

REVISED LEGISLATIVE DIGEST
(Substituted - September 30, 2025)

[Planning, Business and Tax Regulations Codes - Family Zoning Plan]

Ordinance amending the Planning Code to: 1) create the Housing Choice-San Francisco Program to incent housing development through a local bonus program and by adopting a Housing Sustainability District, 2) modify height and bulk limits to provide for additional capacity in well-resourced neighborhoods, and to allow additional height and bulk for projects using the local bonus program, 3) require only buildings taller than 85 feet in certain Districts to reduce ground level wind currents, 4) make conforming changes to the RH (Residential, House), RM (Residential, Mixed), and RC (Residential-Commercial) District zoning tables to reflect the changes to density controls, and parking requirements made in this Ordinance, 5) create the RTO-C (Residential Transit Oriented-Commercial) District, 6) implement the Metropolitan Transportation Commission's Transit-Oriented Communities Policy by making changes to parking requirements, minimum residential densities, and minimum office intensities, and requiring maximum dwelling unit sizes, 7) revise off-street parking and curb cut obligations citywide, 8) create the Non-contiguous San Francisco Municipal Transportation Agency Sites Special Use District, 9) permit businesses displaced by new construction to relocate without a conditional use authorization and waive development impact fees for those businesses, 10) make technical amendments to the Code to implement the above changes, 11) make conforming changes to zoning tables in various Districts, including the Neighborhood Commercial District and Mixed Use Districts, and 12) reduce usable open space and bicycle parking requirements for senior housing; amending the Business and Tax Regulations Code regarding the Board of Appeals' review of permits in the Housing Choice Program Housing Sustainability District; also, amending the Local Coastal Program to implement the Housing Choice-San Francisco Program and other associated changes in the City's Coastal Zone, and directing the Planning Director to transmit the Ordinance to the Coastal Commission upon enactment; 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 making public necessity, convenience, and welfare findings under Planning Code, Section 302.

Existing Law

Under California Housing Element law, San Francisco must identify sites to accommodate its Regional Housing Needs Allocation (RHNA) goal of 82,069 new units at various income levels, in the next eight years. Because San Francisco does not currently have sufficient capacity to accommodate the RHNA goals, it must rezone sites to meet these goals, and must do so by January 31, 2026. Additional capacity will be created through amendments

to the Planning Code and Zoning Maps. The City must also maintain lists of sites that have been used in prior Housing Element cycles, and sites to accommodate its allocation for lower-income housing.

The Planning Code generally regulates the size of both residential and non-residential development in San Francisco through various height and bulk districts. In addition, the Planning Code regulates the size and intensity of residential and commercial uses, the number of parking spaces allowed or required, the location of curb cuts, floor area ratios, setbacks, rear yards, mid-block alleys, and specifies controls for wind impacts created by new buildings. Residential and non-residential (i.e. commercial, industrial, institutional) uses may be either principally permitted, not permitted, or conditionally permitted with authorization from the Planning Commission.

Specific use requirements, building form requirements, and procedural requirements found throughout the Code are consolidated in a number of zoning control tables that are organized by the type of use (Residential, Commercial, Mixed Use) or by location (Neighborhood Commercial, Named Neighborhood Commercial). Zoning districts for primarily residential uses include “Residential Housing” (RH), “Residential Mixed” (RM), “Residential Commercial” (RC), and “Residential Transit Oriented” (RTO) districts. RTO districts generally include a mixture of house and apartment buildings in a range of densities and building forms, primarily within one-quarter mile of transit and neighborhood commercial areas. Article 7 generally provides the planning requirements for Neighborhood Commercial Districts, and Article 8 generally provides the planning requirements for Mixed-Use Districts.

The Metropolitan Transportation Commission’s Transit Oriented Communities Policy prioritizes transportation and other funding to communities that adopt maximum parking and minimum density standards within a half-mile area around specified transit stops.

The San Francisco Municipal Transportation Agency owns multiple parcels throughout the City. Many of these parcels are currently used for parking, and currently zoned for Public uses, which allows public facilities such as transportation maintenance yards and parking, as well as parks and 100% affordable housing. Other parcels are zoned the same as surrounding parcels. These parcels are generally located in Neighborhood Commercial Districts, and zoned Neighborhood Commercial (NC), which allows for a variety of residential and commercial uses, either as principally permitted uses, or conditionally permitted uses.

California law allows cities to create “housing sustainability districts” (HSDs), which allows for the ministerial approval of residential projects meeting certain criteria if the creation of the district was previously reviewed in an environmental impact report under the California Environmental Quality Act.

The Business and Tax Code, in Section 8, governs the Board of Appeals' review of certain permits and licenses, including building permits.

Under the California Coastal Act of 1976 (Public Resources Code Section 30000 et seq.), the City administers the Local Coastal Program ("LCP"), which has been certified by the Coastal Commission. The LCP addresses coastal access, public recreation, transportation, land use, and habitat protection within the San Francisco Coastal Zone. The LCP is comprised of the Land Use Plan – the Western Shoreline Area Plan – and the Implementation Program, which generally consists of the City's procedures for approving projects in the Coastal Zone and the applicable zoning controls for the Coastal Zone.

Amendments to Current Law

This ordinance would make several changes to the Planning Code, and one amendment to the Business and Tax Code.

Housing Choice-San Francisco Program

The ordinance would create the Housing Choice-San Francisco (HC-SF) program, or Local Program, which would apply to projects within "Housing Opportunity Areas." Generally, Housing Opportunity Areas, also sometimes described as "well-resourced areas," are neighborhoods or areas with existing infrastructure, transit, businesses, well-performing public schools and lower levels of environmental pollution. The HC-SF Program would also include a Housing Sustainability District, which would apply to qualifying projects in the R-4 Height and Bulk District (described below).

The Local Program would grant eligible projects additional density and height, as well as other Planning Code modifications, including requirements related to unit mix, front setback and rear yard, usable open space, and dwelling unit exposure. Projects would have additional options to comply with the Inclusionary Housing Ordinance (Planning Code Section 415). The following table lists existing zoning requirements and the allowable modifications for projects using the Local Program.

	Applicable Planning Code or Design Standard	Local Program modifications
Density	Depending on location, projects may be subject to density limits based on lot size.	Form-Based Density.
Height	Projects are subject to the height limits in the base zoning, which would match the existing Zoning Map.	Additional height, as provided on the proposed Zoning Map, as described in the R-4 Height and Bulk District. Corner lots and lots larger than 8,000 square feet may go up to 65'.

	(Projects may exceed the height limit under the rules of the State Density Bonus law, or other state and local programs).	Projects may receive up to a 5' height increase to accommodate certain architectural features, such as stoops and entries.
Vertical Bonus for Community Serving Uses, Micro-Retail, Warm Shell Retail, Large Units, and Historic Preservation	n/a	Projects may receive additional square footage for providing specific uses. Additional square footage may be accommodated by adding up to a maximum of 10 feet in additional height: • Up to 2 additional feet of building square footage for every square foot provided of Community Serving uses, which includes but is not limited to: childcare, displaced business, grocery, laundromat, nonprofit office, trade office. • Up to 1.5 additional feet of building square footage for every square foot provided of "micro-retail" spaces (measuring 100-1,000 square feet). • Up to 3 additional feet of building square footage for every square foot provided of Warm Shell retail space. • Outside of Residential Districts, up to 250 additional feet of building square footage for every three bedroom unit provided, including any required three bedroom units, and up to 400 additional feet of building square footage for every unit provided that contains four or more bedrooms, including any required units. Projects that adaptively reuse Historic Buildings located outside of

		Residential Districts may receive up to two stories (20 feet) of additional height to recapture gross floor area that the project foregoes in preserving the Historic Building and complying with Preservation Design Standards. A project can combine this preservation incentive with other incentives to receive a maximum of three stories (30 feet) of additional height.
Horizontal Bonus for Family Friendly Amenities, Large Units, and Historic Preservation		Projects may receive additional square footage for providing certain uses. Additional square footage may be accommodated by reducing required rear yard, required side yard, and upper-story setbacks for historic buildings. • up to 2 additional feet of building square footage for each square foot of Family Friendly Amenities (common areas, childcare units, guest suites, common storage) provided. • up to 250 additional feet of building square footage for every three bedroom unit provided, including any required three bedroom units. • up to 400 additional feet of building square footage for every unit provided that contains four or more bedrooms, including any required units. • For historic adaptive reuse, up to 1.5 times the gross floor area foregone by retaining the Historic Building.

		A project cannot reduce the required rear yard beyond the lowest of the limits provided in the Ordinance.
Inclusionary Housing	Projects (10+ units) may satisfy the Inclusionary Housing Ordinance (Section 415 et seq) through a combination of: • Affordable Housing Fee; • On-site Affordable Housing; • Off-Site Affordable Housing; • Small Sites; • Land Dedication (currently available in select districts).	Same as existing; however, projects that elect off-site or land-dedication must provide the required units or land within the geography of the Housing Opportunity Areas. Land Dedication option available regardless of project location. In addition, projects of 10-24 units have the option to provide 100% of units subject to rent-control.
Dwelling Unit Mix	Most rezoned areas (NC, C districts): 25% 2+ bedrooms, including at least 10% 3 bedrooms (applicable starting at 10+ units). RTO Districts and Van Ness & Market SUD: 35% 2+ bedrooms, including at least 10% 3 BRs (applicable starting at 5+ units).	Applicable starting at 4+ units. • 4-unit building: at least one unit with two or more bedrooms. • 5-9 units: 25% two or more bedrooms, including at least one unit with three or more bedrooms. • 10+ units: 25% two or more bedrooms, including at least 5% of its units containing three or more bedrooms.
Street-facing legislated and front setback	Required dimensions vary depending on legislated setbacks or zoning district.	Projects on 19th Avenue may reduce legislated and front setback if sidewalk expands and is at least 15 feet wide.
Rear Yard	RH, RM-1, RM-2, RTO, RTO-M Districts: 30% rear yard required. All other Zoning Districts: 25% rear yard required.	Rear yard may be reduced by up to 18% of lot depth, or 15' whichever is greater; For corner lots, the required rear yard may be reduced up to 18% of the lot area. In NC and C Districts, where otherwise not permitted, the ground floor is allowed 100% lot coverage.

Usable Open Space	Outside of Eastern Neighborhoods Mixed Use Districts, requirement varies from 36 square feet per Dwelling Unit to 300 square feet per Dwelling Unit.	Not required.
Dwelling Unit Exposure	Dwelling Units citywide must face an open area meeting one of the following: • A public street, public alley at least 20 feet in width, side yard at least 25 feet in width, or rear yard; if an outer court whose width is less than 25 feet, then depth is no greater than its width; or • An open area (whether an inner court or a space between separate buildings on the same lot) that is unobstructed, (except for fire escapes not more than 4 1/2 feet, chimneys, and certain permitted obstructions), and is no less than 25 feet in every horizontal dimension at the floor the Dwelling Unit is located.	Not required.
Ground Floor Ceiling Heights	Ground floor uses in various districts have required ceiling heights that range from 10-17 feet.	Ground floor ceiling heights in § 145.1 are not applicable to projects proposing 9 stories in a district with a height limit of 85 feet.
New ground floor non-residential use size limits	Use size cap varies from 2,000 square feet to 25,000 square feet, depending on the District.	No cap; no Conditional Use Authorization required.

Height limits for vertical non-habitable architectural elements	Height exceptions for non-habitable architectural elements are only available in Eastern Neighborhoods Mixed Use Districts in projects of 85 feet in height or less: • One element per lot; • Not to exceed 1,000 Gross Floor Area • Element shall not have a plan dimension greater than 50’; • Element’s height should not exceed 50% of the applicable height limit; • Must be consistent with design, materials, and character of the building.	Allow same height exceptions for vertical non-habitable architectural elements on lots zoned for 85 feet or less (even outside the Eastern Neighborhoods Mixed Use District).
Additional “catchall” modifications	n/a	Projects may seek an additional 15% reduction of any other quantitative Planning Code standard, with some exceptions. No exceptions for height.
Additional modifications for 100% Affordable Housing Project	Various Planning Code sections.	100% affordable projects can use any of the incentives above, plus: • Reduce active ground floor requirement by 20% • Additional 20 feet of height above Local Program height. • Curb Cut restrictions do not apply. • Certain Ground floor ceiling height requirements do not apply. • Dwelling unit mix does not apply.
Ministerial project review	Qualifying projects may opt to use state laws that enable ministerial review (e.g., SB 423, AB 2011, Housing Element low-income sites provision).	Qualifying projects may use state laws that enable ministerial review, but may not combine ministerial approvals with additional height or

		relaxed zoning standards within those state laws. Qualifying projects may use new Housing Sustainability District (HSD).
Major modification from Planning Code Standards	Per Planning Code 304, where not specified elsewhere in the code, a modification is possible on lots of at least ½-acre through a discretionary Planning Commission approval of a Planned Unit Development.	Projects of any size may choose to seek a major modification for any additional relief needed beyond the above list and the 15% “catchall” modification, subject to certain exceptions. The Planning Commission must grant any Major Modification.

Local Program projects would be reviewed and approved administratively by the Planning Director, unless the project seeks a “Major Modification” to an Objective Standard, which would be reviewed by the Planning Commission. The Planning Commission would not hear discretionary review of administratively reviewed projects. Review of projects using the Local Program would be completed within 30-60 days, unless additional environmental review was required.

Height and Bulk Districts, including the new R-4 Height and Bulk District

The ordinance would create the R-4 Height and Bulk District. Sites within the R-4 Height and Bulk District would be eligible for the Local Program (above), and therefore would not be subject to numeric densities, but would instead be governed by form-based density, which is a density calculation based on the permitted building volume. Sites within the R-4 Height and Bulk District would also be governed by two height limits: the first height limit (base zoning) would apply to all projects, and the second, higher height limit would apply only to projects using the Local Program. The ordinance would also codify an objective design standard related to the bulk and spacing of towers. The tower bulk and spacing requirements would generally apply to towers above 85 feet, unless otherwise specified in the Code. In addition to the height and bulk requirements, the ordinance would create special bulk requirements for large development lots, similar to existing requirements for several districts located downtown, such as the Eastern Neighborhoods Commercial District and the C-3. But the requirement would not apply to large sites in PDR Districts, or certain government or public facilities in P Districts. The bulk requirement would include obligations based on the size of the frontage and resulting block sizes, and include obligations to keep walking paths open to the public, and maintained for the life of the project.

Objective Wind Standards.

The ordinance would create a new objective wind standard that requires projects to not exceed a ground-level equivalent wind speed of 26 miles per hour for more than nine or more hours per year. The standard would apply to new buildings taller than 85 feet in the C-3 District, Van Ness Special Use District, Folsom and Main Residential/Commercial Special Use District, DTR Districts, and Central SoMa Special Use District.

Residential Uses.

The ordinance would amend multiple sections in the Planning Code that regulate residential uses, either in specific areas or citywide. The following table identifies the amendments and the applicable geography.

Topic	Key Provisions	Applicable Geography
Density	Establish maximum unit sizes, applicable to new construction. New units may be up to 4,000 square feet, or have a Floor Area Ratio of 1.2:1 (whichever is greater). Exceptions: 5 – 9 unit building: one unit may be greater than 4,000 square feet; 10+ unit building: 10% of units may be greater than 4,000 square feet.	Citywide.
	Establish minimum residential densities, and non-residential intensities within ½ mile of fixed guideway transit stops and stations and on certain Housing Element sites.	Within ½ mile of transit hubs and on sites identified as appropriate for Very Low Income or Low Income in the Housing Element Sites Inventory, and as required by Housing Element law.
	Establish Form-Based zoning (aka “density decontrol”) in various areas: - On the main commercial and transit streets proposed for rezoning, density limits would be removed, including in: NC districts (NC-1, NC-2,	Rezoned properties in Housing Opportunity Areas.

	NC-3, NC-S, named NC's), RC and C-2 districts within the Housing Opportunity Areas, and on properties on some corridors that will be rezoned to a new form-based zoning district, RTO-C (Residential Transit Oriented – Commercial). In most residential areas not on main corridors, density limits would continue apply. Projects in these areas are eligible for form-based density by opting into the Local Program.	Create and establish new Residential Transit Oriented-Commercial (RTO-C) zoning district that would apply to portions of transit and commercial streets that are currently zoned residential.
Parking and Loading	Reduce certain parking maximums: For areas within ½-mile of BART stations and certain other designated transit stations: between 0.375 and 0.5 spaces/unit (and other non-residential maximums). For other areas (unless otherwise specified in Section 151.1): • Lots with 1 unit may have 2 spaces. • Lots with 2 units may have 3 spaces. • All projects 3+ units may have 1 space/unit.	Rezoned properties in Housing Opportunity Areas and areas subject to MTC Transit-Oriented Communities requirements.
	Restrict new curb cuts and garage entries on selected street segments. In some cases, a new curb cut would require a Conditional Use Authorization or a curb cut may be prohibited.	Specific restrictions on selected segments of Neighborhood Commercial Districts in Housing Opportunity Areas.
	Require a Driveway and Loading Operations Plan for development projects of 100,000 net new gross square feet.	Citywide

Residential Flats	Codify the Planning Commission’s Residential Flat Policy The ordinance would: add a definition of Residential Flats to the Planning Code; and require Planning Commission approval for projects that would reduce the size or change the configuration of a Residential Flat such that the unit no longer meets the definition of a Residential Flat would, unless the project adds housing units.	Citywide.
Height & Bulk	Increase base heights in certain areas. Establish a new R-4 Height and Bulk District to codify elements of the adopted Citywide Design Standards and allow Local Program heights.	Rezoned properties in Housing Opportunity Areas.
Use Districts	Establish new use district, RTO-C (“Residential Transit Oriented – Commercial”).	Some rezoned properties in Housing Opportunity Areas.
Senior Housing	The ordinance would: • reduce usable open space requirements for senior housing. • reduce bicycle parking requirements for senior housing. • eliminate requirement that senior housing contain a minimum of 35 units.	Citywide.
“By-right” approval	Provide that certain types of housing projects are a “use by right” as required by Housing Element law.	Residential projects on sites identified pursuant to Housing Element law that contain 20% on-site low-income units.
Code Clean-Up &	The ordinance would • Remove obsolete Planning Code sections related to Efficiency Dwelling Units.	Citywide.

Conforming Amendments	• Eliminate Analyzed State Density Bonus Program from the Planning Code. • Where relevant, update tables and other code requirements to be consistent with the other changes, including noting the applicability of the adopted Citywide Design Standards and other Objective Standards.	
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Displaced Businesses

The ordinance would allow a Displaced Businesses, as defined in the ordinance, to relocate anywhere in San Francisco where the Displaced Business's use (e.g., Bar, or Restaurant) is not prohibited, without the need for a conditional use authorization from the Planning Commission. The ordinance would waive applicable development impact fees for those Displaced Businesses. The ordinance would also require that the Planning Department provide notice to non-residential uses and the Office of Small Business when a development application is received.

Non-contiguous San Francisco Municipal Transportation Agency Special Use District

The ordinance would create the Non-contiguous San Francisco Municipal Transportation Agency Special Use District (SFMTA SUD). The SFMTA SUD would amend the types of uses allowed on SFMTA owned parcels to include both public uses as well as the uses allowed in the surrounding districts, and modifies certain zoning controls for projects constructed in the SFMTA SUD. The SFMTA SUD would allow the Board of Supervisors to reduce or waive development impact fees for projects on the parcels, including the Jobs Housing Linkage Fee and the Transportation Sustainability Fee, upon the recommendation of the SFMTA Board of Directors.

Business and Tax Regulations Code

The ordinance would amend the Business and Tax Regulations Code Section 8, to set forth the standards by which the grant or denial of a permit under the HC-SF HSD should be reviewed.

Local Coastal Program

The ordinance would amend the Implementation Program of the City's Local Coastal Program to incorporate the amendments described above that are applicable in the Coastal Zone. This includes the zoning controls for the RH, RM-1, RM-2, RTO-C, NC-1, and NC-2 use districts; the SFMTA SUD that applies to one parcel in the Coastal Zone; the Housing Choice-SF Program; the R-4 Height and Bulk District; and the Displaced Business changes. The amendments to the LCP are subject to certification by the Coastal Commission.

Background Information

This ordinance (Version 3) is a substitute for the ordinance (Version 2) that was introduced on July 29, 2025. Version 1 of this ordinance was introduced on June 24, 2025. This ordinance (Version 3) incorporates the recommendations proposed by the Planning Department at the September 11, 2025 Planning Commission hearing, other than staff recommendation #13.

Housing Element Law

Under State law, every city and county must have a general plan, and each general plan must include a housing element. State law requires that a housing element identify and analyze the jurisdiction's existing and projected housing needs, include a statement of goals, policies and objectives for the preservation, improvement and development of housing, and identify adequate sites for housing for all economic segments of the community. (Gov't Code § 65583.) The City's adopted the 2022 Housing Element update on January 31, 2023.

A jurisdiction's existing and projected housing needs is known as its Regional Housing Needs Allocation ("RHNA"). If a jurisdiction does not have sufficient sites to accommodate its RHNA, it must adopt zoning changes, generally within three years of housing element adoption. San Francisco's RHNA is approximately 82,000 units, and because the City does not have sufficient capacity to accommodate its RHNA, it must rezone sufficient sites to allow for additional units by January 31, 2026. State Housing Element law also mandates that jurisdictions affirmatively further fair housing, in part by providing housing opportunities in "well-resourced areas," a state law designation that takes into consideration access to amenities such as good schools, jobs, transportation and open space, and lower rates of poverty.

Housing Element law requires cities to maintain a list of sites that have been used in previous housing element cycles, or have been identified as appropriate to accommodate a city's allocation of lower-income housing. Cities must provide "by-right" approval for projects that propose to build 20% affordable housing these sites.

Family Zoning Plan

This ordinance is part of a package of ordinances that will implement the Family Zoning Plan. The Family Zoning Plan includes this ordinance as well as a Zoning Map amendment and a General Plan amendment. The Zoning Map amendment is in Board File 250700, and the General Plan amendment will be introduced in July 2025.

The Family Zoning Plan – Planning Code amendment implements several goals outlined in the 2022 Housing Element Update, which include:

- Concentrate new housing on major transit routes, commercial streets, and other major hubs of activity, which are generally better served by transit, retail, and

other amenities, and contain more sites that are suitable and likely to be developed into housing.

- Add new housing across the “Housing Opportunity Areas.”
- Rezone (with height changes and removal of density limits) certain corridors to result in mid-rise development (65’ to 85’, or 6-to-8 stories). Heights of 85’ are generally proposed for wider streets adjacent to or near major transit lines and stations (such as rail and bus rapid transit).
- Increase heights (ranging from 140’ – 650’, or 14-to-65 stories) in areas that:
 - currently allow high-rise construction above 85’ (e.g., the greater Van Ness corridor);
 - are key intersections and locations along major corridors (e.g., sections of Geary Boulevard and 19th Avenue);
 - have wider streets and contain medium- and large-sized parcels that are well suited for housing development (for example, Market Street and Lombard Street); and
 - are near major transit stops (e.g., Market Street, Geary Boulevard, Glen Park).
- Remove density limits and institute Form-based density in residential areas surrounding major transit and commercial streets.
- Encourage development on opportunity sites (public, nonprofit and religious sites) throughout the Well-Resourced neighborhoods that meet a certain size threshold by allowing higher height limits.
- Consider the core physical patterns of San Francisco in keeping with principles of the Urban Design Element. Include consideration of key characteristic views from major public vantage points, such as from the tops of hills, parks known for their views, and from the waterfront.
- Fulfill the Urban Design Element’s guidance to locate taller buildings in areas of greater activity and transit access and to mark key locations in the City. While the visual impact of new buildings will be felt most acutely by properties that are in their immediate proximity, the Program is not intended to introduce major areas of tall buildings that would block key public views or change the overall perception of the landscape of the city.

MTC’s Transit Oriented Communities Policy

In September 2022, the Metropolitan Transportation Commission endorsed a “Transit Oriented Communities” (TOC) policy, which supports transit investments by creating communities around transit stations and along transit corridors. MTC has indicated that future grant money will be prioritized for areas that comply with the TOC policy. The TOC Policy includes requirements for, among other zoning policies, minimum residential and commercial densities and parking and circulation requirements. This ordinance includes amendments to the Planning Code to comply with MTC’s TOC policy.

Index

FILE NO. 250701

An index to the Planning Code Sections being amended in this ordinance follows on the next page.

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