

1 [Resolution urging the Planning Commission to readjust in lieu developer fees for affordable
2 housing for the period of 1997 through 2001 pursuant to the City Charter and to collect these
3 readjusted fees to the extent legally permissible.]

4 **Resolution urging the Planning Commission to certify existing studies calculating the**
5 **Average Area Purchase Price commissioned by the Mayor's Office of Housing from**
6 **1997 through 2001, adjust the in lieu development fees during this time period**
7 **accordingly, and collect from developers the sum of adjusted in lieu development fees**
8 **to the maximum extent legally permissible.**

9
10 WHEREAS, Section 313.4 of the Planning Code of the City and County of San
11 Francisco imposes conditions on the approval of applications for office development projects
12 in order to mitigate the negative impact on the availability of housing which will be caused by
13 employment related to office development projects; and,

14 WHEREAS, Section 313.4 of the Planning Code requires that an applicant for an office
15 development project either pay a housing developer to construct housing or pay an in-lieu fee
16 to the City Controller which shall thereafter be use exclusively for the development of
17 affordable housing; and,

18 WHEREAS, Section 313.6 mandates that this in lieu fee shall be calculated by the net
19 addition of gross square feet of office space multiplied by \$7.05; and,

20 WHEREAS, Section 313.6 mandates that this in lieu fee shall be revised at January 1
21 of each year, commencing in 1996, by the percentage increase or decrease in the Average
22 Area Purchase Price Safe Harbor Limitations for New Single Family Residences for the San
23 Francisco Primary Metropolitan Statistical Area (PMSA); or, in the event that adjustments are
24 not made by the IRS to the Safe Harbor Limit within a 14-month period, the Planning
25

1 Commission may authorize and certify a study for adjusting the last published IRS figure, to
2 be effective until the IRS revises the figure; and

3 WHEREAS, The IRS has not issued new Safe Harbor Limits since November 1994;
4 and,

5 WHEREAS, in 1998, the Mayor's Office of Housing contracted with an independent
6 consultant to furnish a study that calculated the Average Area Purchase Price for the period
7 of 1997 through 1998, thereby revising the IRS Safe Harbor Limit, and offered to share this
8 calculation with the Planning Commission so that it could be certified and hence in lieu fees
9 could be readjusted, and,

10 WHEREAS, the Mayor's Office of Housing has contracted with an independent
11 consultant annually the Average Area Purchase Price annually since 1997; and,

12 WHEREAS, None of these calculations have been certified to date and, as a result, the
13 in lieu fee development fee for affordable housing has remained unchanged since 1996,
14 which is contradictory to the process set forth in the Planning Code; now therefore,

15 BE IT RESOLVED, That the Board of Supervisors urges the Planning Department to
16 certify existing studies commissioned by the Mayor's Office of Housing that have calculated
17 the Average Area Purchase Price and adjust the in lieu housing development fees
18 accordingly; and be it

19 FURTHER RESOLVED, that Board of Supervisors urges the Planning Commission
20 collect from developers the sum of adjusted in lieu development fees between 1997 and 2001
21 to the maximum extent legally permissible.



City and County of San Francisco

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

Tails Resolution

File Number: 010692

Date Passed:

Resolution urging the Planning Commission to certify existing studies calculating the Average Area Purchase Price commissioned by the Mayor's Office of Housing from 1997 through 2001, adjust the in lieu development fees during this time period accordingly, and collect from developers the sum of adjusted in lieu development fees to the maximum extent legally permissible.

April 23, 2001 Board of Supervisors — ADOPTED

Ayes: 6 - Daly, Gonzalez, Hall, Maxwell, McGoldrick, Peskin

Absent: 5 - Ammiano, Leno, Newsom, Sandoval, Yee

File No. 010692

I hereby certify that the foregoing Resolution was ADOPTED on April 23, 2001 by the Board of Supervisors of the City and County of San Francisco.

Jean Lum
Acting Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.
May 4, 2001

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

Clerk of the Board

File No.
010692