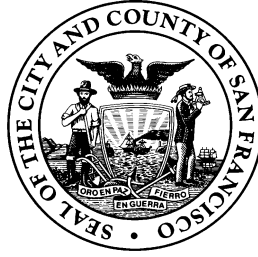


BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Gordon Mar, Chair  
Government Audit and Oversight Committee

FROM: John Carroll, Assistant Clerk

DATE: June 5, 2020

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, June 9, 2020

The following file should be presented as COMMITTEE REPORT at the regular Board meeting on Tuesday, June 9, 2020. This ordinance was acted upon at the regular Government Audit and Oversight Committee meeting on Thursday, June 4, 2020, at 10:00 a.m., by the votes indicated.

**Item No. 18**                      **File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

Vote:                      Supervisor Gordon Mar - Aye  
                                 Supervisor Aaron Peskin - Aye  
                                 Supervisor Matt Haney - Aye

Cc: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Alisa Somera, Legislative Deputy  
Anne Pearson, Deputy City Attorney

File No. 200113

Committee Item No. 1

Board Item No. 18

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 4, 2020

Board of Supervisors Meeting:

Date: June 9, 2020

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance - VERSION 2                        |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest - VERSION 2               |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Public Correspondence                        |

#### OTHER

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Building Inspection Commission Response – February 21, 2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Planning Commission Response – April 16, 2020</u>               |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CEQA Determination – February 28, 2020</u>                      |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referrals BIC, PC, CEQA, FYI – February 11 and 12, 2020</u>     |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Presidential Action Memo – March 4, 2020</u>                    |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <u>Chair Mar Letter – Committee Report Request – June 3, 2020</u>  |

Prepared by: John Carroll

Date: May 28, 2020

Prepared by: John Carroll

Date: June 5, 2020

1 [Planning, Building Codes - Reauthorization and Extension of Fee Waiver for Legalization of  
2 Unauthorized Dwelling Units]

3 **Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees**  
4 **related to granting legal status to existing dwelling units constructed without required**  
5 **permits and extending the waiver through December 31, 2024; requiring annual reports**  
6 **on the fee waiver program; and making findings of consistency with the General Plan**  
7 **and the eight priority policies of Planning Code, Section 101.1, and findings of public**  
8 **necessity, convenience, and welfare under Planning Code, Section 302.**

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

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

17 Section 1. Findings.

18 (a) The Board of Supervisors finds that the actions contemplated in this ordinance  
19 are consistent, on balance, with the City's General Plan and the eight priority policies of  
20 Planning Code Section 101.1 because the fee waiver will encourage owners to maintain and  
21 legalize potential sources of affordable housing.

22 (b) Pursuant to Planning Code Section 302, this Board finds that the actions  
23 contemplated in this ordinance will serve the public necessity, convenience, and welfare  
24 because the fee waiver will encourage owners to maintain and legalize potential sources of  
25 affordable housing and result in little fiscal impact to the City.

1 (c) In California Government Code Section 65852.150, the Legislature declares that  
2 accessory dwelling units are a valuable form of housing in California because they "provide  
3 housing for family members, students, the elderly, in-home health care providers, the  
4 disabled, and others, at below market prices within existing neighborhoods" and that  
5 "homeowners who create accessory dwelling units benefit from added income, and an  
6 increased sense of security."

7 (d) San Francisco has long had a housing shortage, especially of affordable  
8 housing. The housing market continues to be tight and housing costs are beyond the reach of  
9 many households. Objective 3 in the General Plan's 2014 Housing Element directs the City to  
10 protect the affordability of the existing housing stock, especially rental units. Policy 3.4 seeks  
11 to preserve "naturally" affordable housing types, such as smaller and older ownership units.

12 (e) The City has no definitive information on the number of dwelling units that have  
13 been added to existing residential buildings without the benefit of a permit (currently defined in  
14 Planning Code Section 317(b)(13) and hereafter referred to as "unauthorized units"), but  
15 unofficial estimates indicate that as many as 30,000 to 40,000 such dwelling units existed as  
16 of 2013. Often these unauthorized units have been built in the basements, garages, and attics  
17 of existing buildings or in rear-yard structures. While many of these unauthorized units may  
18 not meet existing Planning and Building Code requirements, they constitute a major supply of  
19 San Francisco's affordable housing units, often meet life and safety standards, or could meet  
20 such standards with minor permitted alterations, and may require only exceptions from  
21 density, open space, and other Planning Code requirements in order to become legal units.

22 (f) The City's 2014 Housing Element notes that while 76 unauthorized units were  
23 granted legal status between 2004 and 2013, a much larger number (226 units) were  
24 removed during that same period.

25 ///

1 (g) In 2014, the City enacted Ordinance No. 43-14, which amended the Planning  
2 Code, the Building Code, and the Administrative Code to establish a legalization process for  
3 dwelling units built without a building permit.

4 (h) In 2015, to encourage the legalization of existing unauthorized units, the City  
5 enacted Ordinance No. 146-15, which waived the permit fees related to legalizing existing  
6 unauthorized units for permits issued prior to January 1, 2020.

7 (i) This ordinance would re-authorize and extend the fee waiver enacted by  
8 Ordinance No. 146-15 for an additional five years commencing on January 1, 2020. By  
9 waiving such fees, the City would continue to create incentives for property owners to pursue  
10 legalization of the unauthorized units and would help achieve several public policy objectives.  
11 By encouraging the legalization of these units, the City would add units to the City's official  
12 supply of affordable housing, ensure that these units are safe and habitable, and properly  
13 include these units when calculating the City's existing housing supply.

14  
15 Section 2. Fee Waivers.

16 (a) Notwithstanding any provision of the Planning Code, including the fee schedule  
17 associated with Section 350, the permit fee related to reviewing permit applications seeking to  
18 legalize existing dwelling units that were constructed without the required permits is hereby  
19 waived for any permit issued for such activities between January 1, 2020 and December 31,  
20 2024, inclusive.

21 (b) Notwithstanding any provision of the Building Code, including the fee schedules  
22 of Tables 1A-A and 1A-E, the Plan Review Fee related to reviewing permit applications, or a  
23 portion of a permit application, seeking to legalize existing dwelling units that were  
24 constructed without the required permits is hereby waived for any permit issued for such  
25 activities between January 1, 2020 and December 31, 2024, inclusive; provided that other

1 fees, including but not limited to fees for applications to undertake structural work or  
2 excavation activities or any fees required by State law, shall not be waived.

3 (c) Only the portion of the permit fees related to legalizing existing units may be  
4 waived. If the permit describes work beyond that required to legalize the unit, the fees related  
5 to any additional work beyond necessary improvements for legalization shall not be waived.

6 (d) In the event the Director of Building Inspection or the Planning Director  
7 determines that the fee waivers provided in this ordinance are no longer feasible, they may  
8 provide information to the Board of Supervisors about said infeasibility and the Board may  
9 consider adopting an ordinance terminating this fee waiver prior to January 1, 2025.

10  
11 Section 3. Report by Department of Building Inspection. Starting March 2021 and  
12 during each March annually thereafter, concluding with March 2025, the Department of  
13 Building Inspection shall submit a report to the Mayor, the Board of Supervisors, the Building  
14 Inspection Commission, and the Planning Commission on the fee waivers related to permits  
15 granting legal status for unauthorized units. The report shall include, but need not be limited  
16 to, the following information:

17 (a) the total amount of fees waived during the prior calendar year and the amount of  
18 fees projected to be waived during the current calendar year, including those of the Planning  
19 Department, and any administrative costs for the prior calendar year and the current calendar  
20 year associated with the Departments' processing of such waivers;

21 (b) the number of projects that took advantage of the fee waiver program during the  
22 prior calendar year, and the districts or geographical areas of San Francisco in which the  
23 legalized units are located;

24 (c) the number of units in single-family homes and the number in multi-family  
25 buildings, legalized during the prior calendar year;

1 (d) the length of time each fee waiver applicant (“applicant”) who submitted the  
2 application during the prior calendar year has owned the subject property, and if the applicant  
3 is an individual or a business;

4 (e) for each fee waiver applicant who submitted the application during the prior  
5 calendar year, if the applicant owns, in whole or in part, other residential property in the City  
6 as an individual or part of a partnership or corporation; and

7 (f) for each fee waiver applicant who submitted the application during the prior  
8 calendar year, if the applicant has, or had within the past 10 years, building permit  
9 applications for other residential properties in the City;

10 (g) if there was a tenant in the unauthorized unit at the time the applicant submitted  
11 the application for a permit to legalize the unit; and

12 (h) if there was a tenant in the unauthorized unit in the five years prior to submitting  
13 the permit application to legalize the unit.

14 The Director of the Department of Building Inspection shall decide how best to obtain  
15 the information required by subsections (d), (e), (f), (g), and (h) above, which could include but  
16 is not limited to self-reporting by applicants.

17  
18 Section 4. Effective Date; Retroactivity.

19 (a) This ordinance shall become effective 30 days after enactment. Enactment occurs  
20 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not  
21 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the  
22 Mayor’s veto of the ordinance.

23 (b) Upon its effective date, this ordinance shall be retroactive to January 1, 2020. It is  
24 the intent of the Board of Supervisors that the fee waivers originally provided in Ordinance No.  
25 146-15 and provided in this ordinance be uninterrupted through December 31, 2024. Any

1 fees waived in this ordinance that are collected between January 1, 2020, and the effective  
2 date of this ordinance shall be promptly reimbursed by the City.

3  
4 Section 5. A copy of this ordinance shall be placed in the file for Ordinance No. 146-15  
5 (Board File No. 150571), and the listing of Ordinance No. 146-15 on the Board of Supervisors  
6 website shall include a reference to this ordinance.

7  
8 APPROVED AS TO FORM:  
9 DENNIS J. HERRERA, City Attorney

10 By: /s/ Judith A. Boyajian  
11 JUDITH A. BOYAJIAN  
12 Deputy City Attorney

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**REVISED LEGISLATIVE DIGEST**  
*(Amended in Committee – June 4, 2020)*

[Planning, Building Codes - Re-Authorization and Extension of Fee Waiver for Legalization of Unauthorized Dwelling Units]

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

Existing Law

The Planning Department and Department of Building Inspection charge certain administrative fees for review of building permit applications, including permit applications that may be submitted to legalize an existing dwelling unit that had been constructed or added without required City permits – currently defined in Planning Code Section 317(b)(13) as “unauthorized units.” Pursuant to Ordinance No. 146-15 (approved on August 6, 2015), the fees of the Planning and Building Inspection Departments related to review of a permit or the portion of a permit related to legalizing an unauthorized unit were waived until January 1, 2020.

Amendments to Current Law

This ordinance re-authorizes the fee waiver enacted by Ordinance 146-15 and provides that it is extended from January 1, 2020 through December 31, 2024. Only fees related directly to legalization would be waived. If the Director of Building Inspection and the Planning Director determine that the permit application fee waiver is no longer feasible, they could request that the Board of Supervisors consider an ordinance terminating this fee waiver prior to January 1, 2025. A report from the Department of Building Inspection to the Board of Supervisors, Building Inspection Commission, and Planning Commission is required starting March 2021 and annually thereafter.

Background Information

As stated in the findings, San Francisco has long had a housing shortage, especially of affordable housing. The housing market continues to be tight and housing costs are beyond the reach of many households. The City has no definitive information on the number of dwelling units that have been added to existing residential buildings without the benefit of a permit but unofficial estimates indicate that as many as 30,000 to 40,000 such dwelling units existed as of 2013. Often these unauthorized units have been built in the basements,

garages, and attics of existing buildings or in rear-yard structures. While many of these unauthorized units may not meet existing Planning and Building Code requirements, they constitute a major supply of San Francisco's affordable housing units, often meet life and safety standards, or could meet such standards with minor permitted alterations, and may require only exceptions from density, open space, and other Planning Code requirements in order to become legal units.

The Housing Element of the General Plan directs the City to protect the affordability of the existing housing stock, especially rental units, and to preserve “naturally” affordable housing types such as smaller and older ownership units. This fee waiver will encourage owners to maintain and legalize potential sources of affordable housing and result in a very low fiscal impact to the Planning and Building Departments.

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**CITY AND COUNTY OF SAN FRANCISCO**

**BOARD OF SUPERVISORS**

**BUDGET AND LEGISLATIVE ANALYST**

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292  
FAX (415) 252-0461

May 29, 2020

**TO:** Government Audit and Oversight Committee

**FROM:** Budget and Legislative Analyst



**SUBJECT:** June 4, 2020 Government Audit and Oversight Committee Meeting

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<b>Item</b>	<b>File</b>	<b>Page</b>
1	20-0113 Planning, Building Codes - Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized Dwelling Units.....	1

<p><b>Item 1</b>  <b>File 20-0113</b>  <i>(Continued from May 7, 2020)</i></p>	<p><b>Department:</b>                  Planning Department                  Department of Building Inspection (DBI)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p>	
<ul style="list-style-type: none"> <li>The proposed ordinance would amend the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extend the waiver through December 31, 2024. The proposed ordinance requires annual reports on the fee waiver program; and makes findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.</li> </ul>	
<p style="text-align: center;"><b>Key Points</b></p>	
<ul style="list-style-type: none"> <li>An accessory dwelling unit (ADU) is a residential unit that is added to an existing housing lot. In an effort to encourage owners to maintain and legalize potential sources of affordable housing in San Francisco, the Board of Supervisors approved an ordinance in July 2015 amending the Planning and Building Codes to waive fees for the review of a permit or the portion of a permit related to granting legal status to existing dwelling units constructed without required permits until January 1, 2020.</li> <li>Under the proposed ordinance, only fees related directly to legalization of existing ADUs would be waived. The Planning Department and Department of Building Inspection charge certain administrative fees for review of building permit applications, including permit applications that may be submitted to legalize an existing dwelling unit that had been constructed or added without required City permits.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>Approximately \$662,823 in Department of Building Inspection permit fees and \$938,712 in Planning Department fees have been waived since the passage of the original legislation in July 2015, totaling \$1,601,535 over approximately five years. The Department of Building Inspection estimates that approximately \$800,000 in permit fees and the Planning Department estimates approximately \$1,000,000 in permit fees will be waived during the five-year extension (January 1, 2020 through December 31, 2024).</li> </ul>	
<p style="text-align: center;"><b>Policy Consideration</b></p>	
<ul style="list-style-type: none"> <li>The existing waiver of building and planning permit fees to legalize existing ADUs has resulted in 169 units being legalized. Although the existing data cannot tell if property owners would have applied to legalize existing ADUs in the absence of the fee waiver, the impact of the fee waiver to the Building Inspection and Planning Department permit revenues over five years is not large.</li> </ul>	
<p style="text-align: center;"><b>Recommendation</b></p>	
<ul style="list-style-type: none"> <li>Approval of the proposed ordinance is a policy matter for the Board of Supervisors.</li> </ul>	

## MANDATE STATEMENT

City Charter Section 2.105 states that all legislative acts shall be by ordinance, approved by a majority of the members of the Board of Supervisors.

## BACKGROUND

An accessory dwelling unit (ADU), also known as an in-law unit, granny flat, or secondary unit, is a residential unit that is added to an existing housing lot. ADUs may be constructed within the existing building, as an extension to the existing building, or as a separate structure, and are typically developed using underutilized spaces within lots, such as garages, storage areas, rear yards, or attics.

In California Government Code Section 65852.150, the Legislature declared that ADUs are a valuable form of housing in California because they "provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods" and that "homeowners who create accessory dwelling units benefit from added income, and an increased sense of security." In an effort to encourage owners to maintain and legalize potential sources of affordable housing in San Francisco, the Board of Supervisors approved an ordinance in July 2015 amending the Planning and Building Codes to waive fees for the review of a permit or the portion of a permit related to granting legal status to existing dwelling units constructed without required permits until January 1, 2020 (File 15-0571).

## DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024, including:

- (a) requiring annual reports on the fee waiver program; and
- (b) making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Under the proposed ordinance, only fees related directly to legalization of existing ADUs would be waived. The Planning Department and Department of Building Inspection charge certain administrative fees for review of building permit applications, including permit applications that may be submitted to legalize an existing dwelling unit that had been constructed or added without required City permits. This is currently defined in Planning Code Section 317(b)(13) as "unauthorized units."

If the Director of Building Inspection and the Planning Director determine that the permit application fee waiver is no longer feasible, they could request that the Board of Supervisors consider an ordinance terminating this fee waiver prior to January 1, 2025. A report from the Department of Building Inspection to the Board of Supervisors, Building Inspection Commission,

and Planning Commission is required starting March 2021 and annually thereafter. Under the proposed ordinance, the report should include, but is not limited to, the following information:

- (a) the total amount of fees waived during the prior calendar year and the amount of fees projected to be waived during the current calendar year, including those of the Planning Department, and any administrative costs for the prior calendar year and the current calendar year associated with the Departments' processing of such waivers;
- (b) the number of projects that took advantage of the fee waiver program during the prior calendar year, and the districts or geographical areas of San Francisco in which the legalized units are located;
- (c) the number of units in single-family homes and the number in multi-family buildings, legalized during the prior calendar year;
- (d) the length of time each fee waiver applicant who submitted the application during the prior calendar year has owned the subject property, and if the applicant is an individual or a business;
- (e) for each fee waiver applicant who submitted the application during the prior calendar year, if the applicant owns, in whole or in part, other residential property in the City as an individual or part of a partnership or corporation; and
- (f) for each fee waiver applicant who submitted the application during the prior calendar year, if the applicant has, or had within the past 10 years, building permit applications for other residential properties in the City.

According to Ms. Taras Madison, Chief Financial Officer at the Department of Building Inspection, 705 building permits applications were submitted by property owners under the fee waiver program. Of those 705 building permits, 169 were completed including 133 units in single-family homes and 36 units in multi-family buildings.

## FISCAL IMPACT

According to Ms. Madison, approximately \$662,823 in Department of Building Inspection permit fees<sup>1</sup> have been waived since the passage of the original legislation in July 2015. In addition, according to Ms. Deborah Landis, Deputy Director of Administration at the Planning Department, approximately \$938,712 Planning Department permit fees<sup>2</sup> have been waived. A total of \$1,601,535 in permit fees have been waived for both departments since the passage of the original legislation in July 2015.

According to Ms. Madison, the Department of Building Inspection estimates that approximately \$800,000 in permit fees will be waived during the extension period (January 1, 2020 through December 31, 2024) of the proposed ordinance. Ms. Madison states that this estimate is based on the existing total amount of fees waived since July 2015 and an anticipated increase in waived

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<sup>1</sup> This includes the Department of Building Inspections' Plan Review, Express Plan Review and Site Permit Surcharge fees.

<sup>2</sup> This includes the Building Permit Planning Review fee for an existing building.

fees now that the program is better known. According to Ms. Landis, the Planning Department estimates approximately \$1,000,000 in permit fees will be waived during the extension period of the proposed ordinance based on the existing total amount of fees waived.

**Impact of Fee Waiver**

As noted above, the existing waiver of building and planning permit fees to legalize existing ADUs has resulted in 169 units being legalized. Although the existing data cannot tell if property owners would have applied to legalize existing ADUs in the absence of the fee waiver, the impact of the fee waiver to the Building Inspection and Planning Department permit revenues over five years is not large.

**RECOMMENDATION**

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



**BUILDING INSPECTION COMMISSION (BIC)**

Department of Building Inspection      Voice (415) 558-6164 - Fax (415) 558-6509  
1660 Mission Street, San Francisco, California 94103-2414

London N. Breed  
Mayor

**COMMISSION**

Angus McCarthy  
President

Sam Moss  
Vice-President

Alysabeth  
Alexander-Tut  
Kevin Clinch  
Jonathan Jacobo  
Frank Lee  
Jason Tam

Sonya Harris  
Secretary

Tom C. Hui  
S.E.,  
C.B.O., Director

Ms. Angela Calvillo  
Clerk of the Board  
Board of Supervisors, City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4694

Dear Ms. Calvillo:

**RE: File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

The Building Inspection Commission met and held a public hearing on February 19, 2020 regarding File No. 200113 on the proposed amendment to the Planning and Building Codes referenced above. The Commissioners voted unanimously to **recommend approval** of the proposed Ordinance.

President McCarthy	Yes	Vice-President Moss	Yes
Commissioner Clinch	Yes	Commissioner Jacobo	Yes
Commissioner Lee	Yes	Commissioner Tam	Yes
Commissioner Alexander-Tut	Yes		

Should you have any questions, please do not hesitate to call me at 558-6164.

Sincerely,

Sonya Harris  
Commission Secretary

cc: Tom C. Hui, S.E., C.B.O., Director  
Mayor London N. Breed  
Supervisor Gordon Mar  
Board of Supervisors





# SAN FRANCISCO PLANNING DEPARTMENT

---

April 28, 2020

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

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

**Re: Transmittal of Planning Department Case Number 2020-002054PCA:  
Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized  
Dwelling Units (UDUs)  
Board File No. 200113  
Planning Commission Recommendation: Approval**

Dear Ms. Calvillo and Supervisor Mar,

On April 16, 2020, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Mar that would amend the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024. At the hearing the Planning Commission recommended approval.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

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,

A handwritten signature in black ink, appearing to read "Aaron D. Starr".

Aaron D. Starr  
Manager of Legislative Affairs

**Transmittal Materials**

**CASE NO. 2020-002054PCA  
Fee Waiver for UDUs**

cc:

Judy Boyajian, Deputy City Attorney  
Daisy Quan, Aide to Supervisor Mar  
John Carroll, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution  
Planning Department Executive Summary



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Resolution No. 20682

HEARING DATE: APRIL 16, 2020

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

*Project Name:* Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized Dwelling Units  
*Case Number:* 2020-002054PCA [Board File No. 200113]  
*Initiated by:* Supervisor Mar / Introduced February 4, 2020  
*Staff Contact:* Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 415-575-9173  
*Reviewed by:* Aaron D Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362

**RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD THE PLANNING AND BUILDING CODES TO REAUTHORIZE THE WAIVER OF FEES RELATED TO GRANTING LEGAL STATUS TO EXISTING DWELLING UNITS CONSTRUCTED WITHOUT REQUIRED PERMITS AND EXTENDING THE WAIVER THROUGH DECEMBER 31, 2024; REQUIRING ANNUAL REPORTS ON THE FEE WAIVER PROGRAM; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.**

WHEREAS, on February 4, 2020 Supervisor Mar introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 200113, which would amend the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302; and,

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on April 16, 2020; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); and

WHEREAS, the Planning 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 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

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

MOVED, that the Planning Commission hereby **approves** the proposed ordinance.

## **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:

1. The Commission finds that the proposed Ordinance supports the Housing Element’s goals to ensure adequate housing for current and future San Franciscans by increasing the potential for new housing units.
2. The Commission finds that the proposed Ordinance supports the Legalization Program, without which, some existing units would not have a path to be legalized.
3. **General Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

## **HOUSING ELEMENT**

### **OBJECTIVE 1**

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY’S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

#### **Policy 1.5**

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

### **OBJECTIVE 2**

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

#### **Policy 2.1**

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

#### **Policy 2.4**

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

**Policy 2.5**

Encourage and support the seismic retrofitting of the existing housing stock.

**OBJECTIVE 3**

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

**Policy 3.4**

Preserve “naturally affordable” housing types, such as smaller and older ownership units.

**OBJECTIVE 10**

ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS.

**Policy 10.1**

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.

*The Ordinance supports the Housing Element’s goals to ensure adequate housing for current and future San Franciscans. The Ordinance is intended to help address the City’s ongoing housing crisis by encouraging the retention of existing housing units and prioritizing legalizing existing dwelling units constructed without permits. The Ordinance incentivizes legalizing existing dwelling units by reducing the financial burden on the applicant, allowing for the preservation of these units.*

4. **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 Ordinance encourages legalizing existing unauthorized dwelling units, adding to the housing stock.*

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.*

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 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.*

5. **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 APPROVES the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on April 16, 2020.



Jonas P. Ionin  
Commission Secretary

AYES: Diamond, Fung, Imperial, Johnson, Koppel, Moore

NOES: None

ABSENT: None

ADOPTED: April 16, 2020



# SAN FRANCISCO PLANNING DEPARTMENT

## Executive Summary Planning and Building Code Text Amendments

HEARING DATE: APRIL 16, 2020  
90-DAY DEADLINE: MAY 12, 2020

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

*Project Name:* **Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized Dwelling Units**  
*Case Number:* 2020-002054PCA [Board File No. 200113]  
*Initiated by:* Supervisor Mar / Introduced February 4, 2020  
*Staff Contact:* Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 415-575-9173  
*Reviewed by:* Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362  
*Recommendation:* **Approval**

### PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; and requiring annual reports on the fee waiver program.

#### THE WAY IT IS NOW:

#### THE WAY IT WOULD BE:

Projects related to legalizing unauthorized dwelling units need to pay all permit fees.	These Projects would receive a partial fee waiver for only the permit fees related legalizing the existing unit.
The Department of Building Inspection is not required to submit reports regarding the fee waivers related to permits granted legal status for unauthorized dwelling units.	The Department of Building Inspection would need to submit a report to the Mayor, the Board of Supervisors, the Building Inspection Commission, and the Planning Commission on the fee waivers related to permits granting legal status for unauthorized dwelling units.

### BACKGROUND

In 2014, the City enacted Ordinance No. 43-14, which amended the Planning Code, the Building Code, and the Administrative Code to establish a legalization process for dwelling units built without a building permit.<sup>1</sup> In 2015, to encourage the legalization of existing unauthorized units, the City enacted Ordinance No. 146-15, which partially waived the permit fees related to legalizing existing unauthorized units for

<sup>1</sup> [Board File 131148](#)



permits issued prior to January 1, 2020.<sup>2</sup> One goal of partially waiving Planning Department and Building Department fees related to legalizing existing dwelling units constructed without permits was to incentivize the preservation and legalization of these units. This Ordinance would reauthorize and extend the partial fee waiver enacted by Ordinance No. 146-15 for an additional five years commencing on January 1, 2020.

## **ISSUES AND CONSIDERATIONS**

### **Housing Stock and Affordability**

San Francisco and the Bay Area have a housing shortage. The Planning Department is working to meet these housing needs through a variety of programs. This Ordinance ensures that we preserve not only existing permitted housing, but also unpermitted housing units. In the City’s Housing Element, Objective Three seeks to preserve “naturally” affordable housing types, such as smaller and older ownership units. Legalizing existing units falls into this category. Additionally, legalizing existing units is typically more cost effective than building net new housing.

### **Minimal Fiscal Impact**

The Department estimates that the fiscal impact of reauthorizing this partial fee waiver will be minimum. According to the Department of Building Inspection’s data, more than 700 legalization permits have been filed and approximately \$1.6 million worth of fees waived for Planning Department review from 2015-2020. This amount is marginal compared to the overall permitting costs. Additionally, the partial fee waiver to incentivize legalizing existing units outweighs the loss of potential housing.

Additionally, the proposed Ordinance will not have a change in Planning revenue because the Department has been waiving the fee since 2015, just one year after the Legalization Program was established. This means that this partial fee waiver has not been included in Department budget for the past five years, and therefore there will not be a change. Additionally, the Department of Building Inspection processes, implements, and manages the fee waivers. This means that reauthorizing the partial fee waiver would not have any associated costs for the Department. While not yet effective, there is a separate Ordinance that proposes to eliminate the cap of units permitted to be legalized per lot.<sup>3</sup> This will have a potential impact on the future revenue collected; however, the extent of this impact is unknown.

### **Legalization Program Success**

The Ordinance supports a program that has already added more than 150 units to the housing stock. This number reflects the number of legalization permits that have already received their Certificate of Final Completion, which differs from the total number of legalization permits filed described above. Reauthorizing the partial fee waiver will continue to encourage more projects to participate in the Legalization Program. The City’s 2014 Housing Element notes that while 76 unauthorized units were granted legal status between 2004 and 2013, a much larger number (226 units) were removed during that same period. The Ordinance would help curb this loss by incentivizing applicants and property owners to

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<sup>2</sup> [Board File 150571](#)

<sup>3</sup> [Board File 190757](#)

legalize existing units. The latest Housing Inventory shows that in 2018 alone, 76 unauthorized units were granted legal status,<sup>4</sup> indicating the growth and success of the program.

**Legalization Program versus Accessory Dwelling Unit Program**

When seeking to legalize existing units, applicants can do so through either the Legalization Program, the Accessory Dwelling Unit (ADU) program, or as-of-right if density allows. Without the Legalization Program, some existing units would not have a path to be legalized, resulting in a loss of potential housing. Generally, applicants are eligible for the Legalization Program if there is proof of occupancy, no no-fault evictions, and no other unpermitted features within the existing unit. The existing unit may still need to be altered to meet basic life, health, and safety requirements. Some of these unpermitted units may have been eligible for the ADU program. However, the ADU Program has more strict requirements (such as complying with rear yard, open space, and exposure requirements), oftentimes requiring more renovation and funds to do so. In such cases where an unauthorized dwelling unit does not provide adequate open space or comply with the exposure requirements for example, then said unit would not be eligible for the ADU Program but may still have a path to be legalized through the Legalization Program.

The table below provides a quick snapshot of the key differences between the legalization and ADU programs. The Department provides this information to each applicant when vetting unauthorized dwelling units; however, the applicant ultimately decides which program best meets their needs. If eligible, applicants sometimes prefer the Legalization Program because of the limited renovation and fee savings. Additionally, using the Legalization Program preserves the option of adding ADUs in the future. Therefore, some applicants have opted to use the Legalization Program first, and then add ADUs in a subsequent permit in order to maximize density per the property’s permitted zoning.

<b>Legalization</b>	<b>ADU Program</b>
Existing unit is reviewed for basic Code requirements, but mostly approved in as-is conditions	Existing unit is reviewed for more strict Code requirements, sometimes still requiring Variances
Legalization permit fees are partially waived	Building Code permit fees are waived under a pilot program
Does not require Costa-Hawkins Regulatory Agreements	Requires Costa-Hawkins Regulatory Agreements if waivers (such as density, rear yard, open space or exposure) are granted
Legalized units are permitted to be short-term rentals	ADUs are not permitted to be short-term rentals

**General Plan Compliance**

The Ordinance supports the Housing Element’s goals to ensure adequate housing for current and future San Franciscans. The Ordinance is intended to help address the City’s ongoing housing crisis by encouraging the retention of existing housing units and prioritizing legalizing existing dwelling units

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<sup>4</sup> [Housing Inventory 2018](#)

constructed without permits. The Ordinance incentivizes legalizing existing dwelling units by reducing the financial burden on the applicant, allowing for the preservation of these units.

### **Racial and Social Equity Analysis**

Understanding the benefits, burdens and opportunities to advance racial and social equity that proposed Planning Code amendments provide is part of the Department’s Racial and Social Equity Initiative. This is also consistent with the Mayor’s Citywide Strategic Initiatives for equity and accountability and with the forthcoming Office of Racial Equity, which will require all Departments to conduct this analysis.

The Planning Code amendments in the proposed Ordinance ensure that applicants pursuing legalization permits benefit from a partial fee waiver. Many of these legalization permits are submitted by property owners who do not regularly engage with the City on development permits. It is likely that some of those households that do not regularly engage with the City on development permits include mono-lingual households or immigrant households due to language barriers, cultural barriers, lower incomes, etc. The Legalization Program provides extra guidance on how to legalize the existing unit and provides financial relief to the property owner through the partial fee waiver. This is especially helpful for lower-income households who benefit more from such fee waiver, even if just waived partially.

Additionally, the partial fee waiver supports the Legalization Program, which yields “naturally” affordable housing types since these units are typically smaller and already constructed. The Legalization Program focuses on existing units oftentimes created out of extra space typically on the ground floor. The Legalization Program and the associated partial fee waiver produces additional units that the City otherwise might not be able to add to the housing stock.

The Legalization Program is most commonly used in single-family or small multi-family residential neighborhoods, such as the Sunset or the Richmond neighborhoods. Therefore, the Ordinance may inadvertently encourage legalizing existing units in these types of neighborhoods more so than others. However, any potential concentration of legalized units in these neighborhoods does not negate the merit of the Legalization Program’s success in adding to the housing stock.

The Ordinance also considers retroactively applying the partial fee waiver. This means that any collected legalization permit fees collected between January 1, 2020 and the effective date of the subject Ordinance will be reimbursed. This ensures that all current legalization permits receive the same benefits and incentives as those approved as recently as last year.

### **Implementation**

The Department has determined that this ordinance will not impact our current implementation procedures.

### **RECOMMENDATION**

The Department recommends that the Commission *approve* the proposed Ordinance and adopt the attached Draft Resolution to that effect.

## **BASIS FOR RECOMMENDATION**

The Department supports the proposed Ordinance because it supports the Housing Element’s goals to ensure adequate housing for current and future San Franciscans. Specifically, the Ordinance continues the efforts of past legislation and supports the Department’s efforts to increase housing. Reauthorizing this partial fee waiver yields a low fiscal impact to the Planning Department. Given the importance of maintaining and legalizing existing housing, the Department recommends that the Commission support the Ordinance to reauthorize the partial fee waiver for legalizing existing units.

## **REQUIRED COMMISSION ACTION**

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

## **ENVIRONMENTAL REVIEW**

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

## **PUBLIC COMMENT**

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

### **Attachments:**

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 200113

BOARD of SUPERVISORS



City Hall  
Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

February 12, 2020

File No. 200113

Lisa Gibson  
Environmental Review Officer  
Planning Department  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Ms. Gibson:

On February 4, 2020, Supervisor Mar submitted the following legislation:

**File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

2/28/2020 A handwritten signature in cursive script, appearing to read "Joy Navarrete".

BOARD of SUPERVISORS



City Hall  
Dr. Carlton B. Goodlett Place, Room 244  
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This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

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By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: John Rahaim, Director, Planning Department  
Tom Hui, Executive Director, Department of Building Inspection

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: February 11, 2020

SUBJECT: LEGISLATION INTRODUCED

---

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Mar on February 4, 2020:

**File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [erica.major@sfgov.org](mailto:erica.major@sfgov.org).

c: Scott Sanchez, Planning Department  
Corey Teague, Planning Department  
Lisa Gibson, Planning Department  
Devyani Jain, Planning Department  
Adam Varat, Planning Department  
Dan Sider, Planning Department  
Aaron Starr, Planning Department  
Joy Navarrete, Planning Department  
John Murray, Department of Building Inspection  
Patty Lee, Department of Building Inspection

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

February 12, 2020

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On February 4, 2020, Supervisor Mar introduced the following legislation:

**File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk  
Land Use and Transportation Committee

c: John Rahaim, Director  
Scott Sanchez, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
Adam Varat, Acting Director of Citywide Planning  
Aaron Starr, Manager of Legislative Affairs  
Andrea Ruiz-Esquide, Deputy City Attorney  
Joy Navarrete, Major Environmental Analysis



BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: Tom Hui, Director, Department of Building Inspection  
Sonya Harris, Secretary, Building Inspection Commission

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: February 12, 2020

SUBJECT: LEGISLATION INTRODUCED

---

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, introduced by Supervisor Mar on February 4, 2020:

**File No. 200113**

**Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

The proposed ordinance is being transmitted pursuant to Charter, Section D3.750-5, for public hearing and recommendation. It is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Please forward me the Commission's recommendation and reports at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org).

c: John Murray, Department of Building Inspection  
Patty Lee, Department of Building Inspection



Member, Board of Supervisors  
District 4


City and County of San Francisco

## GORDON MAR

---

DATE: June 3, 2020

TO: Angela Calvillo  
Clerk of the Board of Supervisors

FROM: Supervisor Mar   
Chairperson

RE: Government Audit and Oversight Committee  
COMMITTEE REPORT

---

Pursuant to Board Rule 4.20, as Chair of the Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on Tuesday, June 9, 2020, as a Committee Report:

**File No. 200113 [Planning, Building Codes - Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized Dwelling Units]**

Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

These resolutions will be heard in the Government Audit and Oversight Committee during a regular meeting on June 4, 2020, at 10:00 a.m.

President, District 7  
BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. No. 554-6516  
Fax No. 554-7674  
TDD/TTY No. 544-6546

Bas-11 Ades  
Cob/Ades  
L. O. G. Ades  
Leg. Rep. M. Adams  
D. Rep. Dep. H. F. H. J.

Norman Yee

**PRESIDENTIAL ACTION**

Date: February 25, 2020  
To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,  
Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. \_\_\_\_\_  
(Primary Sponsor)

Title. \_\_\_\_\_

Transferring (Board Rule No 3.3)

File No. 200113 Mar  
(Primary Sponsor)

Title. Planning, Building Codes - Reauthorization and Extension of Fee Waiver - Legalization of Unauthorized Dwelling Units

From: Land Use & Transportation Committee

To: Government Audit & Oversight Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor: \_\_\_\_\_ Replacing Supervisor: \_\_\_\_\_

For: \_\_\_\_\_ Meeting  
(Date) (Committee)

Start Time: \_\_\_\_\_ End Time: \_\_\_\_\_

Temporary Assignment:  Partial  Full Meeting

Norman Yee, President  
Board of Supervisors

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2020 MAR 4 AM 11:28  
BY \_\_\_\_\_

**From:** [Hickey, Jacqueline \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** 5 letters for File No. 200113  
**Date:** Thursday, June 4, 2020 3:40:00 PM  
**Attachments:** [5 letters for File No. 200113.pdf](#)

---

Hello,

Please find attached 5 letters for File No. 200113.

**File No. 200113 - Planning, Building Codes - Reauthorization and Extension of Fee Waiver  
- Legalization of Unauthorized Dwelling Units**

Thank you,

Jackie Hickey  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102-4689  
Phone: (415) 554-5184 | Direct: (415) 554-7701  
[jacqueline.hickey@sfgov.org](mailto:jacqueline.hickey@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

**From:** [Alla Dubrovsky, Esq.LLM](#)  
**To:** [Board of Supervisors, \(BOS\)](#)  
**Cc:** [Quan, Daisy \(BOS\)](#); [Mar, Gordon \(BOS\)](#)  
**Subject:** support Supervisor Mar's ordinance - Legalization of Unauthorized units  
**Date:** Tuesday, June 2, 2020 11:20:46 PM

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear members of Government Audit and Oversight Committee,

*As a homeowner and resident in San Francisco, I urge you to support Supervisor Mar's ordinance to reauthorize and extend fee waivers for the unauthorized dwelling units legalization program. We need to make this program accessible to help both small property owners and tenants and stabilize the community. My house is in the final process of legalization, and the new affordable unit will become available for tenants in need as soon as it becomes legalized.*

Please include my correspondence to File 200113.

*Sincerely,*

Alla Dubrovsky, Esq, LLM  
1815 40th Ave, SF  
[alla.law@gmail.com](mailto:alla.law@gmail.com)  
415-596-3002

**From:** [E.D](#)  
**To:** [Board of Supervisors, \(BOS\)](#)  
**Cc:** [Quan, Daisy \(BOS\)](#); [Mar, Gordon \(BOS\)](#)  
**Subject:** support Supervisor Mar's ordinance - Legalization of Unauthorized units  
**Date:** Tuesday, June 2, 2020 11:31:13 PM

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear members of Government Audit and Oversight Committee,

*As a resident in San Francisco, I urge you to support Supervisor Mar's ordinance to reauthorize and extend fee waivers for the unauthorized dwelling units legalization program. We need to make this program accessible to help both small property owners and tenants and stabilize the community. We, tenants of affordable units, benefit from more of the affordable units come on the market from our neighbors in the community.*

Please include my correspondence to File 200113.

*Sincerely,*

Eugene and Nelly D.

**From:** [helen.yelluas](#)  
**To:** [Board of Supervisors, \(BOS\)](#); [Quan, Daisy \(BOS\)](#); [Mar, Gordon \(BOS\)](#)  
**Subject:** Support Supervisor Mar's ordinance - Legalization of Unauthorized units  
**Date:** Wednesday, June 3, 2020 12:28:33 AM

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear members of Government Audit and Oversight Committee,

*As a resident in San Francisco, I urge you to support Supervisor Mar's ordinance to reauthorize and extend fee waivers for the unauthorized dwelling units legalization program. We need to make this program accessible to help both small property owners and tenants and stabilize the community. My house is in the process of legalization, and the new affordable unit should become available for all the tenants in need as soon as it becomes legalized.*

Please include my correspondence to File 200113.

*Sincerely,*

*Sunset resident at Ortega St*

Helen Yelluas, MSEE  
Adjunct Professor  
Ageno School of Business  
GOLDEN GATE UNIVERSITY

**From:** [Alex Yelluas](#)  
**To:** [Board of Supervisors, \(BOS\)](#); [Quan, Daisy \(BOS\)](#); [Mar, Gordon \(BOS\)](#)  
**Subject:** Support Supervisor Mar's ordinance - Legalization of Unauthorized units  
**Date:** Wednesday, June 3, 2020 1:06:07 AM

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear members of Government Audit and Oversight Committee,

*As a homeowner and resident in San Francisco, I urge you to support Supervisor Mar's ordinance to reauthorize and extend fee waivers for the unauthorized dwelling units legalization program. We need to make this program accessible to help both small property owners and tenants and stabilize the community. My house is in the process of legalization, and the new affordable unit should become available for tenants in need as soon as it becomes legalized.*

Please include my correspondence to File 200113.

*Sincerely,*

*Sunset resident at Ortega Sth*

*homeowner& landlord*



**From:** [Maria Rivero](#)  
**To:** [Board of Supervisors, \(BOS\)](#); [Quan, Daisy \(BOS\)](#); [Mar, Gordon \(BOS\)](#)  
**Subject:** Support Supervisor Mar's ordinance - Legalization of Unauthorized Dwelling Units  
**Date:** Wednesday, June 3, 2020 7:59:26 AM  
**Importance:** High

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This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear members of Government Audit and Oversight Committee,

*As a homeowner and resident in San Francisco, I urge you to please support Supervisor Mar's ordinance to reauthorize and extend fee waivers for the unauthorized dwelling units legalization program. We need to make this program accessible to help both small property owners and tenants and stabilize the community.*

Please include my correspondence to File 200113.

Thank you for your attention to this important matter

*Sincerely,*

*Maria Rivero*

*Noriega St*

*Sunset resident*

# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp

Board meeting date

2020 FEB -4 P 2:08

RECEIVED BY: AK

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Topic submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Mar

Subject:

Planning, Building Codes - Reauthorization and Extension of Fee Waiver for Legalization of Unauthorized Dwelling Units

The text is listed:

Ordinance amending the Planning and Building Codes to reauthorize the waiver of fees related to granting legal status to existing dwelling units constructed without required permits and extending the waiver through December 31, 2024; requiring annual reports on the fee waiver program; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Signature of Sponsoring Supervisor:

