FILE NO. 240787

AMENDED IN COMMITTEE 3/10/2025 ORDINANCE NO. 37-25

[Planning Code, Zoning Map - Central SoMa and Transit Center District Commercial Development Requirements]

Ordinance amending the Planning Code and Zoning Map to reduce commercial development requirements <u>for certain residential projects and modify the land</u> <u>dedication requirements</u> in the Central SoMa Special Use District and remove the Transit Center C-3-0(SD) Commercial Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. 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. Environmental and Land Use 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. 240787 and is incorporated herein by reference. The Board affirms this determination.

(b) On <u>November 7, 2024</u>, the Planning Commission, in Resolution No. <u>21641</u>, 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. <u>240787</u>, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. <u>21641</u>, and the Board adopts such reasons as its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. <u>240787</u> and is incorporated herein by reference.

Section 2. Articles 2 and 3 of the Planning Code are hereby amended by revising Sections 249.78, 303, 309, and 329, and 419.6, and deleting Section 248, to read as follows:

SEC. 248. TRANSIT CENTER C-3-O(SD) COMMERCIAL SPECIAL USE DISTRICT.

A Special Use District entitled the "Transit Center C-3-O(SD) Commercial Special Use District" is hereby established for a portion of the C-3-O(SD) district in the downtown area around the Transbay Transit Center within San Francisco, the boundaries of which are designated on Sectional Map SU01 of the Zoning Map of the City and County of San Francisco. The following provisions shall apply within the Special Use District:

(a) **Purpose.** There are limited remaining development sites in the core of the downtown large enough to be feasibly developed with workplace-oriented uses, particularly adjacent to the region's premier concentration of regional and local public transit infrastructure, such as the Transbay Transit Center, BART, Muni Metro, and the Ferry Building. Significant areas surrounding and within walking distance of the downtown, including Rincon Hill and Zone 1 of the Transbay Redevelopment Area along Folsom Street, have been zoned and planned almost exclusively for residential neighborhoods to the exclusion of major commercial uses. Many academic studies have shown that locating jobs

immediately proximate to regional transit is a greater influence on use of public transit than is proximity of housing to regional transit, and decentralization of jobs is one of the leading factors increasing auto commuting in the Bay Area. Further, very few districts outside of the C-3 district allow high-density job uses, so it is important to ensure that the few sites large enough for high-density workplace uses in the Transit Center area are preserved primarily for that purpose.

(b) Definition of Commercial Use. "*Commercial Use" shall mean any use other than a Residential Use, as defined in Section 102 of this Code, permitted in the underlying zoning district.*

(c) Controls. All new development on lots larger than 20,000 square feet in the Special Use District shall include not less than two gross square feet of principally or conditionally permitted commercial uses for every one gross square foot of dwellings or other housing uses.

(d) Exceptions. Exceptions to the controls in subsection (c) may be granted by the Planning Commission according to the procedures in Section 309 only if the Commission makes one of the following affirmative findings:

(1) That the development consists of multiple buildings on a single lot or adjacent lots that are entitled as a single development project pursuant to Section 309, and that commercial uses account for greater than 50% of the project's aggregate total gross floor area for all buildings and where the project sponsor demonstrates that it is infeasible or impractical to construct commercial uses on the footprint of the portion of the site dedicated to dwellings and/or other housing uses due to the size and configuration of that portion of the lot; or

(2) That the footprint of the portion of the site dedicated to dwellings and/or other housing uses is less than 15,000 square feet and the lot contains existing buildings which are to be retained; or

(3) That the downtown commercial vacancy rate is persistently high and the project would fulfill its inclusionary requirement pursuant to Planning Code Section 415 through 100% on-site or off-site units within the C-3 District.

SEC. 249.78. CENTRAL SOMA SPECIAL USE DISTRICT.

(a) Purpose. In order to <u>To</u> implement the goals, objectives, and policies of the Central SoMa Plan (Ordinance No. 280-18, on file with the Clerk of the Board of Supervisors in File No. 180185), the Central SoMa Special Use District (SUD) is hereby established.

(b) **Geography.** The SUD is within the South of Market (SoMa) neighborhood, and its boundaries generally run from 2nd Street to the east to 6th Street to the west, and from Townsend Street to the south to an irregular border that generally follows Folsom, Howard, and Stevenson Streets to the north, as more specifically shown on Sectional Maps 1SU and 8SU of the Zoning Map.

(c) Land Use Controls.

* * * *

(6) Use on Large Development Sites.

(A) Applicability. South of Harrison Street on sites larger than 40,000 square feet that entail new construction or an addition of 100,000 square feet or more.

(B) **Requirement.** At least two-thirds of the Gross Floor Area of all building area below 160 feet in height shall be non-residential.

(6) Use on Large Development Sites.

(A) **Applicability**. South of Harrison Street on sites larger than 40,000

square feet that entail new construction or an addition of 100,000 square feet or more.

(B) Use Requirement. At least two-thirds of the Gross Floor Area of all

building area below 160 feet in height shall be non-residential.

(C) **Residential Bonus Program**. Projects on large development sites identified in subsection 249.78(c)(6)(A) shall be eligible for an exception from the use

1	requirement in subsection 249.78(c)(6)(B), provided that the projects satisfy all of the
2	following:
3	(i) the project complies with the Better Streets Plan, the setback
4	requirements of Planning Code Section 132.4(d)(2)(C), and the streetscape requirements of
5	<u>Section 138.1;</u>
6	(ii) the project does not exceed 600 feet in height, inclusive of any
7	waivers or concessions obtained pursuant to Sections 206.5 or 206.6, and does not seek
8	concessions or incentives of any requirements in this Section 249.78(c)(6); and
9	(iii) if the project is located on a certain Key Site identified in
10	Section 329(e)(2), the project complies with the development impact requirements as
11	described below:
12	a. On the Key Site identified in Section 329(e)(2)(B), the
13	project provides On-site Land Dedication for 100% Affordable Housing development;
14	b. On the Key Site identified in Section 329(e)(2)(E), the
15	project provides On-site Land Dedication for 100% Affordable Housing development, a street-
16	level, publicly-accessible open space of not less than 39,000 contiguous square feet, and
17	publicly-accessible street or open space extensions of Freelon and Welsh Streets;
18	c. On the Key Site identified in Section 329(e)(2)(F), the
19	project provides On-site Land Dedication for 100% Affordable Housing, publicly-accessible
20	street or open space extensions of Freelon and Morris Streets, and street-level, publicly-
21	accessible open spaces combined of not less than 31,000 square feet (inclusive of any non-
22	vehicular open space extensions of Freelon and Morris Streets);
23	d. On the Key Site identified in Section 329(e)(2)(G), the
24	project provides On-site Land Dedication for 100% Affordable Housing, and either a publicly-
25	

Mayor Lurie; Supervisor Dorsey BOARD OF SUPERVISORS

ï

accessible open space and streetscape improvements adjacent to and within the Bluxome	
Street right-of-way or an indoor public recreation facility.	
e. On the Key Site identified in Section 329(e)(2)(H), the	
project provides publicly-accessible, street-level open space of not less than 9,000 square	
feet in total, inclusive of building setbacks along 4th and Townsend Streets that widen the	
sidewalks and a plaza at the corner of 4th and Townsend Streets of not less than 5,000	
square feet.	
(iv) A project on a Key Site that receives a residential bonus	
pursuant to Section 249.78(c)(6)(C) may be eligible for a waiver or reduction of applicable	
requirements under Section 406.	
(v) Land Dedication for 100% Affordable Housing. For	
purposes of this Section 249.78(c)(6), "Land Dedication for 100% Affordable Housing" as	
applied to projects on the Key Sites identified in this section means fully or partially satisfying	
the project's affordable housing requirements of Sections 413 et seq. and 415 et seq. under	
Sections 413.6 and 419.5 by providing no less than 10,000 square feet or a minimum capacity	
of 75 units of affordable housing, provided that if the combined full requirements of Section	
413 et seq. and Section 415 et seq. as applied to the proposed project would not result in a	
land dedication site of at least 10,000 square feet or a minimum capacity of 75 units of	
affordable housing, then the proposed project on the Key Site may instead meet the	
requirements of Sections 413 et seq. and 415 et seq. as otherwise provided for in this Code.	
<u>(vi)</u> Publicly-accessible Open Space, Streets, Street	
Extensions, and Recreational Facilities. For purposes of this Section 249.78(c)(6),	
publicly-accessible street, open space, street extensions, and recreation facilities as applied	
to projects on the Key Sites identified in this section means fully or partially satisfying the open	
space requirements under Sections 135, 138, 249.78, 270.2, and 890, and fully or partially	

<u>satisfying the infrastructure fees required by Sections 423 and 433 in kind, provided that the</u>
 <u>proposed project shall not be required to provide publicly-accessible, street-level open space,</u>
 <u>street extensions, or recreation facilities in excess of the cumulative requirements of the</u>
 <u>Planning Code sections identified in this subsection 249.78(c)(6)(C)(vi).</u>

($76\underline{7}$) **Single Room Occupancy.** Single Room Occupancy units that are Dwelling Units are Not Permitted in the Central SoMa SUD except in buildings that consist of 100% affordable units. For the purposes of this subsection (\underline{c})($76\underline{7}$), "affordable units" shall mean units rented, leased, or sold at rates or prices affordable to a household whose income is no greater than 80% of the median income for households in San Francisco ("Lower Income Households"), as determined by Title 25 of the California Code of Regulations Sections 6928 and 6932 and implemented by the Mayor's Office of Housing and Community Development.

($\$7\underline{8}$) **Group Housing.** Group Housing uses are Not Permitted in the Central SoMa SUD except Group Housing uses that are also defined as Student Housing, Senior Housing, or Residential Care Facility, are designated for persons with disabilities, are designated for Transition Age Youth as defined by the Mayor's Office of Housing <u>and</u> & Community Development, or are contained in buildings that consist of 100% affordable units. For the purposes of this subsection <u>(c)</u>(78<u>8</u>), "affordable units" shall mean units rented, leased, or sold at rates or prices affordable to a household whose income is no greater than 80% of the median income for households in San Francisco ("Lower Income Households"), as determined by Title 25 of the California Code of Regulations Sections 6928 and 6932 and implemented by the Mayor's Office of Housing and Community Development.

* *

SEC. 303. CONDITIONAL USES.

(a) **General.** The Planning Commission shall hear and make determinations regarding applications for the authorization of Conditional Uses in the specific situations in which such authorization is provided for elsewhere in this Code. The procedures for Conditional Uses shall be as specified in this Section 303 and in Sections 306 through 306.6, except that Planned Unit Developments shall in addition be subject to Section 304, *and* Hospitals and Post-Secondary Educational Institutions shall in addition be subject to the Institutional Master Plan requirements of Section 304.5.

* * * *

(g) Hotels and Motels. With respect to applications for development of tourist hotels and motels, the Planning Commission shall consider, in addition to the criteria set forth in $S_{\underline{S}}$ ubsections (c) and (d) above:

(1) The impact of the employees of the hotel or motel on the demand in the City for housing, public transit, child-care, and other social services. To the extent relevant, the Commission shall also consider the seasonal and part-time nature of employment in the hotel or motel;

(2) The measures that will be taken by the project sponsor to employ residents of San Francisco in order to minimize increased demand for regional transportation; *and*

(3) The market demand for a hotel or motel of the type proposed <u>; and</u>

(4) -In the Transit Center C-3-O(SD) Commercial Special Use District, the opportunity for commercial growth in the Special Use District and whether the proposed hotel, considered with other hotels and non-commercial uses approved or proposed for major development sites in the Special Use District since its adoption would substantially reduce the capacity to accommodate dense, transitoriented job growth in the District.

* * * *

SEC. 309. PERMIT REVIEW IN C-3 DISTRICTS.

The provisions and procedures set forth in this Section 309 shall govern the review of project authorization and building and site permit applications for (1) the construction or substantial alteration of structures in C-3 Districts, (2) the granting of exceptions to certain requirements of this Code where the provisions of this Section are invoked, and (3) the approval of open space and streetscape requirements of the Planning Code. When any action authorized by this Section is taken, any determination with respect to the proposed project required or authorized pursuant to CEQA may also be considered. This Section shall not require additional review in connection with a site or building permit application if review hereunder was completed with respect to the same proposed structure or alteration in connection with a project authorization application pursuant to Section 322.

(a) **Exceptions.** Exceptions to the following provisions of this Code may be granted as provided in the code sections referred to below:

* * * *

(8) Exceptions to the use requirements in the C-3-O(SD) Commercial Special Use Subdistrict in Section 248;

(98) Exceptions to the height limits for buildings taller than 550 feet in height in the S-2 Bulk District for allowance of non-occupied architectural, screening, and rooftop elements that meet the criteria of Section 260(b)(1)(M);

 $(\pm \theta \underline{9})$ Exceptions to the volumetric limitations for roof enclosures and screens as prescribed in Section 260(b)(1)(F). For existing buildings, exceptions to the volumetric limitations for roof enclosures and screens shall be granted only if all rooftop equipment that is unused or permanently out of operation is removed from the building;

 $(1+\underline{0})$ Exceptions to the height limits for vertical extensions as permitted in Section 260(b)(1)(G) and for upper tower extensions as permitted in Section 263.9;

(121) Exceptions to the height limits in the 80-130F and 80-130X Height and Bulk Districts as permitted in Section 263.8 and in the 200-400S Height and Bulk District as permitted in Section 263.10;

(1*3*<u>2</u>) Exceptions to the bulk requirements as permitted in Sections 270 and 272-:

(143) Exceptions to the exposure requirements as permitted in Section 140-:

(154) Exceptions to the usable open space requirements of Section 135-1

(165) Exceptions to the Micro-Retail requirements as permitted in Section

249.33.,

(176) Exceptions to the height and bulk limits for parcels within the Van Ness & Market Residential Special Use District as defined by Section 270(f)(2). In considering such exceptions, the Planning Commission shall consider the extent to which the project achieves the following: (A) sculpts the building massing to achieve an elegant and creative tower form that enhances the skyline; (B) reduces or minimizes potential impacts on winds and shadows;
(C) provides ground floor uses that serve a range of income levels and enrich the social landscape of the area such as: Arts Activities, Child Care Facility, Community Facility, Public Facility, School, Social Service, priority health service or neighborhood-serving retail; and (D) maximizes housing density within the allowed enveloper<u>;</u>

(187) Exceptions to the percent lot coverage requirements of Section
270.2(e)(6) for projects within the Van Ness & Market Residential Special Use District. The
Planning Commission shall only grant such exceptions if the Planning Commission finds that:
(A) the proposed mid-block alley and percent coverage do not negatively affect the use and
purpose of the alley as a means of creating a more efficient pedestrian network, as described
in subsections 270.2(a)-(b); and (B) the proposed percent coverage does not negatively
impact the quality of the mid-block alley as an area of pedestrian and retail activity and public

open space. An exception shall not be granted for any mid-block alley that is less than 35 percent open to the sky-<u>;</u>

(198) Exceptions to the required minimum dwelling unit mix in Section 207.6 for projects within the Van Ness & Market Residential Special Use District. In considering such exceptions, the Planning Commission shall consider the following criteria:

(A) whether the project demonstrates a need or mission to serve unique populations; or

(B) whether the project site or existing building(s), if any, feature physical constraints that make it unreasonable to fulfill the requirements of Section 207.6 or subsection $309(a)(1\underline{89})(\underline{A})$; and

(2019) Exceptions to the permitted obstructions requirements in Section 136 for projects within the Van Ness & Market Special Use District as defined by Section 270(f)(2). The Planning Commission shall only grant such an exception if it finds that the proposed obstructions assist the proposed development to meet the requirements of Section 148, or otherwise reduce wind speeds at the ground-level or at upper level open space.

 θ

(e) **Imposition of Conditions, General.** If, pursuant to the provisions of this Section 309, the Planning Commission determines that conditions should be imposed on the approval of a building or site permit application or Section 309 application, and the applicant agrees to comply, the Planning Commission may approve the application subject to those conditions, and if the applicant refuses to so agree, the Planning Commission may disapprove the application.

* * * *

SEC. 329. LARGE PROJECT AUTHORIZATION IN EASTERN NEIGHBORHOODS MIXED USE DISTRICTS.

* * * *

(e) Exceptions for Key Sites in Central SoMa.

(3) **Controls.** Pursuant to this Section 329(e) and the Key Site Guidelines adopted as part of the Central SoMa Area Plan, the Planning Commission may grant exceptions to the provisions of this Code as set forth in subsection (d) above and may also grant the exceptions listed below for projects that provide qualified amenities in excess of what is required by the Code.

* * * *

(B) **Exceptions.** Upon consideration of qualified amenities in excess of what is required by the Code, the Planning Commission may grant one or more exceptions to the following requirements: the streetwall and setback controls in Section 132.4; the building separation controls in Section 132.4, including but not limited to the controls in subsection 132.4(d)(3)(B); the setback requirements in Section 261.1; bulk controls in Section 270(h); and the lot merger restrictions in Section 249.78(d)(7).

In addition to these exceptions, the Planning Commission may grant one or more of the following exceptions:

* * * *

(vi) On the Key Site identified in Section 329(e)(2)(H), exception to the protected pedestrian-, cycling-, and transit-oriented street frontage requirements of Section 155(r), the street frontage requirements in Section 145.1, the required ground floor commercial uses in Section 145.4, *the requirement that at least two-thirds of the Gross Floor Area of all building area below 160 feet be non-residential in Section 249.78(c)(6)*, the requirement that at <u>least two-thirds of the Gross Floor Area of all building area below 160 feet be non-residential</u> <u>in Section 249.78(c)(6)</u>, and the requirement in Section 138(d)(2)(E)(i) that ground floor POPOS be open to the sky. In addition, the usable open space requirement pursuant to Section 135 may be reduced to 60 square feet of usable open space required for each dwelling unit if not publicly accessible.

* * * *

SEC. 419.6. LAND DEDICATION ALTERNATIVE IN THE MISSION NCT DISTRICT AND CENTRAL SOMA SPECIAL USE DISTRICT.

* * * *

(b) **Central SoMa Special Use District.** The Land Dedication Alternative is available for projects within the Central SoMa Special Use District under the same terms and conditions as provided for in Section 419.5(a)(2), except that in lieu of the Land Dedication Alternative requirements of Table 419.5, projects may satisfy the requirements of Section 415.5 by dedicating land for affordable housing if the dedicated site will result in a total amount of dedicated Gross Floor Area that is equal to or greater than 45% of the potential Gross Floor Area that could be provided on the principal site, as determined by the Planning Department. Land dedicated for affordable housing that results in less than 45% of such potential Gross Floor Area may be counted in partial satisfaction of the requirements of Section 415.5, so long as the land dedicated is at least 10,000 square feet or has a minimum capacity of 75 units of affordable housing: provided that the project satisfies any remaining obligations under Section 415.5 through the alternatives described in Section 415.5(g)(1). Any dedicated land shall be within the area bounded by Market Street, the Embarcadero, King Street, Division Street, and South Van Ness Avenue.

Section 3. Article 8 of the Planning Code is hereby amended by replacing all references to Planning Code subsection "249.78(c)(7)" in each of the Sections, subsections, and tables listed below with the term "249.78(c)(6)." If any references in the Planning Code to "249.78(c)(7)" have been inadvertently omitted from the list below, the City Attorney is authorized to cause such references to be changed to "249.78(c)(6)."

- Table 830 - Table 831

- Table 833

Section 4. Article 8 of the Planning Code is hereby amended by replacing all references to Planning Code subsection "249.78(c)(8)" in each of the Sections, subsections, and tables listed below with the term "249.78(c)(7)." If any references in the Planning Code to "249.78(c)(8)" have been inadvertently omitted from the list below, the City Attorney is authorized to cause such references to be changed to "249.78(c)(7)."

--Table 830 --Table 831 --Table 833

- Table 839

Section 53. Zoning Map. The Planning Code is hereby amended by revising Special Use District Map SU01 of the Zoning Map of the City and County of San Francisco to delete the Transit Center C-3-O(SD) Commercial Special Use District.

Section 64. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

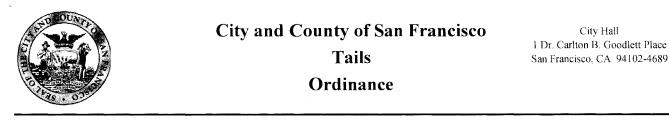
ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 7<u>5</u>. Scope of Ordinance. Except as stated in Sections 3 and 4 of this 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.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: <u>/s/ Peter R. Miljanich</u> PETER MILJANICH Deputy City Attorney

n:\legana\as2025\2500016\01825597.docx



File Number: 240787

Date Passed: March 25, 2025

Ordinance amending the Planning Code and Zoning Map to reduce commercial development requirements for certain residential projects and modify the land dedication requirements in the Central SoMa Special Use District and remove the Transit Center C-3-0(SD) Commercial Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

March 03, 2025 Land Use and Transportation Committee - CONTINUED

March 10, 2025 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

March 10, 2025 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

March 18, 2025 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

March 25, 2025 Board of Supervisors - FINALLY PASSED

Ayes: 9 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar and Sherrill Excused: 2 - Sauter and Walton

City and County of San Francisco

File No. 240787

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/25/2025 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Daniel Lurie Mayor

4.3.2025

Date Approved