File No. 100706	Committee Item No.
	Board Item No

COMMITTEE/BOARD OF SUPERVISORS

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Completed by: Gail Johnson Completed by:	Date Date	6/18/10

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

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[Subdivision Code - Condominium Conversion Impact Fee]

Ordinance amending the Subdivision Code by adding Section 1396.4 to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected in the 2010 condominium conversion lottery only, subject to specified requirements; adopting environmental findings.

Note:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strikethrough italics Times New Roman</u>.

Board amendment additions are <u>double underlined</u>.

Board amendment deletions are <u>strikethrough normal</u>.

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

Section 1. Findings. (a) The Planning Department has determined that the actions contemplated in this Ordinance are in compliance 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. 100706 and is incorporated herein by reference.

(b) A report on the fees is in Clerk of the Board of Supervisors File No. <u>100706</u> and is incorporated herein by reference

Section 2. The San Francisco Subdivision Code is hereby amended by adding Section 1396.4, to read as follows:

SEC. 1396.4. CONDOMINIUM CONVERSION IMPACT FEE.

(a) Findings. The findings of Flanning Code Section 315.2 concerning the City's inclusionary affordable housing program are incorporated herein by reference and support the basis for charging the fee set forth herein as it relates to the conversion of dwelling units into condominiums.

- (b) Any building that participated in the 2010 condominium conversion lottery, but was not selected for conversion may bypass the provisions of Section 1396 (the annual lottery conversion limitation) if the building owners for said building comply with Section 1396.3(g)(1) and pay the condominium conversion impact fee subject to the requirements of this section.
- (c) Eligible buildings as set forth in Subsection (b) may exercise their option to participate in this fee program according to the following requirements:
- (1) The applicant(s) for the subject building shall pay the fee specified in Subsection (e) no later than February 1, 2011 for the entire building.
 - (2) No later than the last business day before July 31, 2011:
- (i) DPW shall determined that the applicant's condominium conversion subdivision application is complete, or
 - (ii) The application is deemed complete by operation of law.
- (3) The applicant shall obtain final and effective tentative approval of the condominium subdivision or parcel map no later than December 31, 2011.
- (4) Any map application subject to a required public hearing on the subdivision or a subdivision appeal shall have the time limit set forth in Subsection (c)(3) suspended until March 15, 2012.
- (5) The Director of the Department of Public Works is authorized to waive the time limit set forth in Subsection (c)(3) as it applies to a particular building due to extenuating or unique circumstances. Such waiver may be granted only after a public hearing and in no case shall the time limit extend beyond July 31, 2012.
- (d) Should the subdivision application be denied or be rejected as untimely in accordance with the dates specified above, or the tentative subdivision map or tentative

parcel map disapproved, DPW shall refund the entirety of the applicant's fee specified in Subsection (e).

- (e) The fee amount is \$20,000.00 per unit. Said fee is reduced for each year the building has participated in the condominium conversion lottery up to and including the 2010 lottery in accordance with the following formula:
 - (1) 2 years of participation, 20% fee reduction per unit;
 - (2) 3 years of participation, 40% fee reduction per unit;
 - (3) 4 years of participation, 60% fee reduction per unit; and
 - (4) 5 or more years of participation, 80% fee reduction per unit.
 - (f) Waiver or reduction of fee based on absence of reasonable relationship.
- (1) A project applicant of any project subject to the requirements in this Section may appeal to the Board of Supervisors for a reduction, adjustment, or waiver of the requirements based upon the absence of any reasonable relationship or nexus between the impact of development and the amount of the fee charged or for the reasons set forth in Subsection (2) below, a project applicant may request a waiver from the Board of Supervisors.
- (2) Any appeal of waiver requests under this clause shall be made in writing and filed with the Clerk of the Board no later than 15 days after the date the sponsor is required to pay and has paid to the Treasurer the fee as required in this Section. The appeal shall set forth in detail the factual and legal basis for the claim of waiver, reduction, or adjustment. The Board of Supervisors shall consider the appeal at the hearing within 60 days after the filing of the appeal. The appellant shall bear the burden of presenting substantial evidence to support the appeal, including comparable technical information to support appellant's position. If a reduction, ad ustment, or waiver is granted, any change of use or scope of the project shall invalidate the waiver, adjustment or reduction of the fee. If the

Board grants a reduction, adjustment or waiver, the Clerk of the Board shall promptly transmit the nature and extent of the reduction, adjustment or waiver to the Treasurer and Department of Public Works.

- (g) Any building that participates in the fee program set forth herein shall automatically be ineligible to participate in the 2011 condominium conversion lottery. DPW shall refund to the applicant any fees paid to participate in the 2011 lottery and shall remove any lottery tickets associated with the subject building from the lottery drawing.
- (h) Buildings that convert pursuant to this Section shall have no effect on the terms and conditions of Section 1341A, 1385A, or 1396 of this Code.

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

Ву:

John D. Malamut / Deputy City Attorney

Office of the Mayor City & County of San Francisco



Gavin Newsom

TO:

Angela Calvillo, Clerk of the Board of Supervisors

FROM:

Mayor Gavin Newsom

RE:

Subdivision Code - Condominium Conversion Impact Fee

DATE:

June 1, 2010

Dear Madame Clerk:

Attached for introduction to the Board of Supervisors is the ordinance amending the Subdivision Code to adopt a condominium conversion impact fee applicable to buildings qualifying for but not being selected in the 2010 condominium conversion lottery only, subject to specified requirements; adopting environmental findings.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Starr Terrell (415) 554-5262.

BOARD OF SUPERVISORS
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BY

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