

The San Francisco Community Housing Act

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

NOTE: **Unchanged Code text and uncodified text** are in plain font.

Additions to Codes are in single-underline italics Times New Roman font.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

SAN FRANCISCO
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DEPARTMENT OF ELECTIONS

SECTION 1. Title

This Initiative shall be known and may be cited as “The San Francisco Community Housing Act” (hereinafter “Ordinance”).

SECTION 2.A Purposes

Everyone in San Francisco (“the City”) should have an affordable, well-maintained home. However, the City does not currently have a framework to guarantee affordable rental housing to anybody who lives or works in the City. To the contrary, almost all of our U.S. Department of Housing and Urban Development (“HUD”)-operated and federally-funded public housing has been defunded and now privatized due to decades of federal government neglect, made worse by racist and classist attitudes towards the tenants of HUD public housing.

The purposes of this Ordinance are set forth in each of the sentences in this Section. The Ordinance will produce affordable, publicly owned, and publicly operated housing in proximity to rapid transit, with procedures for tenant input, tenant support, and tenant protections. This Ordinance creates a City-run affordable “Housing for All” program (“Program”), with rents generally capped at 25% of household income, and with permanent municipal ownership and management of Program housing. This Ordinance will fund the acquisition or construction of up to 30,000 units of Program housing, at a rate of at least 1,500 housing units every three years, through a tax on large businesses. This Program will be free from defunding by the federal government. It will also create good-paying jobs both in development and the public sector.

The Program is expected to be financially self-sustaining – with rental revenues covering operating and capital expenses. The Program also includes contingency mechanisms (such as reserve funds, in-depth performance audits, and direct accountability from tenants) to help keep the Program on track and guide any future changes. Moreover, the Program includes anti-displacement tenant protections and gives tenants the power to hold the City and assisting entities accountable through tenant associations (“Community Councils”). To address tenants’ lifestyle needs, the Program includes funding to construct or acquire tenant-serving amenities such as childcare facilities and community meeting spaces, and also funds improved public transit near housing. To mitigate climate change and its harmful impacts on vulnerable communities, the Program incorporates energy efficiency provisions and references the latest green building standards.

In enacting this Program, the voters intend to increase the stock of City-run housing so that fewer tenants are paying over 30 percent of income in housing costs. The voters also intend to ensure that at least 20% of Program units will be for tenants earning 0-30% of the Area Median Income (AMI) and at least 20% of Program units will be for tenants earning 30-50% of AMI, with potentially increased affordability in low-income areas contingent on financial self-sustainability and community input.

SECTION 2.B Findings

The U.S. Census Bureau's 2017 American Community Survey found approximately 71% of renter-occupied housing units in San Francisco with household incomes less than \$75,000 were rent-burdened, paying over 30 percent of income in housing costs.

At the federal level, HUD's budget authority shrank from \$83 billion in 1978 to a little more than \$18 billion in 1983 (in 2004 dollars). In 1999, Congress enacted a moratorium on net new HUD-funded public housing construction (Faircloth Amendment). In the 1990s and 2000s, the federal HOPE VI program and the City's HOPE SF program privatized public housing in the City. In 2012, the federal Rental Assistance Demonstration program allowed further privatization of public housing. In 2018, less than 0.3% of San Francisco's housing stock was public housing. The intent of this Ordinance is to create a municipally run public Housing for All program, free from defunding by the federal government, with mechanisms (such as maintenance and operational reserves) to keep such housing well-maintained.

The Tax Cuts and Jobs Act of 2017 ("Trump tax cuts") has exacerbated corporate wealth inequality. The intent of this Ordinance is to tax this excessive corporate wealth and use it to serve the City's housing affordability needs.

SECTION 3. Community Housing Gross Receipts Tax

The Business and Tax Regulations Code is hereby amended by adding Article 27, to read as follows:

ARTICLE 27:

COMMUNITY HOUSING GROSS RECEIPTS TAX

SEC. 2700. SHORT TITLE.

This Article shall be known as the "Community Housing Gross Receipts Tax."

SEC. 2701. DEFINITIONS.

Unless otherwise defined in this Article, terms that are defined in Articles 6 and 12-A-1 of the Business and Tax Regulations Code, as amended from time to time, shall have the meanings provided therein.

"Community Housing Fund" means Section 10.100-240 of Article XIII of Chapter 10 of the Administrative Code.

"Tax" means the Community Housing Gross Receipts Tax established in this Article.

"Taxable Gross Receipts" means a person or combined group's gross receipts, not excluded under Section 2703, attributable to the City. The person or combined group's gross receipts that are attributable to the City shall be determined in the same manner as in Article 12-A-1, as amended from time to time.

SEC. 2702. IMPOSITION OF TAX.

(a) Except as otherwise provided in this Article 27, for the privilege of engaging in business in the City, the City hereby imposes an annual Community Housing Gross Receipts Tax on each person engaged in business in the City that receives, or is a member of a combined group that receives, more than \$25,000,000 in total Taxable Gross Receipts.

(b) If, after applying any rules or elections used to assign receipts to a business activity in Section 953.9 of Article 12-A-1, a person or combined group derives gross receipts from business activities described in only one of the below-tabulated industry activity sets from Sections 953.1 through 953.7 of Article 12-A-1, the Community Housing Gross Receipts Tax shall be calculated by applying to the person or combined group's Taxable Gross Receipts in excess of \$25,000,000 the following percentage that corresponds to the person or combined group's business activities, as described in Article 12-A-1:

<u>Business Activity Set</u>	<u>Tax Rate</u>
<u>Section 953.1</u>	<u>0.00%</u>
<u>Section 953.2</u>	<u>0.90%</u>
<u>Section 953.3</u>	<u>0.50%</u>
<u>Section 953.4</u>	<u>0.75%</u>
<u>Section 953.5</u>	<u>0.56%</u>
<u>Section 953.6</u>	<u>0.90%</u>
<u>Section 953.7</u>	<u>0.50%</u>

- (c) If, after applying any rules or elections used to assign receipts to a business activity in Section 953.9 of Article 12-A-1, a person or combined group derives gross receipts from business activities described in more than one of the business activity sets tabulated in Subsection (b), the Taxable Gross Receipts and rate or rates of tax to be applied to that person or combined group shall be determined as follows:
- (1) The Taxable Gross Receipts shall be determined on an aggregate basis in numbered order of Sections 953.1 through 953.7, i.e. the Taxable Gross Receipts for business activities described in Section 953.1 of Article 12-A-1 should be determined first, Section 953.2 second, Section 953.3 third, and so on.
 - (2) The rates in subsection (b) shall apply to the gross receipts from the corresponding sets of business activities described in Sections 953.1 through 953.7 of Article 12-A-1, except that the rate shall be 0% for the first \$25,000,000 of the person or combined group's total Taxable Gross Receipts from all taxable business activities.
 - (3) Whether the 0% rate for the first \$25,000,000 of the person or combined group's total Taxable Gross Receipts from all taxable business activities applies to any set of business activities after the first shall be determined by adding to the Taxable Gross Receipts from that set of business activities all of the Taxable Gross Receipts from all previous sets of business activities.
 - (4) The Community Housing Gross Receipts Tax for the person or combined group shall be the sum of the liabilities for each set of business activities determined under Paragraphs (1) through (3).
- (d) Notwithstanding any other Subsection of this Section 2702, every person engaging in business within the City as an administrative office, as defined in Section 953.8 of Article 12-A-1, shall pay an annual Community Housing Gross Receipts Tax of 1.8% of its total payroll expense, as defined in Section 953.8(f) of Article 12-A-1, that is attributable to the City. If a person is a member of a combined group, then its tax shall be measured by the total payroll expense of the combined group attributable to the City. Such combined group shall pay only the administrative office tax enacted in this Subsection (d), and not the tax imposed under other Subsections of this Section 2702, but a person or combined group may be liable for both the administrative office tax imposed by Section 953.8 of Article 12-A-1 and the administrative office tax imposed in this Subsection (d). Unless otherwise specified, this administrative office tax shall be considered part of the Community Housing Gross Receipts Tax.

SEC. 2703. EXEMPTIONS AND EXCLUSIONS

- (a) An organization that is exempt from income taxation by Chapter 4 (commencing with Section 23701) of Part 11 of Division 2 of the California Revenue and Taxation Code or Subchapter F (commencing with

Section 501) of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended, as qualified by Sections 502, 503, 504, and 508 of the Internal Revenue Code of 1986, as amended, shall be exempt from the Tax, only so long as those exemptions continue to exist under state or federal law.

- (b) Any person upon whom the City is prohibited under the Constitution or laws of the State of California or the Constitution or laws of the United States from imposing the Tax shall be exempt from the Tax.
- (c) For purposes of this Article 27, gross receipts shall not include receipts that are excluded from gross receipts for purposes of the gross receipts tax imposed by Article 12-A-1, and also shall not include receipts subject to a gross receipts tax on commercial rents such as Article 21 of the Business and Tax Regulations Code.

SEC. 2704. COMBINED RETURNS

Persons subject to the Tax shall file returns at the same time and in the same manner as returns filed for the gross receipts tax imposed by Article 12-A-1, including the rules for combined returns under Section 956.3, as amended from time to time. If a person or combined group is subject to the Tax but is not required to file a gross receipts tax return under Article 12-A-1, such person or combined group's Tax return shall be filed at the same time and in the same manner as if such person or combined group were required to file a gross receipts tax return under Article 12-A-1.

SEC. 2705. TAX COLLECTOR AUTHORIZED TO DETERMINE GROSS RECEIPTS.

The Tax Collector may, in his or her reasonable discretion, independently establish a person or combined group's gross receipts within the City and establish or reallocate gross receipts among related entities so as to fairly reflect the gross receipts within the City of all persons and combined groups.

SEC. 2706. CONSTRUCTION AND SCOPE

- (a) This Article 27 is intended to authorize application of the Tax in the broadest manner consistent with its provisions and with the California Constitution, the United States Constitution, and any other applicable provision of federal or state law.
- (b) The Tax is in addition to all other City taxes, including the gross receipts tax imposed by Article 12-A-1 as amended from time to time, and the Article 28 Homelessness Gross Receipts Tax as amended from time to time. Accordingly, by way of example and not limitation, persons subject to both the Tax and the Article 12-A-1 gross receipts tax shall pay both taxes. Persons exempt from either the Article 12-A-1 gross receipts tax or the Tax, but not both, shall pay the tax from which they are not exempt.

SEC. 2707. ADMINISTRATION

Except as otherwise provided under this Article 27, the Tax shall be administered pursuant to Article 6 of the Business and Tax Regulations Code, as amended from time to time, including all penalties and other charges imposed by Article 6. This administration includes estimated tax payments and due dates as specified in Section 6.9-3 of the Business and Tax Regulations Code.

SEC. 2708. DEPOSIT OF PROCEEDS AND ACCOUNTABILITY

All monies collected pursuant to the Tax imposed by this Section shall be deposited to the credit of the Community Housing Fund, and shall be used exclusively for the purposes of the Community Housing Fund.

SEC. 2709. ACCOUNTABILITY

In accordance with California Government Code Sections 50075.1 and 50075.3, the Tax shall be subject to the accountability measures specified for the Community Housing Fund, which establishes the special purposes of this Tax, creates a fund to deposit proceeds of the Tax, and requires the filing of annual reports by the

Controller. These measures, required by state law, shall be supplemented by the audits specified in Chapter 110 of the Administrative Code.

SEC. 2710. EFFECT OF STATE AND FEDERAL AUTHORIZATION.

To the extent that the City's authorization to impose or to collect any tax imposed under this Article 27 is expanded or limited as a result of changes in state or federal statutes, regulations, or other laws, or judicial interpretations of those laws, no amendment or modification of this Article shall be required to conform the taxes to those changes, and the taxes are hereby imposed in conformity with those changes, and the Tax Collector shall collect them to the full extent of the City's authorization up to the full amount and rate of the taxes imposed under this Article.

SECTION 4. Community Housing Fund

Article XIII of Chapter 10 of the Administrative Code is hereby amended to add Section 10.100-240, to read as follows:

SEC. 10.100-240. COMMUNITY HOUSING FUND

(a) **Definitions.** For the purposes of this Section 10.100-240:

"Base Amount" means the Controller's calculation of the amount of City appropriations (not including appropriations from the Fund and exclusive of expenditures funded by private funding or funded or mandated by state or federal law) for affordable housing and supportive housing for the fiscal year ending on the first June 30 immediately before the Effective Date of the Ordinance enacting this Section.

"City" means the City and County of San Francisco.

"Community Housing Program" (shortened to "CHP") means Chapter 110 of the Administrative Code.

"Fund" means the Community Housing Fund established herein.

"Tax" means the Community Housing Gross Receipts Tax established in Article 27 of the Business and Tax Regulations Code.

(b) **Establishment of Fund.** The Community Housing Fund is established as a category four fund to receive all monies allocated for its purpose pursuant to the provisions of the Tax, as well as monies collected in any form as part of the CHP including requests for financial assistance for the foregoing, and any additional monies appropriated by the Mayor and the Board of Supervisors for this Program's purpose by annual or supplemental appropriation. The Fund shall be maintained separate and apart from all other City funds and shall be subject to appropriation. Any balance remaining in the Fund at the close of any fiscal year shall be deemed to have been provided for a specified purpose within the meaning of San Francisco Charter Section 9.113(a), and shall be carried forward and accumulated in the Fund for the purposes described in Subsection (c) of this Section.

(c) **Use of Fund.** Subject to the budgetary and fiscal provisions of the San Francisco Charter, monies in the Fund shall be appropriated on an annual or supplemental basis, and used exclusively for the following purposes:

- (1) **Tax Administration.** Up to 0.5% of the annual proceeds from the Tax, distributed to the Tax Collector or other City departments for Tax administration.
- (2) **Muni.** Up to 5% of the annual proceeds from the Tax, distributed to the San Francisco Municipal Transportation Agency ("SFMTA"), in order to improve scheduling frequencies for, or otherwise develop, Rapid Public Transit Stations that meet, or have a more rapid frequency than, the transit proximity criteria for Housing Complexes described in Section 110.4 of the CHP. The funds distributed herein shall particularly focus on improving bus scheduling frequency and San Francisco Municipal

Railway Light Rail scheduling frequency and hiring more SFMTA operators for this purpose, and shall be coordinated to increase development opportunities for the CHP.

(A) No more than \$1,000,000 per year of these proceeds, adjusted as set forth in the next sentence, may be spent on creating new Bus Rapid Transit infrastructure. This maximum amount shall be increased annually by the Change in Cost of Living since the first January 1 after the Effective Date of the Ordinance enacting this Chapter.

(3) **Childcare.** Up to 3.5% of the annual proceeds from the Tax, distributed to the Office of Early Care and Education, to fund early care and education facilities and operation for the CHP as specified in Section 110.5(b)(1) of the Administrative Code.

(4) **Community Housing Program.** All remaining amounts to the Mayor's Office of Housing and Community Development (MOHCD), Planning Department, and assisting City departments to fund the CHP, including but not limited to administrative costs, workforce training programs, and debt service, but excluding early care and education facilities and operation as specified in Section 110.5(b)(1) of the Administrative Code.

(A) The voters intend that between \$250,000 per year and \$2,000,000 per year of these proceeds be allocated to fund Tenant Support Services for the CHP once the CHP has applicants and tenants. These dollar amounts shall be increased annually by the Change in Cost of Living since the first January 1 after the Effective Date of the Ordinance enacting this Chapter.

(B) **Maintenance and Operational Reserves.** The voters expect that rental revenues for the CHP will generally be sufficient to cover CHP operating expenditures, capital expenditures, and potential debt service. If rental revenues are insufficient to cover operating and capital expenditures, MOHCD shall prioritize covering existing maintenance shortfalls in CHP Housing Complexes over expending funds on expansion. MOHCD shall set aside and use City-wide Maintenance and Operational Reserves from the Fund for the purpose of covering CHP operating and capital expenditures when rental revenues are insufficient to cover those expenditures.

(d) **Administration of Fund.** The Fund shall be maintained by the Controller's office, which shall record all receipts and expenditures.

(e) **Existing Expenditures for Affordable and Supportive Housing.** Monies in the Fund shall not be spent to supplant existing programs funded by the City for affordable housing and supportive housing, and it is the intent of the voters that such existing programs continue to be funded, at a minimum, at the Base Amount.

(f) **Annual Reports.** Commencing with a report filed no later than the second February 15 after the Effective Date of the Ordinance enacting this Section, covering the fiscal year ending on the first June 30 after the Effective Date, the Controller shall file annually with the Board of Supervisors, by February 15 of each year, a report containing:

(1) The amount of monies collected in and expended from the Fund during the prior fiscal year.

(2) The status of any projects or programs required or authorized to be funded from the proceeds of the Fund, including a report from the SFMTA Director of Sustainable Streets (or equivalent position) on the status of funds allocated to SFMTA. The Controller shall state in this annual report whether funds appropriated to MOHCD, SFMTA, and any other agencies have been utilized in compliance with this Section.

(3) Such other information as the Controller, in the Controller's sole discretion, shall deem relevant to the operation of this Section.

SECTION 5. Community Housing Program and Requirements

The Administrative Code is hereby amended to add Chapter 110, to read as follows:

CHAPTER 110:

COMMUNITY HOUSING PROGRAM

SEC. 110.1. PROGRAM PURPOSE

There is hereby established a Community Housing Program ("Program") to operate Housing Complexes and Amenities, in order to create publicly owned, publicly managed, permanently affordable municipal housing for qualified San Franciscans.

SEC. 110.2. DEFINITIONS.

Unless otherwise defined in this Chapter, the terms defined in Article 1 of the Planning Code shall have the meanings provided therein.

"Amenities" means all facilities described in Subsection (b) of Section 110.5 of this Chapter.

"Area Median Income" (shortened to "AMI") means Area Median Income for the San Francisco area, derived from the U.S. Department of Housing and Urban Development, adjusted solely for household size.

"Applicable Units" means a unit that may be acquired or constructed for the Program. For the Program, any dwelling unit may be acquired or constructed, but SROs may only be acquired and not constructed.

"Bus Rapid Transit Station" refers to an SFMTA-designated bus stop developed as part of a project intended to provide rapid bus service, including for example the Van Ness Improvement Project or Geary Rapid Project, where such stops must at a minimum include dedicated transit-only lanes (that separate transit from other traffic) and enhanced traffic signals.

"Capital Expenditures" includes typically non-recurring costs for renovations, replacements, and other similar activities required to upgrade or maintain the facilities or units of Housing Complexes or Amenities.

"Census Tract Median Income" means the median income for all households in a given census tract, derived from the most recent American Community Survey 5-year estimate or its successor as designated by the MOHCD.

"Change in Cost of Living" means the percentage change in the San Francisco All Items Consumer Price Index for All Urban Consumers (CPI-U), or its successor, as reported by the U.S. Department of Labor's Bureau of Labor Statistics.

"City" means the City and County of San Francisco.

"Committee" means the San Francisco Community Housing Oversight Committee established in Section 110.7 of this Chapter.

"Community Council" refers to a tenant association established in Section 110.6 of this Chapter.

"Comparable Unit," when used in connection with a Tenant's previous Housing Complex unit, means a unit that has at least the same number of bedrooms as the Tenant's previous unit, is located in the Tenant's previous Supervisorial District, and meets the Tenant's health and accessibility needs, although a Tenant may choose to waive in writing any of the foregoing requirements. A Comparable Unit need not be part of a Housing Complex and may be a private sector rental unit.

"Fund" means Section 10.100-240 of Article XIII of Chapter 10 of the Administrative Code.

"Gross Income" means combined household gross annual income from all sources as defined by the U.S. Department of Housing and Urban Development, before any taxes are deducted.

“Housing Complex” means a publicly owned and publicly managed rental housing facility financed in any form by monies appropriated to this Program to provide housing accommodations to qualified Tenants, subject to all requirements in this Chapter. Such a facility may include buildings, land, utilities, Applicable Units, Amenities, and all necessary equipment and ancillary structures.

“Landlord” means an owner, lessor, or sublessor who receives or is entitled to receive rental payments for the use and occupancy of any residential unit or portion thereof in the City, and the agent, representative, or successor of any of the foregoing.

“LEED” refers to “Leadership in Energy and Environmental Design” guidelines produced by the U.S. Green Building Council or its successor.

“Legacy Tenant” means a current Tenant who was formerly a Prior Tenant and who has not permanently vacated their unit in a Housing Complex after becoming a Tenant.

“Low-Income Census Tract” means a census tract with a Census Tract Median Income less than or equal to 80% of the overall median income for all households in the City, where said overall City median income for all households is derived from the most recent American Community Survey 5-year estimate or its successor as designated by the MOHCD.

“MOHCD” means the San Francisco Mayor's Office of Housing and Community Development.

“Peak Commute Periods” refers to location-specific time windows set by the MOHCD in consultation with the SFMTA that shall include, at a minimum, a three-hour window between 5 AM and 10 AM on Mondays through Fridays and a three-hour window between 3 PM and 9 PM on Mondays through Fridays, excluding designated holidays, and may include additional hours if designated by the MOHCD.

“Prior Tenant” means a person or household lawfully residing in and making rental payments to a Landlord for an Applicable Unit, immediately prior to that unit’s acquisition by the City as part of Realizing a Housing Complex.

“Protected Class” includes immigration status, citizenship, credit score, eviction history, mental health status, bankruptcy history, current or past homelessness status, criminal history, arrest history, and all other protected classes referenced in California Government Code Section 12955(a), as amended from time to time. Protections shall apply except when they are preempted by applicable state laws or federal laws, or by a court order pertaining to an individual that may restrict that individual’s ability to apply or live in Housing Complexes.

“Rapid Public Transit Station” means either a Bay Area Rapid Transit station; Caltrain station; San Francisco Municipal Railway Light Rail station; Bus Rapid Transit Station; or any other form of fully publicly owned and operated transit station, if that other form of station includes a route with a frequency of service interval of 10 minutes or less during Peak Commute Periods.

“Realization”, when used in connection with Housing Complexes and/or Amenities, includes the construction of, or acquisition of real property and conversion into, Housing Complexes or Amenities. In connection with Housing Complexes, “Realization” also includes rehabilitation, significant alterations, and other processes intended to create well-functioning Housing Complexes that effectuate the purposes of the Ordinance that enacted this Chapter.

“Representatives”, when used in connection with a Community Council, refers to the individuals in a Community Council who are elected by Voting-Eligible Tenants, and serve as its primary decision-makers.

“SFMTA” means the San Francisco Municipal Transportation Agency.

“SRO” means a Single-Resident Occupancy unit.

“Tax” means the Community Housing Gross Receipts Tax established in Article 27 of the Business and Tax Regulations Code.

“Tenant” means a person or household lawfully permitted to reside in a unit of a Housing Complex created pursuant to this Chapter.

“Tenant Support Services” shall include community engagement, advocating on behalf of Tenants' living conditions and rights, assisting qualified Applicants in becoming Tenants, and actively supporting the formation and continued operation of Community Councils.

“Utilities” shall include, but not be limited to, water, sewage, garbage collection, gas, internet, and electric services provided to an Applicable Unit.

“Voting-Eligible Tenant” means an individual person who is a Tenant aged at least 16 years or over.

SEC. 110.3. HOUSING COMPLEX AND AMENITY REALIZATION

These provisions for Housing Complex and Amenity Realization are not intended to invalidate any other applicable requirements related to permitting or any other minimum requirements for tenant protections.

- (a) **Residential Property Acquisition.** When MOHCD acquires existing buildings with Applicable Units that contain Prior Tenants, such buildings must be used as Housing Complexes. Additionally:
 - (1) In presenting the acquisition process to Prior Tenants, MOHCD and assisting departments must clearly list any planned rehabilitation or alterations, any planned activities that may reasonably impact Prior Tenants' quality of life, and any other information that Prior Tenants would reasonably require to holistically determine the benefits and disadvantages of the City's property acquisition.
 - (2) Following the acquisition of a Housing Complex, Prior Tenants shall be classified as Legacy Tenants for the purposes of this Chapter. Adjustments to Legacy Tenant rental payments to meet the criteria specified for this Chapter shall be made on a schedule determined by the MOHCD after consultation with Legacy Tenants, and subject to the restrictions specified in Section 110.4 for Legacy Tenants.
- (b) **Prior Tenant Right of Return.** When a Housing Complex is Realized through the acquisition of an existing building with Prior Tenants, the MOHCD and assisting City departments shall guarantee the Prior Tenants who become Legacy Tenants a right to remain in their previous unit and a right of return to their previous unit, or a Comparable Unit if their previous unit does not exist, in the Housing Complex.
- (c) **Property Acquisition Financing.** The MOHCD shall fairly compensate prior real property owners for any real property acquisition for the purposes of this Program.
- (d) **Acquisition Possibilities.** The City may acquire any real property, or utilize any real property it owns, for the purposes of the Program, unless such property is under the jurisdiction of the Recreation and Parks Department and used as a public park, and unless such property is unsuitable for human habitation for reasons that may include but are not limited to radioactive contamination, contaminated water, or air pollution.
- (e) **Tenant Protections.** Should the MOHCD or assisting City departments undertake any rehabilitation or alteration of Housing Complexes or Amenities, or should a natural or human-initiated disaster occur, in a manner such that Tenant displacement or relocation is necessary, the provisions of this Subsection shall apply.
 - (1) All of the foregoing alterations or other changes shall be conducted in phases to the maximum extent feasible, in order to mitigate adverse effects on Tenants. Tenants of affected units shall be provided notice pursuant to Section 1954 of the California Civil Code and all other applicable laws.

(2) **Anti-Displacement.** Should any change require the displacement or relocation of a Tenant, and should the affected Tenant intend to return to their previous Housing Complex unit or a Comparable Unit in a Housing Complex as preferred by the Tenant, following such temporary displacement or relocation:

(A) **Legal Representation.** The affected Tenant shall, at the Tenant's option, be provided with legal representation, which shall be paid for by MOHCD out of the Fund, by an independent organization or attorney designated by the Tenant's Community Council, or by the MOHCD if no such Community Council exists, for the duration of any temporary displacement or relocation.

(B) **Right of Return.** Each affected Tenant shall be guaranteed a right of return to their previous Housing Complex unit or Comparable Unit in a Housing Complex as preferred by the Tenant, for so long as they do not permanently vacate the interim unit they are provided pursuant to Subparagraph (C) of this Paragraph, and for so long as they do not breach the terms of their lease with their interim unit's Landlord in a manner that results in eviction. The MOHCD shall monitor the affected Tenant's displacement or relocation to ensure that it only lasts for so long a period as necessary to complete the intended changes, while ensuring Tenant wellbeing throughout.

(C) **Interim Housing.** Each affected Tenant shall be provided with interim on-site housing in a Comparable Unit in the same Housing Complex as the Tenant's previous unit, if possible, for the period of the Tenant's temporary displacement or relocation, or in a Comparable Unit elsewhere for the same period if the foregoing is not possible. The MOHCD shall assist affected Tenants in finding such housing. All necessary relocation assistance for the Tenant shall be provided by the MOHCD.

(D) **Interim Rent Payments.** Should the MOHCD provide an affected Tenant with interim housing that is not in a Housing Complex and requires a higher rent than the rent the Tenant would pay in a Housing Complex, the MOHCD shall compensate the Tenant for the difference between the rent the Tenant pays in the interim housing and the rent the Tenant would have had to pay in a Housing Complex, for the period of the Tenant's displacement or relocation prior to their return to their previous Housing Complex unit or a Comparable Unit in a Housing Complex.

(3) The MOHCD may promulgate additional guidelines to financially assist and ensure the wellbeing of vulnerable Tenants – including, but not limited to, Tenant seniors over the age of 65, Tenants earning up to 50% of AML, Tenants with serious illness, medical emergencies, or other health conditions, and Tenants with disabilities – during a period of displacement, relocation, or other inconvenience.

(f) **Community Planning for New Construction.**

(1) Prior to constructing a new Housing Complex, Planning Department staff shall organize, and contract as appropriate to conduct, community planning sessions, which must cover topics including, but not limited to: apartment sizes and types, apartment design, shared social spaces, green spaces, natural lighting, on-site Amenities if applicable, and building interior and exterior design. At least one architect and one project manager (or individuals serving equivalent positions) compensated to develop the Housing Complex shall attend each of these sessions and solicit feedback from the community on proposed Housing Complex features.

(2) Within 30 calendar days of completing the planning sessions specified in Paragraph (1), MOHCD and the Planning Department shall jointly publish a report discussing the topics listed in Paragraph (1), and explaining how the Housing Complex was designed to serve the general neighborhood's needs and demographics, including but not limited to household size needs. In this report, the MOHCD and the Planning Department shall identify how community input from planning sessions was or will be addressed and incorporated in making tangible changes to the proposed Housing Complex.

- (g) **Additional Oversight.** Realization plans for Housing Complexes and Amenities shall be provided to the Community Council(s) representing affected Tenants, if such Community Councils exist. Such Community Council(s) shall have a right to provide input in developing these Realization plans before these plans are finalized.

SEC. 110.4. COMMUNITY HOUSING COMPLEX REQUIREMENTS

Any Housing Complex financed as part of this Program must meet the following minimum requirements. These provisions are intended to supplement, and not invalidate, any other requirements in building codes, or any other requirements of state or federal law.

- (a) **Tenant Eligibility.** Except in the case of Legacy Tenants who are guaranteed a right of return pursuant to Section 110.3 of this Chapter, any person or household applying for an Applicable Unit at a Housing Complex ("Applicant") must meet all of the following criteria to be considered Qualified. MOHCD shall determine the forms of documentation that will be used to assess whether an Applicant meets these criteria.

- (1) **Live/Work in San Francisco or Qualify for a Preference.** The Applicant must live or work in San Francisco at their time of application, or be a current or former Residential Certificate of Preference Holder as defined in Section 47.2 of the Administrative Code, or be a Displaced Tenant as defined in Section 47.2 of the Administrative Code, as amended from time to time. The MOHCD shall promulgate rules and criteria to determine said residency and/or work status solely for eligibility purposes, and shall include sufficient qualifying criteria that do not discriminate against Applicants on the basis of any Protected Class.
- (2) **Exclusivity.** During the application process, the Applicant must declare that, if they are selected as a Tenant, then within no more than sixty days of moving into a Housing Complex unit, they will sell and vacate all other housing they have an ownership interest in or otherwise exercise ownership control over anywhere in the world, and that they will vacate any housing they rent in the City.

(b) **Non-Discrimination.**

- (1) MOHCD shall not discriminate against Applicants or Tenants on the basis of any Protected Class in any fashion.
- (2) MOHCD shall not collect, retain, or share information pertaining to the immigration status or citizenship status of Tenants or Applicants.
- (3) MOHCD shall not share information pertaining to a Tenant or Applicant's disability status or religion with any other entity without a Tenant or Applicant's written consent, and shall not retaliate against Tenants or Applicants if they refuse to share information pertaining to any Protected Class.
- (4) MOHCD shall ensure the financial independence of the Program from any assistance provided by any entity where such assistance is contingent on discrimination against Tenants or Applicants on the basis of any Protected Class.

(c) **Lottery.**

- (1) For the purposes of this Subsection, "Unreserved Units" means vacant Housing Complex units that are not reserved for: Legacy Tenants, existing Tenants who seek to change their unit pursuant to Subsection (f), Paragraph (3) of this Section, or for other rehabilitative purposes designated by the MOHCD.
- (2) To fill Unreserved Units, the MOHCD shall periodically conduct lotteries, with a minimum frequency of every 35 calendar days, to select new Tenants among the pool of Qualified Applicants and assign

selected Tenants to Housing Complexes, accounting for unit size requirements and all other requirements of this Chapter.

- (3) **Income Brackets.** Subject to the provisions of this Section 110.4, the lottery shall be conducted to maintain the following Gross Income distribution in each Housing Complex, to the extent possible, with increased affordability in Low-Income Census Tracts pursuant to Paragraph (6) of this Subsection. The intent of this distribution is to achieve financial self-sustainability and adequate living conditions through rental payments, while balancing the need for affordable housing for Tenants earning below 80% of AMI.

 - (A) Twenty percent of all units occupied by Tenants with a Gross Income below 30% of AMI.
 - (B) Twenty percent of all units occupied by Tenants with a Gross Income between 30% of AMI (inclusive) and 50% of AMI (exclusive).
 - (C) Twenty percent of all units occupied by Tenants with a Gross Income between 50% of AMI (inclusive) and 80% of AMI (exclusive).
 - (D) Twenty percent of all units occupied by Tenants with a Gross Income between 80% of AMI (inclusive) and 120% of AMI (exclusive).
 - (E) Twenty percent of all units occupied by Tenants with a Gross Income greater than or equal to 120% of AMI.
- (4) The MOHCD shall promulgate rules to conduct and publicize the housing lottery, and shall monitor and publish the income distribution in individual Housing Complexes.
- (5) Nothing in this Subsection shall be construed to permit the MOHCD to in any way facilitate the displacement of existing Tenants on the basis of income. This Subsection shall only be construed to prescribe criteria to fill vacant units based on Qualified Applicants' incomes.
- (6) **Low-Income Neighborhood Affordability.** If over 50 percent of the land area within a Housing Complex is in a Low-Income Census Tract, the following provisions shall apply to serve the affordability needs of the census tract.

 - (A) Notwithstanding Paragraph (3) or any other part of this Chapter, the lottery for such Housing Complexes shall be conducted to maintain a Housing-Complex-level income distribution that shall be prescribed by the MOHCD after consultation with tenant advocacy organizations, community organizations and Community Councils representing low-income tenants in the vicinity of the Housing Complex, and low-income residents in the census tract. The Housing-Complex-level income distribution shall include a percentage of total Housing Complex units for Tenants earning below 30% of AMI that exceeds twenty percent, and shall include a percentage of total Housing Complex units for Tenants earning between 30% of AMI (inclusive) and 50% of AMI (exclusive) that twenty percent. The prescribed distribution shall also account for the continued City-wide financial self-sustainability of the Program.
- (7) **Lottery Execution with Preferences.** MOHCD shall give preference to certain Applicants in the Lottery process as follows:

 - (A) **Application of Preferences.** Preferences may only be applied to compare Qualified Applicants within the same income bracket specified in Paragraph (3) of this Subsection.
 - (B) **Order of Preferences.** Notwithstanding any provision of law to the contrary, the preference criteria and order of preferences specified in Section 47.3 of the Administrative Code shall be used to give preference to Qualified Applicants over other Qualified Applicants who are in the same income bracket as specified in Paragraph (3) of this Subsection. The percentages of different kinds of units

to which each preference applies under Section 47.3 of the Administrative Code shall not apply under this Section, meaning that the preference criteria and order of preferences set forth in Section 47.3 of the Administrative Code shall apply to all units in Housing Complexes within each income bracket.

- i) Notwithstanding Sections 47.2 and 47.3 of the Administrative Code, a current or former Residential Certificate of Preference Holder shall qualify for a preference for purposes of this Subsection (c) of Section 110.4 regardless of whether they have previously exercised their Certificate of Preference. It is the intent of the voters that MOHCD also extend the Certificate of Preference status to descendants of Residential Certificate of Preference Holders, including but not limited to grandchildren.
- ii) Notwithstanding any provision of law to the contrary, for purposes of this Subsection (c) of Section 110.4, a currently homeless Applicant in the City, who attests under penalty of perjury to their homelessness status, may list any address they choose as their primary residence for the purposes of qualifying for a Neighborhood Resident preference as described in Subsection (c) of Section 47.3 of the Administrative Code.

(C) Random selection of Tenants shall occur within each income bracket independently of other income brackets. Within each income bracket, the lottery shall be conducted first among Qualified Applicants with the highest preference, followed by Qualified Applicants with the next highest preference, and so on for as long as Unreserved Units and Qualified Applicants for that income bracket remain.

(d) **Tenant Rent Requirements.** The MOHCD shall create rules to determine rental payments for a Tenant occupying a unit in a Housing Complex. These rental payments shall cover a reasonable portion of Utilities payments, to be determined by the MOHCD, for Tenants earning below 50% of AMI.

- (1) The maximum monthly rental payments by any Tenant occupying a unit shall be calculated by multiplying 25 percent by the Tenant's annual Gross Income over the most recent twelve months, divided by twelve. Should that calculated amount constitute an undue hardship on Tenants for reasons including but not limited to changes in employment, drops in income, death of a household member, or health needs, the MOHCD shall alternatively allow the Tenant to use their Gross Income over the past 30 days pursuant to hardship qualification criteria promulgated by the MOHCD.
- (2) Notwithstanding Paragraph (1), MOHCD may set a minimum monthly rental payment for each Housing Complex to ensure financial self-sustainability of the Program while equitably serving low-income Tenants, after consultation with Tenants, Community Councils, and tenant advocacy organizations. The maximum value of this minimum monthly rental payment by any Tenant occupying a unit shall be calculated by multiplying 25 percent by the typical monthly Gross Income in the form of wages for a single minimum wage-earning worker in the City, working 6 hours per week for 48 weeks per year.
- (3) **Legacy Tenant Rent Control.** Notwithstanding Paragraphs (1) and (2), if the monthly rental payment set by MOHCD according to Paragraphs (1) and (2) would result in an immediate rent increase for a Legacy Tenant earning below 50% of AMI, relative to what that Legacy Tenant was paying immediately prior to the City's acquisition of their unit, then a form of rent control shall apply as follows: The initial monthly rental payments required of the Legacy Tenant shall be the amount paid by the Legacy Tenant immediately prior to the acquisition of their unit under the Program, adjusted annually by no more than the Changes in the Cost of Living each year. This Paragraph on rent control shall not apply if the Legacy Tenant changes units to a unit with more bedrooms.

- (4) The MOHCD shall promulgate rules to determine a Tenant's Gross Income for the purposes of this Chapter, with that determination occurring every two years in general, or more frequently if required due to Tenant hardship qualification criteria that shall be determined by the MOHCD.
- (5) The MOHCD shall aid Tenants in receiving all rental assistance for which they are qualified.
- (e) **Transit Proximity.** At least one Rapid Public Transit Station must be within 0.4 miles of a Housing Complex, within one year of when that Complex is first occupied by Tenants under the Program. The preexisting lack of such Rapid Public Transit Stations shall not be an impediment to opening (or acquiring or constructing) a Housing Complex provided that the transit proximity requirement shall be met within this timeline.
- (1) A Housing Complex shall be considered to be within 0.4 miles of such a station if no more than 25 percent of the land area within the Housing Complex is farther than 0.4 miles from the station.
- (f) **Unit Sizes.** Except in the case of Legacy Tenants who are guaranteed a right of return pursuant to Section 110.3 of this Chapter, the following provisions on minimum unit size qualification shall apply. Applicants shall be informed of the minimum unit size they qualify for and allowed to choose a unit size, from among those for which they qualify, during the application process.
- (1) The minimum unit size that an Applicant qualifies for shall be determined by the number of individuals constituting the Applicant: at least a studio unit or SRO in the case of one individual, at least a one-bedroom unit in the case of two individuals, at least a two-bedroom unit in the case of three or four individuals, and at least a three-bedroom unit in the case of five or more individuals.
- (2) SROs shall be listed in the application process as being intended for Applicants in urgent need of stable shelter, including homeless Applicants.
- (3) **Changing Units.** The MOHCD shall promulgate regulations setting forth processes and criteria to allow Tenants to exchange their unit with another Program unit, for reasons including, but not limited to, birth of a dependent, death of a household member, or household medical emergencies. In developing these processes and criteria, the MOHCD shall provide for relocation assistance to the Tenant pursuant to all applicable laws, and shall promulgate guidelines to provide additional assistance depending on individual Tenants' circumstances, health needs, and accessibility needs.
- (g) **Accessibility.** All common areas in a Housing Complex shall be made accessible, and all units shall be made adaptable or accessible, pursuant to California Government Code Section 12955.1, without regard to the date of first occupancy of a Housing Complex, or whether a Housing Complex is acquired or newly constructed, or the date of such acquisition or construction.
- (h) **Management and Ownership.**
- (1) The property management and asset management for Housing Complexes and City-owned Amenities shall be performed by designated MOHCD employees and/or employees of other appropriate City agencies. Routine Housing Complex maintenance and repair shall be performed by designated MOHCD employees. The City shall negotiate the terms and conditions of employment for employees described in this Paragraph as part of its collective bargaining process as applicable.
- (2) Tenant Support Services shall be provided by qualified tenant advocacy organizations, where qualification criteria shall be prescribed by the Board of Supervisors in consultation with the Committee.
- (A) Designated tenant advocacy organizations providing Tenant Support Services shall advocate in the best interest of Tenants and Applicants, and shall not be subject to any coercion, retaliation, or interference by MOHCD for performing such duties.

- (3) Additional ancillary services, including but not limited to security, pest control, and supportive housing services, may be provided by contractors, subcontractors, or designated MOHCD employees.
- (4) Housing Complexes shall remain fully publicly owned, unless this Section is amended by voter initiative as permitted by law. Housing Complexes shall be zoned as Public Use ("P") Districts as defined in the Planning Code. The MOHCD shall serve as the Landlord and set unit leases for Tenants in accordance with the provisions of this Chapter.
- (5) The real property constituting a Housing Complex must continue to be used primarily to provide rental housing for so long as such property is suitable for human habitation. Real property constituting a Housing Complex shall not be collateralized.
- (6) To promote representation of communities served by Housing Complexes, the MOHCD shall, working together with other City departments as appropriate, develop plans within one year after a Housing Complex is Realized to recruit potential MOHCD employees to positions that further the purposes of the Program from Tenants in that Housing Complex.
- (i) **Uses for Tenant Rent.** All rental payments collected at a Housing Complex, net of Capital Expenditures, debt service, and operating expenses shall be deposited into the Fund by the end of each month.
- (j) **Lease of Units.** A Tenant shall not lease their unit to any individual.
- (k) **Safety.** All Housing Complexes shall include the following:
 - (1) One Automated External Defibrillator (AED) on the premises.
 - (2) A first aid kit and a CPR mask on each floor.
 - (3) Emergency medical supplies (including but not limited to medication) on the premises, if such medical supplies are requested by Housing Complex Tenants, subject to funding limits imposed by MOHCD.
 - (4) A sprinkler system that can effectively limit fire risks and conforms with applicable building codes.
 - (5) Housing Complex staff shall be trained regularly to provide basic emergency services, including but not be limited to CPR procedures, fire extinguisher usage, and AED usage.
- (l) **Health Needs.** In addition to passing building inspections as specified in Section 110.7:
 - (1) Housing Complex staff shall remove materials or conditions known to cause harm to Tenants' health.
 - (2) MOHCD shall plan building operations and maintenance to ensure that Tenants' health needs are met and to meet minimum LEED certification standards, including standards for daylight, air filtration, and quality views. This Paragraph does not require the MOHCD to pay the U.S. Green Building Council or obtain formal LEED certification.
 - (3) Housing Complex staff shall utilize cleaning and other products that meet the standards of the U.S. Environmental Protection Agency's Safer Choice program, provided that such products are available at a reasonable cost. The intent of this Paragraph is to minimize the effect of such products on disabled or sensitive Tenants.
- (m) **Energy Efficiency and Climate Change Mitigation.**
 - (1) All newly constructed Housing Complexes shall utilize the CleanPowerSF Community Choice Aggregation Program (herein, "CleanPowerSF") to provide electric power. All acquired Housing Complexes shall transition towards CleanPowerSF to provide electric power as described in Subsection (n) of this Section.

- (2) Housing Complexes shall be constructed or rehabilitated to mitigate climate change, through best available financially viable processes, which presumptively include but are not limited to: meeting the applicable requirements set in the SF Green Building Code and SF Environment Code (including Chapter 7 thereof); installing low-energy-consumption electronics or fixtures; installing solar panels or utilizing other renewable energy sources; decarbonizing building materials; limiting building material waste and ensuring clean disposal, or recycling or reuse when appropriate; utilizing electric heat pumps or more energy-efficient alternatives; and replacing natural gas appliances with electric appliances.
- (3) The MOHCD may promulgate further regulations or guidelines to mitigate climate change based on the contemporary best science on green technologies and financial viability. MOHCD shall consult with arborists on the contemporary best science on planting trees to mitigate climate change and offset the greenhouse gas impacts of development.
- (n) **Application of Requirements for Acquired Buildings.** In the case of acquisition of existing properties with Prior Tenants, any retrofitting or rehabilitation necessary to replace natural gas with electricity for heating and plumbing shall begin within 60 calendar days of acquisition and shall be completed within 730 calendar days of acquisition, and the other Housing Complex requirements in Subsections (g), (k), (l), and (m) that require retrofitting or rehabilitation shall apply on a schedule determined by the MOHCD, with the input of Community Council(s) if present, that accounts for Tenant wellbeing and considers other federal or state law requirements. For newly constructed Housing Complexes, unless otherwise specified, such requirements must be in place prior to the Housing Complex opening for tenancy.
- (o) **Eviction Protections.** Notwithstanding any provision of law to the contrary, Housing Complex units shall be considered “rental units” and the MOHCD shall be considered their “landlord” solely for the purposes of Sections 37.9, 37.9C, and 37.9D of the Administrative Code, and those Sections of the Administrative Code shall apply to Housing Complexes and be enforced by the Rent Board.
- (p) **Tax Exemptions.** Notwithstanding any provision of City law to the contrary, the underlying real property of Housing Complexes shall be exempt from all applicable City taxes and special assessments, and rental revenues shall be exempted from all applicable City taxes.
- (q) **Work Orders.** MOHCD shall maintain a system to track and ensure the timely completion of Housing Complex maintenance work orders and to allow Tenants to conveniently submit work orders. MOHCD shall remedy issues that critically impact habitability — including but not limited to non-functioning locks, heating, plumbing, electricity, laundry machines, stoves, refrigerators, or sewage — within 72 hours of a Tenant report if it is reasonably practicable to do so, or more rapidly if required by any applicable law. If it is not reasonably practicable to fully remedy an issue that critically impacts habitability within 72 hours, MOHCD shall acknowledge, track, and begin to remedy the issue within 72 hours of a Tenant report.

SEC. 110.5. AMENITY REQUIREMENTS

- (a) **Amenity Requirements.** Each Housing Complex shall be within 0.4 miles of at least one of each type of Amenity specified in Subsection (b) of this Section, where such Amenities may be pre-existing, newly created, or on-site within a Housing Complex. The facilities or structures utilized as Amenities for each Housing Complex shall be designated by the MOHCD. The timeline for creating any Amenities must follow the schedule prescribed in Section 110.8(c) of this Chapter.
- (b) **Amenities.**
- (1) Sufficient, well-invested, qualifying facilities (at least one), including but not limited to home-based facilities or institutional facilities, providing full-time affordable early care and education for children of any age range through age five. The standards for “qualifying” and “well-invested” facilities, the definition of “affordable” care, and the number of necessary facilities to be “sufficient” for each

Housing Complex shall be set by the SF Human Services Agency's Office of Early Care and Education ("OECE") based on a needs assessment and subject to the availability of allocated funds. The foregoing needs assessment shall be conducted in consultation with the SF Child Care Planning and Advisory Council ("CPAC") and early care and education public interest organizations.

(A) Funds allocated for such facilities, which may be pre-existing, may also be utilized to invest in workforce compensation, access to green space for children, facility renovation, facility expansion, or other such functions deemed appropriate by OECE in consultation with CPAC to create "well-invested" facilities.

(B) At least one such facility shall be situated on-site within a Housing Complex in the case of newly constructed Housing Complexes.

(C) For an acquired Housing Complex, if sufficient qualifying facilities do not exist within 0.4 miles of the Housing Complex within the timeline specified in Section 110.8, the MOHCD Director may seek one or more one-year extensions and provide a plan for remediation by presenting the extension request at a Board of Supervisors Land Use and Transportation Committee meeting that includes public comment on the extension.

(D) MOHCD shall ensure a reasonably affordable lease for early care and education providers if such facilities are situated on City-owned property.

(2) One public meeting space to be used for community activities and as a resilience center providing cooling, heating, disaster relief supplies, and electricity during extreme weather.

(A) The meeting space may also be used by Community Council(s) for public meetings.

(B) In newly constructed Housing Complexes, the meeting space shall be situated on-site within a Housing Complex and shall include an adjacent community kitchen for Tenants to prepare food and drinks.

(c) Realization of Amenities.

(1) MOHCD shall cooperate with the Planning Commission and Zoning Administrator to propose any necessary zoning changes to the General Plan and other applicable laws to assist in the Realization and operation of Amenities, pursuant to Section 4.105 of the San Francisco Charter as amended from time to time.

(d) **Accessibility.** All Amenities shall be made accessible pursuant to California Government Code Section 4450, as amended from time to time, without regard to whether such facilities are acquired or newly constructed.

(e) **Tax Exemptions.** Notwithstanding any provision of City law to the contrary, Amenities on City-owned real property shall be exempt from all applicable City taxes and special assessments on such real property. Rental revenues for Amenities on City-owned real property shall be exempted from all applicable City taxes.

SEC. 110.6. COMMUNITY COUNCILS

(a) Community Councils shall be structured as non-governmental tenant associations, with Representatives elected by Voting-Eligible Tenants, pursuant to the requirements in this Chapter.

(b) At any time, a Housing Complex's Tenants may, through a recorded majority vote of Voting-Eligible Tenants in the Housing Complex, decide to create, choose, or change the Community Council representing them. All Tenants in a given Housing Complex must be represented by the same Community Council.

- (c) The Tenants initially forming a Community Council shall prepare all necessary articles, bylaws, or other applicable documents to create the Community Council and meet the requirements of this Section, and may contact the Planning Department or tenant advocacy organizations for any assistance with compliance with this Section. The documentation required to create a Community Council shall include free and fair election procedures allowing all represented Voting-Eligible Tenants to vote in electing Community Council Representatives; a record of represented Tenants; procedures for filling vacancies in Community Council seats; procedures for recall elections; and a code of conduct to maintain respect and encourage the input of represented Tenants. Such documentation must be submitted to the Planning Department to determine compliance with this Section. If the Planning Department rejects the documentation, the Tenants may revise and resubmit the documentation to the Planning Department.
- (d) A Community Council's decisions shall be made through an affirmative vote of at least a majority of its elected voting Representatives present at a public quorate meeting.
- (e) A quorum of each meeting shall be a majority of Community Council Representatives present, where "presence" shall include teleconferencing or participation by other electronic means.
- (f) Following its formation and the initial election of Community Council Representatives, each Community Council shall hold at least one public meeting per month. Each meeting shall include, at a minimum, a period for Tenant comments and Community Council Representative responses.
 - (1) Community Councils shall be permitted to convene meetings in a manner fully independent of the MOHCD or MOHCD's representatives. In order to preserve the independence of Community Councils, a representative of the MOHCD shall not attend Community Council meetings unless invited by the Community Council's Representatives.
- (g) The MOHCD shall allow all Tenants to engage in lawful conduct related to the establishment and continued operation of a Community Council, as well as conduct related to advocating for Tenants' needs. Such conduct shall include but not be limited to:
 - (1) Distributing leaflets under a Tenant's unit's doors, in Housing Complex lobbies, or in other common areas or bulletin boards.
 - (2) Initiating contact with Tenants, including through door-to-door surveys, to discuss Community Council formation or the Community Council representing the Tenant.
- (h) For a Community Council representing at least 50 Voting-Eligible Tenants, elected Community Council Representatives may vote to be compensated \$150 ("per diem") from the Fund per quorate public meeting fully attended, for no more than two such meetings per month. The MOHCD shall annually alter this per diem by January 1 of each year by a percentage equal to the Change in Cost of Living since the first January 1 after the Effective Date of the Ordinance enacting this Chapter.
 - (1) If a Community Council elects to receive per diems as specified in this Paragraph, it shall not have a number of Community Council Representatives exceeding a ratio of five Community Council Representatives per one hundred Voting-Eligible Tenants.
- (i) Each Community Council shall have the following powers, as well as any additional powers or responsibilities that may be assigned to Community Councils elsewhere in this Chapter, or granted by the MOHCD pursuant to Section 110.7 of this Chapter:
 - (1) **Withholding Rent.** A Community Council may vote to permit Tenants to withhold payment of rent ("Rent Withholding"). The procedures for such Rent Withholdings shall be as follows.
 - (A) **Permitted Grievances.** A Community Council may only call for Rent Withholdings in response to the following categories of grievances with the MOHCD:

- i) Failing to meet tenantable conditions pursuant to California Civil Code Sections 1941, 1941.1, or the implied warranty of habitability.
 - ii) Allowing conditions that breach the implied covenant of quiet enjoyment.
 - iii) Denying any housing right conferred by applicable state, local, or federal law.
 - iv) Failing to meet any requirement set for the Program that detrimentally affects Tenants' quality of life.
- (B) **Notice of Rent Withholding.** At least 30 days before initiating a Rent Withholding, a Community Council shall provide written notice to the MOHCD that contains all of the following:
- i) A list of all grievances for which the members of the Community Council are seeking redress, and – for each grievance listed – a practicable resolution that would be satisfactory to the Community Council.
 - ii) Notice that the Community Council plans to undertake a Rent Withholding if the MOHCD does not, within 30 days from receipt of the notice, comply with the Community Council's demands or reach an alternate agreement that is satisfactory to the Community Council.
 - iii) An address to which the MOHCD should deliver a response.
- (C) **Initial Response.** Within 10 days of receiving a written notice pursuant to Subparagraph (B), the MOHCD shall deliver a written response to the Community Council. For each grievance listed in the notice, the MOHCD shall indicate whether the MOHCD shall resolve the grievance as proposed or meet with the Community Council in good faith to discuss an alternative resolution.
- (D) **Meet and Confer.** Within 20 days of receiving a written notice pursuant to Subparagraph (B), the MOHCD shall meet in person with the Community Council. Both parties may agree to have a mediator present at the meeting, provided that any cost of the mediator be charged to the MOHCD. At the meeting, for any of the grievances listed in the notice which the MOHCD has agreed to resolve in the manner proposed by the Community Councils, the MOHCD shall provide a progress report. For all other grievances, the MOHCD shall confer in good faith with the Community Council about alternative ways to resolve each grievance.
- (E) **Initiation of Rent Withholding.** No sooner than 30 days after delivering the written notice of grievance to the MOHCD, if the members of the Community Council are not satisfied with the MOHCD's response or progress toward resolving the grievances listed in the notice, the Community Council may vote to authorize its Tenants to withhold one month's rent less deductions as specified in Sub-subparagraph (ii), and may subsequently vote to authorize further one-month withholdings for following calendar months until grievances are resolved pursuant to Subparagraph (G).
- i) At the beginning of each Rent Withholding, each Tenant exercising the option to withhold rent shall sign a written notice to the MOHCD indicating that the Tenant is exercising their right to withhold rent pursuant to this Paragraph (1), and intends to submit a payment at the end of each month as specified in Sub-subparagraph (ii) of this Subparagraph (E).
 - ii) **Payment of Rent Less Deductions.** Except as provided in Subparagraph (G) of this Paragraph, no later than seven days after each one-month withholding period has lapsed, or the grievances specified in the written notice provided pursuant to Subparagraph (B) have been resolved, whichever occurs earlier, the Tenant shall pay to the MOHCD an amount equal to one month's rent less any itemized deductions to ensure habitability, and less a deduction of up to \$100 per month that a Tenant may claim without burden of proof for expenses incurred in connection with repairs. The dollar amount of the foregoing

deduction shall be adjusted annually by January 1 of each year by a percentage equal to the Change in Cost of Living since the first January 1 after the Effective Date of the Ordinance enacting this Chapter. Rent paid within this seven-day period, or pursuant to Sub-subparagraph (iii) of this Subparagraph (E), shall not be considered a late payment of rent and shall not be subject to any penalty or fee for the late payment of rent.

iii) **Alternative Payment.** Notwithstanding Sub-subparagraph (ii) of this Subparagraph (E), the Community Council and MOHCD may agree to an alternative payment arrangement at the end of each one-month withholding period.

iv) **Payment Waived.** Notwithstanding Sub-subparagraph (ii) of this Subparagraph (E), if the MOHCD fails to comply with the requirements specified in Subparagraphs (C) and (D), payment of rent withheld by a Tenant pursuant to this Paragraph (1) shall be waived for the first one-month period of a Rent Withholding.

(F) **Non-Retaliation.** The MOHCD shall not serve a written notice to quit or terminate to, or retaliate against, or take any action to terminate tenancy against, or evict, or raise required rental payments on Tenants withholding payment of rent pursuant to this Paragraph (1) during any one-month period in which such Tenants are withholding rent.

(G) **Resolution of Rent Withholding.** At any time during the one-month period in which Tenants are withholding rent, the MOHCD may report to the Community Council regarding the status of the grievances. If all grievances on the list have been resolved in a manner deemed satisfactory by the Community Council, each Tenant shall promptly deliver to the MOHCD a payment pursuant to Subparagraph (E) and the Rent Withholding shall be considered resolved.

(H) The remedies provided by this Paragraph are in addition to any other remedy provided by Tenants' rental agreement, or other applicable local, state or common law.

(2) **Supervisory Meetings.** Any Community Council representing at least ten Voting-Eligible Tenants may submit a written notice to summon its Supervisorial District's Supervisor to a Community Council meeting at most two times per year. Within 30 days of receiving such a notice, the Supervisor shall attend a Community Council meeting, which shall be scheduled at a mutually agreeable meeting time with the Community Council. The Supervisor shall report any findings made at the Community Council meeting to appropriate City departments and officials.

(3) A Community Council may document and advocate for necessary improvements at a Housing Complex or Amenity, may advocate for budgeting changes or policy changes to MOHCD's operational management of Housing Complexes it represents, and may oversee improvements to ensure the wellbeing of Tenants. A Community Council may petition the MOHCD, or other applicable entities for Housing Complexes or Amenities utilized by its represented Tenants, to address pressing maintenance needs experienced by Tenants.

(4) To ensure Tenants' safety and wellbeing, a Community Council may propose changes to any plans for rehabilitation, demolition, or significant alteration of Housing Complexes or Amenities that are utilized by its represented Tenants.

(5) A Community Council may advise the San Francisco Municipal Transportation Agency and any relevant entities to ensure adequate transit frequency for Rapid Public Transit Stations that are utilized by its represented Tenants.

(j) A Community Council shall be reimbursed by the MOHCD for the following documented expenses:

(1) Costs of receiving legal assistance regarding its duties or powers, subject to funding limits imposed by the MOHCD.

- (2) Costs incurred in organizing community events, subject to funding limits – such as a maximum budget per event – imposed by the MOHCD.
- (3) Costs to provide services needed for cultural and language accessibility at Community Council meetings, including translation and sign language services as appropriate.
- (4) Costs to provide mediation and conflict resolution services for conflicts among Tenants, or conflicts between Tenants and MOHCD's representatives or designated representatives, subject to funding limits imposed by the MOHCD. The intent of such services shall be to create and maintain a respectful environment among Tenants and MOHCD's representatives or designated representatives.

SEC. 110.7. PROGRAM OVERSIGHT AND EXECUTION

- (a) **Committee Establishment.** The San Francisco Community Housing Oversight Committee is hereby established, and structured to include nine members ("Committee Members"). This Committee serves solely as an independent and advisory City entity. Committee Members shall serve two-year terms, with a term limit of four consecutive terms. The two-year term for each of the initial four Committee Members specified in Subsection (b) of this Section shall commence on the date when four Committee Members have been appointed, which shall be no later than the first April 20 after the Effective Date of the Ordinance enacting this Chapter. The two-year term for Committee Members in all other cases shall commence on the date of their appointment.
- (b) **Committee Members.** Committee Members shall be chosen as follows:
 - (1) Seats One through Four shall be appointed by the Board of Supervisors. Seat One shall be an individual with experience in low-to-moderate-income non-profit housing development, with a particular focus on property management. Seat Two shall be a representative of a tenant advocacy organization. Seat Three shall be a representative of an organization for senior or disability rights. Seat Four shall be a person with significant experience in the field of development finance.
 - (2) Seats Five through Nine shall be Tenants appointed by the Board of Supervisors, within one year after the date when this Program first has Tenants.
 - (3) All Committee Members must be residents of the City.
 - (4) Tenant Committee Members appointed under Paragraph (2) of this Subsection must maintain their status as Tenants throughout their tenure on the Committee.
 - (5) Vacancies in the Committee shall be filled by appointment by the Board of Supervisors in accordance with this Section 110.7.
- (c) **Committee Member Compensation.** Subject to the budgetary and fiscal limitations of the Charter, MOHCD shall compensate Tenant Committee Members \$150 ("per diem") from the Fund per quorate public meeting fully attended, where this per diem shall be adjusted annually by the Change in Cost of Living since the first January 1 after the Effective Date of the Ordinance enacting this Chapter. Each Committee member may be reimbursed from the Fund for expenses actually incurred in the course and scope of the member's duties.
- (d) **Committee Duties.** The Committee shall have the following duties:
 - (1) The Committee shall evaluate Housing Complexes, Amenities, and Rapid Public Transit Stations to identify existing and emerging needs, as well as to evaluate progress on the Program's goals set in Section 110.8.

- (2) The Committee shall advise and make recommendations to the Mayor, Board of Supervisors, and City departments receiving monies from the Fund, on the use and expenditure of monies from the Fund, consistent with the findings, purposes, and goals of this Program.
- (3) The Committee shall collect input and testimonies from Tenants and Community Councils, including those presented during the public comment sections of a Committee meeting, and convey any such input to the appropriate entities for prompt resolution.
- (4) The Committee shall advise the Board of Supervisors in developing criteria for qualified tenant advocacy organizations to provide Tenant Support Services.
- (e) **Committee Meetings.** Committee Members shall hold periodic public meetings at least every 60 days, prioritizing times that are convenient to Tenant Committee Members. The Committee shall submit to the Board of Supervisors a schedule containing the time and place of its regular meetings for each calendar year by no later than April 30 in its first year of operation, and no later than January 1 of each subsequent year.
- (f) **Committee Attendance.** A quorum of Committee meetings as specified in Subsection (e) of this Section shall be three Committee Members present or at least three-fifths of all Committee Members present, whichever is larger. "Presence" shall include teleconferencing or participation by other electronic means. Absence from three consecutive meetings, or five meetings during a two-year period, constitutes resignation from the Committee.
- (g) **Program Execution.** To meet the property management, construction, rehabilitation, and community enrichment needs of the Program, the MOHCD and Planning Department shall take all necessary steps to employ or contract workers and/or organizations for the following purposes, and for all other purposes necessitated in this Chapter. MOHCD and the Planning Department shall employ sufficient staff as necessary during the interim period between the Effective Date of this Ordinance and the beginning of the first Housing Goals described in Section 110.8(b), to ensure a smooth implementation of the Program.
- (1) **Construction and Preservation.** The MOHCD shall take all necessary steps to manage the construction, preservation, acquisition, rehabilitation, and modernization of Housing Complexes. MOHCD and Planning Department employees shall also have the following responsibilities:
- (A) **Acquisition and Construction.** MOHCD employees shall track and ensure the timely and cost-effective delivery of Housing Complex acquisition or construction. Construction, architectural design, and development may be managed by any entity the MOHCD designates, or the MOHCD itself, subject to all other provisions of City law and the City's bid processes. Notwithstanding the previous sentence, MOHCD shall not contract with a developer that has been found guilty or criminally, civilly, or administratively liable in a judicial or administrative proceeding that determined that the developer falsified environmental safety or habitability records, or knowingly permitted detrimental conditions affecting tenants' health or dwelling habitability.
- (B) **Planning and Design.** Planning Department employees shall organize, and contract as appropriate to conduct, community planning and design for Housing Complex rehabilitation or construction, in conjunction with architectural firms and other entities as applicable, with the ultimate aim of ensuring design excellence with community input.
- (C) **Preservation.** MOHCD employees shall implement best practices for property management and operational budgeting by MOHCD at each property; ensure that individual Housing Complexes adequately and cost-effectively manage rehabilitation, maintenance, preventive maintenance, and modernization, including exterior repair, interior repair, building systems upgrades, and ground improvements; closely monitor operational trends in maintenance requests and backlogs, and implement structural changes to ensure a timely resolution for such requests; compile and present

to the Director of MOHCD, on at least an annual basis after such Housing Complexes exist, general maintenance plans for Housing Complexes including operational and capital needs; and regularly share and report operational findings and trends to the appropriate groups within the MOHCD.

(2) MOHCD employees shall solicit the input of Tenants and assist Community Councils. Additionally:

(A) **Community Engagement.** The Planning Department shall, in conjunction with assisting community advocacy organizations, develop an annual, City-wide workshop for Tenants, culturally accessible to all Tenants, to train new Community Council representatives through peer-to-peer opportunities, allow Tenants to advocate for budgeting and policy priorities for the Program, develop youth leadership within Community Councils, and provide any other peer-to-peer learning opportunities. The first such workshop shall be organized no more than 730 calendar days after the first date on which a Housing Complex is acquired or constructed. MOHCD shall record and utilize input on Program budgeting, policies, and other Tenant feedback in developing its Program plans.

(B) **Tenant Assistance.** MOHCD shall provide adequate support to Community Council Representatives and assisting tenant advocacy organizations for Tenant Support Services, including access to necessary Housing Complex statistics that Community Council Representatives may reasonably require to perform their duties.

(h) **Additional MOHCD Duties.** In addition to all other duties assigned to the MOHCD in this Chapter:

(1) The MOHCD shall have the primary responsibility for executing the Program, promulgating regulations for the Program, and managing Housing Complex properties as specified.

(2) **Financial Audits.** The MOHCD shall finance an independent annual audit by certified public accountants of monies allocated from the Fund for this Program. This audit shall review all appropriate entities' financial records and determine that all monies appropriated to this Program have been allocated and expended in compliance with the provisions of this Program.

(3) **Performance Audits.** The MOHCD shall finance a performance audit by the Board of Supervisors Budget and Legislative Analyst at least every three years, which shall evaluate the economy, efficiency, and effectiveness of the MOHCD's financial, operational, and Program management, as well as progress on goals as specified in Section 110.8 of this Chapter. The audit shall include recommendations for policy, administrative, and technical changes, as appropriate, that further the purposes of the Program, for the consideration of the Mayor and Board of Supervisors. The initial performance audit shall be completed by the first November 1 that occurs at least three years after the Effective Date of the Ordinance enacting this Chapter, and every subsequent audit shall be completed by November 1 of the appropriate year thereafter with a three-year frequency. Following the completion of each audit, the Director of the MOHCD shall respond to all audit recommendations and report on implementation progress for those recommendations at least every 180 days at a meeting of the Board of Supervisors Land Use and Transportation Committee.

(4) **Public Hearings.** The Director of the MOHCD shall report on the progress of the Program and solicit public comment at a Board of Supervisors Land Use and Transportation Committee meeting, at least every 90 calendar days after the Effective Date of the Ordinance.

(5) **Strategic Plans.** The MOHCD shall regularly evaluate Housing Complexes and Amenities to identify existing and emerging needs, as well as to evaluate progress on the Program's goals set in Subsections (a) and (b) of Section 110.8. The MOHCD shall develop a strategic plan no later than July 1 of each year to better inform the use of the Fund and progress towards these goals. The initial annual strategic plan shall be submitted to the Board of Supervisors Land Use and Transportation Committee no later

than the second July 1 after the Effective Date of the Ordinance enacting this Chapter. All strategic plans shall, at a minimum, include:

- (A) An optimal mix of new construction and acquisition of real property for each Supervisorial District, where acquisition shall particularly be focused on protecting low-income City residents earning below 80% of AMI who are at risk of displacement and shall be based on the actual input of these low-income City residents and communities.
- (B) Tenant wellbeing needs as identified by Community Councils, testimonies at public meetings, and other means, as well as steps to meet those needs.
- (C) Calculations pertaining to the City-wide financial self-sustainability of current Housing Complexes, based on current and forecasted rental payments and expenses, and proposed changes to the Program – which may be administrative, legislative, or otherwise – to achieve overall City-wide Housing Complex self-sustainability if such self-sustainability is not already the case.
- (6) The MOHCD may use monies appropriated to this Program to financially compensate the respective City departments and other City entities for expenses they incur in assisting in the Realization of Housing Complexes and (if applicable) Amenities or otherwise furthering the purposes of this Program.
- (7) The MOHCD may seek all applicable forms of financial assistance or loans — including but not limited to assistance or loans from a publicly owned and operated banking institution — that are consistent with the purposes of this Program.
- (8) The MOHCD may delegate any additional powers, responsibilities, or resources it deems appropriate to Community Councils.
- (9) The MOHCD shall promulgate rules and regulations required by this Chapter and may promulgate additional rules and regulations that it deems appropriate to effectuate the provisions of this Chapter, so long as those rules and regulations do not conflict with this Chapter.
- (i) **Assistance.** All City departments, boards, commissions, or other governmental entities shall reasonably cooperate with the MOHCD in the implementation, oversight, and administration of this Chapter. In addition to all other forms of cooperation specified in this Chapter:
 - (1) **Reviews.** The Planning Department shall, at MOHCD's request, assist in conducting any necessary and applicable environmental reviews or other analyses required to Realize Housing Complexes and Amenities.
 - (2) **Workforce training.** The Office of Economic and Workforce Development, City College of San Francisco, and other City departments involved in workforce training shall, at MOHCD's request, assist in directing a portion of applicable workers from CityBuild programs or similar programs to Realize Housing Complexes and Amenities, or serve in positions – including but not limited to MOHCD employees, SFMTA employees, or childcare providers – that further the purposes of the Program. The efforts of the City in developing workforce training programs shall ensure adequate outreach to and recruiting of low-income communities.
 - (3) **Zoning.** The Planning Commission and Zoning Administrator shall assist in promulgating changes to the General Plan and other applicable planning or permitting laws to help the MOHCD Realize Housing Complexes and Amenities in a more streamlined fashion, pursuant to Section 4.105 of the San Francisco Charter if applicable, as amended from time to time.
 - (4) **Inspection.** The Department of Building Inspection shall annually inspect all Housing Complexes, and shall identify and report unsafe conditions to each site's property management staff. The Department

of Building Inspection shall also publicize the findings of such inspections on its website, and deliver a copy of such inspections to the affected Community Council(s).

SEC. 110.8. PROGRAM GOALS AND PLANS

- (a) **Authorization.** Commencing the first January 15 after the Effective Date of the Ordinance enacting this Chapter, the MOHCD and other applicable entities are hereby authorized by the People of the City and County of San Francisco to develop, construct, or acquire a maximum of 30,000 habitable Applicable Units in Housing Complexes pursuant to California Constitution Article XXXIV, in accordance with all provisions of this Program.
- (1) After 30,000 habitable Applicable Units have been acquired or constructed pursuant to this Chapter, it is the intent of the voters that the Board of Supervisors submit a further authorization for additional Applicable Units, pursuant to California Constitution Article XXXIV if applicable.
- (b) **Housing Goals.** For every three-year period ("Goal Period"), commencing no later than the first February 1 that occurs at least two years after the Effective Date of the Ordinance enacting this Chapter, the MOHCD shall set a goal of constructing or acquiring at least 1500 new Applicable Units, net of units demolished or removed under the Program, and integrating them into the Program.
- (1) It is the intent of the voters that Housing Complex units be geographically distributed to focus on areas where low-income City residents making below 80% of AMI are experiencing high rent burdens or risk of displacement, where this determination shall be based on actual input from low-income City residents and tenant advocacy organizations. However, it is also the intent of the voters that these units not be concentrated within a small number of the City's Supervisorial districts.
- (2) Any units acquired or constructed after the Effective Date of the Ordinance enacting this Chapter and prior to the commencement of the first Goal Period shall count to the credit of the first Goal Period.
- (3) No additional SROs shall be acquired in a given Goal Period if 300 SROs have already been acquired in that Goal Period. SROs shall not be constructed under the Program.
- (4) For the first two Goal Periods, the MOHCD shall particularly prioritize acquisition of real property over new construction, if acquisition is more efficient and economical than new construction, especially to protect tenants earning below 80% of AMI who are at risk of displacement.
- (5) Should the MOHCD fail to achieve its goal of 1500 units acquired or constructed during a Goal Period, the MOHCD shall carry forward the unfulfilled number of units from that Goal Period and add that unfulfilled number to the following Goal Period's goal.
- (c) **Amenity Goals.** The designated Amenities for a Housing Complex shall be completed and in service within three years of the Housing Complex's construction or acquisition.

SEC. 110.9. DEPARTMENTAL CHANGES

Should any of the aforementioned governmental departments, agencies, programs, or other entities cease to exist or, in the determination of the Board of Supervisors, become inadequately suited to conduct their specified responsibilities, then the Board of Supervisors is authorized, following a majority vote, to direct any financing and responsibilities for a Housing Complex or Amenities to any successor City department, agency, program, or entity, or to a City department, agency, program, or entity, while retaining all other requirements specified in this Chapter.

SECTION 6. Public District Zoning.

Article 2 of the Planning Code is hereby amended by revising Section 211.1, to read as follows:

SEC. 211.1. PRINCIPAL USES PERMITTED, P DISTRICTS.

The following uses are principally permitted in all P Districts when found to be in conformity with the General Plan:

* * * *

- (b) Public structures and uses of the City and County of San Francisco, and of other governmental agencies that are subject to regulation by this Code, including Residential Uses and other uses required for Housing Complexes for the Community Housing Program defined in Chapter 110 of the Administrative Code, and Neighborhood Agriculture, as defined in Section 102 of this Code; and,

* * * *

SECTION 7. Amendment.

The legislation enacted by this Ordinance may be amended by a majority vote of the Board of Supervisors, but such amendments shall not conflict with the Purposes in Section 2.A of this Ordinance, shall not deprive Community Councils of powers granted in this Ordinance unless required by court order, and shall not change the public ownership or public management of Housing Complexes.

SECTION 8. Liberal Construction.

This Ordinance shall be liberally construed to effectuate its purpose.

SECTION 9. Severability.

If any section, subsection, sentence, clause, phrase, or word of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, said decision shall not affect the validity of the remaining portions or applications of this Ordinance. The People of the City and County of San Francisco hereby declare that they would have passed this Ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Ordinance or application thereof would be subsequently declared invalid or unconstitutional.

SECTION 10. Scope of Ordinance.

In enacting this Ordinance, the People of the City and County of San Francisco intend 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 or deletions, in accordance with the "Note" that appears under the official title of the Ordinance.

SECTION 11. Additional Findings.

The People of the City and County of San Francisco specifically find that, for the reasons set forth in Sections 2.A and 2.B, this Ordinance is consistent with the San Francisco General Plan and the Priority Policies set forth in San Francisco Planning Code Section 101.1, and the actions in this Ordinance will serve the public necessity, convenience, and welfare pursuant to San Francisco Planning Code Section 302.

SECTION 12. Appropriations Limit Increase.

Pursuant to California Constitution Article XIIIB and applicable laws, for four years from the election date when this Ordinance is approved by the voters, the appropriations limit for the City and County of

San Francisco shall be increased by the aggregate sum collected by the levy of the Community Housing Gross Receipts Tax imposed by this Ordinance.

SECTION 13. No Conflict with Charter, Federal, or State Law

Nothing in this Ordinance shall be construed so as to create any requirement, power, or duty in conflict with any San Francisco Charter, federal, or state law.

SECTION 14. Other Measures on the Same Ballot

In the event this measure and one or more other measures regarding a tax to fund affordable housing or a restructuring of the existing gross receipts tax system both appear on the ballot and receive their required percentages of affirmative votes cast on each measure, it is the intent of the voters that the provisions of each measure be harmonized and given full effect.

SECTION 15. Effective Date and Operative Date.

The Effective Date of this Ordinance shall be ten days after the date the official vote count is declared by the Board of Supervisors. The ordinance shall become Operative on the first January 1 after the Effective Date.

SECTION 16. Standing.

If the City or any of its departments or officials fails to comply with the requirements of the Community Housing Program, as amended from time to time, then any Community Housing Program Tenant or any Community Council shall have a right to file a civil action to enforce the requirements of the Community Housing Program. The City, its departments, its officials, or its representatives shall not retaliate against a Community Housing Program Tenant or Community Council for exercising this right.