

1 [Administrative, Planning Codes - Preferences in Affordable Housing Programs]

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3 **Ordinance amending the Administrative Code to clarify create a fourth preference for**  
4 **people who live or work in San Francisco in addition to existing preferences in**  
5 **allocating City affordable housing units ~~first to Certificate of Preference holders and~~**  
6 **~~second to tenants evicted under the Ellis Act, create a third preference for residents in~~**  
7 **~~the neighborhood where the affordable housing is located, create additional categories~~**  
8 **~~of eligible displaced tenants and provide for preference to displaced tenants from the~~**  
9 **~~Neighborhood, create a fourth preference for people who live or work in San Francisco,~~**  
10 **~~and make conforming amendments to provisions of the Administrative and Planning~~**  
11 **Codes; to affirm the Planning Department’s determination under the California**  
12 **Environmental Quality Act; and to make findings of consistency with the General Plan**  
13 **and the eight priority policies of Planning Code Section 101.1.**

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

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

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21 Section 1. Findings.

22 (a) The Planning Department has determined that the actions contemplated in this  
23 ordinance comply with the California Environmental Quality Act (California Public Resources  
24 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of  
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1 Supervisors in File No. 151122 and is incorporated herein by reference. The Board affirms  
2 this determination.

3 (b) On October 22, 2015, the Planning Commission, in Resolution No. 19498, adopted  
4 findings that the actions contemplated in this ordinance are consistent, on balance, with the  
5 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board  
6 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the  
7 Board of Supervisors in File No. 151122, and is incorporated herein by reference.

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9 Section ~~32~~. The Administrative Code is hereby amended by revising ~~adding~~ Chapter  
10 ~~47, consisting of Sections 47.1, 47.2, 47.3, 47.4, and 47.5~~ to read as follows:

11 **SEC. 47.3 APPLICATION OF PREFERENCE.**

12 Except to the extent prohibited by an applicable State or Federal funding source,  
13 MOHCD shall give, or require project sponsors or their successors in interest funded through  
14 MOHCD to give, preference in occupying units or receiving assistance under all City  
15 Affordable Housing Programs. Each preference enumerated below shall be applied as of the  
16 effective date of the legislation establishing each preference. The City established preference  
17 for holders of Certificates of Preference in Ordinance 232-08, Displaced Tenants, Category 1  
18 in Ordinance 277-13, and Displaced Tenants, Category 2 and Neighborhood Residents in  
19 legislation adding this Chapter 47. The preference requirements are intended to have  
20 prospective effect only, and shall not be interpreted to impair the obligations of any pre-  
21 existing contract entered into by the City. Notwithstanding the prior sentence, the preference  
22 requirements shall apply to contracts entered into by the City on or after the effective date of  
23 the legislation establishing each preference, including contracts materially amended on or  
24 after the effective date. Preference shall be given:

1 (a) First, to Residential Certificate of Preference Holders, who meet all of the  
2 qualifications for the unit or assistance. Preference under this subsection (a) shall be given in  
3 100% of the units in all initial sales, re-sales, initial leases, and subsequent leases.

4 (b) Second, to any Displaced Tenant who meets all of the qualifications for the unit or  
5 assistance. For any Displaced Tenant displaced prior to the effective date of this Chapter 47,  
6 preference under this subsection (b) shall expire six years from the effective date of this  
7 Chapter 47. For any Displaced Tenant displaced after the effective date of this Chapter 47,  
8 preference under this subsection (b) shall expire six years from the date the landlord filed with  
9 the Rent Board a Notice of Intent to Withdraw or the landlord filed with the Rent Board the  
10 notice to vacate pursuant to the Rent Ordinance Section 37.9(c). Preference under this  
11 subsection (b) shall be applicable to:

- 12 (1) 20% of the units in any new residential development that is part of a City  
13 Affordable Housing Program going through the initial occupancy or sale process; and
- 14 (2) units in all re-sales and subsequent leases until 20% of all units that are  
15 part of a City Affordable Housing Program in a building are occupied by tenants who have  
16 exercised this preference.

17 The Displaced Tenant's preference shall still apply even if such Displaced Tenant  
18 declines a unit offered through application of the preference, but upon accepting and  
19 occupying a unit obtained using the preference, such Displaced Tenant's preference  
20 terminates.

21 (c) Third, to a Neighborhood Resident, who meets all of the qualifications for the unit  
22 or assistance. Preference under this subsection (c) shall be given:

- 23 (1) for units located in the same Neighborhood as the person resides;
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1 (2) only for any new residential development in that Neighborhood going  
2 through the initial occupancy or sale process, and only to 40% of the units in such  
3 development..

4 (d) Fourth, to any person who lives or works in San Francisco who meets all of the  
5 qualifications for the unit or assistance. Preference under this subsection (d) shall be  
6 applicable to:

7 (1) any unit in any new residential development that is part of a City Affordable  
8 Housing Program going through the initial occupancy or sale process; and

9 (2) units in all re-sales and subsequent leases.

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11 Section 63. Effective Date. This ordinance shall become effective 30 days after  
12 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
13 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
14 of Supervisors overrides the Mayor’s veto of the ordinance.

15 Section 74. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
19 additions, and Board amendment deletions in accordance with the “Note” that appears under  
20 the official title of the ordinance.

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

23 By: \_\_\_\_\_  
24 JON GIVNER  
25 Deputy City Attorney

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