

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 77 – 2015

Adopted December 15, 2015

**APPROVING A FIVE YEAR EXTENSION OF RESIDENTIAL A AND C
CERTIFICATES AS AUTHORIZED UNDER THE PROPERTY OWNER AND
OCCUPANT PREFERENCE PROGRAM (CERTIFICATE OF PREFERENCE
PROGRAM)**

- WHEREAS, In 1969, the California Legislature amended the Community Redevelopment Law (“CRL”) to require redevelopment agencies to provide low and moderate income households displaced by a redevelopment project with a priority in the renting and buying of affordable housing units that the agency develops. This “priority” is codified at Section 33411.3 of the California Health and Safety Code and requires a redevelopment agency to give “priority in renting or buying” to displaced, low and moderate income households “whenever all or any portion of a redevelopment project is developed with low- or moderate-income housing units and whenever any low- or moderate-income housing units are developed with any agency assistance” (the “Statutory Priority”). To qualify, the low or moderate income household must meet the income eligibility requirements under the CRL and have been “displaced by the redevelopment project;” and,
- WHEREAS, The Redevelopment Agency of the City and County of San Francisco (“Redevelopment Agency”) implemented the Statutory Priority in a variety of ways, including specific requirements in redevelopment plan documents for certain project areas and a Property Owner and Occupant Preference Program that covered other redevelopment project areas (“Certificate of Preference Program”); and,
- WHEREAS, The Redevelopment Agency amended the Certificate of Preference Program on several occasions. See Resolution No. 76-78 (April 18, 1978); Resolution No. 253-98 (Dec. 8, 1998), and Resolution No. 57- 2008 (June 3, 2008). Under Resolution No. 57-2008, the Redevelopment Agency Commission authorized, among other things, an extension of the time limit for certain residential certificates (which under previous rules expired two years after the expiration of a particular project area) by an additional 15 years subject to Commission review and approval at or before the fifth year and the tenth year of the extended term; and,
- WHEREAS, The Redevelopment Agency issued, consistent with Resolution No. 57-2008, revised rules for the Certificate of Preference Program effective October 1, 2008. These rules have remained in effect. (A copy of the Certificate of Preference Program is included as Attachment A to this Resolution.); and,
- WHEREAS, Regarding the extension of certain certificates, Section II.F. 1. of the Certificate of Preference Program provides that “Residential A and C Certificates shall be valid

[if an income-eligible certificate holder has not previously received a priority in affordable housing] until seven years after completion of an Urban Renewal Project Area (i.e., Jan. 1, 2016), unless the Agency Commission approves five year extensions of these Certificates. The Agency shall not approve more than two five-year extensions;” and,

WHEREAS, The Certificate of Preference Program defines a Urban Renewal Project Area as either the Western Addition A-2 or Hunters Point (i.e., Area A of the Bayview Hunters Point Project Area) Redevelopment Project Areas; and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco required, by Ordinance No. 232-08 (Oct. 30, 2008), all affordable housing programs funded and developed by the City and County of San Francisco to give a preference to displaced households under the terms of the San Francisco Redevelopment Agency’s Property Owner and Occupant Preference Program, as reprinted September 11, 2008 and effective October 1, 2008. These affordable housing programs are separate from those funded and developed by the Redevelopment Agency and are under the jurisdiction of the Mayor’s Office of Housing (now called the “Mayor’s Office of Housing and Community Development” or “MOHCD”); and,

WHEREAS, On February 1, 2012, state law dissolved the Redevelopment Agency and required the transfer of certain of its assets and obligations to the Successor Agency to the Redevelopment Agency, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), Cal. Health & Safety Code §§ 34170 et seq. (“Redevelopment Dissolution Law”); and,

WHEREAS, The California Department of Finance has finally and conclusively determined that certain long-term development agreements for Transbay, Mission Bay, and Candlestick Point-Hunters Point Shipyard Project Areas are enforceable obligations that survived the dissolution of the Former Redevelopment Agency and that became the responsibility of the Successor Agency. These enforceable obligations include the Mission Bay North Owner Participation Agreement (“OPA”), the Mission Bay South OPA, the Disposition and Development Agreement (“DDA”) for Hunters Point Shipyard (“HPS”) Phase 1, the DDA for Candlestick Point-HPS Phase 2 DDA, and the Transbay Implementation Agreement (“Final and Conclusive Obligations”). These Final and Conclusive Obligations require the Successor Agency to fund and develop a large number of affordable housing units restricted to low and moderate income households and to comply with the Certificate of Preference Program; and,

WHEREAS, Redevelopment Dissolution Law authorizes successor agencies to enter into new agreements if they are “in compliance with an enforceable obligation, as defined by subdivision (d) of Section 34171, that existed prior to June 28, 2011.” Cal. Health & Safety Code § 34177.3 (a); and,

WHEREAS, On May 6, 2014, OCII entered into a Memorandum of Understanding with the Mayor’s Office of Housing and Community Development (“MOHCD”) whereby

MOHCD assists OCII in the implementation of the Final and Conclusive Enforceable Obligations by marketing the affordable housing, which includes the application of the Certificate of Preference Program; and,


WHEREAS, Under the terms of the Certificate of Preference Program, Residential A and C certificates will expire on January 1, 2016 unless the Successor Agency Commission authorizes an extension of five years; and,

WHEREAS, Authorization of the amendments to the Certificate Program is an organizational or administrative activity of government that will not result in any direct or indirect physical changes in the environment, and is, therefore, not a project as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5) and is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3); now therefore be it

RESOLVED, The Commission on Community Investment and Infrastructure, acting as the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, hereby extends, until January 1, 2021, Residential A and C Certificates that have not been fully exercised.

Attachment A: Property Owner and Occupant Preference Program (Certificate of Preference Program)

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of December 15, 2015.



Commission Secretary