



MEMORANDUM

TO: Ballot Simplification Committee
FROM: Todd Rufo, Director OEWD and Olson Lee, Director, MOHCD
CC: Barbara Carr, DOE
DATE: August 5, 2016
RE: "Housing and Development Commission" Ballot Simplification

Dear Committee Members Packard, Anderson, Fasick, Fraps, and Jorgensen:

We write to offer the attached revisions from the Office of Economic and Workforce Development (OEWD) and the Mayor's Office of Housing and Community Development (MOHCD) for the measure entitled "Housing and Development Commission." OEWD and MOHCD respectfully request the Committee consider the attached technical clarifications to the Draft Digest.

Thank you for the opportunity to assist in this process.

Housing and Development Commission*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration

On: Monday, August 8, 2016

Members: Packard, Anderson, Fasick, Fraps, Jorgensen

Deadline to Request Reconsideration: TBD

The Way It Is Now: The Office of Economic and Workforce Development (OEWD) administers:

- programs related to ~~workforce development and job training~~, attracting and retaining San Francisco businesses and nonprofits, ~~workforce development and job training in the City~~;
- public-private real estate development projects, including development agreements, and
- programs for revitalizing commercial corridors in economically disadvantaged neighborhoods.

The Mayor's Office of Housing and Community Development (MOHCD) administers:

- programs to finance the development and rehabilitation of affordable housing;
- the City's below-market-rate inclusionary housing program, which is governed by rules defined in the Planning Code. The program generally requires developers of market-rate housing to pay a fee or to build a certain number of affordable housing units; ~~and~~
 - first time home owner loans and grants; and
- grants programs to support community development, nonprofit organizations, and small businesses.

The Mayor appoints the heads of OEWD and MOHCD, establishes their priorities, and has the authority to remove them.

Oversight over OEWD and MOHCD is exercised by several bodies; each office is required by local, state and federal law to:

- produce periodic strategic planning documents, many of which are constructed with community input and approved by the Board of Supervisors (Board);
- submit for board approval their budgets and many of their agreements, programs and grants. Additionally, multiple Board committees and City commissions oversee MOHCD and OEWD operations, and;
- operate several standing governance bodies to satisfy federal mandates. OEWD administers an approximately 40 member San Francisco Workforce Investment Board. MOHCD administers the 9 member Citizens Committee on Community Development.

~~No City commission directly oversees the operations of MOHCD and OEWD. But, the Board of Supervisors (Board) approves their budgets and some of their agreements, programs and grants.~~

OEWD employs competitive selection processes for its neighborhood improvement, small business assistance, and workforce grants.

MOHCD follows a competitive selection process for the development of affordable housing on City-owned property and for awarding housing development funds and community development grants.

The Proposal: Proposition ___ is a Charter amendment that would create the Housing and Development Commission. The Commission would have seven members, three appointed by the Mayor, three appointed by the Board, and one appointed by the Controller. The Mayor's nominees would be subject to approval by the Board. Commissioners could serve up to two consecutive four-year terms.

The proposal would dissolve OEWD and MOHCD, which employ approximately 200 employees. It would create ~~The Commission would oversee~~ two newly formed departments overseen by the commission—the Department of Economic and Workforce Development (DOEWD) and the Department of Housing and Community Development (DOHCD) —with equivalent staffing as the dissolved offices. DOEWD would take over the powers and duties of OEWD, and DOHCD would take over the powers and duties of MOHCD. The Commission, instead of the Mayor, would have the power to appoint, establish priorities for, and remove the heads of these two departments.

The Commission's responsibilities would also include:

- adding its review and approval to the ~~adopting~~ on process of a five-year strategic plan specifying the City's goals for affordable housing and community development projects;
- establishing new rules for the competitive selection process for the development of affordable housing on City-owned property, which would replace existing competitive selection processes. These new rules would be subject to rejection by a two-thirds vote of the Board. The rules would replace any rules that the Board or the voters adopted before March 1, 2017 relating to a competitive bid process for the City's development of affordable housing, including any competitive selection rule changes appearing on this ballot;
- making recommendations to the Board, in addition to the recommendations of the Planning Commission, before the Board approves any ordinance setting or changing the City's below-market rate inclusionary housing requirements. Any such ordinance would replace any conflicting provisions in ordinances that the Board or the voters adopted before March 1, 2017, including any changes to below-market rate inclusionary housing requirements that appear on this ballot; ~~and~~
- making recommendations for Board approval of DOEWD administered development agreements, in addition to currently required Planning Commission approvals; and
- ~~approving development agreements that DOEWD administers.~~
- overseeing the expenditure of the city's affordable housing funds, including housing development loans, down payment assistance loans and grants, and community development grants.

A "YES" Vote Means: If you vote "yes," you want to amend the Charter to create the Housing and Development Commission, dissolve OEWD and MOHCD, which employ approximately 200 employees, and create ~~to oversee~~ two newly formed departments overseen by the Commission—the Department of Economic and Workforce Development and the Department of Housing and Community

Development (DOHCD)—with equivalent staffing as the dissolved offices. You also want the Commission's responsibilities to include:

- adding its review and approval to the adoption process of a five-year strategic plan for affordable housing and community development projects;
- establishing rules for the competitive selection process for the development of affordable housing on City-owned property, which would replace currently existing competitive selection rules;
- making recommendations to the Board, in addition to the recommendations of the Planning Commission, before the Board approves any ordinance setting or changing the City's below-market rate inclusionary housing requirements; ~~and~~
- making recommendations for Board approval of approving development agreements that ~~DOEWD administers~~ development agreements for Board approval, in addition to currently required Planning Commission approvals; and-
- overseeing the expenditure of the city's affordable housing funds, including housing development loans, down payment assistance loans and grants, and community development grants.

A "NO" Vote Means: If you vote "no," you do not want the City to make these changes