

1 [Draft Ordinance amending Part II, Chapter II, of the San Francisco Municipal Code (City  
2 Planning Code) as follows and that the following actions be taken in furtherance of those  
amendments and that this ordinance be referred to as the “Workforce Housing Initiative”.]

3 **Ordinance amending Part II, Chapter II, of the San Francisco Municipal Code (City**  
4 **Planning Code) is hereby amended as follows and that the following actions be taken**  
5 **in furtherance of those amendments and that this ordinance be referred to as the**  
6 **“Workforce Housing Initiative”.**

7 Note: Additions are *single-underline italics Times New Roman*;  
8 deletions are *strikethrough italics Times New Roman*.  
9 Board amendment additions are double underlined.  
Board amendment deletions are ~~strikethrough normal~~.

10 Be it ordained by the people of the City and County of San Francisco that Part II,  
11 Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as  
12 follows and that the following actions be taken in furtherance of those amendments and that  
13 this ordinance be referred to as the “Workforce Housing Initiative”.]

14 **FINDINGS.**

15 The population of California has grown by more than 11 percent since 1990 and is expected  
16 to continue increasing. As California grows, the State Legislature and local governments will  
17 need to determine where to locate additional housing in a fiscally and environmentally  
18 sustainable manner consistent with sound urban planning practices.

19 There is a regional need to encourage new housing in existing cities, such as San Francisco,  
20 to accommodate the additional population, while protecting the region’s greenbelt and  
21 reducing over-dependence on the private automobile for commuting.

22 San Francisco already is experiencing a severe shortage of housing available to people at all  
23 income levels, resulting in a sharp increase in home prices.

1 The Association of Bay Area Governments' Regional Housing Needs Determination (RHND)  
2 forecasts that 20,372 new housing units need to be built in San Francisco by 2006, and at  
3 least 5,639 of these units should be available to moderate income households.

4 The RHND process is a State mandate, devised to address the need for and planning of  
5 housing across a range of affordability and in all communities throughout the State.

6 Amendments to the City's Planning Code are among the tools available to the City to  
7 encourage new housing production in a manner that enhances existing neighborhoods and  
8 creates new residential and mixed-use neighborhoods.

9 One solution to the housing crisis is to encourage the construction of higher density housing in  
10 areas of the City best able to accommodate such housing because of easy access to  
11 neighborhood services, public transit and shopping and the availability of larger development  
12 sites.

13 Many elements constrain housing production in the City, making it a challenge to build  
14 housing that is affordable to those at moderate-income levels. San Francisco is largely built  
15 out, and its geographical location at the northern end of a peninsula inherently prevents  
16 substantial new development. There is no available adjacent land to be annexed, as the cities  
17 located on San Francisco's southern border are also dense urban areas. Thus new  
18 construction of housing is limited to areas of the City not previously designated as residential  
19 areas; infill sites, or to areas with increased density. New market-rate housing absorbs a  
20 significant amount of the remaining supply of land and other resources available for  
21 development and thus limits the supply of affordable housing.

22 Two neighborhoods in particular, the core downtown area and the Central Waterfront area,  
23 present opportunities to build housing at increased densities along transit corridors in a way  
24 that can build vibrant communities over the next several years.  
25

1 The development of housing that is affordable to those at moderate income levels on the  
2 same site as market-rate housing increases social and economic integration vis-à-vis housing  
3 in the City and has corresponding social and economic benefits to the City. Mixed income  
4 housing provides a healthy job and housing balance, in addition to providing housing close to  
5 employment centers which in turn may have a positive economic impact by reducing such  
6 costs as commuting and labor costs.

7  
8 **Section A. OPPORTUNITIES FOR WORKFORCE HOUSING PROJECTS.**

9 Sections 317 through 317.6 are added to Part II, Chapter II, of the San Francisco Municipal  
10 Code (City Planning Code) as follows:

11  
12 Section 317. WORKFORCE HOUSING NEIGHBORHOODS.

13 In order to provide for owner occupied housing opportunities for Workforce households, there  
14 shall be two Workforce Housing Neighborhoods generally located at: the area bounded by Mariposa  
15 Street, Islais Creek, Highway Interstate 280 (sometimes referred to in this Code as the Central  
16 Waterfront Workforce Housing Neighborhood) and the San Francisco Bay and the area bounded by  
17 Market Street, Clay Street, Kearny Street and the San Francisco Bay (sometimes referred to in this  
18 Code as the Downtown Workforce Housing Neighborhood), as each as more particularly shown in  
19 greater detail on the attached maps. These neighborhoods are referred to collectively in this Code as  
20 Workforce Housing Neighborhoods. Except as otherwise specifically set forth in this Code, all  
21 provisions of this Code Sections 317 — 317.6 set forth the requirements and procedures for the  
22 Workforce Housing Program ("Program" or "Workforce Housing Program"). The Department of City  
23 Planning and the Mayor's Office of Housing shall periodically publish a Workforce Housing  
24 Procedures Manual containing procedures for monitoring and enforcement of the policies and  
25 procedures for implementation of this Program. The Workforce Housing Procedures Manual must be

1 made available at the Zoning Counter of the Planning Department and on the Planning Department's  
2 web site. The Workforce Housing Procedures Manual shall not be amended, except for an annual  
3 update of the affordability housing guidelines, which reflect updated income limits, prices, and rents,  
4 without approval of the Planning Commission.

5  
6 Section 317.1. DEFINITIONS.

7 "Affordable Housing Percentage" shall mean the percentage of all units required to be constructed on  
8 the Workforce housing project site that must be "affordable to qualifying households" as that term is  
9 used and requirement set forth in Section 315.4(a) of Part II, Chapter II, of the San Francisco  
10 Municipal Code (City Planning Code), regardless of whether the project applicant elects to satisfy the  
11 requirement through construction of on-site inclusionary housing or the alternatives provided by  
12 Section 315.4(e).

13 "Affordable to a Workforce household" shall mean a purchase price that a household whose combined  
14 annual gross income for all members does not exceed one hundred ten percent (110%) of the median  
15 income for the San Francisco Metropolitan Statistical Area, as calculated by the United States  
16 Department of Housing and Urban Development (HUD) and adjusted for household size, can afford to  
17 pay based on an annual payment for all housing costs, as defined in California Code of Regulations  
18 ("CCR") Title 25, Section 6920, as amended from time to time, of forty percent (40%) of the combined  
19 household annual net income, assuming a down payment of five percent (5.0%) of the purchase price,  
20 and then generally available financing, as that formula may be adjusted from time by the Mayor's  
21 Office of Housing (or its successor) through publication of the Workforce Housing Procedures Manual,  
22 subject to any special restrictions contained in any Notice of Special Restrictions or Conditions of  
23 Approval filed or recorded against the Workforce housing project.

24 "Annual net income" shall mean net income as defined in CCR Title 25, Section 6916, as amended from  
25 time to time.

1 "Conditions of Approval" shall be a set of written conditions imposed by the Planning Commission or  
2 another permit-issuing City agency or appellate body to which a project applicant agrees to adhere  
3 and fulfill if it receives any conditional use or planned unit development permit for the construction of a  
4 Workforce housing project subject to this Program.

5 "Director" shall mean the Director of City Planning or his or her designee, including other City  
6 agencies or departments.

7 "Designated unit" shall mean a housing unit identified and reported by the developer of a Workforce  
8 housing project as a unit that is affordable to Workforce households.

9 "Environmental best practices" shall mean regulations developed and published from time to time by  
10 the Department in consultation with the Department of the Environment that are designed to ensure  
11 that Workforce housing projects are constructed in such a way as to improve their environmental  
12 performance. The Department shall not require any one specific measure to improve the environmental  
13 performance of the Workforce housing projects, but the regulations must be adopted that enable the  
14 Department to find that the Workforce housing project addresses resource efficiency in a manner  
15 beyond standard residential and mixed use building practices.

16 "Household" shall mean any person or persons who reside or intend to reside in the same housing unit.

17 "Housing unit" or "unit" shall mean a dwelling unit as defined in San Francisco Housing Code Section  
18 401.

19 "Market rate housing" shall mean housing constructed in a Workforce housing project that is not  
20 subject to sales or rental restrictions.

21 "Notice of Special Restrictions" shall mean a document recorded with the San Francisco Recorder's  
22 Office for any unit subject to the Workforce Housing Program detailing the sale and resale restrictions  
23 and any restrictions on purchaser income levels included as a Condition of Approval of the principal  
24 project relating to the unit.

1 "Owner occupied unit" shall mean a unit affordable to Workforce household, which is a condominium,  
2 stock cooperative, community apartment, or detached single-family home. The owner or owners of an  
3 owned unit must occupy the unit as their primary residence.

4 "Owner" shall mean the record owner of the fee or a vendee in possession.

5 "Program" shall mean the Workforce Housing Program.

6 "Project applicant" or "Project sponsor" shall mean an applicant for a building permit or a site permit  
7 or an applicant for a conditional use permit or planned unit development permit, seeking approval  
8 from the Planning Commission or Planning Department for construction of a housing project subject to  
9 this Section, and such applicant's successors and assigns with respect to that application.

10 "Workforce Household" shall mean a household whose combined annual gross income for all  
11 members does not exceed 120 percent of the area median income for the San Francisco Metropolitan  
12 Statistical Area, as calculated by the United States Department of Housing and Urban Development  
13 (HUD) adjusted for household size in accordance with adjustment factors adopted by HUD.

14 "Workforce Housing Neighborhood" shall mean the areas described in Section 317.

15 "Workforce Housing Percentage" shall mean the percentage that is the Affordable Housing  
16 Percentage subtracted from thirty seven percent (37.0%). For example, if the Affordable Housing  
17 Percentage is ten percent (10.0%) the Workforce Housing Percentage shall be twenty seven percent  
18 (27.0%). Notwithstanding the foregoing, if at the time that the Workforce Housing Percentage for a  
19 particular Workforce housing project is being set, the Zoning Administrator determines that the rate of  
20 interest then payable on fifteen (15) year fixed rate mortgages that are generally available for the  
21 purchase of units similar in cost to the Workforce housing units in the particular Workforce housing  
22 project equals or exceeds eight percent (8.0%) per annum, the Workforce Housing Percentage for that  
23 particular Workforce housing project shall be the percentage that is the Affordable Housing  
24 Percentage subtracted from thirty two percent (32.0%).

25

1 "Workforce Housing Procedures Manual" shall mean the City and County of San Francisco Workforce  
2 Housing Monitoring Procedures Manual issued by the San Francisco Department of City Planning, as  
3 amended from time to time.

4 "Workforce Housing Program" shall mean the program for facilitating the creation of residential units  
5 whose purchase is affordable to Workforce Households as generally provided in Planning Code  
6 Sections 317 through 317.6.

7 "Workforce housing project" or "Workforce housing development" shall mean any development  
8 located in a Workforce Housing Neighborhood other than parcels of land in the RH-1, RH-2 and RH-3  
9 zoning classification which (i) has residential units that are intended, marketed, sold and occupied for  
10 long term owner occupied housing, (ii) is constructed in accordance with environmental best practices,  
11 (iii) satisfies the requirements and procedures for the Residential Inclusionary Affordable Housing  
12 Program (Sections 315.1—315.9 of Part II, Chapter II, of the San Francisco Municipal Code (City  
13 Planning Code)), (iv) in addition to any on-site inclusionary housing provided in satisfaction of the  
14 requirements of the Residential Inclusionary Affordable Housing Program, a percentage, equal to the  
15 Workforce Housing Percentage, of residential units in which are designated as Workforce housing  
16 units and are marketed and sold to, and occupied by Workforce households, at a price that is  
17 affordable to a Workforce household, and (v) the dwelling units initially sold to Workforce households  
18 as described in the preceding subclause (iv) shall have resale restrictions as described in this the  
19 continued sale to and occupancy by Workforce households, at prices affordable to Workforce  
20 households, for fifty (50) years after the initial sale. A project or development that otherwise meets  
21 these standards but is not located in a Workforce Housing Neighborhood shall not be a Workforce  
22 housing project. The benefits of a Workforce Housing Project as set forth generally in Planning Code  
23 sections 317 through 317.6, shall not be available for construction of housing if such construction  
24 results in the loss of rent controlled housing units.

25

1 “Workforce housing unit” shall mean a dwelling unit with at least one bedroom in a Workforce  
2 housing project that is designated as Workforce housing unit and is marketed and sold to, and occupied  
3 by, a Workforce household at a price that is affordable to a Workforce household.

4  
5 **Section 317.2. HOUSEHOLD SIZE.**

6 For purposes of determining whether a dwelling unit is affordable to a Workforce household, the size of  
7 the household purchasing the dwelling unit shall be deemed as set forth below for units of with the  
8 bedroom count set forth below:

<u>Number of Bedrooms</u>	<u>live/work units square foot equivalency</u>	<u>Deemed Household Size</u>
<u>1</u>	<u>600 to 850 square feet</u>	<u>1</u>
<u>2</u>	<u>851 to 1100 square feet</u>	<u>3</u>
<u>3</u>	<u>1101 to 1300 square feet</u>	<u>4</u>
<u>4</u>	<u>More than 1300 square feet</u>	<u>5</u>

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14 **Section 317.3. TYPE OF HOUSING:** Workforce housing units that qualify a project as a Workforce  
15 housing project shall have a minimum of one bedroom and be not less than six hundred (600) square  
16 feet in size and shall be similar in number of bedrooms, exterior appearance, overall quality of  
17 construction and same basic interior finishes to market rate units in the project.

18  
19 **Section 317.4. INITIAL PRICING.** The maximum initial sales price of the Workforce housing units in  
20 any Workforce housing project and maximum purchase household income levels for purchasers of  
21 those units shall be set by the Mayor’s Office of Housing (or its successor) concurrently with the  
22 issuance of the first permit to allow construction of, or preparation of the site for construction of, a  
23 Workforce housing project and shall be based upon household income levels, interest rates and other  
24 market conditions in effect at that time, provided that at the request of the Project Sponsor, the  
25



1 maximum initial sales price and maximum purchase household income levels may be set at any later  
2 date that is prior to the issuance of a certificate of occupancy for the Workforce housing units.

3  
4 **Section 317.5. DURATION AND MONITORING OF AFFORDABILITY.**

5 (a) All Workforce housing units that qualify a project as a Workforce housing project must  
6 upon any resale remain affordable to and be marketed and sold to Workforce households for fifty years  
7 after the initial sale of the unit by the project sponsor to the initial Workforce household occupying the  
8 Workforce housing unit.

9 (b) The Planning Commission or the Planning Department shall require all housing  
10 projects subject to the Workforce Housing Program to record a Notice of Special Restrictions with the  
11 Recorder of the City and County of San Francisco. The Notice of Special Restrictions must incorporate  
12 the provisions restricting resale prices and purchaser income levels according to the formula specified  
13 in the Workforce Housing Procedures Manual and specify that project applicants and the successor  
14 owners of any designated unit shall adhere to the marketing, monitoring, and enforcement procedures  
15 outlined in the Workforce Housing Procedures Manual, as amended from time to time, in effect at the  
16 time of project approval. The Planning Commission shall file the Workforce Housing Procedures  
17 Manual in the case file for each project qualifying under this Program. The Workforce Housing  
18 Procedures Manual will be referenced in the Notice of Special Restrictions for each project.

19 (c) Purchasers of Workforce housing units shall secure the obligations contained in the  
20 Notice of Special Restrictions by executing and delivering to the City a promissory note secured by a  
21 deed of trust encumbering the applicable affordable unit as described in the Workforce Housing  
22 Procedures Manual or by an alternative means if so provided for in the Workforce Housing Procedures  
23 Manual, as amended from time to time.

1 SECTION 317.6. ENFORCEMENT PROVISIONS AND MONITORING OF PROGRAM.

2 (a) A first certificate of occupancy shall not be issued by the Director of the Department of  
3 Building Inspection to any unit in the Workforce housing project until all of the units to be designated  
4 as Workforce housing units are eligible for and receive a certificate of occupancy, provided that if the  
5 Workforce housing project is built or completed in phases or stages, a certificate of occupancy may be  
6 issued for each phase or stage as long as the cumulative number of Workforce Housing Units eligible  
7 for and having received a certificate of occupancy in the project at the time of completion of the phase  
8 or stage equals or exceeds the Workforce Housing Percentage.

9 (b) If the Planning Commission or Planning Department determines that a project applicant has  
10 failed to comply with the requirements of the Workforce housing program regarding sale and  
11 occupancy of designated units, or has violated the Conditions of Approval or terms of the Notice of  
12 Special Restrictions, the Planning Commission or Planning Department may, until the violation is  
13 cured, (i) revoke the certificate of occupancy for the Workforce housing project, (ii) impose a penalty  
14 on the Workforce housing project or, if the violation relates to a Workforce housing unit after initial  
15 sale of the unit, upon the individual seller of a Workforce housing unit pursuant to Section 176(c) of  
16 this Code, and/or (iii) the Zoning Administrator may enforce the provisions of this Program through  
17 any means provided for in Section 176 of this Code.

18 (c) The Planning Commission or Planning Department shall notify the Mayor's Office of  
19 Housing of any housing project subject to this Program, including the name of the project applicant  
20 and the number and location of the Workforce housing units, within 30 days of the Planning  
21 Commission's or the Planning Department's approval of a building, site, conditional use, planned unit  
22 development, or live/work permit application. The Mayor's Office of Housing shall provide all project  
23 applicants with information concerning the City's first time home-buyer assistance programs and any  
24 other related programs the Mayor's Office of Housing shall deem relevant to this Program.

1           (d) The Planning Commission shall, as part of the annual Housing Inventory, report to the  
2 Board of Supervisors on the results of this Program including, but not limited to, a report on the  
3 following items:

4           (1) The number of, location of, and project applicant for housing projects which came before  
5 the Planning Commission for a permit for a Workforce housing project, and the number of,  
6 location of, and project applicant for housing projects which were subject to the requirements  
7 of the Workforce Housing Program; and

8           (2) The number of, location of, and project applicant for every housing project to which the  
9 Workforce Housing Program applied and the number of market rate units and the number of  
10 Workforce housing units provided, including the location of all of the affordable units.

11  
12           **Section B. HEIGHT LIMITS**

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14           Section 253 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
15 Code) is hereby amended as follows:

16           SECTION 253. REVIEW OF PROPOSED BUILDINGS AND STRUCTURES EXCEEDING A  
17           HEIGHT OF 40 FEET IN R DISTRICTS.

18           (a) Notwithstanding any other provision of this Code to the contrary, in any R  
19           District established by the use district provisions of Article 2 of this Code, wherever a height  
20           limit of more than 40 feet is prescribed by the height and bulk district in which the property is  
21           located, any building or structure, other than a Workforce housing project that complies with  
22 subsection 260(b)(2)(R), exceeding 40 feet in height shall be permitted only upon approval by  
23           the City Planning Commission according to the procedures for conditional use approval in  
24           Section 303 of this Code.

1 (b) In reviewing any such proposal for a building or structure exceeding 40 feet in  
2 height, the City Planning Commission shall consider the expressed purposes of this Code, of  
3 the R Districts, and of the height and bulk districts, set forth in Sections 101, 206 through  
4 206.3 and 251 hereof, as well as the criteria stated in Section 303(c) of this Code and the  
5 objectives, policies and principles of the Master Plan, and may permit a height of such  
6 building or structure up to but not exceeding the height limit prescribed by the height and bulk  
7 district in which the property is located.

8 Section 260 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
9 Code) is hereby amended by addition of a new subsection 260(b)(1)(R):

10  
11 SECTION 260. HEIGHT LIMITS: MEASUREMENT.

12  
13 (R) Additional building height, up to a height of ten feet above the otherwise  
14 applicable height limit for any Workforce housing project where the otherwise applicable height limit  
15 is less than fifty (50) feet, and additional building height, in the Central Waterfront Workforce Housing  
16 Neighborhood of up to the lesser of (i) a height of fifteen feet above the otherwise applicable height  
17 limit or (ii) eighty five (85) feet, for any Workforce housing project where the otherwise applicable  
18 height limit is fifty (50) feet or higher, and in the Downtown Workforce Housing Neighborhood of up to  
19 a height of fifteen feet above the otherwise applicable height limit, for any Workforce housing project  
20 where the otherwise applicable height limit is fifty (50) feet or higher, provided that in all cases these  
21 additional height limits shall apply only if the uppermost floor is to be occupied solely by residential  
22 units. In mixed residential/non-residential projects the additional building height shall be allowed only  
23 if the total square footage of the space devoted to housing is at least two-thirds of the total square  
24 footage in the project.

1 Section 261(a) of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code)  
2 is hereby amended as follows:

3 SECTION 261. ADDITIONAL HEIGHT LIMITS APPLICABLE TO CERTAIN USE DISTRICTS.

4 (a) General. Notwithstanding any other height limit established by this Article 2.5 to the  
5 contrary, the height of dwellings in certain use districts established by Article 2 of this Code shall be  
6 further limited by this Section 261, provided that additional height shall be permitted for workforce  
7 housing projects as provided in subsection 260(b)(1)(R).

8  
9 **I. SECTION C. DENSITY**

10  
11 Section 207 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code)  
12 is hereby amended as follows:

13 SECTION 207. DENSITY OF DWELLING UNITS IN R DISTRICTS.

14 The density of dwelling units permitted in the various R Districts shall be as set forth in  
15 Sections 207.1, 207.2, 207.3, 207.5 and 209.1 of this Code. The term “dwelling unit” is  
16 defined in Section 102.7 of this Code

17  
18 A new Section 207.3 of Part II, Chapter II, of the San Francisco Municipal Code (City  
19 Planning Code) is hereby added as follows:

20 SECTION 207.3 DENSITY OF WORKFORCE HOUSING DWELLING UNITS

21 (a) Any Workforce housing project shall be entitled to build that density of units that can be  
22 built within the building envelope defined by the applicable height, bulk, yard and setback requirements  
23 otherwise applicable to dwelling units or mixed use developments including dwelling units constructed  
24 in the zoning district in which the Workforce housing project is constructed, without regard to density  
25

1 or floor area ratio limitations and without any requirement of obtaining conditional use authorization  
2 from the Planning Commission for such density.

3  
4 Section 207.4 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
5 Code) is hereby amended by adding a new subsection (c) as follows:

6 (c) Any Workforce housing project shall be entitled to build that density of units and that  
7 height that can be built within the building envelope defined by the applicable height, bulk, yard and  
8 setback requirements otherwise applicable to dwelling units or mixed use developments including  
9 dwelling units constructed in the zoning district in which the Workforce housing project is constructed,  
10 without regard to density or floor area ratio limitations and without any requirement of obtaining  
11 conditional use authorization from the Planning Commission for such density.

12  
13 Section 207.5 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
14 Code) is hereby amended by adding a new subsection (d) as follows:

15 (d) Any Workforce housing project shall be entitled to build that density of units and  
16 that height that can be built within the building envelope defined by the applicable height, bulk, yard  
17 and setback requirements otherwise applicable to dwelling units or mixed use developments including  
18 dwelling units constructed in the zoning district in which the Workforce housing project is constructed,  
19 without regard to density or floor area ratio limitations and without any requirement of obtaining  
20 conditional use authorization from the Planning Commission for such density.

21  
22 Section 209.1 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
23 Code) is hereby amended by adding the following row at the end of the chart:

24  
25

					<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>(n) Workforce housing project at a density of units that can be built within the building envelope defined by the applicable height, bulk, yard and</u>
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1 recommendation for cancellation is sent to the Department of Building Inspection. Upon  
2 acceptance of any application for a Workforce housing project, the Planning Department shall set and  
3 thereafter adhere to a schedule of review for the project that complies with all applicable codes,  
4 regulations and ordinances and will assure that, other than for delays caused by the failure of the  
5 sponsor of the project to make timely responses to Planning Department requests, the Planning  
6 Department, (i) within thirty calendar days after submission of the application, will complete its initial  
7 review of the application and notify the project sponsor either that the application is complete or  
8 identify with reasonable specificity changes or additions to the application necessary to make it  
9 complete; and (ii) thereafter as necessary for the application to be completed, within twenty calendar  
10 days after each submission of any requested changes or modifications, notify the project sponsor either  
11 that the application is complete or identify with reasonable specificity changes or additions to the  
12 application necessary to make it complete, provided that any changes or additions that are requested  
13 must be consistent with, and not additive to, the changes or additions proposed in the review described  
14 in the immediately preceding subclause (i).

15  
16 Subsection 311(c)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
17 Planning Code) is hereby amended as follows:

18 (1) Residential Design Guidelines. The construction of new residential buildings and  
19 alteration of existing residential buildings in R Districts shall be consistent with the design  
20 policies and guidelines of the General Plan and with the “Residential Design Guidelines” as  
21 adopted and periodically amended for specific areas or conditions by the City Planning  
22 Commission. The Director of Planning may require modifications to the exterior of a proposed  
23 new residential building or proposed alteration of an existing residential building in order to  
24 bring it into conformity with the “Residential Design Guidelines” and with the General Plan.  
25 These modifications may include, but are not limited to, changes in siting, building envelope,



1 scale texture and detailing, openings, and landscaping, provided that, except for minor  
2 modifications in the building form to enhance the structures' compatibility with adjacent buildings and  
3 the surrounding neighborhood, changes to Workforce housing projects shall not require a reduction in  
4 the building envelope defined by the applicable height, bulk, yard and setback requirements otherwise  
5 applicable to dwelling units or mixed use developments including dwelling units constructed in the  
6 zoning district in which the Workforce housing project is to be constructed.

7  
8 A new Subsection 311(c)(5) of Part II, Chapter II, of the San Francisco Municipal Code  
9 (City Planning Code) is hereby added follows:

10 (5) Upon determination that an application is in compliance with the development  
11 standards of the Planning Code, the Zoning Administrator shall set a time for a hearing for  
12 discretionary review by the Planning Commission of the application in the event that such a hearing is  
13 requested. The hearing shall be set not sooner than 45 calendar days from the date of the mailed  
14 notice and not later than 60 days from the date of the mailed notice. The mailed notice shall include  
15 the proposed date of the hearing and a statement to the effect that a hearing will not be held if a request  
16 for a hearing is not received by the Planning Department no later than 5:00 p.m. of the last day of the  
17 notification period. This date may not be delayed without the consent of the project sponsor of the  
18 building permit application. If no request for a discretionary review hearing is made by the end of the  
19 notification period, the hearing will be cancelled and no further discretionary review of the Workforce  
20 housing project shall be undertaken unless the Zoning Administrator determines that project is  
21 substantially modified from the form of the project described in the mailed notice.

22 Section 311(d)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
23 Planning Code) is hereby amended as follows:  
24  
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1 (1) Scheduling of Hearing. The Zoning Administrator shall set a time for hearing  
2 requests for discretionary review by the Planning Commission within a reasonable period,  
3 provided that in the case of a Workforce housing project, such hearing shall be scheduled as described  
4 in subsection 311(c)(5).

5  
6 A new Subsection 311(d)(3) of Part II, Chapter II, of the San Francisco Municipal Code  
7 (City Planning Code) is hereby added follows:

8 (3) Notwithstanding any provision of this code to the contrary, at any hearing for  
9 discretionary review of a Workforce housing project, the Planning Commission shall not require a  
10 reduction in the building envelope defined by the applicable height, bulk, yard and setback  
11 requirements otherwise applicable to dwelling units constructed in the zoning district in which the  
12 Workforce housing project is to be constructed, except for minor modifications in the building form to  
13 enhance the structures' compatibility with adjacent properties and the surrounding neighborhood..

14 **Section E. NEIGHBORHOOD COMMERCIAL PERMIT REVIEW**  
15 **PROCEDURES**

16  
17 The first unnumbered paragraph of Subsection 312(c) of Part II, Chapter II, of the San  
18 Francisco Municipal Code (City Planning Code) is hereby amended as follows:

19 (c) Building Permit Application Review for Compliance and Notification. Upon  
20 acceptance of any application subject to this Section, the Planning Department shall review  
21 the proposed project for compliance with the Planning Code and any applicable design  
22 guidelines approved by the Planning Commission. Applications determined not to be in  
23 compliance with the standards of Articles 1.2, 1.5, 2 and 2.5 of the Planning Code, including  
24 design guidelines for specific areas adopted by the Planning Commission, or with any  
25

1 applicable conditions of previous approvals regarding the project, shall be held until either the  
2 application is determined to be in compliance, is disapproved or a recommendation for  
3 cancellation is sent to the Department of Building Inspection. Upon acceptance of any  
4 application for a Workforce housing project subject to this Section, the Planning Department shall set  
5 and thereafter adhere to a schedule of review for the Workforce housing project that complies with all  
6 applicable codes, regulations and ordinances and will assure that, other than for delays caused by the  
7 failure of the sponsor of the project to make timely responses to Planning Department requests, the  
8 Planning Department, (i) within thirty calendar days after submission of the application, will complete  
9 its initial review of the application and notify the project sponsor either that the application is complete  
10 or identify with reasonable specificity changes or additions to the application necessary to make it  
11 complete; and (ii) thereafter as necessary for the application to be completed, within twenty calendar  
12 days after each submission of any requested changes or modifications, notify the project sponsor either  
13 that the application is complete or identify with reasonable specificity changes or additions to the  
14 application necessary to make it complete, provided that any changes or additions that are requested  
15 must be consistent with, and not additive to, the changes or additions proposed in the review described  
16 in the immediately preceding subclause (i).

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18 Subsection 312(c)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
19 Planning Code) is hereby amended as follows:

20 (1) Neighborhood Commercial Design Guidelines. The construction of new  
21 buildings and alteration of existing buildings in NC Districts shall be consistent with the design  
22 policies and guidelines of the General Plan as adopted and periodically amended for specific  
23 areas or conditions by the Planning Commission. The Director of Planning may require  
24 modifications to the exterior of a proposed new building or proposed alteration of an existing  
25 building in order to bring it into conformity with the General Plan. These modifications may

1 include, but are not limited to, changes in siting, building envelope, scale texture and detailing,  
2 openings, and landscaping, provided that, except for minor modifications in the building form to  
3 enhance the structures' compatibility with adjacent properties and the surrounding neighborhood,  
4 changes to a Workforce housing project shall not require a reduction in the building envelope defined  
5 by the applicable height, bulk, yard and setback requirements otherwise applicable to dwelling units  
6 constructed in the zoning district in which the Workforce housing project is to be constructed.  
7

8 A new Subsection 312(c)(5) of Part II, Chapter II, of the San Francisco Municipal Code  
9 (City Planning Code) is hereby added follows:

10 (5) Upon determination that an application is in compliance with the development  
11 standards of the Planning Code, the Zoning Administrator shall set a time for a hearing for  
12 discretionary review by the Planning Commission of the application in the event that such a hearing is  
13 requested. The hearing shall be set not sooner than 45 calendar days from the date of the mailed  
14 notice and not later than 60 days from the date of the mailed notice. The mailed notice shall include  
15 the proposed date of the hearing and a statement to the effect that a hearing will not be held if a request  
16 for a hearing is not received by the Planning Department no later than 5:00 p.m. of the last day of the  
17 notification period. This date may not be delayed without the consent of the project sponsor of the  
18 building permit application. If no request for a discretionary review hearing is made by the end of the  
19 notification period, the hearing will be cancelled and no further discretionary review of the Workforce  
20 housing project shall be undertaken unless the Zoning Administrator determines that project is  
21 substantially modified from the form of the project described in the mailed notice.  
22

23 Section 312(d)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
24 Planning Code) is hereby amended as follows:  
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1 (1) Scheduling of Hearing. The Zoning Administrator shall set a time for hearing  
2 requests for discretionary review by the Planning Commission within a reasonable period,  
3 provided that in the case of a Workforce housing project, such hearing shall be scheduled as described  
4 in subsection 312(c)(5).

5  
6 A new Subsection 312(d)(3) of Part II, Chapter II, of the San Francisco Municipal Code  
7 (City Planning Code) is hereby added follows:

8 (3) Notwithstanding any provision of this code to the contrary, at any hearing for  
9 discretionary review of a Workforce housing project, the Planning Commission shall not  
10 require a reduction in the building envelope defined by the applicable height, bulk, yard and  
11 setback requirements otherwise applicable to dwelling units constructed in the zoning district  
12 in which the Workforce housing project is to be constructed, except for minor modifications in the  
13 building form to enhance the structures' compatibility with adjacent properties and the surrounding  
14 neighborhood.

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17 **Section F. WORKFORCE HOUSING OPPORTUNITIES IN CENTRAL**  
18 **WATERFRONT REZONING**

19 The People Of San Francisco Declare That It Is The Policy Of The City And County Of  
20 San Francisco That

21  
22 a. Development Of Workforce Housing Projects Should Be Encouraged In Those  
23 Portions Of The San Francisco Central Waterfront Workforce Housing Neighborhood That Are  
24 Planned For Residential Development;

1           b.       Any Land Use Plan Prepared For The Central Waterfront Shall Incorporate The  
2 Provisions Set Forth In Sections A Through E (Including All Subsections Thereto) Of This  
3 Ordinance To Encourage Development Of Workforce Housing Projects;

4           c.           Any Land Use Plan Prepared For The Central Waterfront Shall Designate  
5 Sufficient Land For The Construction As A Permitted Use Of Not Less Than Five Thousand  
6 (5,000) Dwelling Units, With The Average Size Of The Units Being Equivalent To The  
7 Average Size Two Bedroom Dwelling Unit Being Constructed In San Francisco At The Time  
8 Of The Approval Of The Land Use Plan, As Determined By The Zoning Administrator;  
9

10          d.       Any Land Use Plan Prepared For The Central Waterfront Shall Emphasize The  
11 Location Of Residential Uses Near Mass Transit Lines Established Or Planned To Be  
12 Established By The San Francisco Municipal Railway Within Five Years After Approval Of The  
13 Land Use Plan; And

14          e.       When A Land Use Plan And Implementing Zoning Complying With The  
15 Provisions Of This Section Has Been Adopted, The Location Of Workforce Housing Projects  
16 In The Central Waterfront Workforce Housing Neighborhood Shall Be Limited To Land  
17 Designated For The Construction Of Dwelling Units. And Sections Of The Ordinance Adopted  
18 By The People Of The City And County Of San Francisco In November 2003 Shall Be  
19 Amended By The Board Of Supervisors To Achieve That Result.  
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21

22       **Section G.       FACILITATING HOUSING OPPORTUNITIES IN AND**  
23       **PROXIMATE TO THE DOWNTOWN WORKFORCE HOUSING**  
24       **NEIGHBORHOOD**  
25

1  
2 Section 123(c)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
3 Planning Code) is hereby amended as follows:  
4

5 (1) The gross floor area of a structure on a lot in the C-3-O and C-3-O (SD) Districts  
6 (except for gross floor area devoted to dwellings or to other residential uses) may not  
7 exceed a floor area ratio of 18 to 1;  
8  
9

10 Section 124 (b) of Part II, Chapter II, of the San Francisco Municipal Code (City  
11 Planning Code) is hereby amended as follows:  
12

13 (i) In R, NC, C-2, C-3-O, C-3-G, C-3-R, C-3-S Districts, the C-3-O District north of Mission  
14 Street and Mixed Use Districts, the above floor area ratio limits shall not apply to  
15 dwellings or to other residential uses, except that on Preservation Lots as defined in  
16 Section 128(a)(3) the above floor area ratio limits shall apply to all uses, including  
17 dwellings and other residential uses and except as provided in (ii) below.

18 (ii) In the C-3-G, C-3-G, C-3-S districts, and the C-3-0 District north of Mission Street there  
19 are a number of sites on which have been constructed a taller building (generally an office  
20 building), a shorter building (generally much lower than the allowable height limit and  
21 usually containing uses such as retail stores, banks, offices and/or garage entries) and  
22 ground level open space (often a plaza and circulation space) and with regard to which the  
23 entire site area has been used in calculating the allowable square footage under the current  
24 FAR limitations of Section 123 and 124. The gross square footage of all the development on  
25

1 the site may have utilized all or most of the allowable gross square footage such that  
2 construction of a taller building containing residential uses would not be permitted.  
3 Removal of the FAR limits for residential uses may allow the construction of a taller  
4 building containing a workforce housing project up to the permitted height limit. In such  
5 cases, and in order to prevent overcrowding the site, diminishing the amount of publicly  
6 accessible open space, and unduly congesting the Downtown Neighborhood, the provisions  
7 of subsection (i) above shall apply only to buildings which comply with the following  
8 requirements:

9 (aa) The total square footage of the footprint formed by the exterior walls of such new  
10 residential building shall not exceed the ground level footprint of the building or  
11 buildings being replaced; provided however, that the square footage of the footprint  
12 may be reconfigured to make it more adaptable for constructing a residential structure  
13 if the square footage is substantially the same and the loss of ground level open space,  
14 and any publicly accessible open space on top of the structure or structures being  
15 replaced, are replaced with open space determined, in accordance with the provisions  
16 of Sec 309, to comply with the provisions of Section 137 of this Code and the  
17 standards contained in and the guidelines adopted pursuant to Sec 138 and 138.1 of  
18 this Code;

19 (bb) The maximum size of floors above the height of the building base permitted by Section  
20 270 (d) (1) of this Code shall not exceed 9,500 square feet, without exception, and the  
21 maximum length of the façade facing the widest adjacent street shall not exceed 100  
22 feet, without exception; and



1           (cc) In order to assure adequate light and air to the residential uses, the minimum  
2           separation between windows of residential units in the workforce housing project and  
3           windows in an adjacent building shall be 40 feet and the configuration of the building  
4           shall be subject to review pursuant to the provisions of Section 309.

5  
6           (iii) In NC Districts, the above floor area ratio limits shall also not apply to any  
7           accessory off-street parking. In Chinatown Mixed Use Districts, the above floor area  
8           ratio limits shall not apply to institutions, and mezzanine commercial space shall not be  
9           calculated as part of the floor area ratio.

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11  
12           Section 128(c)(1) of Part II, Chapter II, of the San Francisco Municipal Code (City  
13           Planning Code) is hereby amended as follows:

14           (1) The Transfer Lot and the Development Lot are located in a C-3 Zoning District. ~~(i) The~~  
15           ~~Transfer Lot and the Development Lot are located in the same C-3 Zoning District, or (ii) the Transfer~~  
16           ~~Lot is located in a C-3-O, or C-3-R District and the Development Lot is located in the C-3-O (SD)~~  
17           ~~Special Development District; or (iii) the Transfer Lot is a Preservation Lot that contains a Significant~~  
18           ~~building and is located in the Extended Preservation District or a C-3-G or C-3-S District and the~~  
19           ~~Development Lot is located in the C-3-O (SD) Special District.~~

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21  
22           New Sections 218(l) and 218(m) are added to Part II, Chapter II, of the San Francisco  
23           Municipal Code (City Planning Code) as follows:

1           (l)     The Zoning Administrator shall maintain and periodically update an inventory of (1) the  
2                     approximate amount of TDR eligible for transfer in the C-3 Zoning Districts; (2) the  
3                     Transfer Lots from which there are TDRs eligible for transfer and the approximate  
4                     amount of eligible TDR from each Transfer Lot; and (3) the amount of TDR that has  
5                     already been transferred from specific Transfer Lots to Development Lots.

6  
7           (m)     A study is authorized to be undertaken by the Planning Department 5 years after the  
8                     effective date of this Initiative and every 5 years thereafter to determine whether the  
9                     exemption from floor area ratio limits for dwelling units and other residential uses in  
10                    the C-3 Zoning Districts has contributed to the construction of additional dwelling units  
11                    and other residential uses in the C-3 Zoning Districts and whether and to what extent  
12                    the exemption impaired the market for TDRs in the C-3-Zoning Districts. In its report,  
13                    the Planning Department may make recommendations to the Board of Supervisors and  
14                    Planning Commission regarding any legislative changes to address these issues.

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16  
17           Section 128 (f) of Part II, Chapter II, of the San Francisco Municipal Code (City  
18           Planning Code) is hereby deleted and the subsections following subsection (f) shall be  
19           relettered accordingly.

20  
21  
22           Section 215 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning  
23           Code) is hereby amended as follows:

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25           SECTION 215. DWELLINGS.

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C-1	C-2	C-3-O	C-3-R	C-3-G	C-3-G	CM	M-1	M-2
P	P	P	P	P	P	C	C	C
		€	€	€	€	C	C	C

(a) Dwelling at a density ratio not exceeding the number of dwelling units permitted in the nearest R District, with the distance to such R District measured from the midpoint of the front lot line or from a point directly across the street therefrom, whichever permits the greater density; provided, that the maximum density ratio in a C-1, C-2, M-1 or M-2 District shall in no case be less than for an RM-1 District, the maximum density ratio in a ~~C-3 or C-M~~ District shall in no case be less than for an RM-4 District, and ~~the~~ *there shall be no* maximum density ratio in a C-3 District ~~shall in no case be less than one dwelling unit for each 125 square feet of lot area.~~ The rules for calculation of dwelling unit densities set forth in Section 207.1 of this Code shall apply in C and M Districts, except that any remaining fraction of 1/2 or more of the minimum amount of lot area per dwelling unit shall be adjusted upward to the next higher whole number of dwelling units.

~~((b)) Dwelling at a density ratio greater than that set forth in Subsection (a), to be determined by the City Planning Commission pursuant to Section 303(e) of this Code.))~~

**(b)** Mobile home park for house trailers, motor homes, campers and similar vehicles or structures used for dwelling purposes. Each vehicle or structure in any such park shall be regulated by this Code in the same manner as a dwelling unit.

Section 216(a) of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

**SECTION 216. OTHER HOUSING.**

C-1	C-2	C-3-O	C-3-R	C-3-G	C-3-S	C-M	M-1	M-2	
P	P	P	P	P	P	P	C	C	(a) Group housing, providing lodging or both meals and lodging, without individual cooking facilities, by prearrangement for a week or more at a time, in a space not

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									defined by this Code as a dwelling unit. Such group housing shall include but not necessarily be limited to a boardinghouse, guesthouse, rooming house, lodging house, residence club, commune, fraternity or sorority house, monastery, nunnery, convent or ashram. It shall also include group housing affiliated with and operated by a medical or educational institution, when not located on the same lot as such institution, which shall meet the applicable provisions of Section 304.5 of this Code concerning institutional master plans. The density limitations for all group housing described in this subsection shall be based in this subsection shall be based upon the density limitations for group housing in the nearest R District, following the same rules as those set forth in Section 215(a) of this Code for dwelling unit densities in C and M Districts <u>and there shall be no maximum density limitation in a C-3 District</u>
--	--	--	--	--	--	--	--	--	--

Section 309(b) of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended by adding a new paragraph (10) and renumbering existing paragraph (10) to paragraph (11), as follows:

(10) Aspects of the project that affect the integrity of Adjacent or Contributory Buildings;

Section 1112.2 (b) of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended, as follows:

(b) If the Zoning Administrator determines that TDR have been transferred from the lot of a Contributory Building, or that the gross floor area of a structure or structures on a development site that includes the lot of a Contributory Building will exceed the base floor area ratio limit of the site without the transfer of TDR, the application for demolition of that building shall be reviewed and acted upon as if it applied to a Significant Building.

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A new Section 350 of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) as hereby added as follows:

Section 350. Effective Date and Amendment of Certain Code Sections. The amendments to Sections 123(c)(1), 128(c)(1), 215, and 1112.2 (b) and the new Sections 128 (l) and 128(m) adopted in ordinance adopted by the voters on November 4, 2003 shall not take effect until completion and certification of the Environmental Impact Report provided for in Section H of that ordinance, and the adoption of any mitigation measures requiring legislation, and thereafter may be amended from time to time in the manner provided in Section 302 of this Code.

**SECTION H. FUNDING FOR PREPARATION OF ENVIRONMENTAL IMPACT REPORTS**

Section H-1. The City and County of San Francisco hereby appropriates from any legally available funds up to two million dollars (\$2,000,000) for fiscal year 2003-2004 to carry out the purposes as stated in Sections H-2 and H-3 of this ordinance, which shall be known as the Workforce Housing Program and Neighborhood Planning EIR Fund.

Section H-2. The City Planning Department, the City Planning Commission and the Board of Supervisors shall take all steps necessary to cause the City and County of San Francisco, on or before May 15, 2004, to have entered into one or more binding contracts (“EIR Preparation Agreements”) for the preparation of the following environmental impact

1 reports (“EIRs”) (i) a program EIR for each of the Workforce Housing Neighborhoods, (ii) an  
2 EIR for each of the following area plans being prepared by the Department: Mission Eastern  
3 Neighborhood Plan, Balboa Park Better Neighborhood Plan, Showplace Square/Potrero Hill  
4 Eastern Neighborhood Plan, and South of Market Eastern Neighborhood Plan (each, a “Better  
5 Neighborhood Area”), and (iii) an EIR that studies the changes to the San Francisco Municipal  
6 Code (City Planning Code) made by Section G (including all subsections thereto) of this  
7 Ordinance (the “Downtown Housing FAR EIR”). Payment for the City’s obligations under the  
8 contract or contracts shall be made out of the Workforce Housing Program and Neighborhood  
9 Planning EIR Fund. The program EIRs for the Workforce Housing Neighborhoods shall study  
10 (i) the impact of the creation of workforce housing and increased production of market rate  
11 housing in each of the Workforce Housing Neighborhoods, (ii) the specific proposals  
12 contained in this Ordinance that relate to exemptions or adjustments to height, density, and  
13 time for review requirements applicable to Workforce housing projects, and (iii) such other  
14 matters as the Director of City Planning determines desirable or appropriate to facilitate and  
15 expedite the review of applications for construction of Workforce housing projects. The  
16 program EIRs for the Workforce Housing Neighborhoods shall specify mitigation measures to  
17 be implemented as part of development of Workforce housing projects to assure that those  
18 projects are compatible with the neighborhoods in which they are located. The EIRs for the  
19 Better Neighborhood Areas shall study such matters as the Director of City Planning  
20 determines desirable or appropriate to permit final approval of plans for each Better  
21 Neighborhood Area subject to the EIR. The Downtown Housing FAR EIR, shall also study  
22 whether and to what extent the exemption from floor area ratio limits for dwelling units may  
23 impair the market for TDRs in the C-3 Zoning Districts. The Workforce Housing Program and  
24 Neighborhood Planning EIR Fund shall also provide funding to update the City’s  
25 environmental review transportation guidelines to insure consistency between those

1 guidelines and the objectives and policies of the General Plan and the Charter's Transit First  
2 policy, rather than the current guideline's focus on intersection Level of Service, and EIRs for  
3 the Workforce Housing Neighborhoods and Better Neighborhood Areas and the Downtown  
4 Housing FAR EIR shall utilize such updated guidelines upon their updating.

5  
6 Section H-3. To pay for the costs incurred by the City in preparation, review and  
7 approval of the plans and the environmental impact review costs that the City is directed to  
8 cause to be prepared by this Ordinance, the City Planning Department and the Department of  
9 Building Inspection are hereby authorized to impose a fee, not to exceed per new dwelling  
10 unit the maximum amount permitted by the California Government Code (in addition to any  
11 other fee required by the City), for any application, that is submitted to the City Planning  
12 Department or Department of Building Inspection after the effective date of this Ordinance,  
13 for construction of new dwelling units in any Workforce Housing Neighborhood, any Better  
14 Neighborhood Area and the area covered by the Downtown Housing FAR EIR by any project  
15 sponsor who obtains an exemption from preparing a project specific environmental review  
16 document or who otherwise obtains a reduction in the cost or extent of environmental  
17 compliance review required for approval of the application for the new dwelling units through  
18 reliance upon an EIR or information generated in the preparation of the EIR that is funded by  
19 the provisions of Section H-2 and H-3 of this Ordinance, provided that to the extent permitted  
20 by law, the fee shall not be imposed for any dwelling unit against which has been recorded a  
21 Notice of Special Restrictions, in form and substance approved by the Director of City  
22 Planning, that requires the dwelling unit to be sold or rented at a price that is affordable to  
23 households of low income as those terms are used in Section 315 (and all subsections  
24 thereto) of Part II, Chapter II of the San Francisco Municipal Code (City Planning Code). To  
25 the extent permitted by law, the fees paid under this section shall be segregated from the

1 General Fund and deposited into separate accounts for the Workforce Housing Neighborhood  
2 related EIR, each Better Neighborhood Area EIR, and the Downtown Housing FAR EIR and  
3 may be paid out of those special funds to pay the costs incurred by the City under the EIR  
4 Preparation Agreements for the respective community or neighborhood for which the fee was  
5 collected, to pay such other costs associated with the preparation and certification of the EIRs  
6 and any other environmental review related to the project that pays the fee, as otherwise  
7 permitted by law. It is the policy of the voters of the City and County of San Francisco that the  
8 funds collected and placed in the segregated accounts shall be used to fund future  
9 neighborhood planning and master environmental reviews that promote the construction of  
10 housing on a rotating basis. However, the Board of Supervisors, by majority vote, shall  
11 determine whether the funds that are collected and placed in the segregated account shall be  
12 used to reimburse the accounts or funds from which the \$2,000,000 appropriation described  
13 in Section H-1 of this ordinance was made or whether those funds shall be used for other  
14 purposes as permitted by law.

15

16 **SECTION I. ADDITIONAL ACTIONS**

17

18

19 **AMENDMENT OF MASTER PLAN AND OTHER PLANS AND CODES**

20

Section I-1.

21

It shall be the policy of the People that promptly following the effective date of this  
22 ordinance, the City and County of San Francisco, through the Board of Supervisors, the  
23 Planning Commission and other appropriate officials, boards or commissions, shall proceed  
24 to:

25



1 (a) amend its Master Plan and other relevant plans and codes in a manner  
2 consistent with this ordinance; and

3 (b) request and apply for conforming amendments to any applicable state and  
4 regional plans and regulations.

5  
6 This measure shall not be construed to amend or supercede existing legislation protecting  
7 current rent controlled housing units, including but not limited to the Residential Rent  
8 Stabilization and Arbitration Ordinance (San Francisco Administrative Code Chapter 37) and  
9 the Residential Hotel Unit Conversion and Demolition Ordinance (San Francisco  
10 Administrative Code Chapter 41).

11  
12 **PARTIAL INVALIDITY AND SEVERABILITY.**

13 Section I-2. If any provision of this Ordinance or its application to any housing project or to  
14 any geographical area of the City, is held invalid, the remainder of this Ordinance, or the  
15 application of such provision to other housing projects or to any other geographical areas of  
16 the City, shall not be affected thereby.

17  
18 **AMENDMENTS AND SUNSET CLAUSE**

19 Section I-3. **AMENDMENTS TO SECTIONS A through E.**

20 (a) The provisions of SECTIONS A through E (and all subsections thereto) of this  
21 ordinance and the resulting amendments or additions to Part II, Chapter II, of the San  
22 Francisco Municipal Code (City Planning Code), may be modified (other than by ordinance  
23 adopted by the voters of San Francisco at a regular scheduled election) only as follows: (i) on  
24 or prior to December 31, 2013, if the modification relates to or affects workforce housing units  
25

1 or projects, by recommendation of the Planning Commission and a vote of eight members of  
2 the Board of Supervisors, upon a finding based on substantial evidence in the record before  
3 the Planning Commission and the Board of Supervisors that the amendments are consistent  
4 with the intent and purpose of the Workforce Housing Program, which is to provide housing  
5 ownership opportunities for San Francisco moderate income workers and their households;  
6 and (ii) (A) after December 31, 2013, or (B) if the modification does not relate to or affect  
7 workforce housing units or projects, in the manner that any similar provision of Part II, Chapter  
8 II, of the San Francisco Municipal Code (City Planning Code) adopted by ordinance of the  
9 Board of Supervisors may be modified.

10 (b) The provisions of SECTION G (and all subsections thereto) of this ordinance and  
11 the resulting amendments or additions to Part II, Chapter II, of the San Francisco Municipal  
12 Code (City Planning Code) may be modified from time to time in the manner that any  
13 provision of Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code)  
14 adopted by ordinance of the Board of Supervisors may be modified, and it is the intention of  
15 the people of the City and County of San Francisco that, upon completion of the Downtown  
16 Housing FAR EIR, the Planning Commission shall hold a hearing on and consider the need  
17 for amendments to SECTION G (and all subsections thereto) based on the information  
18 generated by the Downtown Housing FAR EIR and such other matters as are presented to  
19 the Planning Commission at such hearings and that the Board of Supervisors shall hold a  
20 hearing to consider any recommendations relating to such matters forwarded from the  
21 Planning Commission.

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1 APPROVED AS TO FORM:  
2 DENNIS HERRERA, City Attorney

3 By: \_\_\_\_\_  
4 ATTORNEY'S NAME  
5 Deputy City Attorney  
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