File No. 140591

Committee Item No. __6____ Board Item No. _____ /2____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee Board of Supervisors Meeting _____ Date ____ 7/15/14

Date June 20, 2014

Cmte Board Motion Resolution Ordinance **Legislative Digest Budget and Legislative Analyst Report** Youth Commission Report Introduction Form Department/Agency Cover Letter and/or Report MOU **Grant Information Form Grant Budget** Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence (Use back side if additional space is needed) OTHER :

• Completed by:Linda WongDateJune 13, 2014Completed by: $\mathcal{L}. \omega$ Date7/21/14Date 7/21/14

•	II FILE NO. 140591 ORDINANCE
1	Administrative Code - Eliminating Mayor's Office of Housing and Community Development
	Escrow Account Administration Fee]
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3	Ordinance amending the Administrative Code to eliminate the Mayor's Office of
4	Housing and Community Development escrow account administration fee.
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6	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
7	Additions to Codes are in <i>single-underline italics Times New Roman font</i> . Deletions to Codes are in <i>strikethrough italics Times New Roman font</i> .
8	Board amendment additions are in <u>double-underlined Arial font</u> . Board amendment deletions are in strikethrough Arial font.
9	Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
10	
11	Be it ordained by the People of the City and County of San Francisco:
12	
13	Section 1. The Administrative Code is hereby amended by revising Section 8.43, to
14	read as follows:
15	SEC. 8.43. MAYOR'S OFFICE OF HOUSING <u>AND COMMUNITY DEVELOPMENT</u>
16	ADMINISTRATIVE FEES.
17	(a) Authority. The Mayor's Office of Housing and Community Development or its
18	successor ("MOH <u>CD</u> ") is hereby authorized to charge fees to defray the cost of issuing,
19	administering, and processing documents related to certain housing transactions. Said fees
20	shall be due at the time of filing an application. Failure to pay such fees shall result in a return
21	of the application as incomplete to the applicant. Any persons requesting or requiring the
22	following services shall pay the following fees:
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24	Mortgage Credit Certificate \$600 per application
25	Refinance Mortgage Credit Certificate \$600 per application
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1 Down-payment assistance loan \$500 per application 2. First-time homebuyer loan \$500 per application 3 \$200 per borrower Escrow account administration 4 \$500 per subordination Loan subordination fee, single family 5 borrowers 6 Loan servicing fee, multifamily rental projects \$2,000 per application plus time and 7 materials charges 8

<u>Fees charged for o</u>Other actions not specified above shall be based on actual costs that MOH<u>CD</u> incurs in administering and processing the action or procedure and shall be charged on a time and materials basis. MOH<u>CD</u> shall provide the applicant with a written estimate of said costs at the time of application, and the applicant shall pay such fees prior to the time that the application is deemed complete. To the extent that the estimated fees do not cover actual costs, any outstanding amount due shall be a condition of MOH<u>CD</u>'s final decision on the action or procedure. To the extent that the estimated fees exceeded the actual costs, MOH<u>CD</u> shall refund the excess amount to the applicant within a reasonable period after MOH<u>CD</u>'s final decision on the action or procedure.

(b) Additional Costs. In instances where administration of any application or document is or will exceed the fee amount established pursuant to S<u>ubs</u>ection 8.43(a), the Director of the Mayor's Office of Housing <u>and Community Development</u>, in his or her discretion, may require an applicant to pay a sum in excess of the subject fee amounts. This additional sum shall be sufficient to recover actual costs that MOH<u>CD</u> incurs and shall be charged on a time and materials basis. The Director also may charge any time or materials costs that other agencies, boards, commissions, or departments of the City, including the City Attorney's,

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Office, incur in connection with the processing or administration of a particular application. Whenever additional fees are or will be charged, the Director, upon request of the applicant, shall provide in writing the basis for the additional fees or an estimate of the additional fees to be charged.

(c) Payment of fees charged under this Code does not waive the fee requirements of other ord inances and rules and regulations pursuant thereto.

(d) Fee Calculation Method. Establishment of the fees for each category and use specified in <u>Sub</u>section 8.43(a) shall be based on the Department's actual costs to process and administer the particular application. Said fees may include the actual costs that other agencies, boards, commission, or department of the City incur in connection with processing or administering these programs. Beginning with fiscal year 2011-2012, fees set in this Section may be adjusted each year, without further action by the Board of Supervisors, to reflect changes in the relevant Consumer Price Index, as determined by the Controller. No later than April 15th of each year, the Director shall submit its MOHCD's current fee schedule to the Controller, who shall apply the price index adjustment to produce a new fee schedule for the following year. No later than May 15th of each year, the Controller shall file a report with the Board of Supervisors reporting the new fee schedule and certifying that: (a) the fees produce sufficient revenue to support the costs of providing the services for which each fee is assessed, and (b) the fees do not produce revenue which is significantly more than the costs of providing the services for which each fee is assessed. The Controller shall, if necessary, adjust the fees upward or downward for the upcoming fiscal year as appropriate to ensure that the Mayor's Office of Housing and Community Development recovers the costs of operation without producing revenue that is significantly more than such costs. The adjusted rates shall become operative on July 1.

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Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

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

APPROVED AS TO FORM: **DENNIS J. HERRERA, City Attorney** By: JON GIVNER **Deputy City Attorney**

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Mayor Lee BOARD OF SUPERVISORS FILE NO: 140591

LEGISLATIVE DIGEST

[Administrative Code - Eliminating Mayor's Office of Housing and Community Development Escrow Account Administration Fee]

Ordinance amending the Administrative Code to eliminate the Mayor's Office of Housing and Community Development escrow account administration fee.

Existing Law

Existing law authorizes the Mayor's Office of Housing and Community Development to charge various fees to defray the cost of issuing, administering, and processing documents related to certain housing transactions. One of those fees covers the costs of administration of escrow accounts. In Fiscal Year 2013-14, the escrow account administration fee is \$214 per borrower.

Amendments to Current Law

The proposed ordinance would eliminate the escrow account administration fee.

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OFFICE OF THE MAYOR SAN FRANCISCO



EDWIN M. LEE Mayor

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TO:	Angela Calvillo, Clerk of the Board of Supervisors		ŝ
FROM:	For Mayor Edwin M. Lee FE	S	I N
RE:	Administrative Code $\stackrel{\nu}{-}$ Eliminating Mayor's Office of Housing and Community Development Escrow Account Administration Fee		CH 12
DATE:	June 2,-2014		2 5

Attached for introduction to the Board of Supervisors is the ordinance amending the Administrative Code to eliminate the Mayor's Office of Housing and Community Development escrow account administration fee.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200 SAN FRANCISCO, CALIFORNIA 94102-4681 TELEPHONE: (415) 554-6141

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