BOARD of SUPERVISORS



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

## MEMORANDUM

TO: Regina Dick-Endrizzi, Director Small Business Commission, City Hall, Room 448

> Alisa Somera, Legislative Deputy Director Land Use and Transportation Committee

DATE: November 1, 2016

FROM:

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following substitute legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 160019

Ordinance amending the Planning Code to require that if a developer elects to provide Designated Child Care Units in lieu of paying the Residential Child Care Impact Fee for a project with ten or more affordable units, any Designated Child Care Unit must be an affordable unit; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making a finding of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: \_

No Comment

\_\_\_ Recommendation Attached

Chairperson, Small Business Commission

c: Menaka Mahajan, Small Business Commission

FILE NO. 160019

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[Planning Code - Designated Child Care Units]

Ordinance amending the Planning Code to require that if a developer elects to provide Designated Child Care Units in lieu of paying the Residential Child Care Impact Fee for a project with 10 or more affordable units, any Designated Child Care Unit must be an affordable unit; and affirming the Planning Department's determination under the California Environmental Quality Act, making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and making a finding of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Environmental and Land Use Findings.

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

(b) On October 15, 2015, the Planning Commission, in Resolution No. 19495, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the

Supervisor Yee BOARD OF SUPERVISORS City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 150793, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the proposed Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 19495, and the Board incorporates such reasons herein by reference.

Section 2. The Planning Code is hereby amended by revising Section 414A.6, to read as follows:

SEC. 414A.6. OPTION TO PROVIDE ONSITE SMALL FAMILY DAYCARE HOME IN LIEU OF FEE.

(a) Election to Provide Designated Child Care Units in Lieu of Residential Child Care Impact Fee. Consistent with the timing to elect the option to provide On- or Off-site Units under Section 415.5(g), the sponsor of a development project subject to the requirements of Section 414A.1 et seq., may elect to fulfill all or a portion of the Residential Child Care <u>Impact</u> Fee requirement imposed as a condition of approval by creating one or more Designated Child Care Units in the project, as follows:

\* \* \*

(5) If the sponsor of a development project provides fewer than 10 On-site or Off-site units, as defined in Planning Code Section 415 et seq., establishing the Inclusionary Affordable <u>Housing Program, a</u> Designated Child Care Unit may not be an On-site or Off-site Unit, as defined in Planning Code Section 415\_et seq. establishing the Inclusionary Affordable Housing *Program*. If the sponsor of a development project provides 10 or more On-site or Off-site units, any Designated Child Care Unit must be an On-site or Off-site Unit.

Supervisor Yee BOARD OF SUPERVISORS Section 3. 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 4. 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: **VICTORIA WONG** Deputy City Attorney

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Supervisor Yee BOARD OF SUPERVISORS

## REVISED LEGISLATIVE DIGEST

(Substituted, 10/25/16)

[Planning Code - Designated Child Care Units]

Ordinance amending the Planning Code to require that if a developer elects to provide Designated Child Care Units in lieu of paying the Residential Child Care Impact Fee for a project with ten or more affordable units, any Designated Child Care Unit must be an affordable unit; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making a finding of public necessity, convenience, and welfare pursuant to Planning Code, Section 302. Existing Law

Planning Code Section 414.A provides an option for developers to provide Designated Child Care Units in lieu of paying the Residential Child Care Impact Fee. Currently, Planning Code Section 414.A.6(a)(5) provides that a Designated Child Care Unit may not be an On-site or Off-site affordable unit as defined by Planning Code Section 415 et seq., which establishes the City's Inclusionary Affordable Housing Program.

## Amendments to Current Law

This ordinance would require that, where a project provides 10 or more On-site or Off-site affordable units and the developer opts to provide one or more Designated Child Care Units in lieu of paying the Residential Child Care Impact Fee, the Designated Child Care Units must be On-site or Off-site units.

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