), shall be deemed consistent with
14 the Planning Code. Review and approval of such projects shall be considered ministerial
15 actions, as defined by California Code of Regulations, Title 14, Section 15369.

16 (1) No conditional use authorization shall be required except where other
17 sections of the Planning Code require conditional use authorization for inclusion of on-site
18 parking, approval of non-residential uses, modifications to a dwelling unit mix requirement, or
19 the location of curb cuts.

20 (2) Notwithstanding any other provision of this Code, cannabis retail uses shall
21 not be permitted ministerially as part of this Section 344.

22 (3) Eligible 100% Affordable Housing Projects, Increased Affordability Housing
23 Projects, or Educator Housing Projects shall not require authorization by the Historic
24 Preservation Commission or the Planning Commission that otherwise may be required by the
25

1 Planning Code, including any requirement for a Certificate of Appropriateness under Planning
2 Code Article 10 or a Permit to Alter under Planning Code Article 11.

3 (4) No requests for discretionary review shall be accepted by the Planning
4 Department or heard by the Planning Commission for eligible 100% Affordable Housing
5 Projects, Increased Affordability Housing Projects, or Educator Housing Projects.

6 (d) **Modifications.** 100% Affordable Housing Projects, Increased Affordability Housing
7 Projects, or Educator Housing Projects may, at the project sponsor's request, use any of the
8 bonus programs listed in Planning Code Sections 206 et seq., including modifications listed
9 therein, and any exceptions listed in Planning Code Section 328(d), and shall be considered
10 compliant with objective standards. If a project does not elect to use the bonus programs listed
11 in Planning Code Section 206, the project may receive any of the following modifications, and
12 Planning Commission or Zoning Administrator discretionary approval shall not be required:

13 (1) any of the zoning modifications set forth in Section 206.3(d)(1), (3), and (4);

14 (2) modifications to dwelling unit exposure requirements under Section
15 206.3(d)(4)(B) may be satisfied by an unobstructed open area that is no less than 15 feet in every
16 horizontal direction; and,

17 (3) a minimum lot coverage percentage of 80% at all residential levels except on
18 levels in which all residential units face a public right-of-way in lieu of the rear yard
19 requirements of Section 134.

20 (e) **Design Review.** The Planning Department shall conduct a review of the aesthetic
21 elements of 100% Affordable Housing Projects, Increased Affordability Housing Projects, and
22 Educator Housing Projects within 60 days of the submission of a complete development
23 application from the sponsor of an 100% Affordable Housing Project, an Increased Affordability
24 Housing Project or an Educator Housing Project. Design review shall be limited to the aesthetic
25 aspects and design of the 100% Affordable Housing Project, Increased Affordability Housing

1 Project, or Educator Housing Project, and shall not include review of the uses, density, height,
2 zoning modifications, or any other approval or disapproval of the proposed eligible project.

3 (f) **Compliance with Planning Code Article 4.** An 100% Affordable Housing Project,
4 Increased Affordability Housing Project, or Educator Housing Project shall comply with the
5 requirements of Article 4, “Development Impact Fees and Project Requirements that Authorize
6 the Payment of In-Lieu Fees,” except as such projects or any portion of such projects may
7 otherwise be exempt from such requirements, or in the event such requirements are reduced,
8 adjusted, or waived as provided in Planning Code Article 4.

9 (g) **Approval.** Building permit applications for eligible 100% Affordable Housing
10 Projects, Increased Affordability Housing Projects, or Educator Housing Projects that comply
11 with the controls set forth in this Section 344 shall be ministerially approved by the Planning
12 Department within 180 days of submittal of a complete development application. Building
13 permits shall be issued by the Department of Building Inspection and shall not be subject to
14 Business and Tax Regulations Code Section 26 or an appeal to the Board of Appeals, except as
15 specifically provided in Charter Section 4.106. Notwithstanding any contrary provision in the
16 Municipal Code, such projects shall not require a Planning Code Article 3 authorization,
17 discretionary review hearing, or any other Planning Commission or Historic Preservation
18 Commission hearing.

19 (h) **Expiration of Permit.** Planning Department approval of an Increased Affordability
20 Housing Project shall automatically expire by operation of law 24 months after the date of the
21 Planning Department approval, except that it shall remain valid so long as a site permit has
22 been issued by the Department of Building Inspection and construction of the development has
23 begun and is in progress.

1 ***SEC. 315. STREAMLINED AUTHORIZATION OF AFFORDABLE HOUSING AND***
2 ***EDUCATOR HOUSING PROJECTS.***

3 ~~*(a) Purpose. The purpose of this Section 315 is to ensure that any project where the*~~
4 ~~*principal use is affordable housing, defined in subsection (b) as an Affordable Housing Project,*~~
5 ~~*is reviewed in coordination with relevant priority processing and design guidelines.*~~

6 ~~*(b) Applicability. Notwithstanding anything to the contrary contained in this Planning*~~
7 ~~*Code, this Section 315 shall apply to any project where the principal use is housing comprised*~~
8 ~~*solely of housing that is restricted for a minimum of 55 years or the Life of the Project,*~~
9 ~~*whichever is longer and consistent with any applicable tax credit regulatory requirements, as*~~
10 ~~*affordable for “persons and families of low or moderate income,” as defined in California*~~
11 ~~*Health & Safety Code Section 50093 (an “Affordable Housing Project”). The Affordable*~~
12 ~~*Housing Project shall be considered a principally permitted use and shall comply with the*~~
13 ~~*administrative review procedures set forth in this Section and shall not require conditional use*~~
14 ~~*authorization or a Planning Commission hearing that otherwise may be required by the*~~
15 ~~*Planning Code, provided that the site is not under the jurisdiction of the Recreation and Park*~~
16 ~~*Department, is not located in a zoning district that prohibits residential uses.*~~

17 ~~*(1) If a conditional use authorization or other Planning Commission approval is*~~
18 ~~*required for provision of parking, where the amount of parking provided exceeds the base*~~
19 ~~*amount permitted as accessory in Planning Code Article 1.5, such requirement shall apply.*~~

20 ~~*(2) If an Affordable Housing Project proposes demolition or change in use of a*~~
21 ~~*general grocery store or movie theatre, this Section shall not apply.*~~

22 ~~*(3) If a non-residential use contained in any proposed project would require*~~
23 ~~*conditional use authorization, such requirement shall apply unless the non-residential use is*~~
24 ~~*accessory to and supportive of the affordable housing on site.*~~

25 ~~*(c) Review Process.*~~

1 ~~(1) In lieu of any otherwise required Planning Commission authorization and~~
2 ~~associated hearing, the Planning Department shall administratively review and evaluate the~~
3 ~~physical aspects of an Affordable Housing Project and review such projects in coordination with~~
4 ~~relevant priority processing and expedited design guidelines. The review of an Affordable~~
5 ~~Housing Project shall be conducted as part of, and incorporated into, a related building permit~~
6 ~~application or other required project authorizations, and no additional application fee shall be~~
7 ~~required. An Affordable Housing Project may seek exceptions to Planning Code requirements~~
8 ~~that are available through the Planning Code. This includes, but is not limited to, those~~
9 ~~exceptions permitted through Sections 253, 303, 304, 309, and 329. The Planning Department~~
10 ~~may grant such exceptions if it makes the findings as required in subsection (c)(2). An Affordable~~
11 ~~Housing Project may seek exceptions from other Code requirements that could otherwise be~~
12 ~~granted to a Planned Unit Development as set forth in Section 304, irrespective of the zoning~~
13 ~~district in which the property is located and irrespective of lot size requirements set forth in~~
14 ~~Section 304, and provided further that conditional use authorization shall not be required.~~

15 ~~100 Percent Affordable Housing Bonus Projects seeking density bonuses, zoning~~
16 ~~modifications, or Planning Code exceptions pursuant to Section 206.4 of this Code shall be~~
17 ~~subject to the provisions and review process pursuant to Section 315.1 of this Code.~~

18 ~~(2) This administrative review shall be identical in purpose and intent to any~~
19 ~~Planning Commission review that would otherwise be required by the Planning Code, including~~
20 ~~but not limited to Sections 253, 303, 304, 309 or 329, but shall not be considered a conditional~~
21 ~~use authorization. If an Affordable Housing Project would otherwise be subject to such Planning~~
22 ~~Code provisions, the Planning Department shall consider all the criteria set forth in such~~
23 ~~Planning Code sections and shall make all required findings in writing when it approves,~~
24 ~~modifies, conditions, or disapproves an Affordable Housing Project. If the project is seeking~~
25

1 ~~exceptions solely as provided in this Section 315, the Department shall only make those required~~
2 ~~findings set forth in Section 303(c) of this Code.~~

3 ~~(3) Decision and Imposition of Conditions. The Planning Department, after~~
4 ~~making appropriate findings, may approve, disapprove or approve subject to conditions the~~
5 ~~Affordable Housing Project and any associated requests for exceptions as part of a related~~
6 ~~building permit application or other required project authorizations. As part of its review and~~
7 ~~decision, the Planning Department may impose additional conditions, requirements,~~
8 ~~modifications, and limitations on a proposed Affordable Housing Project in order to achieve the~~
9 ~~objectives, policies, and intent of the General Plan or the Planning Code. Such determination~~
10 ~~shall be made in writing and mailed to the project sponsor and individuals or organizations who~~
11 ~~so request.~~

12 ~~(4) Change of Conditions. Once a project is approved, authorization of a change~~
13 ~~in any condition previously imposed by the Planning Department shall require approval by the~~
14 ~~Planning Director subject to the procedures set forth in this Section 315.~~

15 ~~(5) Discretionary Review. As long as the Planning Commission has delegated its~~
16 ~~authority to the Planning Department to review applications for an Affordable Housing Project,~~
17 ~~the Planning Commission shall not hold a public hearing for discretionary review of an~~
18 ~~Affordable Housing Project that is subject to this Section 315.~~

19 ~~(6) Review under this subsection (c) shall be completed as follows:~~

20 ~~(A) Within 90 days of submittal of a complete development application if~~
21 ~~the project contains 150 or fewer Residential Units.~~

22 ~~(B) Within 180 days of submittal of a complete development application if~~
23 ~~the project contains more than 150 Residential Units.~~

24 ~~(d) Appeals. The Planning Department's administrative determination regarding an~~
25 ~~Affordable Housing Project pursuant to this Section 315 shall be considered part of a related~~

1 ~~building permit. Any appeal of such determination shall be made through the associated building~~
2 ~~permit.~~

3 ~~(e) Streamlined Provisions for Educator Housing Projects. The purpose of this Section~~
4 ~~315(e) is to facilitate the construction of Educator Housing Projects, as defined in Section 206.9,~~
5 ~~and to evaluate the efficacy of streamlined approval for such projects.~~

6 ~~(1) This Section 315 shall also apply to Educator Housing Projects, as defined~~
7 ~~in Section 206.9.~~

8 ~~(2) The Planning Department may approve up to a total of 500 units of Educator~~
9 ~~Housing under this Section, after which the Planning Department shall submit a report to the~~
10 ~~Board of Supervisors that evaluates the efficacy of streamlined approval for Educator Housing~~
11 ~~as it relates to City policies and goals including, but not limited to Proposition K (November~~
12 ~~2014), the Housing Element of the San Francisco General Plan, and the Surplus Land~~
13 ~~Ordinance, and reviews whether to increase the numerical cap on the number of Educator~~
14 ~~Housing Project units or otherwise amend the modifications and requirements in Section 206.9.~~
15 ~~The report shall include, but shall not be limited to, the following information:~~

16 ~~(A) Financing details of Educator Housing Projects, including the~~
17 ~~amount of public subsidy, if any;~~

18 ~~(B) Tenant recruitment and leasing outreach plans for non-residential~~
19 ~~neighborhood-serving uses;~~

20 ~~(C) Eligibility and placement plans for Educator Housing Projects~~
21 ~~constructed in partnership with the San Francisco Unified School District or the San Francisco~~
22 ~~City College District;~~

23 ~~(D) The number of educators/employees who have applied for housing in~~
24 ~~an Educator Housing Project;~~

25 ~~(E) Area Median Incomes for Educator Housing Projects; and~~

1 ~~(F) Plans for monitoring and verifying eligibility on an annual basis.~~

2 **SEC. 101.1. GENERAL PLAN CONSISTENCY AND IMPLEMENTATION.**

3 (a) The General Plan shall be an integrated, internally consistent, and compatible
4 statement of policies for San Francisco. To fulfill this requirement, after extensive public
5 participation and hearings, the Planning Commission shall in one action amend the General Plan
6 by January 1, 1988.

7 (b) The following Priority Policies are hereby established. They shall be included in the
8 preamble to the General Plan and shall be the basis upon which inconsistencies in the General
9 Plan are resolved:

10 (1) That existing neighborhood-serving retail uses be preserved and enhanced
11 and future opportunities for resident employment in and ownership of such businesses enhanced;

12 (2) That existing housing and neighborhood character be conserved and protected
13 in order to preserve the cultural and economic diversity of our neighborhoods;

14 (3) That the City's supply of affordable housing be preserved and enhanced, and
15 that new housing for households of all income levels in accordance with San Francisco's
16 Regional Housing Needs Allocations by household-income levels be produced to meet the needs
17 of City residents now and in the future;

18 (4) That commuter traffic not impede Muni transit service or overburden our
19 streets or neighborhood parking;

20 (5) That a diverse economic base be maintained by protecting our industrial and
21 service sectors from displacement due to commercial office development, and that future
22 opportunities for resident employment and ownership in these sectors be enhanced;

23 (6) That the City achieve the greatest possible preparedness to protect against
24 injury and loss of life in an earthquake;

25 (7) That landmarks and historic buildings be preserved; and,

1 (8) That our parks and open space and their access to sunlight and vistas be
2 protected from development.

3 (c) The City may not adopt any zoning ordinance or development agreement authorized
4 pursuant to California Government Code Section 65865 after November 4, 1986, unless prior to
5 that adoption it has specifically found that the ordinance or development agreement is consistent
6 with the Priority Policies established above.

7 (d) The City may not adopt any zoning ordinance or development agreement authorized
8 pursuant to California Government Code Section 65865 after January 1, 1988, unless prior to
9 that adoption it has specifically found that the ordinance or development agreement is consistent
10 with the General Plan.

11 (e) Prior to issuing a permit for any project or adopting any legislation which requires an
12 initial study under the California Environmental Quality Act, and prior to issuing a permit for
13 any demolition, conversion, or change of use, and prior to taking any action which requires a
14 finding of consistency with the General Plan, the City shall find that the proposed project or
15 legislation is consistent with the Priority Policies established above. For any such permit issued
16 or legislation adopted after January 1, 1988, the City shall also find that the project is consistent
17 with the General Plan.

18 (f) Notwithstanding anything to the contrary in this Section 101.1, an eligible 100%
19 Affordable Housing Project, Increased Affordability Housing Project, or Educator Housing
20 Project, as defined in Charter Section 16.126, shall be deemed to be consistent with this Section
21 101.1 and shall not require a separate finding of consistency with this Section 101.1.

22
23 SECTION 5. BUSINESS AND TAX REGULATIONS CODE AMENDMENTS. The
24 Business and Tax Regulations Code is hereby amended by revising Section 26 of Article 1, to
25 read as follows:

1 **SEC. 26. FACTS TO BE CONSIDERED BY DEPARTMENTS.**

2 (a) Subject to Subsection (b), in the granting or denying of any permit, or the revoking or
3 the refusing to revoke any permit, except for permits associated with an eligible 100%
4 Affordable Housing Project, Increased Affordability Housing Project, or Educator Housing
5 Project, as defined in Charter Section 16.126, the granting or revoking power may take into
6 consideration the effect of the proposed business or calling upon surrounding property and upon
7 its residents, and inhabitants thereof; and in granting or denying said permit, or revoking or
8 refusing to revoke a permit, may exercise its sound discretion as to whether said permit should
9 be granted, transferred, denied, or revoked.

10 * * * *

11
12 SECTION 6. ADMINISTRATIVE CODE AMENDMENTS. The Administrative Code
13 is hereby amended by revising section 120.5 of Chapter 120, to read as follows.

14
15 **SEC. 120.5. ANNUAL AFFORDABLE HOUSING ALLOCATION REPORTS**
16 **REPORTS TO THE BOARD.**

17 (a) Director's Annual Report. The Director shall submit an annual report to the Board,
18 within 180 days following the end of each fiscal year, with a summary of all Loans and Grants
19 made under this Chapter 120 for the prior fiscal year. The Director's report shall include the
20 primary purpose of the Loan, principal amount, term, and interest rates, and other information, if
21 any, regarding this Chapter that the Director chooses to include in the report. The Director's
22 report may be combined with any other reporting obligations.

23 (b) Mayor's Budget Submission. No later than June 1 of each year, the Mayor shall
24 submit an Annual Affordable Housing Allocation Report to be included with the Mayor's
25 proposed budget presented to the Board of Supervisors. Upon receipt of the Annual Affordable

1 Housing Allocation Report, the Board may modify the proposed allocation that shall be included
2 in the annual city budget, consistent with Charter Section 9.103.

3 (c) Affordable Housing Allocation Report. MOHCD, in consultation with the
4 Department of Homelessness and Supportive Housing (HSH), shall compile a combined Annual
5 Affordable Housing Allocation Report. The Report shall discuss progress on all affordable
6 housing and supportive housing efforts from MOHCD, HSH, and other departments and
7 agencies that design or plan affordable housing and supportive housing programs, including the
8 Human Services Agency and the Department of Public Health. MOHCD shall submit the Report
9 annually by February 15 to the Board of Supervisors, on the progress of expenditures from the
10 preceding year and the proposed allocation of monies for the development of affordable housing
11 within the City during the next two fiscal years, with a detailed projection for the next fiscal
12 year. The Affordable Housing Allocation Report shall include but need not be limited to, the total
13 amounts approved for disbursement to affordable housing and supportive housing, including
14 housing preservation, small sites acquisition projects, operating subsidies, affordable housing
15 and supportive rehabilitation, the number and size of sites acquired and type (including
16 improved or vacant), the scope of rehabilitation work for improved sites, the number of units
17 developed or funded by MOHCD and HSH, the neighborhoods/geography of projects funded, the
18 impact on racial, disability, and aging equity, and overall program implementation goals for the
19 current fiscal year and proposed priorities for the next fiscal year. The Affordable Housing
20 Allocation Report shall include all the sources of funding allocated to these affordable housing
21 and supportive housing programs and guide the Mayor's Office and Board of Supervisors in and
22 through the approval of the annual budget, and shall be accompanied by a draft motion for the
23 Board to accept the report.

1 SECTION 7. ADDITIONAL FINDINGS. The People of the City and County of San
2 Francisco specifically find that, for the reasons set forth in Section 2, this ordinance is consistent
3 with the San Francisco General Plan and the Priority Policies set forth in Planning Code Section
4 101.1, and the actions in this ordinance will serve the public necessity, convenience, and welfare
5 pursuant to Planning Code Section 302.

6
7 SECTION 8. AMENDMENT. The provisions of this Initiative amending the Charter
8 and the Municipal Code may only be amended by the voters of the City and County of San
9 Francisco except as specifically provided in the terms of the Initiative.

10
11 SECTION 9. POLICY. It is the Policy of the City that the City shall encourage the
12 timely development of 100% Affordable Housing Projects, Increased Affordability Housing
13 Projects, and Educator Housing Projects, so that the City and its residents can obtain the benefits
14 that such projects will provide. To that end, the People of the City encourage the City, its
15 officers, employees, and consultants to take all appropriate steps to expeditiously assist the
16 construction of 100% Affordable Housing Projects, Increased Affordability Housing Projects,
17 and Educator Housing Projects.

18
19 SECTION 10. SEVERABILITY. If any provision of this Initiative or any application
20 thereof to any person or circumstance is held invalid, such invalidity shall not affect any
21 provision or application of this Initiative that can be given effect without the invalid provision or
22 application. To this end, the provisions of this Initiative are severable.

23
24 SECTION 11. CONFLICTS WITH OTHER MEASURES. This Initiative is intended to
25 regulate housing development in the City. The Initiative shall be deemed to conflict with any

LEGISLATIVE DIGEST

[Charter Amendment, Initiative Ordinance, and Policy Declaration - Affordable Housing Production Act]

Describing and setting forth a proposal to the voters at an election to be held on November 8, 2022, to amend the Charter of the City and County of San Francisco to provide for accelerated review and approval of eligible 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability, and providing for Planning Department ministerial review in lieu of approvals by or certain appeals to City boards and commissions; to make corresponding amendments to the Planning Code and the Business and Tax Regulations Code; to amend the Administrative Code to provide for an Annual Affordable Housing Allocation Report as part of the City's budget deliberation process; and to declare as City policy the need to accelerate approval of 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability; to make findings of compliance with the General Plan, and Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

Currently, under the San Francisco Charter, the San Francisco Planning Code and other municipal codes, housing development projects require discretionary approval or approvals by various City agencies including the Board of Supervisors, Planning Commission, Board of Appeals, Historic Preservation Commission, and Arts Commission. Planning Code section 206.9 provides for Planning Department administrative review of eligible 100% affordable housing projects and educator housing projects; those projects are approved through an administrative process in Planning Code Section 315.

Housing development projects with 10 units or more must comply with Planning Code section 415, the Inclusionary Affordable Housing Ordinance. Project must provide a certain percentage of housing units as affordable units; projects can comply with Section 415 by providing units on-site, off-site, or by paying an inclusionary housing fee. Units must be affordable to households earning between 55% and 110% of area median income (AMI) if the units are rental units or 80% to 130% of AMI if the units are ownership units.

Housing projects must comply with Planning Code and Building Code requirements, but in some circumstances may seek exceptions to those standards if the project provides on-site affordable units. There is no requirement that housing development projects pay prevailing wages or use skilled and trained workers.

The Mayor's Office of Housing and Community Development (MOHCD) acquires, develops, and funds affordable housing programs in the City. Under current law, MOHCD provides various reports to the Board of Supervisors.

Amendments to Current Law

This proposal would amend the Charter to create a streamlined, ministerial approval process for three types of housing projects: (1) 100% Affordable Housing Projects; (2) Educator Housing Projects (both as defined in Planning Code section 206.9); or (3) "Increased Affordability Housing Projects." Increased Affordability Housing Projects provide on-site Inclusionary Housing Units under Section 415, plus additional affordable units in an amount equal to 15% of the total number of units in the entire project. During construction of projects, sponsors would be required to pay prevailing wages; Educator Housing Projects and Increased Affordability Housing Project would also be required to use a skilled and trained workforce. Projects could not be located on sites under the jurisdiction of the Recreation and Parks Department or in a zoning district that does not allow dwelling units. Projects could not cause the demolition of an existing dwelling unit, or a national, state, or local historical landmark or contributory building in an historic district.

The proposal would amend the Charter to limit review of the three types of projects by the Planning Commission, Board of Appeals, Historic Preservation Commission and Arts Commission. The proposal would make other conforming amendments to the Planning Code and Business and Tax Code. The proposal would allow eligible projects to receive certain modifications to the Planning Code, would allow limited design review by the Planning Department, and would require ministerial approval within 180 days of submittal of a complete development application. Conditional use approval would continue to be required if necessary to allow on-site parking, approval of non-residential uses, modifications to applicable dwelling unit mix requirements, or the location of curb cuts. The Planning Commission would not accept or hear requests for discretionary review for eligible projects. Projects would be reviewed through an administrative process in a new Planning Code section 344, and Section 315 would be deleted.

The City would be required to adopt an ordinance to allow the Office of Labor Standards Enforcement to enforce the prevailing wage and skilled and trained workforce requirements.

The MOHCD, in consultation with the Department of Homelessness and Supportive Housing would be required to submit an Annual Affordable Housing Allocation Report to the Board of Supervisors, discussing progress on all affordable housing and supportive housing efforts from various departments within the City.

The measure includes a declaration of policy encouraging the timely development of 100% Affordable Housing Projects, Increased Affordability Housing Projects, and Educator Housing Projects. Finally, the measure includes a "conflicting measure" provision, which states that if

there are any other measures on the November 8, 2022 ballot that address the standard of review that would be applicable to 100% Affordable Housing Projects, Increased Affordability Housing Projects, or Educator Housing Projects, or that address review of such projects pursuant to Charter Section 9.118, it would conflict with this measure. Only the measure with the most affirmative votes would go into effect.

Background Information

The California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq., requires environmental review of approved discretionary permits. The San Francisco Charter and other municipal codes require discretionary review of most permits for housing development projects.

In 2019, through Proposition E, voters adopted an ordinance amending the Planning Code to allow approval of eligible 100% Affordable Housing Projects and Educator Housing Projects through the administrative review process in Planning Code Section 315.

n:\legana\as2022\2200434\01603455.docx

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

May 31, 2022

File No. 220631

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Ms. Gibson:

The following proposed Charter Amendment for the November 8, 2022, Election was received by the Board of Supervisors' Rules Committee:

**File No. 220631 Charter Amendment, Initiative Ordinance, and Policy Declaration -
Affordable Housing Production Act**

Charter Amendment (First Draft) to amend the Charter of the City and County of San Francisco to provide for accelerated review and approval of eligible 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability, and providing for Planning Department ministerial review in lieu of approvals by or certain appeals to City boards and commissions; to make corresponding amendments to the Planning Code and the Business and Tax Regulations Code; to amend the Administrative Code to provide for an Annual Affordable Housing Allocation Report as part of the City's budget deliberation process; and to declare as City policy the need to accelerate approval of 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability; to make findings of compliance with the General Plan, and Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302; and affirming the Planning Department's determination under the California Environmental Quality Act; at an election to be held on November 8, 2022..

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board



By: Victor Young, Assistant Clerk
Rules Committee

Attachment

c: Devyani Jain, Deputy Environmental Review Officer
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning
Laura Lynch, Environmental Planning

Not defined as a project under CEQA Guidelines
Sections 15378 and 15060(c)(2) because it would
not result in a direct or indirect physical change in
the environment.

June 6, 2022



BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

A handwritten signature in cursive script that reads "Victor Young".

DATE: May 31, 2022

SUBJECT: CHARTER AMENDMENT INTRODUCED
November 8, 2022, Election

The Board of Supervisors' Rules Committee has received the following Charter Amendment for the November 8, 2022, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.3.

**File No. 220631 Charter Amendment, Initiative Ordinance, and Policy
Declaration - Affordable Housing Production Act**

Charter Amendment (First Draft) to amend the Charter of the City and County of San Francisco to provide for accelerated review and approval of eligible 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability, and providing for Planning Department ministerial review in lieu of approvals by or certain appeals to City boards and commissions; to make corresponding amendments to the Planning Code and the Business and Tax Regulations Code; to amend the Administrative Code to provide for an Annual Affordable Housing Allocation Report as part of the City's budget deliberation process; and to declare as City policy the need to accelerate approval of 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability; to make findings of compliance with the General Plan, and Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302; and affirming the Planning Department's determination under the California Environmental Quality Act; at an election to be held on November 8, 2022.

Please review and prepare a financial analysis of the proposed measure prior to the first Rules Committee hearing.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the

Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Todd Rydstrom, Deputy City Controller
Peg Stevenson, City Performance Director
Natasha Mihal, City Services Auditor


BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Tom Paulino, Liaison to the Board of Supervisors, Mayor's Office
Anne Pearson, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
LeeAnn Pelham, Executive Director, Ethics Commission
Theo Miller, Director, HOPE SF
Tonia Lediju, Acting Executive Director, Housing Authority
Eric Shaw, Director, MOHCD
Shireen McSpadden, Executive Director, Department of Homelessness
and Supportive Housing

FROM: Victor Young, Assistant Clerk, Rules Committee 
Board of Supervisors

DATE: May 31, 2022

SUBJECT: CHARTER AMENDMENT INTRODUCED
November 8, 2022 Election

The Board of Supervisors' Rules Committee has received following Charter Amendment for the November 8, 2022, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.4.

File No. 211286 (ver1)

Charter Amendment (First Draft) to amend the Charter of the City and County of San Francisco to provide for accelerated review and approval of eligible 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability, and providing for Planning Department ministerial review in lieu of approvals by or certain appeals to City boards and commissions; to make corresponding amendments to the Planning Code and the Business and Tax Regulations Code; to amend the Administrative Code to provide for an Annual Affordable Housing Allocation Report as part of the City's budget deliberation process; and to declare as City policy the need to accelerate approval of 100% affordable housing projects, educator housing projects, and market-rate projects that provide significant increased affordability; to make findings of compliance with the General Plan, and Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302; and affirming the Planning

Department's determination under the California Environmental Quality Act; at an election to be held on November 8, 2022.

Please review and submit any reports or comments you wish to be included with the legislative file.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Andres Power, Mayor's Office
 Patrick Ford, Ethics Commission
 Michael Canning, Ethics Commission
 Barbara Amaro, HOPE SF
 Cindy Gamez, Housing Authority
 Lydia Ely, MOHCD
 Brian Cheu, MOHCD
 Maria Benjamin, MOHCD
 Sheila Nickolopoulos, MOHCD
 Dylan Schneider, Homelessness and Supportive Housing
 Emily Cohen, Homelessness and Supportive Housing
 Bridget Badasow, Homelessness and Supportive Housing