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January 23, 2025

Angela Calvillo, Clerk of the Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102

Dear Ms. Calvillo:

Enclosed please find a draft ordinance for legislative introduction, along with legislative digest, amending the Planning Code to facilitate the conversion of residential hotel rooms to tourist hotel rooms at 447 Bush Street ("Planning Code Ordinance"). The Planning Code Ordinance is a companion to an ordinance authorizing the settlement of claims in *Hotel Des Arts, LLC v. City and County of San Francisco, et al.*

By way of background, the *Hotel Des Arts* lawsuit challenges the 2023 amendments to the Residential Hotel Unit Conversion and Demolition Ordinance (Board File No. 220815, Ord. No. 36-23) that define Tourist or Transient use as a stay of less than 30 days and establish a two-year amortization period. Material terms of the settlement require the City to permit the conversion of the existing 38 residential hotel rooms at the Hotel des Arts (447 Bush Street) to tourist hotel rooms in exchange for conversion of 34 Group Housing rooms and associated amenities at 412-422 Hayes Street and 319-321 Ivy Street to residential hotel rooms.

The Planning Code Ordinance facilitates the settlement by (1) principally permitting tourist hotel rooms at 447 Bush Street; (2) waiving Conditional Use Authorization requirements for the conversion; and (3) waiving any associated impact or permitting fees.

Please feel free to contact me or my colleagues, Deputy City Attorneys Kristen Jensen (Kristen.Jensen@sfcityatty.org) and Andrea Ruiz-Esquide (Andrea.Ruiz-Esquide@sfcityatty.org) if you have any questions about the Planning Code Ordinance or the legislative package.

Very truly yours,

DAVID CHIU  
City Attorney

/s/  
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