

**LEGISLATIVE DIGEST**

[Administrative Code - Delegation of Board of Supervisors Authority to Amend Certain Leases for 100% Affordable Housing]

**Ordinance amending the Administrative Code to delegate Board of Supervisors approval authority under Charter, Section 9.118 and Administrative Code, Section 23.30 to the Real Estate Division and the Mayor’s Office of Housing and Community Development to amend certain existing leases regarding residual rent payments and lender protections for 100% affordable housing projects.**

Existing Law

Charter Section 9.118(c) and Administrative Code Section 23.30 require the Board of Supervisors to review and approve certain types of leases and some amendments to those leases. With some limitations, the Board may delegate authority to departments in certain specific circumstances to enter into leases or amendments that would otherwise require approval under Section 9.118(c) and Administrative Code Section 23.30.

Amendments to Current Law

The proposed ordinance would authorize the Director of Property, with the recommendation of the Director of the Mayor’s Office of Housing and Community Development (“MOHCD”), to amend existing leases without seeking approval by the Board of Supervisors for the amendment under Section 9.118(c) and Administrative Code Section 23.30, as long as: (a) the lease is restricted to 100% affordable housing or permanent supportive housing; (b) the Board has previously approved the lease, or the lease was assigned to the City from the former Redevelopment Agency of the City and County of San Francisco; (c) MOHCD has determined that an affordable housing provider has suffered financial shortfalls and/or needs to refinance its existing debt to maintain the affordable housing; (d) the amendments only add, change, or remove terms related to residual rent or surplus cash distributions to alleviate financial shortfalls, address new government funding, and/or provide reasonable protections to a lender; (e) the amendments do not increase the cost or duration of the lease, or add any liability or obligations to the City; and (f) the amendments meet other conditions in the ordinance.

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