BOARD of SUPERVISORS



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MEMORANDUM

TO:

Tom Hui, Director, Department of Building Inspection

Kevin Guy, Director, Office of Short-Term Rental Administration and

Enforcement

Joanne Hayes-White, Chief, Fire Department

Olson Lee, Director, Mayor's Office of Housing and Community

Development

Robert Collins, Executive Director, Rent Board

FROM:

PAN PAN

Alisa Somera, Legislative Deputy Director Land Use and Transportation Committee

DATE:

February 6, 2017

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Peskin on January 31, 2017:

File No. 170125

Ordinance amending the Planning Code to bring the requirements and procedures for authorizing the construction of Accessory Dwelling Units (ADUs) in single-family homes into conformity with the new mandates of state law; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302; and directing the Clerk to send a copy of this Ordinance to the California Department of Housing and Community Development after adoption pursuant to state law requirements.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

c: William Strawn, Department of Building Inspection
Carolyn Jayin, Department of Building Inspection
Kelly Alves, Fire Department
Eugene Flannery, Mayor's Office of Housing and Community Development
Kate Hartley, Mayor's Office of Housing and Community Development

[Planning Code - Construction of Accessory Dwelling Units]

Ordinance amending the Planning Code to bring the requirements and procedures for authorizing the construction of Accessory Dwelling Units (ADUs) in single-family homes into conformity with the new mandates of state law; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302; and directing the Clerk to send a copy of this Ordinance to the California Department of Housing and Community Development after adoption pursuant to state law requirements.

Unchanged Code text and uncodified text are in plain Arial font.

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

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

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

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

Section 1. General Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein by reference. The Board affirms this determination.

NOTE:

- (b) On______, the Planning Commission, in Resolution No. ______, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. ______, and is incorporated herein by reference.
- (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____ and incorporates such reasons herein by reference.

Section 2. Specific Findings.

- (a) In 1982, the Legislature originally enacted the state's second unit law in response to a serious statewide housing shortage. In California Government Code Section 65852.150, the Legislature found and declared that "second units are a valuable form of housing in California" and Section 65852.2 encouraged local governments to enact legislation that allowed and regulated second units within the jurisdiction. The California second unit law has been amended several times since 1982, each time imposing additional limitations on the local regulation of second units.
- (b) On January 1, 2017, new amendments to California's second unit law (in which second units were renamed accessory dwelling units) went into effect. California Government Code Section 65852.150 was amended to declare that California's housing crisis is now severe. The amendments mandate local governments, including those with a charter, to approve ministerially one accessory dwelling unit in an existing single-family home located in a single-family zoning district, or in a detached structure on the same lot, if the accessory dwelling unit meets the standards enacted by the Legislature.

- (c) A local government may adopt less restrictive requirements for accessory dwelling units than the mandated state standards. However, a local ordinance that does not include all the provisions required by state law, or that does not otherwise fully comply with the new requirements, is unenforceable unless and until it is amended to comply.
- (d) This ordinance amends San Francisco's requirements and procedures for the review and approval of accessory dwelling units in order to bring them into full compliance with the recent state mandates.

Section 3. The Planning Code is hereby amended by revising Section 207, to read as follows:

SEC. 207. DWELLING UNIT DENSITY LIMITS.

- (a) Applicability. The density of <u>dD</u>welling <u>tD</u>nits permitted in the various Districts shall be as set forth in the Zoning Control Table for the district in which the lot is located. The term "Dwelling Unit" is defined in Section 102 of this Code. In districts where no density limit is specified, density shall not be limited by lot area but rather by the applicable requirements and limitations set forth elsewhere in this Code. Such requirements and limitations include, but are not limited to, height, bulk, setbacks, open space, exposure and unit mix as well as applicable design guidelines, elements and area plans of the General Plan and design review by the Planning Department.
- (c) Exceptions to Dwelling Unit Density Limits. An exception to the calculations under this Section <u>207</u> shall be made in the following circumstances:

* * * *

Section 37.9(a)(8) under a notice of eviction served within five years prior to filing the application for a building permit to construct the ADU.

* * *

(F) **Buildings Undergoing Seismic Retrofitting.** For Accessory Dwelling Units on lots with a building undergoing mandatory seismic retrofitting in compliance with <u>Chapter 4D Section 34B</u> of the <u>Existing</u> Building Code or voluntary seismic retrofitting in compliance with the Department of Building Inspection's Administrative Bulletin 094, the following additional provision applies: If allowed by the Building Code, a building in which an Accessory Dwelling Unit is constructed may be raised up to three feet to create ground floor ceiling heights suitable for residential use. Such a raise in height

- (i) shall be exempt from the notification requirements of Sections 311 and 312 of this Code; and
- (ii) may expand a noncomplying structure, as defined in Section 180(a)(2) of this Code and further regulated in Sections 172, 180, and 188, without obtaining a variance for increasing the discrepancy between existing conditions on the lot and the required standards of this Code.
- (iii) on lots where an ADU is added in coordination with a building undergoing mandatory seismic retrofitting in compliance with <u>Chapter 4D Section 34</u> of the <u>Existing</u> Building Code or voluntary seismic retrofitting in compliance with the Department of Building Inspection's Administrative Bulletin 094, the building and the new ADU shall maintain any eligibility to enter the condo-conversion lottery and may only be subdivided if the entire property is selected on the condo-conversion lottery.

 $(\underline{6} \ 5)$ Accessory Dwelling Units in $\underline{RH-1(D)}$ <u>Single-Family</u> Zoning Districts (RH-1, RH-1(D), and RH-1(S)).

(A) <i>Definition</i> . An "Accessory Dwelling Unit" (ADU) is defined in Section 102.			
Applicability. This subsection (c)(6) shall apply to the construction of Accessory Dwelling Units (as			
defined in Section 102) in single-family zoning districts that meet the requirements of this subsection.			
An ADU constructed pursuant to this subsection is considered a residential use that is consistent with			
the General Plan and the zoning designation for the lot. Adding one ADU to an existing single-family			
home shall not exceed the allowable density for the lot. If construction of the ADU will not meet the			
requirements of this subsection and the ADU cannot be constructed without a waiver of Code			
requirements pursuant to subsection $(c)(4)(G)$, the ADU is regulated pursuant to subsection $(c)(4)$ and			
not this subsection (c)(6).			

- (B) <u>RH-1(D)</u>; Controls on Construction. An Accessory Dwelling Unit in an RH-1(D) zoning district shall be allowed only as mandated by Section 65852.2 of the California Government Code and only in strict compliance with the requirements of <u>that</u> subsection (b) of Section 65852.2, as <u>that state law</u> it is amended from time to time.
- (C) RH-1 and RH-1(S); Controls on Construction. An Accessory Dwelling

 Unit located in an RH-1 or RH-1(S) zoning district and constructed pursuant to this subsection (c)(6)

 shall meet all of the following:
- (i) The ADU will strictly meet the requirements set forth in this subsection (c)(6)(C) without requiring a waiver of Code requirements pursuant to subsection (c)(4)(G):
- (ii) The permit application does not include seismic upgrade work pursuant to subsection (c)(4)(F).
- (iii) Only one ADU will be constructed that is entirely within the "living area" of an existing single-family home, or within the built envelope of an existing and authorized auxiliary structure on the same lot. "Living area" means (as defined in Section 65852.2(i)(1) of the California Government Code) "the interior habitable area of a dwelling unit including basements and attics, but does not include a garage or any accessory structure."

1	(iv) If construction of the ADU will, in the opinion of the Department,	
2	have adverse impacts on a property listed in the California Register of Historic Places, the Department	
3	may require modification of the proposed project to the extent necessary to prevent or mitigate such	
4	impacts.	
5	(v) The Department may apply any Residential Design Guideline that	
6	is generally applicable in San Francisco to the proposed construction of an ADU.	
7	(vi) No setback is required for an existing garage that is converted to	
8	an ADU.	
9	(vii) All applicable requirements of San Francisco's health and safety	
10	codes shall apply, including but not limited to the Building and Fire Codes.	
11	(viii) No parking is required for the ADU. If existing parking is	
12	demolished in order to construct the ADU, only the parking space required by this Code for the existing	
13	single-family home must be replaced. If replacement parking is required, it may be located in any	
14	configuration on the lot including but not limited to covered, uncovered, or tandem space or by the use	
15	of mechanical automobile parking lifts.	
16	(D) Permit Application Review and Approval. Except as authorized by	
17	subsections (c)(6)(C)(iv) and (v), the Department shall approve an application for a permit to construct	
18	an Accessory Dwelling Unit within 120 days from receipt of the application, without modification or	
19	disapproval, if the proposed construction fully complies with the requirements set forth in subsection	
20	(c)(6)(C).	
21	(E) Prohibition of Short-Term Rentals. An Accessory Dwelling Unit	
22	authorized under this subsection (c)(6) shall not be used for Short-Term Residential Rentals under	
23	Chapter 41A of the Administrative Code. This restriction shall be recorded as a Notice of Special	
24	Restriction on the subject lot.	
25	(F) Rental; Restrictions on Subdivisions.	

<u>(i)</u>	An ADU constructed pursuant to this subsection (c)(6) may be
rented and is subject to all the prov	visions of the Residential Rent Stabilization and Arbitration
Ordinance (Chapter 37 of the Admi	inistrative Code) that would otherwise be applicable.

(ii) Notwithstanding the provisions of Article 9 of the Subdivision

Code, a lot with an Accessory Dwelling Unit authorized under this subsection (c)(6) shall not be

subdivided in a manner that would allow for the ADU to be sold or separately financed pursuant to any

condominium plan, housing cooperative, or similar form of separate ownership; provided, however,

that this prohibition on separate sale or finance of the ADU shall not apply to a building that within

three years prior to July 11, 2016, was an existing condominium with no Rental Unit as defined in

Section 37.2(r) of the Administrative Code, and also within 10 years prior to July 11, 2016 had no

evictions pursuant to Sections 37.9(a) through 37.9(a)(14) of the Administrative Code.

(\underline{G} \underline{C}) **Department Report.** In the report required by subsection (c)(4)(I)(iii), the Department shall include a description and evaluation of the number and types of units being developed pursuant to this subsection (c)($\underline{65}$), their affordability rates, and such other information as the Director or the Board of Supervisors determines would inform decision makers and the public.

Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal

Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 6. Directions to Clerk. The Clerk of the Board of Supervisors is hereby directed to submit a copy of this ordinance to the California Department of Housing and Community Development within 60 days after adoption pursuant to Section 65852.2(h) of the California Government Code.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

UDITH A. BOYAJIAN

Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code - Construction of Accessory Dwelling Units]

Ordinance amending the Planning Code to bring the requirements and procedures for authorizing the construction of Accessory Dwelling Units (ADUs) in single-family homes into conformity with the new mandates of state law; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302; and directing the Clerk to send a copy of this Ordinance to the California Department of Housing and Community Development after adoption pursuant to state law requirements.

Existing Law

Planning Code Section 207(c)(4) regulates the construction of Accessory Dwelling Units (ADUs) in San Francisco. It allows ADUs to be constructed on any lot in the City where residential use is allowed. One ADU may be constructed in buildings that have four existing units or fewer and there is no numerical limit on the number that may be constructed in buildings with more than four existing units. With the exception of properties in RH-1(D) zoning districts, which are regulated by Section 207(c)(5) and allowed only as mandated by California's second unit law (Government Code Section 65852.2), the same controls on construction apply to all ADUs.

Amendments to Current Law

This ordinance groups all single-family zoning districts together in a new Planning Code Section 207(c)(6). There are no changes to the requirements for the construction of an ADU in an RH-1(D) zoning district, which is still regulated entirely by the provisions of Government Code Section 65852.2. Single-family homes in other single-family zoning districts (RH-1 and RH-1(S)) that (1) fully meet the requirements of subsection (c)(6), (2) do not need any waivers of Planning Code requirements by the Zoning Administrator, and (3) are not also performing seismic upgrade work may receive a ministerially-approved permit. A single-family home in an RH-1 or RH-1(S) zoning district that cannot meet these requirements continues to be regulated by Section 207(c)(4).

Background Information

On January 1, 2017, SB 1069 and AB 2299, both amending California's law on second units (now called "accessory dwelling units") went into effect. An existing local ordinance must fully comply with the new requirements or is considered by the state to be null and void. Planning Code Section 207(c)(4) is being amended to bring San Francisco's ADU requirements into conformity with the new state law mandates.

Pursuant to Government Code Section 65852.2, a local jurisdiction must ministerially approve one ADU if it (1) is contained within the existing space of a single-family residence or accessory structure that is in a single-family residential zone, (2) has independent exterior access from the existing residence, and (3) has side and rear setbacks sufficient for fire safety. The state imposes limits on other local requirements including parking, fire sprinklers, and utility connections. A local jurisdiction may enact less restrictive requirements but may not enact more restrictive standards than the maximum standards of Government Code Section 65852.2.

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