



March 20, 2026

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Number: 2026-001412PCA**
Transit-Oriented Residential Development (SB 79 Implementation)
Board File No. 260132

Planning Commission Action: Adopted a Recommendation for Approval with Modifications

Dear Ms. Calvillo and Mayor Lurie,

On March 19, 2026, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance introduced by Mayor Lurie on February 10, 2026. The proposed Ordinance would amend the Planning Code by adding Section 207.11 and locally implement California Senate Bill 79 (SB 79), including temporarily excluding certain sites from the provisions of SB 79, permanently excluding certain sites from the provisions of SB 79, adopting an Alternative Plan to SB 79, making findings that the Alternative Plan meets the requirements of SB 79, and directing the Clerk of the Board of Supervisors to transmit a copy of this ordinance to the California Department of Housing and Community Development.

At the hearing, the Planning Commission adopted a recommendation for approval with modifications.

The Commissions recommended modifications include:

The correction of a clerical error in the Ordinance, changing the zoning district WSoMa Mixed-Use General (WMUG) to WSoMA Mixed-Use Office (WMUO).

Pursuant to Government Code Section 65912.160 (c)(2), a local ordinance implementing SB 79 is not a project subject to CEQA.

Mayor Lurie, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,



Audrey Merlone

Acting Manager of Legislative Affairs

cc: Austin Yang, Chief City Attorney
Audrey Williams Pearson, Deputy City Attorney
Giulia Gualco-Nelson, Deputy City Attorney
Adam Thongsavat, Liaison to the Board of Supervisors
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution No. 21901

Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21901

HEARING DATE: March 19, 2026

Project Name: Transit-Oriented Residential Development (SB 79 Implementation)
Case Number: 2026-001412PCA [Board File No. 260132]
Initiated by: Mayor Daniel Lurie / Introduced February 10, 2026
Staff Contact: Sarah Richardson, Planner
sarah.richardson@sfgov.org, 628-652-7450
Reviewed by: Joshua Switzky, Deputy Director of Community Planning
joshua.switzky@sfgov.org, 628-652-7464

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE THAT 1) TEMPORARILY EXCLUDES CERTAIN SITES FROM THE PROVISIONS OF CALIFORNIA SENATE BILL NO. 79 (SB 79) THAT REQUIRE LOCAL JURISDICTIONS TO ALLOW RESIDENTIAL USES AT VARIOUS DENSITIES, HEIGHTS, AND FLOOR AREA RATIOS ON SITES WITHIN ONE-HALF MILE OF A TRANSIT-ORIENTED DEVELOPMENT STOP; 2) PERMANENTLY EXCLUDES FROM THOSE PROVISIONS OF SB 79 SITES LOCATED IN INDUSTRIAL EMPLOYMENT HUBS, INCLUDING CERTAIN SITES ZONED M (INDUSTRIAL), SALI (SERVICE/ARTS/LIGHT INDUSTRIAL), PDR (PRODUCTION, DISTRIBUTION, REPAIR), WMUG (WSOMA MIXED USE-GENERAL), AND P (PUBLIC), AND SITES WITH A WALKING PATH OF MORE THAN ONE MILE TO THE CLOSEST TRANSIT DEVELOPMENT STOP; 3) AMENDS THE PLANNING CODE TO PERMIT ADDITIONAL DENSITY AND HEIGHT FOR RESIDENTIAL PROJECTS ON CERTAIN PARCELS WITHIN ONE-HALF MILE OF A TRANSIT-ORIENTED DEVELOPMENT STOP; 4) ADOPTS AN ALTERNATIVE PLAN TO SB 79, INCLUDING MAKING FINDINGS THAT THE ALTERNATIVE PLAN PROVIDES EQUIVALENT DEVELOPMENT CAPACITY; 5) MAKES FINDINGS THAT THESE EXEMPTIONS AND THE CITY'S RESIDENTIAL CAPACITY MEET THE REQUIREMENTS OF SB 79; AND 6) DIRECTS THE CLERK OF THE BOARD OF SUPERVISORS TO TRANSMIT A COPY OF THIS ORDINANCE TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT; 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 FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, the California State Senate Bill 79 (SB 79), the Abundant and Affordable Homes Near Transit Act was signed into law by Governor Newsom on October 10, 2025, and take effect on July 1, 2026; and

WHEREAS, SB 79 sets zoning rules for minimum permitted height and density limits for housing within a ½ mile radius of major transit stops for all properties zoned for residential, mixed use, and commercial uses; and

WHEREAS, SB 79 allows for the ministerial approval of certain housing projects in transit station areas under the streamlining provisions of SB 423; and

WHEREAS, SB 79 allows local jurisdictions to adopt a local alternative plan (Alternative Plan) via ordinance, which prevents SB 79 from taking effect in that jurisdiction, provided that the Alternative Plan meets certain housing capacity requirements; and

WHEREAS, SB 79 allows local jurisdictions to permanently excludes certain parcels meeting specified criteria, and temporarily exempt certain parcels meeting specified criteria, via ordinance, from SB 79's provisions; and

WHEREAS, on February 10, 2026 Mayor Daniel Lurie introduced a proposed ordinance (Board File Number 260132), which would 1) temporarily exclude parcels within certain low resource census tracts from the provisions of SB 79; 2) permanently exclude certain parcels located in Industrial Employment Hubs from the provisions of SB 79; 3) amend Article 2 of the Planning Code to add Section 207.11 Transit- Oriented Development—Density and Height Exception to permit additional density and height for residential projects on certain parcels within one-half mile of a transit-oriented development stop; 4) adopt an Alternative Plan that meets the requirements of SB 79; and 5) make findings that the combination of exclusions, the Planning Code amendment, and the City's residential capacity meet the requirements of SB 79.

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed ordinance on March 19, 2026; and,

WHEREAS, the proposed ordinance has been determined to not be a project subject to CEQA, pursuant to Government Code Section 65912.160 (c)(2); and

WHEREAS, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

WHEREAS, the Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Commission hereby adopts a **recommendation for approval with modifications** of the proposed ordinance.

MOVED, that the Commission recommends fixing the clerical error WMUG and changing it to WMUO.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

The City recently adopted the Family Zoning Plan which increased housing capacity throughout a large swath of the city, with an emphasis on transit and commercial corridors. This paired with housing capacity created through the City's existing zoning, including past Area Plans, development agreements, redevelopment plans, and other legislation in recent years, such as that allowing for 4 and 6-plexes in residential areas, created significant capacity for homes near transit.

The industrial employment hub permanent exclusions included in the proposed ordinance help preserve specific land uses, the types of businesses and core city functions that operate there, and the jobs they support. The industrial employment hubs identified in the ordinance satisfy the requirements of SB 79.

The proposed ordinance identifies parcels within low resource census tract, which are eligible for the temporary exemptions in SB 79. Exempting these parcels allows for additional time to plan for increased housing capacity in these areas and to clarify the relationship of SB79 to certain redevelopment areas and potential future transit stops in these areas.

Amending the Planning Code to allow for additional density on a limited number of parcels throughout the city, combined with existing housing capacity near transit throughout the city, is anticipated to have modest but broadly positive racial and social equity implications. It has the potential to enable more multifamily housing options across the city that could benefit transit-dependent households, middle-income workers, and residents who face high housing cost burdens but lack access to homes near transit.

Using the methodology required by SB 79, the Alternative Plan has a net unit and net floor area capacity that is greater than what would be allowed by SB 79. The Alternative Plan allows the City to maintain its tailored approach to planning for housing that recognizes the specific geographic nuances of the city, while still meeting the transit-oriented development goals and housing capacity targets of Senate Bill 79.

General Plan Compliance

The proposed ordinance is consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

OBJECTIVE 4.B

EXPAND SMALL AND MID-RISE MULTI-FAMILY HOUSING PRODUCTION TO SERVE OUR WORKFORCE, PRIORITIZING MIDDLE-INCOME HOUSEHOLDS

Policy 20

Increase mid-rise and small multi-family housing types by adopting zoning changes or density bonus programs in Well-resourced Neighborhoods and adjacent lower-density areas near transit, including along SFMTA Rapid Network and other transit.

Policy 28

Affirm compliance in State housing law, requirements, and intent by strengthening data collection, clarifying definitions, and further supporting implementation.

Policy 31

Facilitate small and mid-rise multi-family buildings that private development can deliver to serve middle-income households without deed restriction, including through adding units in lower density areas or by adding Accessory Dwelling Units (ADUs).

OBJECTIVE 4.C

EXPAND AND DIVERSIFY HOUSING TYPES FOR ALL

Policy 32

Promote and facilitate aging in place for seniors and multi-generational living that supports extended families and communal households.

Policy 33

Prevent the outmigration of families with children and support the needs of families to grow.

OBJECTIVE 5.A

CONNECT PEOPLE TO JOBS AND THEIR NEIGHBORHOOD WITH NUMEROUS, EQUITABLE, AND HEALTHY TRANSPORTATION AND MOBILITY OPTIONS

Policy 37

Facilitate neighborhoods where proximity to daily needs and high-quality community services and amenities promotes social connections, supports caregivers, reduces the need for private auto travel, and advances healthy activities.

Policy 38

Ensure transportation investments create equitable access to transit and are planned in parallel with increase in housing capacity to advance well-connected neighborhoods consistent with the City's Connect SF vision, and encourage sustainable trips in new housing.

The proposed ordinance recognizes and maintains the City's existing transit-oriented development while modestly increasing housing capacity near some major transit stations, primarily in residential areas in the southern and eastern parts of the city. These housing types could range from small to large housing types, but a large portion would facilitate additional density in small to medium sized housing developments. As such, the proposed ordinance promotes housing near transit, which supports objectives and policies related to growing the housing stock and specifically for the populations that may be impacted by the housing shortage or that could benefit from additional housing near transit. Furthermore, as this is a local implementing ordinance for State Senate Bill 79, the proposed ordinance affirms compliance with state law.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

OBJECTIVE 4

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY, THE EQUITABLE DISTRIBUTION OF INFRASTRUCTURE, AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

Policy 4.3

Carefully consider public actions that displace existing viable industrial firms.

Policy 4.5

Control encroachment of incompatible land uses on viable industrial activity.

MISSION AREA PLAN

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK

Policy 1.1.1

Revise land use controls in some portions of the Northeast Mission Industrial Zone to stabilize and promote PDR activities, as well as the arts, by prohibiting construction of new housing and limiting the amount of office and retail uses that can be introduced. Also place limitations on heavier industrial activities which may not be appropriate for the Mission.

BAYVIEW HUNTERS POINT AREA PLAN

OBJECTIVE 8

STRENGTHEN THE ROLE OF BAYVIEW'S INDUSTRIAL SECTOR IN THE ECONOMY OF THE DISTRICT, THE CITY, AND THE REGION.

Policy 8.1

Maintain industrial zones for production, distribution, and repair activities in the Northern Gateway, South Basin, Oakinba, and India Basin Industrial Park subdistricts.

SHOWPLACE SQUARE/POTRERO AREA PLAN

OBJECTIVE 1.7

RETAIN THE ROLE OF SHOWPLACE SQUARE AS AN IMPORTANT LOCATION FOR PRODUCTION, DISTRIBUTION, AND REPAIR (PDR) ACTIVITIES, FOCUSING IN PARTICULAR ON DESIGN RELATED ACTIVITIES.

Policy 1.7.1

In areas designated for PDR, protect the stock of existing buildings used by, or appropriate for, PDR businesses by restricting conversions of industrial buildings to other building types and discouraging the demolition of sound PDR buildings.

CENTRAL WATERFRONT AREA PLAN

OBJECTIVE 1.1

ENCOURAGE THE TRANSITION OF PORTIONS OF THE CENTRAL WATERFRONT TO A MORE MIXED-USE CHARACTER, WHILE PROTECTING THE NEIGHBORHOOD'S CORE OF PDR USES AS WELL AS THE HISTORIC DOGPATCH NEIGHBORHOOD

Policy 1.1.1

In the core PDR area generally south of 23rd Street, protect and promote PDR activities, as well as the arts, by prohibiting construction of new housing and limiting the amount of new office and retail uses.

The proposed ordinance excludes from the provisions of SB 79 the parcels contained within three Industrial Employment Hubs, as permitted and defined by California Government Code §65912.155-162. By excluding these parcels, the land uses, types of businesses and core city functions that operate on them, and the employment opportunities they create are maintained. This fulfills the above objectives and policies which call for preserving industrial in nature businesses and production, distribution, and repair land uses within these specific areas of San Francisco.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed ordinance would not have an adverse effect on the City's supply of affordable housing. The proposed ordinance would maintain and increase the supply of housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking. The proposed ordinance reaffirms and enhances the City's planning for additional housing in transit-served areas.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed ordinance maintains the City's areas zoned for industrial and service sectors. It would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS of the proposed ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on March 19, 2026.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2026.03.23 12:25:36 -07'00'

AYES: So, Braun, Imperial, Campbell
NOES: Williams, Moore
ABSENT: McGarry
ADOPTED: March 19, 2026



EXECUTIVE SUMMARY

PLANNING CODE AMENDMENT AND CALIFORNIA SENATE BILL 79 IMPLEMENTATION

HEARING DATE: March 19, 2026

90-Day Deadline: May 11, 2026

Project Name: Transit-Oriented Residential Development (SB 79 Implementation)
Case Number: 2026-001412PCA [Board File No. 260132]
Initiated by: Mayor Daniel Lurie / Introduced February 10, 2026
Staff Contact: Sarah Richardson, Planner
sarah.richardson@sfgov.org, 628-652-7450
Reviewed by: Joshua Switzky, Deputy Director of Community Planning
joshua.switzky@sfgov.org, 628-652-7464
Environmental
Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval with Modifications

Summary

On March 19, 2026, the Planning Commission will consider approval of the proposed Transit-Oriented Residential Development Ordinance (proposed ordinance) as introduced by Mayor Daniel Lurie on February 10, 2026.

The proposed ordinance does the following:

- Permanently excludes three Industrial Employment Hubs from being subject to Senate Bill (SB) 79.
- Temporarily exempts low resource tracts south of 16th street and in Mission Bay.
- Amends the Planning Code to add a new density and height exception to Article 2. The exception would only apply to housing development projects that meet certain conditions and is necessary for the City and County of San Francisco (City) to qualify for an “Alternative Plan” pursuant to SB 79.
- Adopts an Alternative Plan under SB 79, including demonstrating that San Francisco’s housing

capacity under existing zoning, when factoring in the permanent exclusions, temporary exemptions, and Planning Code Amendment, meets the Alternative Plan Requirements.

This staff report also discusses issues and considerations related to the proposed ordinance, describes the consistency with the General Plan and impact on racial and social equity, and provides a basis for recommendation.

Note that the Planning Code amendment is presented at the beginning of the Executive Summary as this is the convention, however, the entire ordinance is before the Commission for consideration and discussion. The Planning Code Amendment is discussed further in the body of the report in reference to how it functions within the proposed ordinance.

Planning Code Amendment

The Way It Is Now

Where residential uses are permitted, residential density is regulated by zoning district, applicable special use districts, or other provisions and exceptions in the Code, including but not limited to Section 207. SB 79 would take effect on July 1, 2026.

The Way It Would Be

The proposed ordinance adds Section 207.11 (Transit-Oriented Development—Density and Height Exception) to the Planning Code, to permit additional density and height for residential projects on certain parcels within one-half mile of a transit-oriented development stop, in accordance with SB 79's specifications.

The exception would apply to residential development projects on parcels that meet all of the following conditions:

1. Is all or partially located within one-half mile of a “transit-oriented development stop,” as defined in California Government Code Section 65912.156
2. Is located in a zoning district that principally permits residential uses.
3. Either limits housing density by numeric density or has a height limit of less than 40 feet.
4. Is located outside of the R-4 height and bulk district.
5. Is not seeking a density bonus pursuant to Section 206.6.
6. Is not a parcel permanently or temporarily exempted from SB 79 pursuant to the ordinance enacting this Section 207.11.
7. Is not a parcel with a Historic Building that is individually designated as a landmark or listed as a contributor to a historic district under Article 10 of this Code, or listed as a Significant or Contributory Building under Article 11 with a Category I, II, III, or IV rating.
8. The permitted density prior to applying the density and height exception in subsection (c) does not meet the minimum density required by California Government Code Section 65912.157.

For parcels meeting the criteria above, the Density and Height Exception would be as follows:

- For any housing development project, the applicable residential density shall be up to 50% of the

density permitted on that parcel pursuant to the requirements in California Government Code Section 65912.157.

- For any parcel that is partially located in the Coastal Zone, the density exception shall apply to the entire parcel, however residential development shall be limited to the portions of the parcel located outside of the Coastal Zone.
- For any housing development project located on a parcel with a height limit of less than 40 feet, the applicable height limit shall be 40 feet.

Background on SB 79

[SB 79](#), the Abundant and Affordable Homes Near Transit Act, was signed into law by Governor Newsom on October 10, 2025, and takes effect on July 1, 2026 (California Government Code §65912.155-162.) SB 79 sets zoning rules for minimum permitted height and density limits for housing near major transit stops. The law is applicable to all properties zoned for residential, mixed use, and commercial uses. The bill is aimed at increasing housing affordability and availability, strengthening transit systems, and decreasing carbon emissions. The law does the following:

1. Establishes statewide minimum zoning standards for allowed housing density and building height limits within ½-mile around qualifying transit stops such as for rail and bus rapid transit.
2. Allows for the ministerial approval of certain housing projects in transit station areas under the streamlining provisions of SB 423.
3. Provides local jurisdictions with the ability to establish a local alternative plan that does all of the following:
 - Provides equivalent or greater aggregate housing capacity compared to SB 79's default provisions across SB 79 station areas;
 - Maintains zoning that allows at least 50% of SB 79 densities on every parcel that allows housing; and,
 - Maintains zoning to accommodate at least 50% of the total unit capacity in each station area compared to SB 79.
4. Allows for parcels that meet certain criteria to be permanently excluded, and others to be temporarily exempted from SB 79's provisions.
 - Parcels that can be permanently excluded include:
 - Those that are within an Industrial Employment Hub that is at least 250 contiguous acres, and as of January 1, 2025, is both designated as an employment area in the General Plan and does not principally permit housing development; and
 - Those that are more than 1 mile walk from the entrance to a qualifying transit stop.
 - Parcels that meet any of the following conditions qualify for a temporary exemption that expires in 2032, (1 year after the next Housing Element is due):
 - The site's zoning allows at least 50% of the density permitted under SB 79;
 - It is in an area vulnerable to one-foot or more of sea level rise;
 - It is in a census tract identified as "low resource" by the state opportunity maps provided that the city cumulatively has housing capacity for at least 50% of what SB79 would

- permit across all station areas; or,
 - It was listed on a local historic register as of January 1, 2025.
- 4. Provides transit agencies with the authority to develop their own development standards for housing development and mixed-use projects on transit agency-owned land near transit stops.

Qualifying transit stations are divided into two tiers with different height and density requirements in the half mile surrounding each stop.

Tier 1: Heavy rail stations. In San Francisco, these stations are BART and Caltrain stations, including the Salesforce Transit Center, which is a planned Caltrain station.

Tier 2: Light rail stations and major bus stops. In San Francisco, light rail includes Muni Metro (but not cable cars). Major bus stops are defined as those served by buses operating in dedicated transit lanes, such as those along Van Ness Ave and Geary Blvd, and that have a headway of under 15 minutes during commute hours.

Around each Tier 1 and Tier 2 stop, there are three concentric radii of geography to which the varying zoning provisions apply. The radii include: (1) within 200 feet of a stop, (2) within ¼-mile of a stop, and (3) within ½-mile of a stop. Figure 1 lists the SB 79 maximum heights, densities (in units per acre), and floor area ratios (FAR) by tier and distance from each stop. Within these station areas, a housing development project would be principally permitted use on all properties zoned for residential, mixed use, and commercial uses up to the following limits, unless the local zoning is more permissive.

Figure 1: SB 79 Allowed Heights and Densities by Tier and Distance from Transit Stops

Transit Stop Tier	Radius	Max Height (ft)	Max Density (units/ac)	Max FAR
1 (BART, Caltrain)	200'	95	160	4.5
	1/4-mi	75	120	3.5
	1/2-mi	65	100	3
2 (light rail, major bus stops)	200'	85	140	4
	1/4-mi	65	100	3
	1/2-mi	55	80	2.5

Distances are measured in “a straight line from the nearest edge of the parcel containing the proposed project to a pedestrian access point for the transit-oriented development stop.” This means that the relevant SB 79 rules, or the more intensive of such rules, would apply to the entirety of a parcel if any portion of the parcel is within one of these radii.

Figure 2 shows the eligible stops by tier as the Planning Department interprets eligibility as well as the applicable areas covered by each station area. The Metropolitan Planning Commission and the Association of Bay Area Governments (MTC/ABAG) have not yet published the authoritative map of qualifying transit

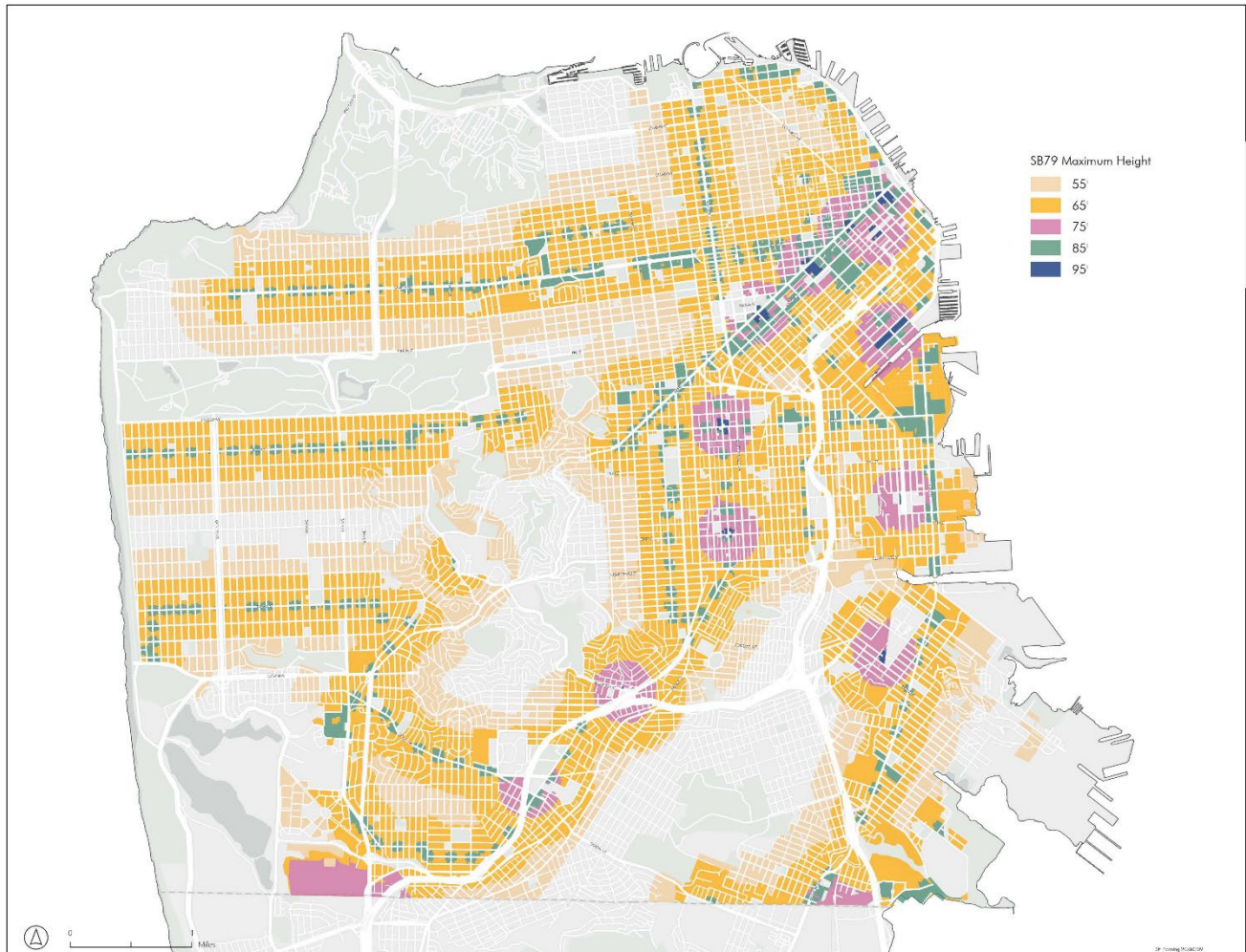
stations and their station area geographies under SB 79, which is the responsibility of each region's metropolitan planning organization.

Figure 2: Qualifying Tier 1 and Tier 2 Transit Stops and Qualifying Geographies at 200 ft., ¼ mi., and ½ mi. Radii



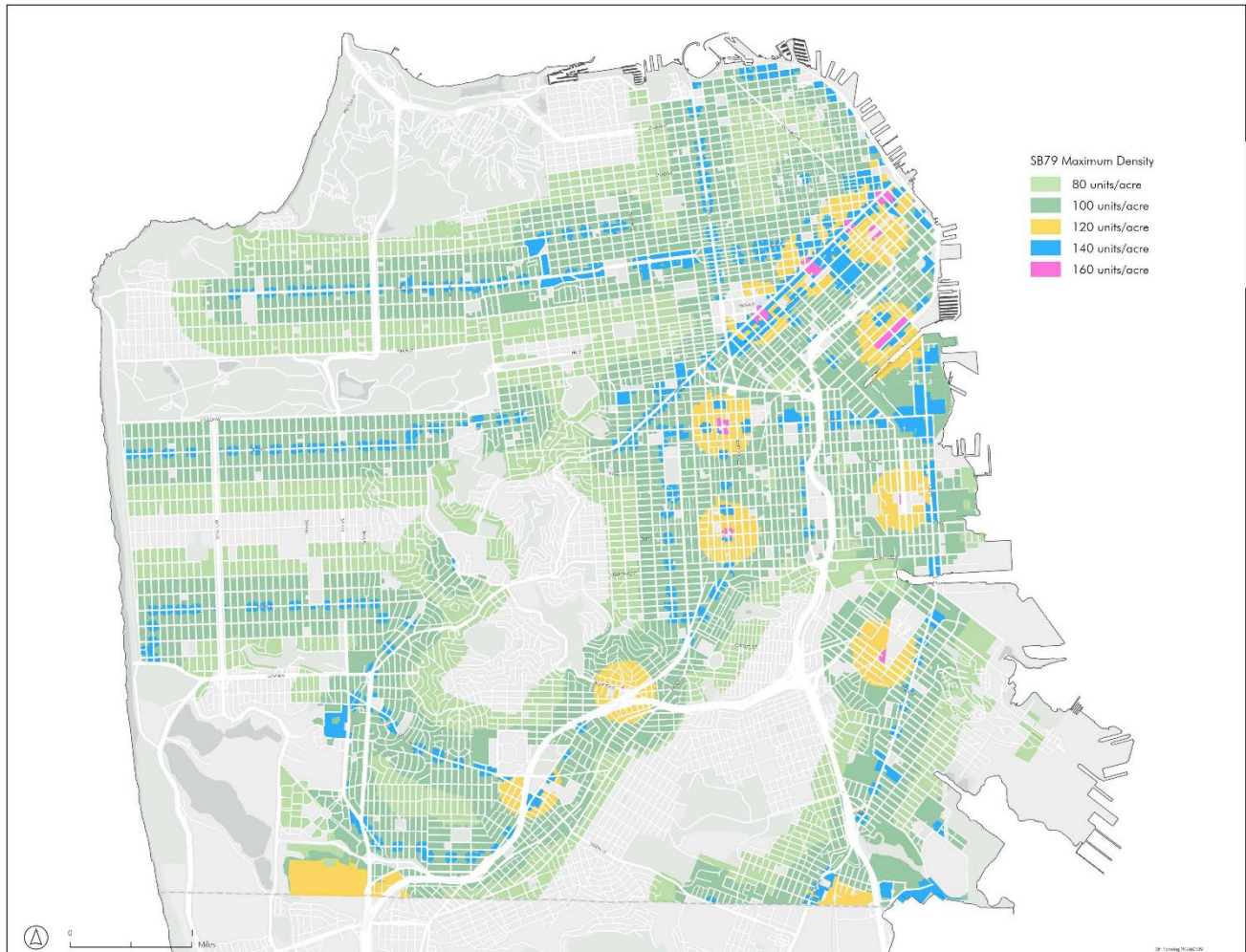
Figures 3 and 4 show how these height and density limits would apply to parcels in San Francisco's applicable transit station areas. More than three-quarters of properties in San Francisco (120,000 parcels) fall within areas subject to SB 79. Approximately 75% of the parcels, covering approximately 65% of the City's land area, would be subject to SB 79. Over 60% of the properties subject to SB 79 (75,000 parcels) are within the geography of the Family Zoning Plan.

Figure 3: Default SB 79 Height Limits for Parcels within Qualifying Transit Stop Geographies



Note: The Hunters Point Shipyard and Candlestick Point Redevelopment areas are not subject to the San Francisco Planning Code and have been removed from this map.

Figure 4: Default SB 79 Density Limits for Parcels within Qualifying Transit Stop Geographies



Note: The Hunters Point Shipyard and Candlestick Point Redevelopment Areas are not subject to the San Francisco Planning Code and have been removed from this map.

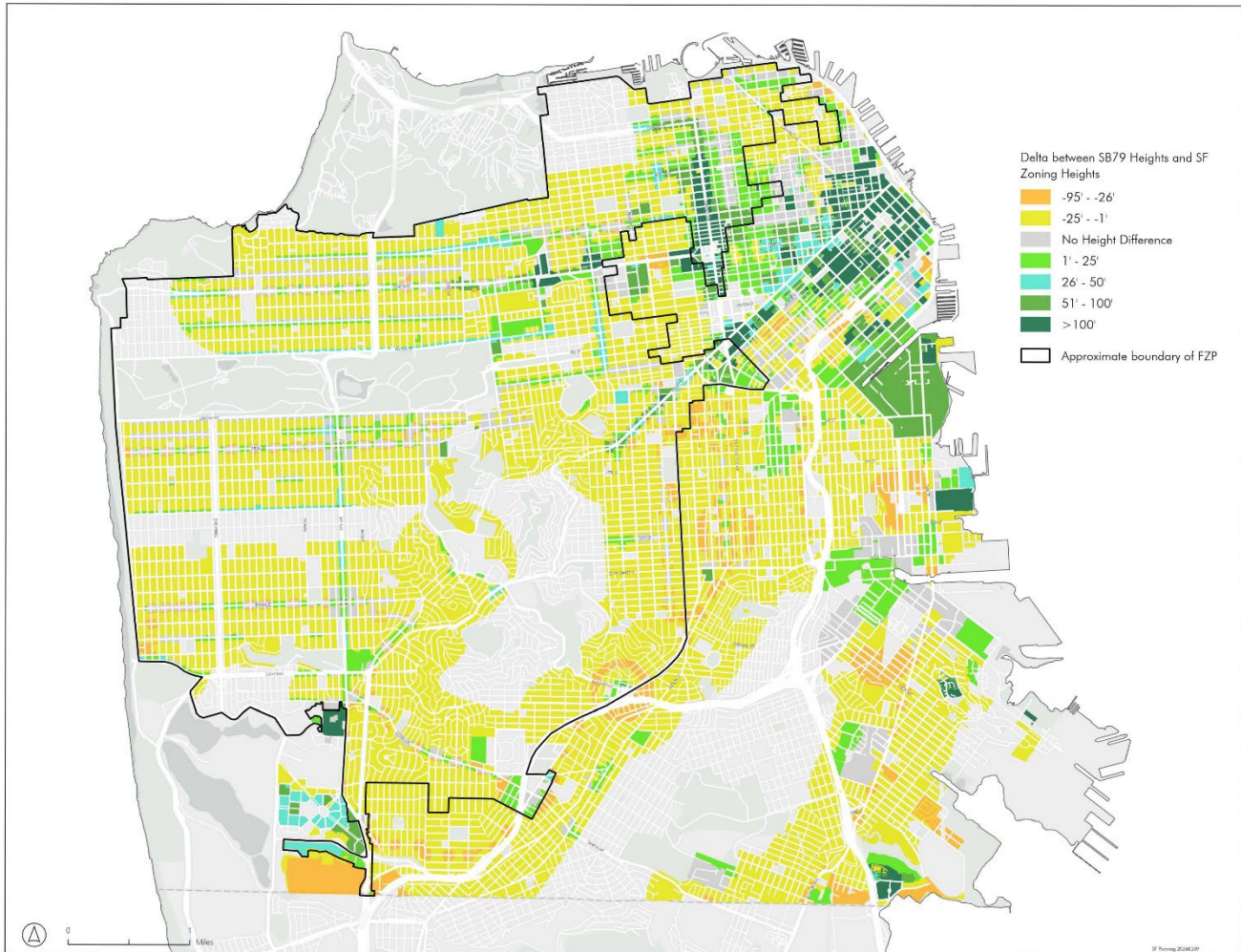
San Francisco's Local Implementation Ordinance for SB 79

The following map shows how San Francisco's existing height maximums compare with what would be allowed by SB 79. Generally, San Francisco allows for taller buildings downtown and along transit and commercial corridors, while SB 79 heights are more evenly distributed across the city and are taller than existing heights in residential areas. Figure 5 illustrates this difference between the SB 79 default height limits and San Francisco's existing height limits.¹

¹ It is important to note that while SB79 may allow for taller buildings in certain areas, such as residential areas, it does not necessarily permit more *units* (i.e. more housing density) per parcel than existing zoning permits. SB79 uses numerical density limits that are lower than what would typically be yielded through form-based zoning at the height limits set by the law. In other words, SB79 caps densities at levels assuming significantly larger average unit sizes than

The proposed ordinance would permanently and temporarily exclude certain parcels, as described in the sections that follow, which will limit the parcels where SB 79 would be applicable. Even so, the existing zoning in most of San Francisco, particularly within the Family Zoning Plan area, as well as other dense areas of the city, already substantially exceeds the zoning standards of SB 79.

Figure 5. Default SB 79 Height Limits Compared to Existing Height Limits



Note: Redevelopment areas such as Mission Bay, Candlestick, and Hunter's Point Shipyard, have height limits that are at or above the SB 79 default height limits. However, the city's parcel map has not been updated to reflect both recently developed and planned parcel and street layouts in those areas. Additionally, the applicable existing height limits for those areas are contained within those redevelopment plans based on those unmapped block and street patterns. For these reasons, generalized information is shown in this map for those redevelopment areas.

are typical in San Francisco multi-family buildings, and as such districts subject to form-based zoning typically would permit more units per parcel at lower height limits than are allowed under SB79 with taller height limits.

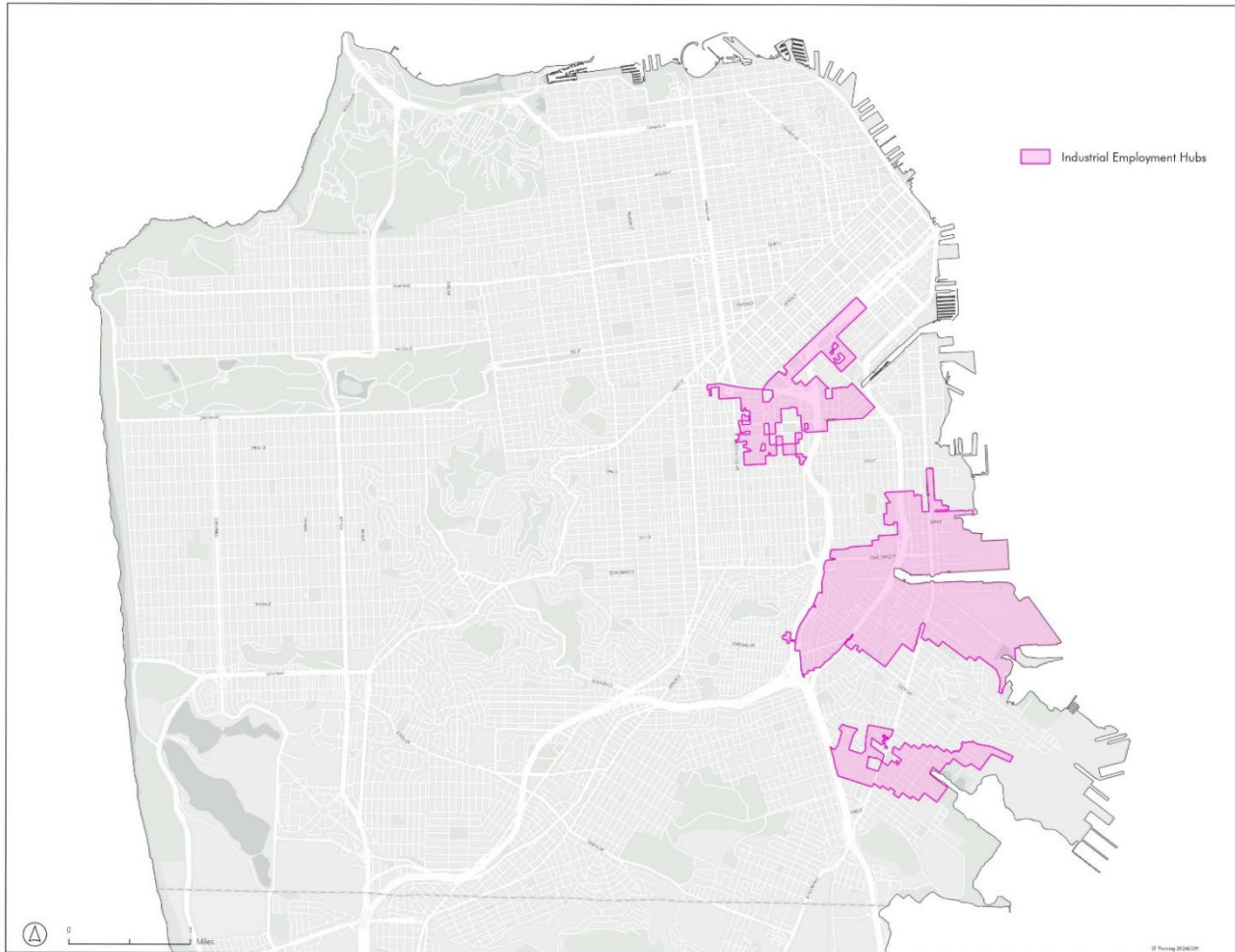
Permanent Exclusions

The ordinance permanently excludes three Industrial Employment Hubs in San Francisco from the provisions of SB 79. These permanent exclusions would help preserve specific land uses, the types of businesses and core city functions that operate there, and the jobs they support.

As shown in Figure 6, the Industrial Employment Hubs are located in the SoMa/Mission, Bayshore/Central Waterfront, and Bayview neighborhoods and are 359 acres, 1,150 acres, and 247 acres, respectively. They have each been identified in the General Plan's Commerce and Industry Element as designated industrial and employment areas. The 1,915 parcels excluded are zoned M (Industrial), SALI (Service/Arts/Light Industrial), PDR (Production, Distribution, Repair), WMUO (WSoma Mixed Use-Office), and P (Public). The parcels are further detailed in the [Table of Permanent Exclusions](#).² Note that there was a clerical error in the ordinance, it listed the zoning district WMUG when it should have been WMUO. This correction is recommended as a modification.

² It is important to note that further technical clarification on the law by HCD may result in several of these zoning districts not being subject to SB 79 regardless of inclusion in these "industrial employment hubs." As HCD has not issued any interpretation of what it means for a property to be zoned for "commercial" uses, San Francisco is conservatively including all parcels in its qualifying industrial employment hubs in these permanent exclusions.

Figure 6: Industrial Employment Hubs that Qualify as Permanent Exclusions

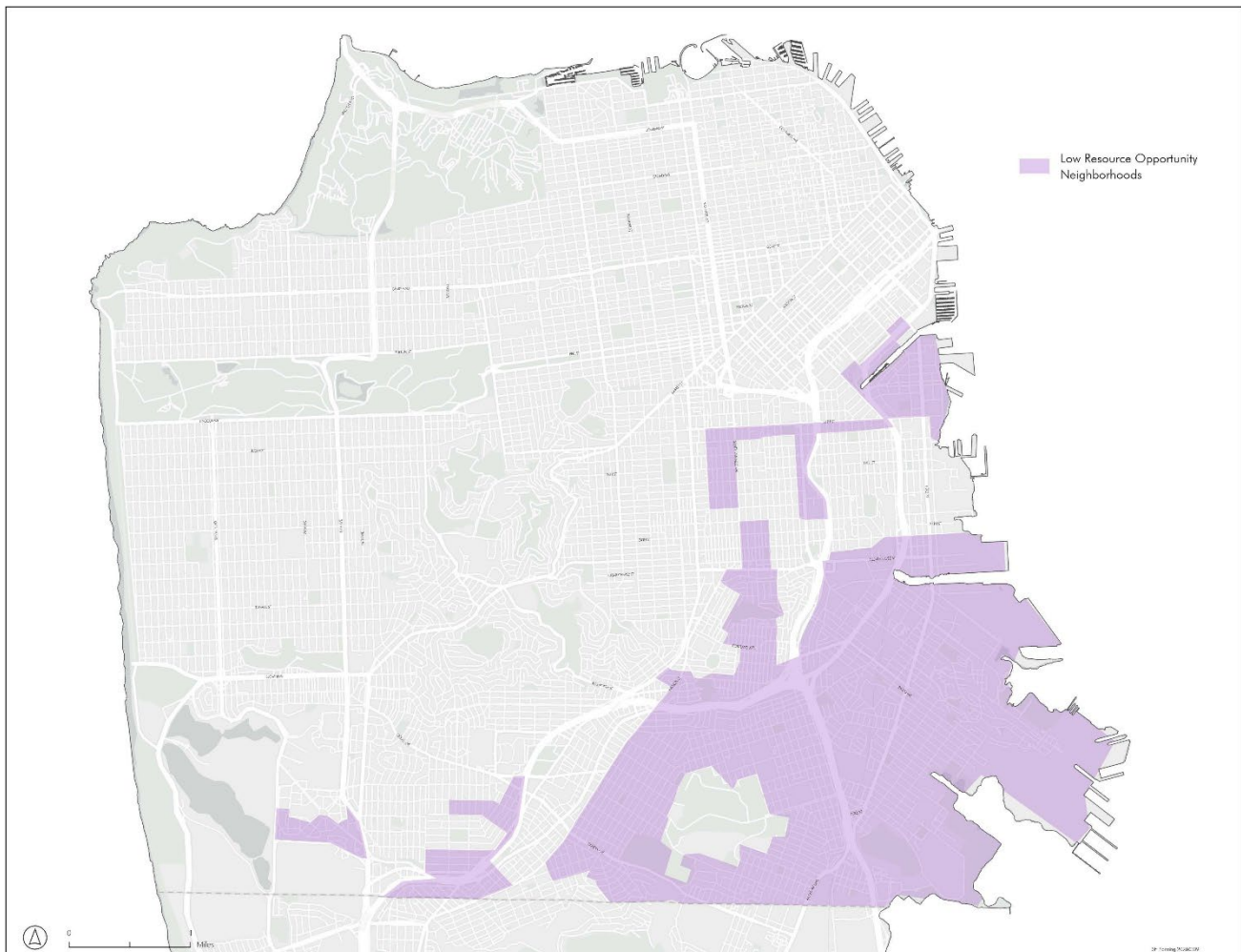


Temporary Exemptions

Parcels in certain areas that are located in low resource census tracts, as identified by the California Tax Credit Allocation Committee (TCAC), would be temporarily exempted from the provisions of SB 79. The exemption would expire in 2032, one year after the City's next Housing Element is due. The City would only apply this exemption to the low resource census tracts that are south of 16th street and in Mission Bay. By pursuing this exemption, it gives the City additional time to plan for increased housing capacity in these areas and to clarify the relationship of SB79 to certain redevelopment areas and potential future transit stops in these areas.

The ordinance would not exempt low resource tracts north of 16th Street and outside of Mission Bay because those areas already allow for more housing capacity than dictated by SB 79 and few parcels would be affected by the provisions of SB 79. There are approximately 32,150 parcels in low resource census tracts that would be temporarily exempted as seen in Figure 7 and detailed in the [Table of Temporary Exemptions-Low Resource Parcels](#).

Figure 7: Temporarily Exempted Low Resource Tracts



The Alternative Plan

San Francisco is well-positioned to pursue an Alternative Plan in compliance with SB 79 given the recent adoption of the Family Zoning Plan, which allowed for increased housing capacity along transit and commercial corridors in an expansive portion of the city. The Family Zoning Plan, paired with housing capacity created through the City's existing zoning, including past Area Plans, development agreements, redevelopment plans, and other legislation in recent years, such as allowing for 4 and 6-plexes in residential areas, created significant capacity for homes near transit. An Alternative Plan allows the City to maintain its tailored approach to planning for housing that recognizes the specific geographic nuances of the City, while still meeting the transit-oriented development goals and surpassing housing capacity targets of the state law.

To qualify for the Alternative Plan, San Francisco must calculate the existing housing capacity and show that the housing capacity and density under our Alternative Plan is greater than what would be allowed under SB 79. San Francisco meets this requirement, but it narrowly misses the requirements that each

individual parcel within the SB 79 geographies, and each SB 79 station area, allow at least 50% of the density allowed by SB 79. To achieve this, the Department would allow additional density on parcels that do not meet the density requirement through a Planning Code amendment.

Planning Code Amendment

The proposed ordinance adds Section 207.11 (Transit-Oriented Development—Density and Height Exception) to the Planning Code, to permit additional density and height for residential projects on certain parcels within one-half mile of a transit-oriented development stop, in accordance with SB 79's specifications.

The exception would apply to residential development projects on parcels that meet all of the following conditions:

1. Is all or partially located within one-half mile of a “transit-oriented development stop,” as defined in California Government Code Section 65912.156
2. Is located in a zoning district that principally permits residential uses.
3. Either limits housing density by numeric density or has a height limit of less than 40 feet.
4. Is located outside of the R-4 height and bulk district.
5. Is not seeking a density bonus pursuant to Section 206.6.
6. Is not a parcel permanently or temporarily exempted from SB 79 pursuant to the ordinance enacting this Section 207.11.
7. Is not a parcel with a Historic Building that is individually designated as a landmark or listed as a contributor to a historic district under Article 10 of this Code, or listed as a Significant or Contributory Building under Article 11 with a Category I, II, III, or IV rating.
8. The permitted density prior to applying the density and height exception in subsection (c) does not meet the minimum density required by California Government Code Section 65912.157.

For parcels meeting the criteria above, the Density and Height Exception would be as follows:

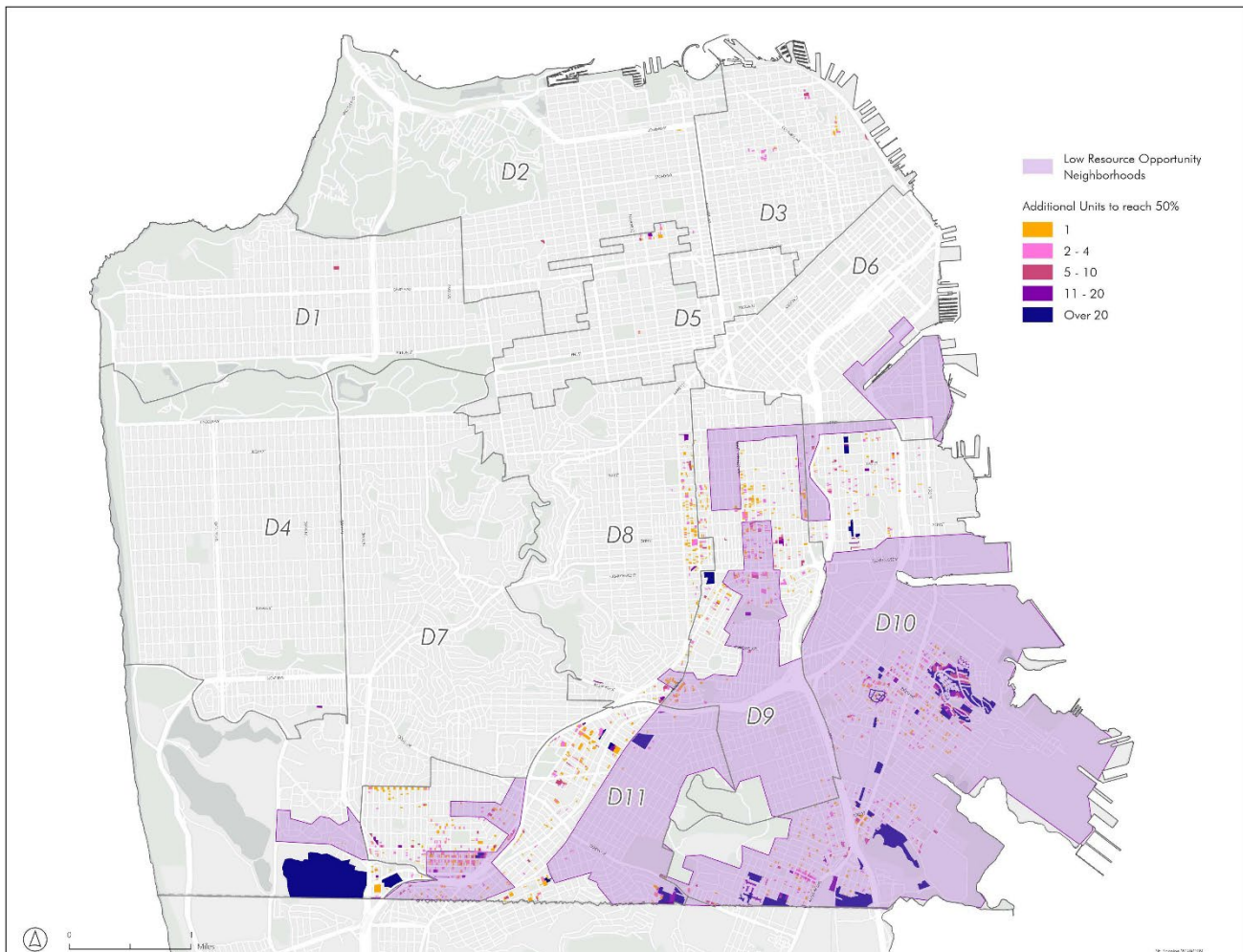
- For any housing development project, the applicable residential density shall be up to 50% of the density permitted on that parcel pursuant to the requirements in California Government Code Section 65912.157.
- For any parcel that is partially located in the Coastal Zone, the density exception shall apply to the entire parcel, however residential development shall be limited to the portions of the parcel located outside of the Coastal Zone.
- For any housing development project located on a parcel with a height limit of less than 40 feet, the applicable height limit shall be 40 feet.

Parcels Subject to the Height and Density Exception in the Planning Code Amendment

Prior to consideration of the temporary exemptions, there are approximately 2,080 parcels that permit housing and do not meet the 50% density requirement for an Alternative Plan and that otherwise would be eligible for additional density through the new density and height exception. The majority of parcels are within RH districts (1,817), 161 are in NC districts, 97 are in RM districts and 5 are in C districts. When factoring in the low resource tract temporary exemption, there are approximately 1,001 that would be eligible in the near-term, 930 of which are within RH districts. The median parcel would increase in density by 1 additional unit.

Additionally, this code provision would permit some owners of RH properties who are ineligible for the 4 and 6-plex density allowance in Sec. 207 due to that provision's ownership eligibility limitations, to be able to access the same density allowances for those parcels. (While the 4/6-plex provision typically allows at least 50% of SB 79 densities, due to the parcel ownership eligibility limitations in that code section, this proposed code amendment would ensure the allowed density for all parcels meets the Alternative Plan criteria.) Figure 8 shows the range of additional units that would be allowed in comparison with existing zoning and also shows the temporarily exempted low resource tracts to distinguish between near-term and long-term eligibility for the exception.

Figure 8: Parcels that are < 50% of the SB 79 Density Requirement, Color-coded by Number of Additional Allowed Units Needed and with Exempted Low Resource Tracts



Demonstrating Capacity for the Alternative Plan

When factoring in the permanent exclusions, temporary exemptions, and the increased capacity created by the Planning Code amendment, the City would meet the three primary requirements of an Alternative Plan.

- The total housing capacity and density in San Francisco is greater than what would be allowed under SB 79. Using the methodology required by SB 79, the net Unit Capacity under SB 79 is about 644,500 units compared with the Alternative Plan's 768,000 units. Similarly, SB 79 has a net floor area capacity of about 758 million square feet in comparison with the Alternative Plan's 946 million square feet. SB 79 limits each individual parcel's contributing capacity to just 200% of what SB 79 would allow. For this reason, much of the housing capacity in San Francisco is not counted in these Alternative Plan totals.³
- Additionally, with the Planning Code amendment creating Section 207.11 described above,
 - Each individual parcel within the SB 79 geographies would allow at least 50% the density allowed by SB 79, and
 - Each station area, when aggregating the parcels within a half mile, would allow at least 50% of the total unit capacity allowed by SB 79.

For a detailed look and the housing capacity under the Alternative Plan, please see the [Table Demonstrating Housing Capacity for the Alternative Plan](#).

Other Issues and Considerations

Transit-Agency Owned Land

SB 79 allows transit agencies (such as Bart or Caltrain) to set their own zoning standards on land that they own within the transit station areas, but the densities and FAR cannot be lower than what is allowed under SB 79. If they choose to do this, the standards must define minimum zoning requirements for height, density, FAR, and allowed uses, and the standards must align with California Government Code Sec. 65912.157 (i.e. SB 79). The transit agency may set *density* standards up to 200 percent of the densities in SB 79, however the local government is not required to approve any *height limit* greater than those in SB 79. The Alternative Plan does not affect a transit agency's ability to invoke this power under the law.

Pending Data and Interpretations

The Metropolitan Planning Commission and the Association of Bay Area Governments (MTC/ABAG) have not yet published the authoritative map of qualifying transit stations and their station area geographies under SB 79, which is the responsibility of each region's metropolitan planning organization. To date, the mapping analysis completed for this legislation uses the best available station area data, as was previously published by MTC/ABAG.

³ For example, San Francisco's actual zoned capacity in SB79 areas is approximately 940,000 units, but about 170,000 of this capacity cannot be counted under the Alternative Plan because it is on parcels where our allowed densities exceed 200% of what SB 79 allows.

Subtle refinements are expected in the final mapping as geographically precise data on individual pedestrian access points to individual stations are published. There also remains some ambiguity as to the universe of qualifying Tier 2 bus stops; the Planning Department has taken a conservative approach to the mapping of stations and the Alternative Plan and included all potentially eligible stations, such that future refinement or interpretations of the Tier 2 definition may result in some stations being removed from the Department's maps. Removal of a Tier 2 station from the Department's map would not impact the text of the Planning Code amendment, or the Alternative Plan. The Planning Department has been and continues to be in close communication with MTC, HCD and the sponsors of SB79.

The California Department of Housing and Community Development (HCD) is more broadly charged in SB 79 with publishing guidelines and interpretations of the legislation. Pending those future determinations by MTC/ABAG and HCD, there may be changes to the analysis, particularly in response to the final list and map of eligible stations and the specific measured geographies. The Planning Department will update this analysis if new guidance is made available.

California Department of Housing and Community Development (HCD) Transmittal and Approval

SB 79 requires that local jurisdictions submit a draft of their implementing ordinance to HCD at least 14 days in advance of adoption. The Department has already sent HCD the ordinance. Additionally, after the ordinance is adopted, HCD has up to 120 days to review, make a finding as to whether the enacted ordinance complies with the law, and report that finding to the local government.

General Plan Compliance

The intent of SB 79 is to promote homes near transit, and San Francisco will continue to do that through its Alternative Plan. The Alternative Plan meets the transit-oriented goals and greatly surpasses the housing capacity of SB 79, primarily by maintaining the existing zoning, but also by augmenting density on some parcels to meet the Alternative Plan requirements. As such, the proposed ordinance is consistent with multiple 2022 Housing Element objectives and policies related to increasing housing capacity, expanding housing choice, and supporting equitable access to transit and community resources.

The proposed ordinance promotes Objective 4.B by enabling additional height and density near station-area parcels, directly supporting Policy 20 to increase mid-rise and small multifamily housing in transit-rich neighborhoods; Policy 28 to strengthen implementation of state housing law; and Policy 31 to facilitate small and mid-rise housing that can be feasibly produced for middle-income households without deed restrictions. It also furthers Objective 4.C by expanding and diversifying the housing types available citywide, supporting Policy 32 to promote aging in place and multigenerational living and Policy 33 to prevent the out-migration of families with children by creating more opportunities for diverse housing types near transit.

The proposed ordinance additionally advances Objective 5.A by strengthening connections between housing, jobs, and neighborhood resources through equitable and transit-supportive land-use decisions: it supports Policy 37 by facilitating neighborhoods where daily needs can be met without reliance on private vehicles and aligns with Policy 38 by ensuring transportation investments and new housing capacity are coordinated.

Furthermore, by permanently excluding the three industrial employment hubs, and therefore protecting certain types of businesses and core functions in the city as well as the jobs they support, the proposed ordinance is consistent with the Commerce and Industry Element of the General Plan. Protecting these industrial businesses and employment opportunities, as well as their separation from residential uses is also consistent with the Mission, Showplace Square/Potrero, Central Waterfront, and Bayview Hunters Point Area Plans.

Racial and Social Equity Analysis

The proposed ordinance is anticipated to have broadly positive racial and social equity implications because it increases housing capacity near transit. By amending the Planning Code to allow modest increases in density for certain parcels within designated station-area geographies, the ordinance expands housing opportunities for households.

The primary beneficiaries of the proposed ordinance include transit-dependent households, middle-income workers, and residents who face high housing cost burdens but lack access to homes near reliable transit service. By enabling more multifamily housing options across diverse parts of the city near transit, the ordinance supports improved access to jobs, services, and educational opportunities for communities historically excluded from these areas.

The temporary exemption for low-resource tracts helps prevent additional development pressure in neighborhoods with existing vulnerability to displacement, ensuring that these communities are not burdened by rapid changes before adequate planning and anti-displacement strategies are in place. However, it is important to note that the impact will be very minimal as the total number of parcels that will increase in permitted density through this action in the short term are around 1,000, and in the long-term just around 2,000. Still, this phased approach allows the City to engage in more extensive engagement in vulnerable communities while still complying with state housing requirements.

Implementation

The Department has determined that this ordinance will impact our current implementation procedures in the following ways:

- The Department would share information with the public regarding SB 79 geographies, both showing the station areas on the map and providing information at the parcel level using San Francisco's Property Information Map (PIM). This will include the relevant station areas, distances, and allowed densities for the purpose of the density and height exception contained in the proposed Planning Code amendment, as well as information about which parcels have temporary exemptions or permanent exclusions. To determine if a parcel is eligible for additional density as allowed by the density and height exception in new Planning Code section 207.11, Planning staff or a member of the

public would need to look up the parcel on PIM to access that information.

Recommendation

The Department recommends that the Commission **adopt a recommendation for approval with modifications** of the proposed ordinance and adopt the attached Draft Resolution to that effect.

The modification is to correct a clerical error. WMUG should be changed to WMUO.

Basis for Recommendation

SB 79 provides an option for jurisdictions to adopt an Alternative Plan, allowing them to fulfill the transit-oriented development goals in a more customized locally-tailored way that respects planning and zoning efforts undertaken by local jurisdictions. Just months ago, the City adopted a comprehensive plan to increase housing capacity throughout a large swath of the city, with an emphasis on transit and commercial corridors. This effort, combined with existing zoning elsewhere that have been put in place by numerous planning and legislative efforts over the past couple decades, makes San Francisco a strong candidate for an Alternative Plan. The proposed Planning Code amendment introducing a new density and height exception would make only modest changes to the housing capacity on a limited number of parcels, primarily in the southern and eastern parts of the City. This Planning Code amendment would ensure that the City would comply with the basic requirements of an Alternative Plan under SB 79.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

Pursuant to Government Code Section 65912.160 (c)(2), a local ordinance implementing SB 79 is not a project subject to CEQA.

Public Comment

As of the date of this report, the Department has not received any written public comment regarding the proposed ordinance.

To share information about SB 79 Implementation, the Department has held two public webinars, and provided presentations to various neighborhood groups, supervisors, and planning commissioners.

ATTACHMENTS:

Exhibit A: Draft Planning Commission Resolution
Exhibit B: Draft Ordinance [Board File No. 260132]

Tables and other documents associated with Board File No. 260132 can be found here: [City and County of San Francisco - File #: 260132](#)