

BOARD of SUPERVISORS



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April 13, 2016

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On April 5, 2016, Supervisor Kim introduced the following substituted legislation:

File No. 160321

Ordinance amending the Planning Code to require inclusion in the Housing Balance Report data about the withdrawal of housing units from the rental market by all means, including owner move-ins; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "A. Ausberry".

By: Andrea Ausberry, Assistant Clerk
Land Use and Transportation Committee

- c: John Rahaim, Director of Planning
- Aaron Starr, Acting Manager of Legislative Affairs
- Scott Sanchez, Zoning Administrator
- Sarah Jones, Chief, Major Environmental Analysis
- AnMarie Rodgers, Legislative Affairs
- Jeanie Poling, Environmental Planning
- Joy Navarrete, Environmental Planning

1 [Planning Code - Housing Balance Report]

2

3 **Ordinance amending the Planning Code to require inclusion in the Housing Balance**
4 **Report data about the withdrawal of housing units from the rental market by all means,**
5 **including owner move-ins; affirming the Planning Department’s determination under**
6 **the California Environmental Quality Act; and making findings of consistency with the**
7 **General Plan, and the eight priority policies of Planning Code, Section 101.1, and**
8 **findings of public convenience, necessity, and welfare under Planning Code, Section**
9 **302.**

10 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.
15 **Asterisks (* * * *)** indicate the omission of unchanged Code
16 subsections or parts of tables.

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

18 Section 1. Findings.

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

24 (b) On _____, 2016, the Planning Commission, in Resolution No.
25 _____, adopted findings that the actions contemplated in this ordinance are consistent,
on balance, with the City’s General Plan and the eight priority policies of Planning Code

1 Section 101.1. The Board adopts these findings as its own. A copy of said Resolution [OR
2 determination] is on file with the Clerk of the Board of Supervisors in File No. _____, and
3 is incorporated herein by reference.

4 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that
5 these Planning Code amendments will serve the public necessity, convenience, and welfare
6 for the reasons set forth in Planning Commission Resolution No. _____, and the Board
7 incorporates such reasons herein by reference.

8
9 Section 2. The Planning Code is hereby amended by revising Section 103, to read as
10 follows:

11 **SEC. 103. HOUSING BALANCE MONITORING AND REPORTING.**

12 * * * *

13 (c) **Housing Balance Calculation.**

14 (1) For purposes of this Section 103, "Housing Balance" shall be defined as
15 the proportion of all new housing units affordable to households of extremely low, very low,
16 low, or moderate income households, as defined in California Health & Safety Code Sections
17 50079.5 et seq., as such provisions may be amended from time to time, to the total number of
18 all new housing units for a 10 year Housing Balance Period.

19 (2) The Housing Balance Period shall begin with the first quarter of year
20 2005 to the last quarter of 2014, and thereafter for the ten years prior to the most recent
21 calendar quarter.

22 (3) For each year that data is available, beginning in 2005, the Planning
23 Department shall report net housing construction by income levels, as well as units that have
24 been withdrawn from protection afforded by City law, such as laws providing for rent-
25 controlled and single resident occupancy (SRO) units. The affordable housing categories shall

1 include net new units, as well as existing units that were previously not restricted by deed or
2 regulatory agreement that are acquired for preservation as permanently affordable housing as
3 determined by the Mayor's Office of Housing and Community Development (MOHCD) (not
4 including refinancing or other rehabilitation under existing ownership), protected by deed or
5 regulatory agreement for a minimum of 55 years. The report shall include, by year, and for the
6 latest quarter, all units that have received Temporary Certificates of Occupancy within that
7 year, a separate category for units that obtained a site or building permit, and another
8 category for units that have received approval from the Planning Commission or Planning
9 Department, but have not ~~yet~~ obtained a site or building permit to commence construction
10 (except any entitlements that have expired and not been renewed during the Housing Balance
11 Period). Master planned entitlements, including but not limited to such areas as Treasure
12 Island, Hunters Point Shipyard, and Park Merced, shall not be included in this latter category
13 until individual building entitlements or site permits are approved for specific housing projects.
14 For each year or approval status, the following categories shall be separately reported:

15 (A) Extremely Low Income Units, which are units available to
16 individuals or families making between 0-30% Area Median Income (AMI) as defined in
17 California Health & Safety Code Section 50106, and are subject to price or rent restrictions
18 between 0-30% AMI;

19 (B) Very Low Income Units, which are units available to individuals or
20 families making between 30-50% AMI as defined in California Health & Safety Code Section
21 50105, and are subject to price or rent restrictions between 30-50% AMI;

22 (C) Lower Income Units, which are units available to individuals or
23 families making between 50-80% AMI as defined in California Health & Safety Code Section
24 50079.5, and are subject to price or rent restrictions between 50-80% AMI;

1 (D) Moderate Income Units, which are units available to individuals or
2 families making between 80-120% AMI and are subject to price or rent restrictions between
3 80-120% AMI;

4 (E) Middle Income Units, which are units available to individuals or
5 families making between 120-150% AMI and are subject to price or rent restrictions between
6 120-150% AMI;

7 (F) Market-rate units, which are units not subject to any deed or
8 regulatory agreement with price restrictions;

9 (G) Housing units withdrawn from protected status, including units
10 withdrawn from rent control (except those units otherwise converted into permanently
11 affordable housing), including all units that have been subject to rent control under the San
12 Francisco Residential Rent Stabilization and Arbitration Ordinance but that a property owner
13 removes *permanently* from the rental market including but not limited to through owner move-in
14 pursuant to Administrative Code Section 37.9(a)(8), condominium conversion pursuant to
15 Administrative Code Section 37.9(a)(9), demolition or alterations (including dwelling unit
16 mergers), or permanent removal pursuant to Administrative Code Section 37.9(a)(10) or
17 removal pursuant to the Ellis Act under Administrative Code Section 37.9(a)(13);

18 (H) Public housing replacement units and substantially rehabilitated
19 units through the HOPE SF and Rental Assistance Demonstration (RAD) programs, as well as
20 other substantial rehabilitation programs managed by MOHCD.

21 (4) The Housing Balance shall be expressed as a percentage, obtained by
22 dividing the cumulative total of extremely low, very low, low, and moderate income affordable
23 housing units (all units 0-120% AMI) minus the lost protected units described in subsection
24 (c)(3)(G) above by the total number of net new housing units within the Housing Balance
25 Period. The Housing Balance shall also provide two calculations:

1 (A) the Cumulative Housing Balance, consisting of housing units that
2 have already been constructed (and received a Temporary Certificate of Occupancy or other
3 certificate that would allow occupancy of the units) within the 10-year Housing Balance
4 Period, plus those units that have obtained a site or building permit. A separate calculation of
5 the Cumulative Housing Balance shall also be provided, which includes HOPE SF and RAD
6 public housing replacement and substantially rehabilitated units (but not including general
7 rehabilitation/maintenance of public housing or other affordable housing units) that have
8 received Temporary Certificates of Occupancy within the Housing Balance Period. The
9 Housing Balance Reports will show the Cumulative Housing Balance with and without public
10 housing included in the calculation; and

11 (B) the Projected Housing Balance, which shall include any residential
12 project that has received approval from the Planning Commission or Planning Department,
13 even if the housing project has not yet obtained a site or building permit to commence
14 construction (except any entitlements that have expired and not been renewed during the
15 Housing Balance period). Master planned entitlements shall not be included in the calculation
16 until individual building entitlements or site permits are approved.

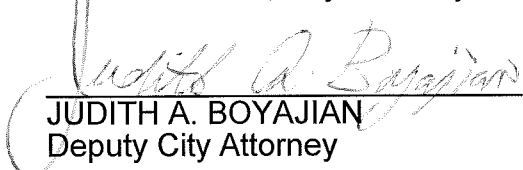
17 * * * *

18
19 Section 3. Effective Date. This ordinance shall become effective 30 days after
20 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
21 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
22 of Supervisors overrides the Mayor's veto of the ordinance
23

24 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
25 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,

1 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
2 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
3 additions, and Board amendment deletions in accordance with the "Note" that appears under
4 the official title of the ordinance.

5
6 APPROVED AS TO FORM:
7 DENNIS J. HERRERA, City Attorney

8 By: 
9 JUDITH A. BOYAJIAN
Deputy City Attorney

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