

File No. 170835 Committee Item No. 3  
Board Item No. \_\_\_\_\_

**COMMITTEE/BOARD OF SUPERVISORS**  
AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date October 2, 2017

Board of Supervisors Meeting Date \_\_\_\_\_

Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>BOS Ord No. 49-17 030717</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral FYI 072117</u>      |
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Completed by: Erica Major Date September 29, 2017  
Completed by: Erica Major Date \_\_\_\_\_

1 [Amending Ordinance No. 49-17 - 180 Jones Street Affordable Housing Fund]

2  
3 **Ordinance amending Ordinance No. 49-17 to change the timeline, for the first payment**  
4 **of \$1,500,000 from the project sponsor of the project at 950-974 Market Street to the 180**  
5 **Jones Street Affordable Housing Fund, from “the issuance of the first construction**  
6 **document for that project or July 1, 2017, whichever comes first”, to “the issuance of**  
7 **the first construction document.”**

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

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

16 Section 1. Background and Findings.

17 (a) On March 17, 2017, the City enacted Ordinance No. 49-17, which waived the  
18 Planning Code’s Jobs-Housing Linkage Fee, the Inclusionary Affordable Housing  
19 requirements, and the alternative water supply requirements set forth in Health Code Article  
20 12C; exempted 26,572 square feet from the calculation of gross floor area to allow the  
21 additional floor area, and exempted 26,572 square feet from Planning Code Sections 123 and  
22 128 to reduce any required transferable development rights by such amount, for a project  
23 located at 950-974 Market Street(the “Project”), in exchange for the dedication of real property  
24 at 180 Jones Street to the Mayor’s Office of Housing and Community Development  
25 (“MOHCD”) at no cost and payment by Mid-Market Center LLC (the “Project Sponsor”) of  
approximately \$11.25 million to the 180 Jones Street Affordable Housing Fund, according to a

1 payment timeline. Under the payment timeline, the first payment, of \$1.5 million, is due prior  
2 to issuance of the first construction document for the project, or July 1, 2017, whichever  
3 comes first. (Ordinance No. 49-17; Section 2(a)(1)(B).) Ordinance No. 49-17 also  
4 established the 180 Jones Street Affordable Housing Fund; accepted a \$2.7 million gift from  
5 the Project Sponsor to the 180 Jones Street Affordable Housing Fund; and accepted a  
6 \$300,000 gift from the Project Sponsor to the City to support the City's efforts to recognize  
7 and support historic and present-day Transgender, Lesbian, Gay and Bisexual ("TLGB")  
8 communities in the Tenderloin neighborhood.

9 (b) At the time Ordinance No. 49-17 was enacted, the Project Sponsor contemplated  
10 that construction of the Project would commence in the summer of 2017, and that the  
11 Project's first construction document would be issued by July 1, 2017. On account of an  
12 unanticipated increase in construction costs and the associated need to adjust construction  
13 financing, issuance of the first construction document and construction of the Project is now  
14 contemplated to commence in the first quarter of 2018.

15 (c) The Board of Supervisors now desires to amend the payment timeline for the  
16 Project Sponsor's first payment to the 180 Jones Affordable Housing Fund to coincide with the  
17 closing of financing for the Project and issuance of the Project's first construction document.  
18

19 Section 2. The payment timeline for the Project Sponsor's first payment to the 180  
20 Jones Affordable Housing Fund is hereby amended by amending Section 2(a)(1)(B) on page  
21 8, Lines 11 and 12, of Ordinance No. 49-17, to read as follows:

22 (B) Payment of \$1.5 million: prior to issuance of the first construction document for  
23 the Project.

24 This ordinance does not otherwise change the terms of Ordinance No. 49-17.  
25

1 Section 3. The Mayor, Clerk of the Board of Supervisors, the Director of Property, and  
2 MOHCD are hereby authorized and directed to take any and all actions which they or the City  
3 Attorney may deem necessary or advisable in order to effectuate the purpose and intent of  
4 this ordinance (including, without limitation, the filing of the ordinance in the Official Records of  
5 the City and County of San Francisco; receipt of payments to the 180 Jones Affordable  
6 Housing Fund; and execution and delivery of any evidence of the same, which shall be  
7 conclusive as to the satisfaction of the conditions upon signature by any such City official or  
8 his or her designee).

9  
10 Section 4. Effective Date; Retroactivity. This ordinance shall become effective 30 days  
11 after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns  
12 the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the  
13 Board of Supervisors overrides the Mayor's veto of the ordinance. This ordinance shall be  
14 retroactive to July 1, 2017.

15  
16 APPROVED AS TO FORM:  
17 DENNIS J. HERRERA, City Attorney

18 By:

  
19 ANDREA RUIZ-ESQUIDE  
20 Deputy City Attorney

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**LEGISLATIVE DIGEST**

[Amending Ordinance No. 49-17 - 180 Jones Street Affordable Housing Fund]

**Ordinance amending Ordinance No. 49-17 to change the timeline, for the first payment of \$1,500,000 from the project sponsor of 950-974 Market Street to the 180 Jones Street Affordable Housing Fund, from "the issuance of the first construction document for that project or July 1, 2017, whichever comes first," to "the issuance of the first construction document."**

Existing Law

On March 17, 2017, the City enacted Ordinance No. 49-17, which waived the Planning Code's Jobs-Housing Linkage Fee, the Inclusionary Affordable Housing requirements, and the alternative water supply requirements set forth in Health Code Article 12C; exempted 26,572 square feet from the calculation of gross floor area to allow the additional floor area, and exempted 26,572 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 950-974 Market Street (the "Project"). Ordinance No. 49-17 waived and exempted the Project from those provisions in exchange for the dedication of real property at 180 Jones Street to the Mayor's Office of Housing and Community Development ("MOHCD") at no cost, plus payment by Mid-Market Center LLC (the "Project Sponsor") of approximately \$11.25 million to the 180 Jones Street Affordable Housing Fund, according to a payment timeline.

Under the payment timeline set forth in Ordinance No. 49-17, the first payment, of \$1.5 million, is due prior to issuance of the first construction document for the Project, or July 1, 2017, whichever comes first. (Ordinance No. 49-17; Section 2(a)(1)(B).)

Ordinance No. 49-17 also established the 180 Jones Street Affordable Housing Fund; accepted a \$2.7 million gift from the Project Sponsor to the 180 Jones Street Affordable Housing Fund; and accepted a \$300,000 gift from the Project Sponsor to the City to support the City's efforts to recognize and support historic and present-day Transgender, Lesbian, Gay and Bisexual ("TLGB") communities in the Tenderloin neighborhood.

Amendments to Current Law

This Ordinance amend the payment timeline for the Project Sponsor's first payment to the 180 Jones Affordable Housing Fund, to coincide with the closing of financing for the Project and issuance of the Project's first construction document.

This Ordinance does not otherwise change the terms of Ordinance No. 49-17.

Background Information

At the time Ordinance No. 49-17 was enacted, the Project Sponsor contemplated that construction of the Project would commence in the summer of 2017, and that the Project's first construction document would be issued by July 1, 2017. On account of an unanticipated increase in construction costs and the associated need to adjust construction financing, issuance of the first construction document and construction of the Project is now contemplated to commence in the first quarter of 2018.

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1 ~~[Planning, Administrative, and Health Codes - Waiving Fees and Exempting Requirements,~~  
2 ~~Authorizing Land Dedication or Construction of Off-Site Units, Establishing 180 Jones Street~~  
3 ~~Affordable Housing Fund, Accepting Gifts, Authorizing Payment - 950-974 Market Street~~  
4 ~~Project]~~

5 **Ordinance waiving the Jobs-Housing Linkage Fee set forth in Planning Code, Section**  
6 **413 et seq., the Inclusionary Affordable Housing requirements set forth in Planning**  
7 **Code, Section 415 et seq., and the alternative water supply requirements set forth in**  
8 **Health Code, Article 12C; exempting 26,572 square feet from the calculation of gross**  
9 **floor area pursuant to Planning Code, Section 124, to allow the additional floor area,**  
10 **and exempting 26,572 square feet from Planning Code, Sections 123 and 128, to reduce**  
11 **any required transferable development rights by such amount, for a project located at**  
12 **950-974 Market Street in San Francisco, in exchange for either (1) the dedication of real**  
13 **property at 180 Jones Street to the San Francisco Mayor's Office of Housing and**  
14 **Community Development at no cost and payment of approximately**  
15 **~~\$12,800,000~~11,250,000 to the 180 Jones Street Affordable Housing Fund, or (2) the**  
16 **~~construction of a minimum of 60 and a maximum of 70 affordable studio or efficiency~~**  
17 **~~rental units at 180 Jones Street; establishing the 180 Jones Street Affordable Housing~~**  
18 **Fund; accepting a ~~\$2,000,000~~2,700,000 gift to the 180 Jones Street Affordable Housing**  
19 **Fund; accepting a \$300,000 gift to the City, to create the Compton's District**  
20 **Transgender, Lesbian, Gay and Bisexual (TLGB) Stabilization Fund, to support the**  
21 **City's efforts to recognize and support historic and present-day TLGB communities in**  
22 **the Tenderloin neighborhood; authorizing actions in furtherance of this Ordinance;**  
23 **adopting findings regarding the Final Mitigated Negative Declaration under the**  
24 **California Environmental Quality Act; making findings of public necessity,**  
25 **convenience, and welfare under Planning Code, Section 302; and making findings of**

1 consistency with the General Plan, and the eight priority policies of Planning Code,  
2 Section 101.1.

3  
4 NOTE: Unchanged Code text and uncodified text are in plain Arial font.  
5 Additions to Codes are in *single-underline italics Times New Roman font*.  
6 Deletions to Codes are in ~~italics Times New Roman font~~.  
7 Board amendment additions are in double-underlined Arial font.  
8 Board amendment deletions are in ~~Arial font~~.  
9 Asterisks (\* \* \* \*) indicate the omission of unchanged Code  
10 subsections or parts of tables.

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

12 Section 1. Findings.

13 (a) It is the intention of the Board of Supervisors to (1) waive the requirements set forth  
14 in Planning Code Section 413 et seq. to pay the Jobs-Housing Linkage Fee, (2) waive the  
15 requirements set forth in Planning Code Section 415 et seq. to pay the Affordable Housing  
16 Fee or to provide on-site or off-site inclusionary housing units, (3) waive the alternative water  
17 supply requirements set forth in Health Code Article 12C, (4) exempt 26,572 square feet from  
18 the calculation of allowable gross floor area set forth in Planning Code Section 124 to permit  
19 additional floor area on the site, (5) exempt 26,572 square feet from the calculation of  
20 required transferable development rights ("TDR") to reduce the TDR necessary for the project  
21 located at 950-974 Market Street, Assessor's Block No. 0342, Lots No. 001, 002, 004, and  
22 014 ("Project"), (6) authorize Mid-Market Center LLC ("Project Sponsor") to either (A) dedicate  
23 the real property located at 180 Jones Street, Assessor's Block No. 0343, Lot 14 ("Dedicated  
24 Property") to the San Francisco Mayor's Office of Housing and Community Development  
25 ("MOHCD") for \$10 and pay \$~~16.8~~ 15.4 million, less the acquisition cost of the Dedicated  
Property (estimated to be \$4.15 million), to the 180 Jones Street Affordable Housing Fund  
(the "180 Jones Fund") or (B) construct a minimum of 60 and a maximum of 70 affordable  
studio or efficiency units at the Dedicated Property (the "Off-Site Units"); (7) accept a gift of



1 \$2.7 Mmillion to the 180 Jones Fund, and (8) establish the 180 Jones Fund; and (9) accept a  
2 gift of \$300,000 to the City, to support the City's efforts to recognize and support historic and  
3 present-day Transgender, Lesbian, Gay and Bisexual (TLGB) communities in the Tenderloin  
4 neighborhood.

5 (b) The proposed waivers and exemptions, corresponding land dedication and  
6 establishment of and payment to the 180 Jones Fund ~~or construction of Off-Site Units~~ are  
7 necessary to implement construction of the Project and to facilitate potential development on  
8 the Dedicated Property of a 100% affordable residential development. The Project is a multi-  
9 family residential and hotel development project with ground floor retail space located on a  
10 34,262 square foot project site within the Downtown Plan Area and the Downtown/Civic  
11 Center neighborhood and is located within the C-3-G (Downtown General) Zoning and 120-X  
12 Height and Bulk District. The floor area ratio (FAR) limit as defined by Planning Code Section  
13 124 for the C-3-G District is 6.0:1. Under Sections 123 and 128 of the Planning Code, the  
14 FAR can be increased to 9.0 to 1 with the purchase of TDR.

15 (c) The Project would provide approximately 242 dwelling units, a 232-room hotel, and  
16 16,600 gross square feet of ground-floor commercial retail space. The Project applied to  
17 provide 31 for sale on-site inclusionary affordable dwelling units (comprising thirteen percent  
18 (13%) of the total number of units and 26,572 gross square feet of floor area) to comply with  
19 the requirements of Section 415 et seq. The Project sponsor also sought a conditional use  
20 permit to allow the additional square footage for the affordable units pursuant to Planning  
21 Code Section 124(f).

22 (d) The Project now proposes to provide land and funds to the City to construct off-site  
23 affordable housing, equivalent to ~~or to construct~~ a minimum of 60 and ~~a maximum of 70~~ off-  
24 site affordable units, equivalent to not less than 25% of the number of on-site market-rate  
25 units. The proposed Sections 413 and 415 waivers and Sections 123, 124 and 128 floor area

1 exemptions proposed in this ordinance will enable the Project to be constructed without on-  
2 site inclusionary affordable dwelling units, without the need to acquire an additional 26,572  
3 gross square feet of transferable development rights, and without the need to procure a  
4 conditional use permit for the extra square footage as was otherwise required by Planning  
5 Code Section 124(f) for the on-site affordable housing. This ordinance will allow the Project  
6 Sponsor to withdraw the Section 124(f) conditional use application without forfeiting the  
7 Section 124 gross floor area exemption proposed for the 26,572 gross square feet associated  
8 with the prior on-site inclusionary affordable units. As set forth below, dedication to the City of  
9 the Dedicated Property, establishment of the 180 Jones Fund and payment by the Project  
10 Sponsor to the 180 Jones Fund ~~or construction by the Project Sponsor of the Off-Site Units~~  
11 would allow the City to provide a greater number of affordable housing units at a lower median  
12 income level than could otherwise be provided on-site, if a 100% affordable residential  
13 development is approved at the Dedicated Property.

14 (e) The Dedicated Property located at 180 Jones Street is 4,743 square foot in land  
15 area and has an approximate an acquisition cost of \$4.15 million. The Dedicated Property  
16 was previously approved for construction of 37 one- and two-bedroom dwelling units and  
17 ground floor commercial space and can accommodate approximately 30,818 square feet of  
18 above ground development. The conveyance by the Project Sponsor of the Dedicated  
19 Property and payment by the Project Sponsor to the 180 Jones Fund ~~or construction by the~~  
20 ~~Project Sponsor of the Off-Site Units~~ would allow the City to modify the previously approved  
21 plans to instead provide a 100% affordable rental residential housing development of  
22 ~~approximately at minimum 60 to 70 efficiency dwelling unit affordable housing development~~  
23 ~~for~~ for low income households on the Dedicated Property, if such project is approved at the  
24 Dedicated Property. This would be a significant increase in the City's stock of affordable  
25 housing in the Downtown/Civic Center neighborhood, compared to the previously

1 contemplated 31 for sale on-site inclusionary affordable units affordable to moderate income  
2 households at the Project site.

3 (f) The Project Sponsor has offered a \$300,000 gift to MOHCD, to be paid prior to the  
4 first construction document for the Project, for purposes of creating the Compton's District  
5 TLGB Stabilization Fund, and help recognize and support historic and present-day TLGB  
6 communities in the Tenderloin neighborhood.

7 (f) On November 17, 2016, the Planning Commission conducted a duly noticed public  
8 hearing on the ordinance, including the waiver of fee payments and requirements under  
9 Planning Code Sections 413 et seq. and 415 et seq., waiver of Health Code Article 12C, and  
10 the exemption of 26,572 gross square feet from the calculation of gross floor area as set forth  
11 in Planning Code Section 124 and from the requirements to purchase TDR under Planning  
12 Code Sections 123 and 128. The Planning Commission, in Motion No. 19781, found that the  
13 ordinance is, on balance, consistent with the City's General Plan and the eight priority policies  
14 of Planning Code Section 101.1. A copy of the Planning Commission Motion is on file with  
15 the Clerk of the Board of Supervisors in File No. 161066 and is incorporated herein by  
16 reference. The Board adopts the Planning Commission findings as its own.

17 (g) Pursuant to Planning Code Section 302, this Board finds that this ordinance will  
18 serve the public necessity, convenience, and general welfare for the reasons set forth in  
19 Planning Commission Motion No. 19781 and the Board incorporates such reasons herein by  
20 reference.

21 (h) On November 17, 2016, the Planning Commission finalized, reviewed and  
22 considered the Final Mitigated Negative Declaration (FMND) prepared for the Project located  
23 at 950-974 Market Street and found that the contents of the FMND and the procedures  
24 through which the FMND was prepared, publicized, and reviewed complied with the California  
25 Environmental Quality Act, California Public Resources Code Sections 21000 et seq. (CEQA),

1 Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and  
2 Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Planning  
3 Commission adopted the FMND, CEQA findings and a Mitigation and Monitoring Reporting  
4 Program (MMRP) in its Motion Nos. 19780 and 19783. The CEQA findings and the MMRP  
5 contained in Planning Commission Motion No. 19783 are incorporated herein by this  
6 reference thereto. The proposed changes contained in this ordinance are not substantial  
7 changes to the Project and there are no substantial changes in Project circumstances that  
8 would require major revisions to the FMND due to the involvement of new significant  
9 environmental effects, nor is there an increase in the severity of previously identified  
10 significant impacts, or any new information of substantial importance that would change the  
11 conclusions set forth in the FMND.

12 (i) This ordinance does not constitute an approval of any new or revised project  
13 located at 180 Jones Street. The Planning Commission adopted a mitigated negative  
14 declaration, CEQA findings and a Mitigation and Monitoring Reporting Program in its Motion  
15 No. 17838 for the previously approved 37-unit project at the Dedicated Property. The CEQA  
16 findings and the MMRP contained in Planning Commission Motion No. 17838 are  
17 incorporated herein by this reference thereto, as applicable to the land dedication ~~or Off-Site~~  
18 ~~Units~~ authorized by this Ordinance. The City is not otherwise approving any changes to the  
19 approved project at 180 Jones Street. If and when any revised project for the Dedicated  
20 Property is undertaken by the City, or is submitted to the City for review, the City will conduct  
21 any additional environmental review required by CEQA for that project.

22  
23 Section 2. Planning Code Fee Waivers, Floor Area and TDR Exemption, and Land  
24 Dedication and Payment to the 180 Jones ~~Fund or Construction of Off-Site Units~~.



1 (a) Waiver of Jobs-Housing Linkage Fee and Inclusionary Affordable Housing  
2 Requirements and Payment to 180 Jones Fund. Notwithstanding the requirement to pay the  
3 Jobs-Housing Linkage Fee pursuant to Planning Code Section 413 et seq. and the Affordable  
4 Housing Fee or provide on-site or off-site inclusionary affordable housing alternatives to the  
5 Affordable Housing Fee pursuant to Planning Code Section 415 et seq. (Inclusionary Housing  
6 Program), the requirements set forth in Planning Code Section 413 et seq. to pay the Jobs-  
7 Housing Linkage Fee associated with the Project's hotel and retail uses and the requirements  
8 set forth in Planning Code Section 415 et seq. to pay to either pay the Affordable Housing Fee  
9 or provide on-site or off-site inclusionary affordable housing alternatives to the Affordable  
10 Housing Fee payment for the Project are hereby waived in their entirety.

11 Instead, the Project Sponsor shall be permitted to either:

12 (1) Dedicate a site to the City to be used for affordable housing and to pay money to  
13 the 180 Jones Fund. In lieu of paying the Jobs-Housing Linkage Fee and the Affordable  
14 Housing Fee or providing on-site or off-site inclusionary affordable housing units, prior to  
15 issuance of the first construction document ~~a site or building permit~~ for the Project, the Project  
16 Sponsor shall convey in fee simple absolute to the City or MOHCD, according to the land  
17 dedication provisions of the City and County of San Francisco Inclusionary Affordable  
18 Housing Program Monitoring Procedures Manual issued by the San Francisco Department of  
19 City Planning ("Procedures Manual"), the real property located at 180 Jones Street, at no cost  
20 to MOHCD. In addition, between issuance of the first construction document and the first  
21 temporary certificate of occupancy for the Project as set forth in more detail below, the Project  
22 Sponsor shall pay ~~\$18.8~~15.4 ~~M~~Million, less the acquisition cost of the Dedicated Property, to  
23 the 180 Jones Affordable Housing Fund established by this Ordinance, which real property  
24 and Fund shall be used by MOHCD to facilitate construction of an affordable housing project  
25 of approximately at minimum 60 ~~to 70~~ efficiency dwelling units at 180 Jones Street affordable

1 to low income households. This ~~\$18.8~~15.4 Mmillion, comprised of the acquisition cost of the  
2 Dedicated Land and payments to the 180 Jones Affordable Housing Fund is the equivalent  
3 payment of the Project's Jobs-Housing Linkage Fee and an affordable housing percentage  
4 fee of 25% under Planning Code Sections 415 et seq., the current affordable housing fee  
5 percentage applicable to the Project, plus a gift to the City of approximately \$2.7 Mmillion,  
6 payable at the first temporary certificate of occupancy, as set forth in Section 5. The  
7 conveyance by the Project Sponsor of the Dedicated Land to the City and payments to the  
8 180 Jones Affordable Housing Fund shall occur pursuant to the following schedule:

9 A. (A) Conveyance of Dedicated Land: prior to issuance of the first construction  
10 document ~~a site or building permit~~ for the Project;

11 B. (B) Payment of \$1.5 million: prior to issuance of the first construction  
12 document for the Project, or July 1, 2017, whichever comes first;

13 C. (C) Payment of ~~\$17.3~~13.9 million, less the acquisition cost of the Dedicated  
14 Land, prior to issuance of the Project's first temporary certificate of occupancy; ~~or,~~

15 ~~(2) Construct a minimum of 60 and a maximum of 70 affordable studio or efficiency~~  
16 ~~units at the Dedicated Property, after such project undergoes any required environmental~~  
17 ~~review and if such project is approved by the City. In lieu of paying the Jobs-Housing Linkage~~  
18 ~~Fee and the Affordable Housing Fee or providing on-site or off-site inclusionary affordable~~  
19 ~~housing units, the Project Sponsor shall provide evidence to the City that it has acquired fee~~  
20 ~~simple title to the Dedicated Property prior to issuance of the Project's first construction~~  
21 ~~document. The Project Sponsor shall ensure that the off-site units are constructed, completed,~~  
22 ~~ready for occupancy, and marketed no later than three years after the City approves such~~  
23 ~~project at the Dedicated Property. It is the intent of the Board of Supervisors that the~~  
24 ~~affordable units at the Dedicated Property be comparable in overall quality of construction to~~  
25 ~~the market rate units in the Project, and the interior features in the affordable units be~~

1 consistent with the "Quality Standards for Off Site Affordable Housing Units" found in the  
2 Procedures Manual.

3 (b) Exemption From Floor Area Ratio Calculations. Notwithstanding the provisions of  
4 Planning Code Section 124, floor area in the Project equivalent to 26,572 square feet is  
5 hereby exempt from the calculation of gross floor area pursuant to Planning Code Section  
6 124. This Section 124 floor area exemption shall not reduce the Project's development  
7 impact fee obligations by any amount under Article 4 of the Planning Code and the Project  
8 shall pay any applicable development impact fees set forth in Planning Code Article 4 on the  
9 total floor area of the Project.

10 (c) TDR Exemption. Notwithstanding the provisions of Planning Code Sections 123  
11 and 128, the Project shall be exempt from any applicable requirement to purchase TDR solely  
12 for 26,572 square feet of floor area to increase the allowable density on-site. The Project  
13 shall be permitted to increase density on-site by 26,572 square feet of floor area without the  
14 need to purchase TDR for this amount. The Project shall be otherwise required to comply  
15 with Planning Code Sections 123 and 128, and shall purchase TDR for any other necessary  
16 increase in density on-site.

17 (d) These waivers and exemptions are contingent upon the Project Sponsor conveying  
18 the Dedicated Property to the City and paying the agreed-upon payments, as set forth above.

19  
20 Section 3. The Administrative Code Chapter 10, Article XIII is hereby amended by  
21 adding Section 10.100-375, to read as follows:

22 **SEC. 10.100-375. 180 JONES STREET AFFORDABLE HOUSING FUND.**

23 (a) Establishment of Fund. The 180 Jones Street Affordable Housing Fund is established as a  
24 category four fund to receive fee revenue dedicated to affordable housing and other contributions to the  
25 fund. Monies in the fund shall include: ~~The fund receives money from:~~



1                   (1) A payment of \$1.80.4 million in lieu of the Jobs-Housing Linkage Fee  
2 otherwise required under of Planning Code Sections 413 et seq. (Jobs-Housing Linkage Program)  
3 Jobs-Housing Linkage Fee payment that the but waived by Board of Supervisors waived for the  
4 950-974 Market Street project. This payment is addressed in an ordinance concerning the waiver of  
5 the Jobs-Housing Linkage Fee and Inclusionary Housing Requirements, and authorizing other  
6 exemptions as well as a land dedication (the "950-974 Market Street Ordinance"), which is on file with  
7 the Clerk of the Board of Supervisors in File No. 161066.

8                   (2) An payment of \$11.10.85 million in lieu of affordable housing fees otherwise  
9 required under of Planning Code Sections 415 et seq. (Inclusionary Housing Program) affordable  
10 housing fees that the but waived by Board of Supervisors waived for the 950-974 Market Street  
11 project in the 950-974 Market Street Ordinance, on file with the Clerk of the Board of Supervisors in  
12 File No. 161066.

13                   (3) A gift of \$2.7 million gift from from the Project Sponsor of the 950-95774 Market  
14 Street Project, as authorized in the 950-95774 Market Street Ordinance, on file with the Clerk of the  
15 Board of Supervisors in File No. 161066.

16                   (4) Any other monies donated or appropriated to the fund.

17                   (b) Use of Fund. The fund is to be used exclusively by the Mayor's Office of Housing and  
18 Community Development (MOHCD), or its successor, for the purpose of supporting construction of  
19 affordable housing units at 180 Jones Street (Assessor's Block 0343, Lot 14). If, however, the City fails  
20 to approve a revised project at 180 Jones Street after within five years of the last payment to the Fund  
21 authorized by the 950-9724 Market Street Ordinance, the money in this the Fund shall be deposited  
22 into the Citywide Affordable Housing Fund as established in Administrative Code Section 10.100-49,  
23 or its successor fund.

24                   (c) Exceptions to Fund Category. The Director of MOHCD shall approve all expenditures  
25 from the fund.

1           (d) Administration of Fund. The MOHCD shall administer the fund and shall report annually  
2 to the Board of Supervisors on the current status of the fund, the amounts approved for disbursement,  
3 and the number and types of housing units assisted. The MOHCD shall have the authority to prescribe  
4 rules and regulations governing the fund. Except as provided in subsection (b), any Any  
5 unexpended funds remaining after 10 years from the effective date of the ordinance identified in  
6 subsections (a)(1) and (a)(2) shall be deposited into the Citywide Affordable Housing Fund as  
7 established in Administrative Code Section 10.100-49 or its successor fund.

8  
9           Section 4. Health Code Article 12C Waiver.

10           The requirements set forth in Article 12C of the Health Code for projects that obtain a  
11 site or building permit after November 1, 2016, to provide an alternative water source  
12 (graywater) are hereby waived in their entirety for the Project.

13  
14           Section 5. Authorizing Acceptance and Expenditure of Gifts.

15           The Project Sponsor has offered a gift of \$2.7 million to the City, to be paid prior to the  
16 Project's first temporary certificate of occupancy. This gift would be given to the 180 Jones  
17 Fund, to assist in providing affordable housing at 180 Jones Street. The Board of Supervisors  
18 hereby authorizes MOHCD to accept the gift of \$2.7 million from the Project Sponsor, and to  
19 expend it consistent with the purposes, procedures and requirements of the 180 Jones Fund.

20           In addition, the Project Sponsor has offered a gift of \$300,000 to the City, acting  
21 through MOHCD, for purposes of creating the Compton's District TLGB Stabilization Fund, to  
22 help recognize and support historic and present-day TLGB communities in the Tenderloin  
23 neighborhood. This gift is to be paid prior to issuance of the first construction document for  
24 the Project. The Board of Supervisors hereby accepts the \$300,000 gift from the Project  
25 Sponsor. It is the intent of the Board of Supervisors that one third of this gift be used to

1 support the creation of a Compton's TLGB Cultural Heritage District in the Tenderloin and  
2 South of Market neighborhoods; one third be used to support the creation of an transgender-  
3 focused community facility in the Tenderloin neighborhood; and another third by to support  
4 one or more transgender-focused commercial or nonprofit storefront establishments in the  
5 Tenderloin neighborhood. MOHCD shall work with the Supervisor for District 6, members of  
6 the community knowledgeable about transgender issues in the Tenderloin, and the Human  
7 Rights Commission to help set funding priorities. Expenditures for staffing, loans, grants and  
8 property acquisitions and maintenance shall be approved by resolution of the Board of  
9 Supervisors.

10  
11 Section 6. The Mayor, Clerk of the Board of Supervisors, the Property Director of  
12 Property and MOHCD are hereby authorized and directed to take any and all actions which  
13 they or the City Attorney may deem necessary or advisable in order to effectuate the purpose  
14 and intent of this ordinance (including, without limitation, the filing of the ordinance in the  
15 Official Records of the City and County of San Francisco; acceptance of the land dedication;  
16 establishment of the 180 Jones Fund and receipt of payments to the 180 Jones Fund; and  
17 confirmation of satisfaction of the conditions to the effectiveness of the Planning Code  
18 Sections 413 and 415 and Health Code Article 12C waivers and land dedication or Off-Site  
19 Unit construction hereunder; and execution and delivery of any evidence of the same, which  
20 shall be conclusive as to the satisfaction of the conditions upon signature by any such City  
21 official or his or her designee).

22 Section 7. Effective Date. This ordinance shall become effective 30 days after  
23 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
24 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
25 of Supervisors overrides the Mayor's veto of the ordinance.

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

By:   
ANDREA RUIZ ESQUIDE  
Deputy City Attorney

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# City and County of San Francisco

## Tails Ordinance

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 161066

**Date Passed:** March 07, 2017

Ordinance waiving the Jobs-Housing Linkage Fee set forth in Planning Code, Section 413 et seq., the Inclusionary Affordable Housing requirements set forth in Planning Code, Section 415 et seq., and the alternative water supply requirements set forth in Health Code, Article 12C; exempting 26,572 square feet from the calculation of gross floor area pursuant to Planning Code, Section 124, to allow the additional floor area, and exempting 26,572 square feet from Planning Code, Sections 123 and 128, to reduce any required transferable development rights by such amount, for a project located at 950-974 Market Street in San Francisco, in exchange for the dedication of real property at 180 Jones Street to the San Francisco Mayor's Office of Housing and Community Development at no cost and payment of approximately \$11,250,000 to the 180 Jones Street Affordable Housing Fund; establishing the 180 Jones Street Affordable Housing Fund; accepting a \$2,700,000 gift to the 180 Jones Street Affordable Housing Fund; accepting a \$300,000 gift to the City, to create the Compton's District Transgender, Lesbian, Gay and Bisexual (TLGB) Stabilization Fund, to support the City's efforts to recognize and support historic and present-day TLGB communities in the Tenderloin neighborhood; authorizing actions in furtherance of this Ordinance; adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; making findings of public necessity, convenience, and welfare under Planning Code, Section 302; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

December 12, 2016 Land Use and Transportation Committee - CONTINUED TO CALL OF THE CHAIR

February 06, 2017 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

February 06, 2017 Land Use and Transportation Committee - CONTINUED AS AMENDED

February 13, 2017 Land Use and Transportation Committee - RECOMMENDED

February 28, 2017 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

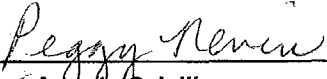
March 07, 2017 Board of Supervisors - FINALLY PASSED

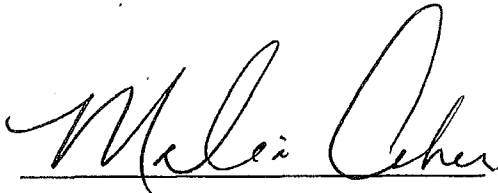
Ayes: 10 - Breed, Cohen, Farrell, Fewer, Peskin, Ronen, Safai, Sheehy, Tang and Yee

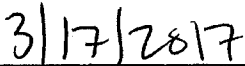
Excused: 1 - Kim

File No. 161066

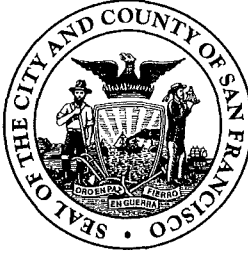
I hereby certify that the foregoing  
Ordinance was FINALLY PASSED on  
3/7/2017 by the Board of Supervisors of the  
City and County of San Francisco.

  
\_\_\_\_\_  
for Angela Calvillo  
Clerk of the Board

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Date Approved

BOARD of SUPERVISORS



City Hall  
1 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: John Rahaim, Director, Planning Department  
Kate Hartley, Acting Director, Mayor's Office of Housing and Community Development  
John Updike, Director, Real Estate Division  
Mawuli Tugbenyoh, Liaison to the Board of Supervisors, Mayor's Office

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: July 21, 2017

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Kim on July 18, 2017:

**File No. 170835**

**Ordinance amending Ordinance No. 49-17 to change the timeline, for the first payment of \$1,500,000 from the project sponsor of 950-974 Market Street to the 180 Jones Street Affordable Housing Fund, from "the issuance of the first construction document for that project or July 1, 2017, whichever comes first," to "the issuance of the first construction document."**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [erica.major@sfgov.org](mailto:erica.major@sfgov.org).

c: Scott Sanchez, Planning Department  
Lisa Gibson, Planning Department  
AnMarie Rodgers, Planning Department  
Aaron Starr, Planning Department  
Joy Navarrete, Planning Department  
Laura Lynch, Planning Department  
Eugene Flannery, Mayor's Office of Housing and Community Development  
Amy Chan, Mayor's Office of Housing and Community Development

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2017 JUL 18 PM 4:30

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.**

**Sponsor(s):**

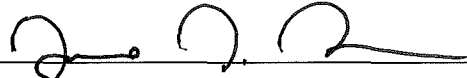
Supervisor Jane Kim

**Subject:**

[180 Jones Street Affordable Housing Fund]

**The text is listed below or attached:**

Ordinance amending Ordinance No. 49-17 to change the timeline for the first payment, of \$1.5 million, from the Project Sponsor of the project at 950-974 Market Street to the 180 Jones Street Affordable Housing Fund, from the issuance of the first construction document for that project or July 1, 2017, whichever comes first, to the issuance of the first construction document.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only: