Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund, and have reflect the certain current affordable housing fees collected in conjunction with the North of Market Residential Special Use District affordable housing, and deposited such fee in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.

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

Section 1. Findings.

(a) On June 13, 2019, the Planning Commission, in Resolution No. 20465, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the 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. 190458, and is incorporated herein by reference.

(b) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 20465, and incorporates such reasons by this reference.
Section 2. Article 2 of the Planning Code is hereby amended by revising Section 263.7, to read as follows:

SEC. 263.7. SPECIAL HEIGHT EXCEPTIONS: NORTH OF MARKET RESIDENTIAL SPECIAL USE DISTRICT.

* * * *

(d) Conditions. The City-Planning Commission shall impose conditions on the approval of applications for conditional use authorization, required pursuant to Section 253 for buildings which exceed 40 feet in height in an R District, if such authorization includes a grant of an exception to the 80-foot base height limit, in order to mitigate the impact that such height exception is likely to have on the existing supply of affordable housing in the area. The condition shall require that the applicant pay a fee to the City-Controller which shall be deposited in the Citywide North of Market Affordable Housing Fund established in Administrative Code Section 10.100-49 (the “Fund”).

(e) Fee. The fee required pursuant to subsection (d) above shall be equal to the sum of $25.44 times the total gross square footage of floor space located above 80 feet in height as determined by the Zoning Administrator, as shown on the building plans. The fee shall be due and payable prior to the issuance of a temporary certificate of occupancy, unless the project sponsor agrees to and qualifies for participation in an amortized payment program, to be established by the Director of the Mayor’s Office of Housing and Community Economic Development (MOHCED) and the Director of City Planning, such program to be subject to subsequent review and approval by the City Planning Commission and the Board of Supervisors, which program would result in the City receiving an amount equivalent to the value of the contribution at the time the temporary certificate of occupancy is issued.
(g) **North of Market Citywide Affordable Housing Fund.** There is hereby established a separate fund set aside for a special purpose called the "North of Market Affordable Housing Fund (Fund)." All fees monies collected by the Controller pursuant to this Section 263.7 shall be deposited in the Fund, but the fees shall be separately accounted for and expended by MOHCD as provided in this Section. All monies fees collected under this Section and deposited in the Fund shall be used solely to stabilize, rehabilitate, and retain affordable housing in the North of Market Residential Special Use District. No fees collected under this Section portion of the Fund may be used, by way of loan or otherwise, to pay any administrative, general overhead, or similar expense of any entity except for servicing cost related to participation in the amortized payment program. The Fund shall be administered by the Director of the Mayor's Office of Housing and Economic Community Development (MOHCD).

(h) **Rules and Regulations for Implementation.** The Director of MOHCD and the Director of City Planning shall prepare and submit to the City-Planning Commission and the Board of Supervisors for review and approval such rules and regulations as may be necessary for the implementation of this Section. The Director of MOHCD and the Director of City Planning shall further propose such amendments or additions to the rules and regulations that he or she determines to be necessary. Such amendments and additions shall include periodic revision of the fee to reflect current conditions.

Section 3. Chapter 10 of the Administrative Code is hereby amended by revising Section 10.100-49, to read as follows:

**SEC. 10.100-49. CITYWIDE AFFORDABLE HOUSING FUND.**

(a) **Establishment of Fund.** The Citywide Affordable Housing Fund is established as a category eight fund to receive fee revenue dedicated to affordable housing and other contributions to the fund. The fund receives money from, among other sources:
(1) The North of Market Residential Special Use District, Planning Code Section 263.7;

(2) The Jobs Housing Linkage Program, Planning Code Sections 413 et seq.;

(3) The Inclusionary Affordable Housing Program, Planning Code Sections 415 et seq.;

(4) The Market and Octavia Affordable Housing Program, Planning Code Section 416.5;

(5) The Eastern Neighborhoods Area Plan Alternate Affordable Housing Fee, Planning Code Section 417.5;

(6) The Eastern Neighborhoods Housing Fund, Planning Code Section 423.5;

(7) The Expedited Condominium Conversion Program, Subdivision Code Section 1396.4; and,

(8) Repayments of loans and other program income associated with investments initially made with monies from the fund.

* * * *

Section 4. 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 5. 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:
KEITH NAGAYAMA
Deputy City Attorney

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File Number: 190458  Date Passed: February 11, 2020

Ordinance amending the Planning Code and the Administrative Code to abolish the North of Market Affordable Housing Fund, and have certain affordable housing fees collected in conjunction with the North of Market Residential Special Use District deposited in the Citywide Affordable Housing Fund; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.

July 15, 2019 Land Use and Transportation Committee - RECOMMENDED

July 23, 2019 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE
  Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

July 23, 2019 Board of Supervisors - RE-REFERRED AS AMENDED
  Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

January 13, 2020 Land Use and Transportation Committee - CONTINUED

January 27, 2020 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

January 27, 2020 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

February 04, 2020 Board of Supervisors - PASSED ON FIRST READING
  Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

February 11, 2020 Board of Supervisors - FINALLY PASSED
  Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee
I hereby certify that the foregoing Ordinance was FINALLY PASSED on 2/11/2020 by the Board of Supervisors of the City and County of San Francisco.

[Signature]
Angela Calvillo
Clerk of the Board

[Signature]
London N. Breed
Mayor

2/11/20
Date Approved