

1 [Board Response - Civil Grand Jury Report - Mitigating the Housing Crisis: Accessory
2 Dwelling Units and Modular Housing]

3 **Resolution responding to the Presiding Judge of the Superior Court on the findings**
4 **and recommendations contained in the 2017-2018 Civil Grand Jury Report, entitled**
5 **“Mitigating the Housing Crisis: Accessory Dwelling Units and Modular Housing;” and**
6 **urging the Mayor to cause the implementation of accepted findings and**
7 **recommendations through his/her department heads and through the development of**
8 **the annual budget.**

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10 WHEREAS, Under California Penal Code, Section 933 et seq., the Board of
11 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior
12 Court on the findings and recommendations contained in Civil Grand Jury Reports; and

13 WHEREAS, In accordance with California Penal Code, Section 933.05(c), if a finding or
14 recommendation of the Civil Grand Jury addresses budgetary or personnel matters of a
15 county agency or a department headed by an elected officer, the agency or department head
16 and the Board of Supervisors shall respond if requested by the Civil Grand Jury, but the
17 response of the Board of Supervisors shall address only budgetary or personnel matters over
18 which it has some decision making authority; and

19 WHEREAS, Under San Francisco Administrative Code, Section 2.10(a), the Board of
20 Supervisors must conduct a public hearing by a committee to consider a final report of the
21 findings and recommendations submitted, and notify the current foreperson and immediate
22 past foreperson of the civil grand jury when such hearing is scheduled; and

23 WHEREAS, In accordance with San Francisco Administrative Code, Section 2.10(b),
24 the Controller must report to the Board of Supervisors on the implementation of
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1 recommendations that pertain to fiscal matters that were considered at a public hearing held
2 by a Board of Supervisors Committee; and

3 WHEREAS, The 2017-2018 Civil Grand Jury Report, entitled "Mitigating the Housing
4 Crisis: Accessory Dwelling Units and Modular Housing" ("Report") is on file with the Clerk of
5 the Board of Supervisors in File No. 180701, which is hereby declared to be a part of this
6 Resolution as if set forth fully herein; and

7 WHEREAS, The Civil Grand Jury has requested that the Board of Supervisors respond
8 to Finding Nos. F2, F6, and F7, as well as Recommendation Nos. R2 and R3, contained in the
9 subject Report; and

10 WHEREAS, Finding No. F2 states: "Construction of ADUs can add a meaningful
11 number of moderately priced rental housing units in San Francisco, with no significant burden
12 on City finances. Therefore, encouraging ADU development is of value to San Francisco;" and

13 WHEREAS, Finding No. F6 states: "The City's ADU program acknowledges the value
14 to the City of increasing ADU construction. Homeowners who construct ADUs do so
15 voluntarily and at their own expense. The additional burden of heavy permit fees is
16 counterproductive to the City's goal of increasing the rate of ADU construction, in that it
17 represents an additional barrier to building ADUs for single family homeowners, and therefore
18 likely reduces the number of applications;" and

19 WHEREAS, Finding No. F7 states: "Cities that lower permitting fees for ADUs, as
20 Portland, Seattle and Vancouver, BC have done, see an increase in the number of permit
21 applications by single family homeowners; if San Francisco reduces permitting fees for that
22 type of ADU permit applications, they are likely to increase;" and

23 WHEREAS, Recommendation No. R2 states: "Recommends the Board of Supervisors
24 amend existing City codes and ordinances, before June 30, 2019, to waive or reduce ADU
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1 permit fees, with the understanding that reduced departmental revenues would be made up
2 from the City's general fund;" and

3 WHEREAS, Recommendation No. R3 states: "Recommends the Board of Supervisors
4 structure fees separately for ADUs in single family residences and ADUs in multi-unit
5 buildings, specifically designed to ease the permitting costs for single family homeowners;"
6 and

7 WHEREAS, In accordance with California Penal Code, Section 933.05(c), the Board of
8 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior
9 Court on Finding Nos. F2, F6, and F7, as well as Recommendation Nos. R2 and R3 contained
10 in the subject Report; now, therefore, be it

11 RESOLVED, That the Board of Supervisors reports to the Presiding Judge of the
12 Superior Court that they agree with Finding No. F2 for reason as follows: San Francisco is
13 currently in an affordable housing crisis and the majority of the new accessory dwelling
14 housing stock will offer rent controlled units; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors reports to the Presiding Judge
16 of the Superior Court that they disagree partially with Finding No. F6 for reason as follows:
17 making the ADU application more affordable may remove a barrier for homeowners interested
18 in building an ADU, but will require further analysis; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors reports to the Presiding Judge
20 of the Superior Court that they agree with Finding No. F7 for reason as follows: making ADU
21 permitting more affordable for homeowners may incentivize them to build ADUs; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors reports that Recommendation
23 No. R2 requires further analysis, the Budget and Legislative Analyst Office, the San Francisco
24 Planning Department, and the Office of the Controller should study the correlation between a
25 reduction in permitting fees and an increase in ADU construction; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors reports that Recommendation
2 No. R3 further analysis, the Budget and Legislative Analyst Office, the San Francisco
3 Planning Department, and the Office of the Controller should study the correlation between a
4 reduction in permitting fees and an increase in ADU construction; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors urges the Mayor to cause the
6 implementation of the accepted findings and recommendations through her department heads
7 and through the development of the annual budget.

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City and County of San Francisco

Tails

Resolution

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

File Number: 180702

Date Passed: October 16, 2018

Resolution responding to the Presiding Judge of the Superior Court on the findings and recommendations contained in the 2017-2018 Civil Grand Jury Report, entitled "Mitigating the Housing Crisis: Accessory Dwelling Units and Modular Housing," and urging the Mayor to cause the implementation of accepted findings and recommendations through his/her department heads and through the development of the annual budget.

October 03, 2018 Government Audit and Oversight Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE


October 03, 2018 Government Audit and Oversight Committee - RECOMMENDED AS AMENDED


October 16, 2018 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 180702

I hereby certify that the foregoing Resolution was ADOPTED on 10/16/2018 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

10/26/18
Date Approved