

1 [Planning Code - Group Housing Definition]

2

3 **Ordinance amending the Planning Code to revise the definition of Group Housing;**  
4 **affirming the Planning Department’s determination under the California Environmental**  
5 **Quality Act; and making findings of consistency with the General Plan and the eight**  
6 **priority policies of Planning Code, Section 101.1, and findings of public necessity,**  
7 **convenience, and welfare under Planning Code, Section 302.**

8 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
9 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
10 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
11 **Board amendment additions** are in double-underlined Arial font.  
12 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
13 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
14 subsections or parts of tables.

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

16 Section 1. Environmental and Land Use Findings.

17 (a) The Planning Department has determined that the actions contemplated in this  
18 ordinance comply with the California Environmental Quality Act (California Public Resources  
19 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of  
20 Supervisors in File No. 211299 and is incorporated herein by reference. The Board affirms  
21 this determination.

22 (b) On February 10, 2022, the Planning Commission, in Resolution No. 21071,  
23 adopted findings that the actions contemplated in this ordinance are consistent, on balance,  
24 with the City’s General Plan and eight priority policies of Planning Code Section 101.1. The  
25 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. 211299, and is incorporated herein by reference.

1 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the  
2 Planning Code amendments will serve the public necessity, convenience, and welfare for the  
3 reasons set forth in Planning Commission Resolution No. 21071, and the Board incorporates  
4 such reasons herein by reference.

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6 Section 2. Other Findings.

7 (a) In 2005, the Zoning Administrator issued an interpretation of the Planning Code  
8 definition of Group Housing that allowed Group Housing to include limited kitchens, similar to  
9 the Planning Code definition of Dwelling Unit, which made it more difficult to distinguish  
10 between a residential Dwelling Unit and a Group Housing unit.

11 (b) The intent of a Group Housing development is to create successful communal  
12 living arrangement for permanent residents, largely achieved by shifting the private amenities  
13 required in standard Dwelling Units, such as kitchens, to communal facilities shared by all  
14 project residents, thus encouraging shared social interactions and shared stewardship of the  
15 facility.

16 (c) The Planning Department has partnered with California College of the Arts to study  
17 current Group Housing developments and analyze best practices, and has prepared  
18 recommendations on how to improve the definition of Group Housing in the Planning Code,  
19 many of which are reflected in this ordinance.

20 (d) In 2002, San Francisco adopted its first Inclusionary Housing Ordinance, which  
21 requires that projects with ten or more units designate a percentage of units on-site as  
22 “affordable for purchase...and rent” by moderate, low, and very low-income households, with  
23 the stated goal of addressing San Francisco’s affordable housing crisis. On-site affordable  
24 units capture the social benefits of integrated below-market and market rate housing. The  
25 Inclusionary Housing Ordinance was subsequently updated in 2016 and 2017.

1 (e) In 2002, the Planning Department reported that between 1992 and 2002 only  
2 “3,1991 units of low and very low-income housing were built in San Francisco out of a total  
3 need of 15,103 units for the same period.” This effort has not improved in the last two  
4 decades. The Planning Department’s April 2021 Housing Balance Report shows that very-low  
5 income units (including units for extremely low-income residents eligible for homeless  
6 subsidies) and low-income units made up only 19% of net new units constructed between the  
7 first quarter of 2011 through the fourth quarter of 2020. These numbers pale in comparison to  
8 the need for such housing. The Association of Bay Area Governments’ 2023-2031 Draft  
9 Regional Housing Needs Assessment identifies San Francisco’s need for 114,442 units of  
10 very-low income housing, or 25.9% of total housing need, and 65,892 units of low-income  
11 housing, or 14.9% of total housing need. Together, San Francisco’s Regional Housing Needs  
12 Assessment HNA calls for over 40% of all units as below market rate units.

13 (f) Group Housing developments, while designed for permanent residents, are  
14 nonetheless tailored to residents who are in a transitional stage in their lives, either as a  
15 function of their employment situation or their student status. The smaller floor plans and  
16 scaled-back private amenities of individual units are marketed to and designed for residents  
17 who are primarily seeking to rent a unit, and not residents who seek to purchase a unit.

18 (g) Group Housing ownership units run the risk of becoming unregulated corporate  
19 rentals or second and third homes for San Francisco or non-San Francisco residents, which  
20 contravenes the intended social benefits and shared investment needed to ensure a  
21 successful Group Housing project.

22 (h) In 2017, the Board of Supervisors updated the Hotel Conversion Ordinance,  
23 Administrative Code Chapter 41, to clarify that residential hotels are intended for permanent  
24 residents, and that any stay under 32 days would be considered a tourist or transient use and  
25 not a residential use, and conformed the Hotel Conversion Ordinance to other sections of the

1 Administrative Code related to short-term rentals. The Hotel Conversion Ordinance updates  
2 also reflect an updated definition of “protected tenants” in Chapter 37 of the Administrative  
3 Code, the San Francisco Residential Rent Stabilization and Arbitration Ordinance. This  
4 legislation conforms the definition of Group Housing with the term of stay for residential hotels,  
5 a type of use included in the definition of Group Housing.

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7 Section 3. The Planning Code is hereby amended by revising Sections 102 and 415.2,  
8 to read as follows:

9  
10 **SEC. 102 DEFINITIONS.**

11 \* \* \* \*

12 **Group Housing.** A Residential Use that provides lodging or both meals and lodging,  
13 without individual or limited cooking facilities or kitchens, by prearrangement for 30 days a week  
14 or more at a time and intended as Long-Term Housing, in a space not defined by this Code as a  
15 Dwelling Unit ~~dwelling unit~~. Except for Group Housing that also qualifies as Student Housing as  
16 defined in this Section 102, or 100% Affordable Housing as defined in Planning Code Section 315, or  
17 housing operated by an organization with tax-exempt status under 26 United States Code  
18 Section 501(c)(3) providing access to the unit in furtherance of its primary mission to provide  
19 housing, the residential square footage devoted to Group Housing shall include both common and  
20 private space in the following amounts: for every gross square foot of private space (including  
21 bedrooms and individual bathrooms), ~~0.25~~ 0.5 gross square feet of common space shall be provided,  
22 with at least ~~50~~ 15% of the common space devoted to communal kitchens with a minimum of one  
23 kitchen for every ~~20~~ 15 Group Housing units. ~~Such group housing~~ Group Housing shall include, but  
24 not necessarily be limited to, a Residential Hotel, boardinghouse, guesthouse, rooming house,  
25 lodging house, residence club, commune, fraternity or sorority house, monastery, nunnery,

1 convent, or ashram. It shall also include group housing affiliated with and operated by a  
2 medical or educational institution, when not located on the same lot as such institution, which  
3 shall meet the applicable provisions of Section 304.5 of this Code concerning institutional  
4 master plans.

5 \* \* \* \*

6

7 **SEC. 415.2. DEFINITIONS.**

8 See Section 401 of this Article.

9 "Owned Unit" shall mean a dwelling unit that is a condominium, stock cooperative,  
10 community apartment, or detached single family home. The owner or owners of an owned unit  
11 must occupy the unit as their primary residence. An Owned Unit shall not be Group Housing, as  
12 defined in Section 102.

13 \* \* \* \*

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15 Section 4. Effective Date.

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

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