

REVISED LEGISLATIVE DIGEST
(Amended in Committee – June 29, 2026)

[Planning Code - Hotel Uses in RH, RM, and RTO Districts]

Ordinance amending the Planning Code to increase the number of guest rooms for Hotel uses permitted as a Conditional Use in RH-2 (Residential House, Two-Family), RH-3 (Residential House, Three-Family), RM-1 (Residential Mixed, Low Density), RM-2 (Residential Mixed, Moderate Density), RM-3 (Residential Mixed, Medium Density), RM-4 (Residential Mixed, High Density), RTO-1 (Residential Transit-Oriented Neighborhood), and RTO-M (Residential Transit-Oriented, Mission) Districts from five or fewer rooms to ten or fewer rooms; specify that the Planning Commission shall consider the effects on an existing home's quality and viability as an independent Dwelling Unit where a Conditional Use application seeks to establish a Hotel within a single-family home; 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 pursuant to Planning Code, Section 302.

Existing Law

Section 209.1 of the Planning Code permits Hotels that offer up to five guest rooms, or suites of rooms, as a Conditional Use in RH-2 and RH-3 Districts. Hotels proposing to offer six or more guest rooms are Not Permitted in these districts.

Section 209.2 of the Planning Code permits Hotels that offer up to five guest rooms, or suites of rooms, as a Conditional Use in RM-1, RM-2, RM-3, and RM-4 Districts. Hotels proposing to offer six or more guest rooms are Not Permitted in these districts; provided, however, that a total of up to 47 Tourist Hotel rooms are Principally Permitted on Block 0976, Lot 001, subject to the provisions of Ordinance No. 251-22.

Section 209.4 of the Planning Code permits Hotels that offer up to five guest rooms, or suites of rooms, as a Conditional Use in RTO-1 and RTO-M Districts. Hotels proposing to offer six or more guest rooms are Not Permitted in these districts.

Section 303 of the Planning Code contains the following criteria for the Planning Commission to consider when hearing and making determinations on applications for the development of tourist hotels and motels as a Conditional Use:

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

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

(3) The market demand for a hotel or motel of the type proposed.

Amendments to Current Law

This ordinance would amend Planning Code Section 209.1 to permit Hotels that offer up to ten guest rooms, or suites of rooms, as a Conditional Use in RH-2 and RH-3 Districts. Hotels offering eleven or more guest rooms would be Not Permitted in these districts.

The ordinance would amend Planning Code Section 209.2 to permit Hotels that offer up to ten guest rooms, or suites of rooms, as a Conditional Use in RH-2 and RH-3 Districts. Hotels offering eleven or more guest rooms would be Not Permitted in these districts; provided, however, that a total of up to 47 Tourist Hotel rooms are Principally Permitted on Block 0976, Lot 001, subject to the provisions of Ordinance No. 251-22.

The ordinance would amend Planning Code Section 209.4 to permit Hotels that offer up to ten guest rooms, or suites of rooms, as a Conditional Use in RTO-1 and RTO-M Districts. Hotels offering eleven or more guest rooms would be Not Permitted in these districts.

The ordinance would amend Planning Code Section 303 to add the following criterion for the Planning Commission to consider when hearing and making determinations on applications for the development of tourist hotels and motels as a Conditional Use: Where a Hotel is established within a single-family home, the effects on the existing home's quality and viability as an independent Dwelling Unit.

Background Information

The ordinance is intended to aid small bed and breakfasts in Residential Districts through a modest increase in the number of guest rooms that they may offer as a Conditional Use.

On June 29, 2026, the Land Use and Transportation Committee moved to amend the ordinance by incorporating modifications proposed by the Planning Department and approved by the Planning Commission at a hearing on May 21, 2026.