File No.	180547	Committee Item No.	10
		Board Item No.	

# **COMMITTEE/BOARD OF SUPERVISORS**

AGENDA PACKET CONTENTS LIST				
Committee: Rules Committee	<b>Date</b> July 25, 2018			
Board of Supervisors Meeting	Date			
Cmte Board	d/or Report			
Information Sheet Public Correspondence				
OTHER (Use back side if additional space is needed)				
Completed by: Victor Young Completed by:	Date July 19, 2018 Date			

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Ordinance amending the Administrative Code to require the Department of Building Inspection, Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prioritize the processing of 100% affordable housing projects as each

[Administrative Code - Prioritizing 100% Affordable Housing Projects]

person responsible for 100% affordable housing projects; and to require the Mayor's

department's or office's highest priority; to require those departments to identify a staff

Office of Housing and Community Development to provide the Board of Supervisors

and the Mayor with quarterly reports about the status of pending 100% affordable

NOTE:

housing projects.

**Unchanged Code text and uncodified text** are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. **Deletions to Codes** are in *strikethrough italies Times New Roman font*. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. 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. Purpose and Findings.

- (a) The purpose of this Ordinance is to bring clarity and speed to the pre- and postentitlement permitting process for 100% affordable housing development projects.
- (b) The crisis-level shortage of affordable housing is devastating our City, with profound impacts on the cultural and ethnic diversity that make San Francisco unique and treasured and now threatens the economic viability of San Francisco.
- (c) San Francisco continues to see displacement of long-time communities due to the loss of rent-controlled housing units paired with out-of-balance new housing production. Studies have documented that the impacts of housing displacement extend to poor long-term

health outcomes, reduced use of sustainable transportation, lack of access to job opportunities, and decline in school performance.

- (d) According to the May 2018 Housing Balance Report produced by the San Francisco Planning Department, only 23.6% of new units built City-wide between 2008 and 2017 were affordable to households earning between 0% and 150% of Area Median Income ("AMI"). That same report notes that the loss of rent-controlled units deepens this imbalance of new affordable to market-rate housing production City-wide to 16.7%.
- (e) Unrestricted market-rate development is not producing housing to meet this need. According to Trulia, by the end of 2017, San Francisco had the highest median monthly rent in the country, at \$4,000, 54% higher than \$2,594, the amount of rent affordable for a 3-person household earning 100% of AMI, per the Mayor's Office of Housing and Community Development's 2017 maximum monthly rent and income limits.
- (f) For many San Francisco residents, their only hope of remaining in San Francisco is to gain access to an affordable unit through the lotteries that are held for affordable housing.

  A recent housing lottery for 95 new affordable units in San Francisco drew 6,580 applications.
- (g) According to a Planning Department Residential Pipeline memo, as of the end of the 4th Quarter of 2017, San Francisco's completed and pipeline of new construction affordable to very low-, low-, and moderate-income households was only 48% of the amount necessary to meet 2015-2022 Regional Housing Need Allocation goals, while new construction for above moderate-income households was already at 225% of that goal.
- (h) San Francisco's 2014 Housing Element update includes policies intended to Facilitate Permanently Affordable Housing (Issue 4) and to Remove Constraints to the Construction and Rehabilitation of Housing (Issue 5). Policy 7.5 states: "Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval process."

- (i) Former San Francisco Mayor Ed Lee issued Executive Directive 13-01, which identified 100% permanently affordable housing as a top priority, and a task force of City departments and housing advocates generated a set of recommendations. Executive Directive 17-02 additionally set specific deadlines for post-entitlement approvals. Nonetheless, 100% affordable housing projects are not being adequately prioritized for processing by City departments.
- (j) San Francisco voters have a history of supporting revenue initiatives that generate financing for affordable housing. Most recently, in 2015, Proposition A, a \$310 million Affordable Housing General Obligation Bond was approved by more than 74% of voters. In November 2012, voters passed Proposition C, establishing the Housing Trust Fund. This investment of local funds allows San Francisco to leverage significant other public and private financing to accomplish its affordable housing goals.
- (k) Pursuant to San Francisco Campaign and Governmental Conduct Code Section 3.400, the Board of Supervisors finds that the officers and employees the Department of Building Inspection, the Planning Department, the Department of Public Works shall preferentially review, consider, and process all applications, revisions, corrections and other permit-related material for 100% affordable housing projects in order to address the public policy concerns set forth above.

Section 2. The Administrative Code is hereby amended by adding Chapter 109, consisting of Sections 109.1, 109.2, and 109.3, to read as follows:

# <u>CHAPTER 109. PRIORITIZING 100% AFFORDABLE HOUSING.</u> <u>SEC. 109.1. DEFINITIONS.</u>

For the purpose of this Chapter 109, the terms below shall have the meanings set forth in this Section 109.1.

"100% Affordable Housing Project" shall mean a building where 100% of the residential units

(not including a manager's unit) will be subject to a recorded regulatory restriction to ensure

affordability based on income, or where 100% of the residential units (not including a manager's unit)

are funded by a nonprofit charitable organization and will provide permanent housing for Homeless or

formerly Homeless persons.

"Homeless" shall mean: (a) an individual or family who lacks a fixed, regular and adequate nighttime residence; or (b) an individual or family who has a primary nighttime residence that is: (1) a supervised publicly or privately operated shelter designed to provide temporary living accommodations; (2) an institution that provides a temporary residence for individuals who have been institutionalized; or (3) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

# SEC. 109.2. PRIORITY PROCESSING OF 100% AFFORDABLE HOUSING PROJECTS; IDENTIFICATION OF RESPONSIBLE STAFF PERSON.

## (a) Priority Processing.

(1) Notwithstanding any administrative bulletin, administrative order, policy or regulation to the contrary, and notwithstanding Article III, Chapter 4 of the Campaign and Governmental Conduct Code, the Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department shall prioritize the processing of any 100% Affordable Housing Project seeking any approval, permit, or other City authorization from their department or office. Under such priority processing, each department or office shall prioritize any 100% Affordable Housing Project with a pending application for an approval, permit or other authorization within its jurisdiction, and shall not expend any resources or staff to any other projects before the department of office if that expenditure would delay the department or office from processing an approval, permit, or other authorization for a 100% Affordable Housing Project.

(2) Exception for Emergencies. The Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department may place a higher priority on emergency projects that the director of the department or office determines are necessary to secure the health or safety of the public.

- (b) Responsible Staff Person. The Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department shall each designate a staff person who shall be primarily responsible for all pending 100% Affordable Housing Projects.

  Upon designating a staff person, the department or office shall notify (1) the project sponsor of each 100% Affordable Housing Project with an application pending in the department or office, (2) the Board of Supervisors, and (3) the Mayor's Office of Housing and Community Development of its responsible staff person for such projects and shall notify them of any changes to that assignment. Thereafter, the department or office shall notify the project sponsor of each 100% Affordable Housing Project that files a new application of its responsible staff person. Each department and office shall also identify the responsible staff person for 100% Affordable Housing Projects on its website.
- (c) Existing Legal Requirements. Subsection (a) shall not eliminate, lessen, modify or remove any legal requirements or standards that 100% Affordable Housing Projects must satisfy under local, State or federal law.

# SEC. 109.3. QUARTERLY REPORTS.

Beginning on July 15, 2018, the Mayor's Office of Housing and Community Development shall provide a report to the Board of Supervisors and Mayor about the status of 100% Affordable Housing Projects pending before Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department, and shall provide subsequent reports every three months thereafter. The Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department shall provide the

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## LEGISLATIVE DIGEST

[Administrative Code - Prioritizing 100% Affordable Housing Projects]

Ordinance amending the Administrative Code to require the Department of Building Inspection, Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prioritize the processing of 100% affordable housing projects as each department's or office's highest priority; to require those departments to identify a staff person responsible for 100% affordable housing projects; and to require the Mayor's Office of Housing and Community Development to provide the Board of Supervisors and the Mayor with quarterly reports about the status of pending 100% affordable housing projects.

## Existing Law

San Francisco Campaign and Governmental Conduct Code Section 3.400(a) provides that it shall be the policy of the Department of Building Inspection, the Planning Department, the Department of Public Works to treat all permit applicants in the same manner. Section 3.400(b) further provides that these departments must review, consider, and process all applications, revisions, corrections and other permit-related material in the order in which they were received unless there is a written finding of a public policy basis for not doing so.

#### Amendments to Current Law

This ordinance would direct the Department of Building Inspection, Department of Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prioritize the processing of pending applications for 100% affordable housing project permits or other approvals. Such prioritization would require these departments to refrain from expending resources on other projects where doing so would delay processing of a 100% affordable housing application, while allowing the department head to make exceptions for emergencies. The ordinance would define a 100% affordable housing project to mean a building where 100% of the residential units will be subject to a recorded regulatory restriction to ensure affordability based on income, or where 100% of the residential units are funded by a nonprofit charitable organization and will provide permanent housing for homeless or formerly homeless persons.

In addition, the ordinance would require each of these departments to designate a responsible staff person for such projects. Finally, the ordinance would require the Mayor's Office of Housing and Community Development to provide quarterly reports to the Board of Supervisors and the Mayor regarding the status of 100% affordable housing projects.

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#### 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:

Tom Hui, Director, Department of Building Inspection

Mohammed Nuru, Director, Public Works Joanne Hayes-White, Chief, Fire Department Nicole Bohn, Director, Mayor's Office on Disability John Rahaim, Director, Planning Department

Kate Hartley, Director, Mayor's Office of Housing and Community

Development

Jeff Kositsky, Director, Department of Homelessness and Supportive

Housing

FROM:

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Alisa Somera, Legislative Deputy Director

Rules Committee

DATE:

May 30, 2018

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Ronen on May 22, 2018:

File No. 180547

Ordinance amending the Administrative Code to require the Department of Building Inspection, Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prioritize the processing of 100% affordable housing projects as each department's or office's highest priority; to require those departments to identify a staff person responsible for 100% affordable housing projects; and to require the Mayor's Office of Housing and Community Development to provide the Board of Supervisors and the Mayor with quarterly reports about the status of pending 100% affordable housing projects.

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: <a href="mailto:alisa.somera@sfgov.org">alisa.somera@sfgov.org</a>.

William Strawn, Department of Building Inspection C: Carolyn Jayin, Department of Building Inspection David Steinberg, Public Works Jeremy Spitz, Public Works Jennifer Blot, Public Works John Thomas, Public Works Lena Liu, Public Works Kelly Alves, Fire Department Scott Sanchez, Planning Department Lisa Gibson, Planning Department AnMarie Rodgers, Planning Department Dan Sider, 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 Emily Cohen, Department of Homelessness and Supportive Housing

Print Form

# **Introduction Form**

ALOEIN FE BOARD OF SUPERN SAMENAHUS

By a Member of the Board of Supervisors or Mayor

2018 MAY 22

Time stamp or meeting date

I hereby submit the following item for introduction (select only one):	r meeting date
1 For reference to Committee (An Ordinance Desclution Motion or Charter Amendment)	
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	inquiries"
5. City Attorney Request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attached 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 follow	wing:
Small Business Commission Youth Commission Ethics Com	nmission
Planning Commission Building Inspection Commission	on
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperat	ive Form.
Sponsor(s):	
Ronen	
Subject:	
[Administrative Code - Prioritizing 100% Affordable Housing Projects]	
The text is listed:	·
Ordinance amending the Administrative Code to require the Department of Building Inspection. Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prior of 100% affordable housing projects as each department's or office's highest priority; to require identify a staff person responsible for 100% affordable housing projects; and to require the May Housing and Community Development to provide the Board of Supervisors and the Mayor with about the status of pending 100% affordable housing projects.	ritize the processing those departments to or's Office of
Signature of Sponsoring Supervisor:	re
For Clerk's Use Only	

## Lew, Lisa (BOS)

From: Lew. Lisa (BOS)

**Sent:** Wednesday, May 30, 2018 10:27 AM

To: Hui, Tom (DBI); Nuru, Mohammed (DPW); Hayes-White, Joanne (FIR); Bohn, Nicole (ADM);

Rahaim, John (CPC); Hartley, Kate (MYR); Kositsky, Jeff (HOM)

Cc: Strawn, William (DBI); Jayin, Carolyn (DBI); Steinberg, David (DPW); Spitz, Jeremy (DPW);

Blot, Jennifer (DPW); Thomas, John (DPW); Liu, Lena (DPW); FireChief, Secretary; Sanchez, Scott (CPC); Gibson, Lisa (CPC); Rodgers, AnMarie (CPC); Sider, Dan (CPC); Starr, Aaron (CPC); Navarrete, Joy (CPC); Lynch, Laura (CPC); Flannery, Eugene (MYR); Chan, Amy

(MYR); Cohen, Emily (HOM); Somera, Alisa (BOS)

Subject: BOS Referral: File No. 180547 - Administrative Code - Prioritizing 100% Affordable Housing

Projects

**Attachments:** 180547 FYI.pdf

Hello,

The following legislation is being referred to your department for informational purposes:

File No. 180547

Ordinance amending the Administrative Code to require the Department of Building Inspection, Public Works, Fire Department, Mayor's Office on Disability, and Planning Department to prioritize the processing of 100% affordable housing projects as each department's or office's highest priority; to require those departments to identify a staff person responsible for 100% affordable housing projects; and to require the Mayor's Office of Housing and Community Development to provide the Board of Supervisors and the Mayor with quarterly reports about the status of pending 100% affordable housing projects.

Sent on behalf of Alisa Somera, Rules Committee. Please forward any comments or reports to Alisa Somera.

Regards,

#### Lisa Lew

Board of Supervisors San Francisco City Hall, Room 244 San Francisco, CA 94102 P 415-554-7718 | F 415-554-5163 lisa.lew@sfgov.org | www.sfbos.org



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