



San Francisco Family Zoning Program

HOUSING ELEMENT REZONING



San Francisco
Planning

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**LAND USE &
TRANSPORTATION
COMMITTEE**
OCTOBER 20, 2025

TODAY'S PRESENTATION

- Background
- Legislation under Consideration
- Affordable Housing Sites Analysis & Strategy
- Informational Resources & Visuals





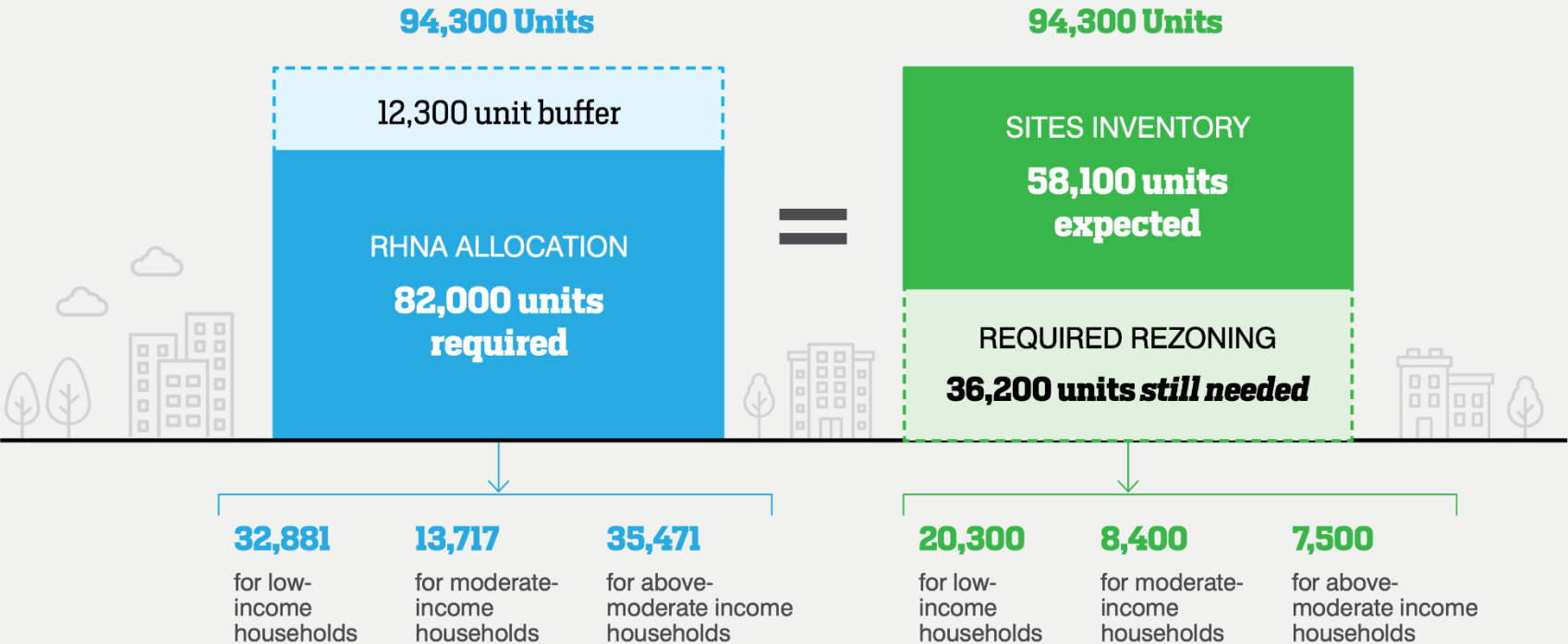
**Housing diversity makes for
stronger communities**



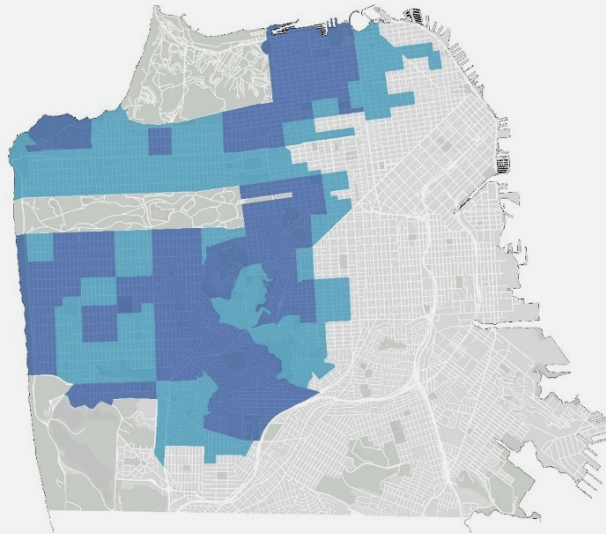
San Francisco's Pervasive Housing Crisis

- SF is 2nd most expensive rental market and 2025 rents grew fastest of any US city.
- Rental vacancies are down to 3.8% — on par with pre-pandemic levels.
- It takes more than 4 minimum wage jobs to afford average SF rent.
- In 2024, 81,200 people applied in the lottery for 512 affordable housing units.
- Evictions nearly doubled in 2024 and are at their highest rate since 2018.
- 1/3 of households are cost-burdened, both renters and owners.
- SF has more than 8,300 unsheltered individuals.

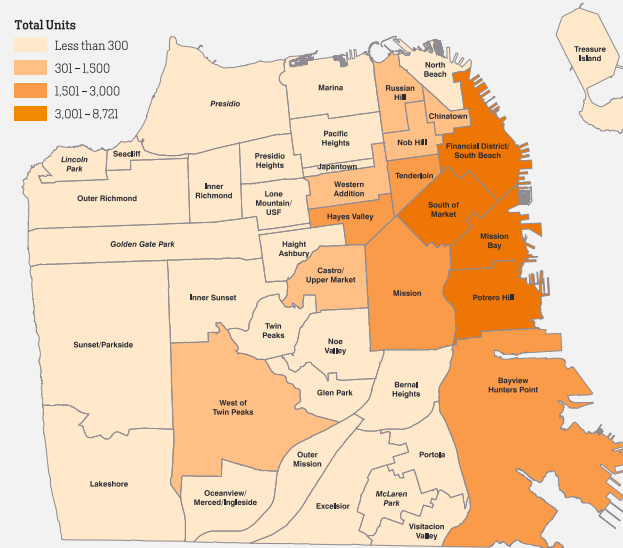
California needs 2.5 million housing units. **San Francisco's fair share is 82,000 units.**



*The **Family Zoning Plan*** fulfills state laws by planning for affordable and mixed-income housing to overcome historic patterns of exclusion.



Housing Opportunity Areas*



Housing Production (2005-2019)

90% of housing was built outside “housing opportunity areas,” even though they cover over 50% of the city.

*Areas designated “Highest Resource” and “High Resource” on the Opportunity Area Map (CA Dept of Housing & Community Development)

What's at stake if we don't rezone



BUILDERS REMEDY: Menlo Park 446' proposal; zoned for 70'

If San Francisco does not adopt compliant rezoning, we risk:

- **State seizure of local permitting power**, a.k.a. “builders remedy”
- **Loss of state funding**, including transportation & affordable housing
- **Fines and lawsuits**

Communities facing **Builders Remedy**

See factsheet:

What happens if we don't rezone?

PALO ALTO



MENLO PARK



MOUNTAIN VIEW



BEVERLY HILLS



SANTA MONICA



SANTA CRUZ COUNTY



REDONDO BEACH



LOS GATOS



The Kelsey: \$30million AHSC award



SF received \$110 million/year in funds requiring Housing Element compliance:

CalTrans Sustainable Communities Grant

One Bay Area Grant

Affordable Housing and Sustainable Communities

Permanent Local Housing Allocation

Community Development Block Grant Program

Infill Infrastructure Grant Program

Local Housing Trust Fund Program

HOME Program

Local Partnership Program

Transit and Intercity Rail Capital Program

Active Transportation Program

Solutions for Congested Corridors Program

... and more

San Francisco's **obligations under state law**

To maintain Housing Element certification, by January 2026 we must:

- Rezone for **realistic capacity** to meet our RHNA shortfall (36,200 units).
- Affirmatively Further Fair Housing by **zoning in high opportunity areas**.
- **Identify low-income housing sites** that will be eligible for ministerial approval.

NOTE:

Housing Element certification will not be revoked if planned units are not ultimately built.

Community Engagement 2023-2025



18 Public Hearings



70 Education Workshops
1200+ attendees



8 Focus Groups
85 attendees



Survey
2,382 respondents



90+ Community Conversations
2000+ attendees

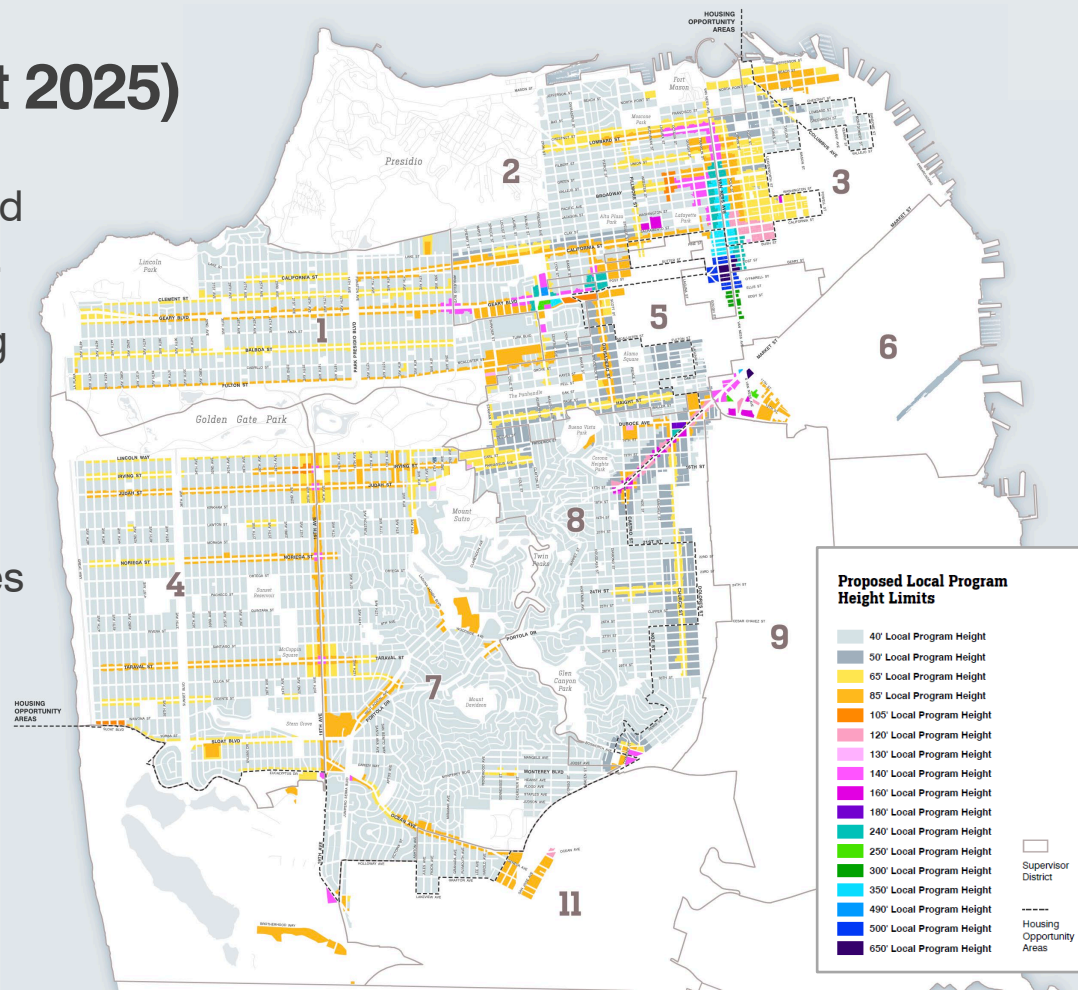


4 Open Houses, 2 Housing Summits
800+ attendees



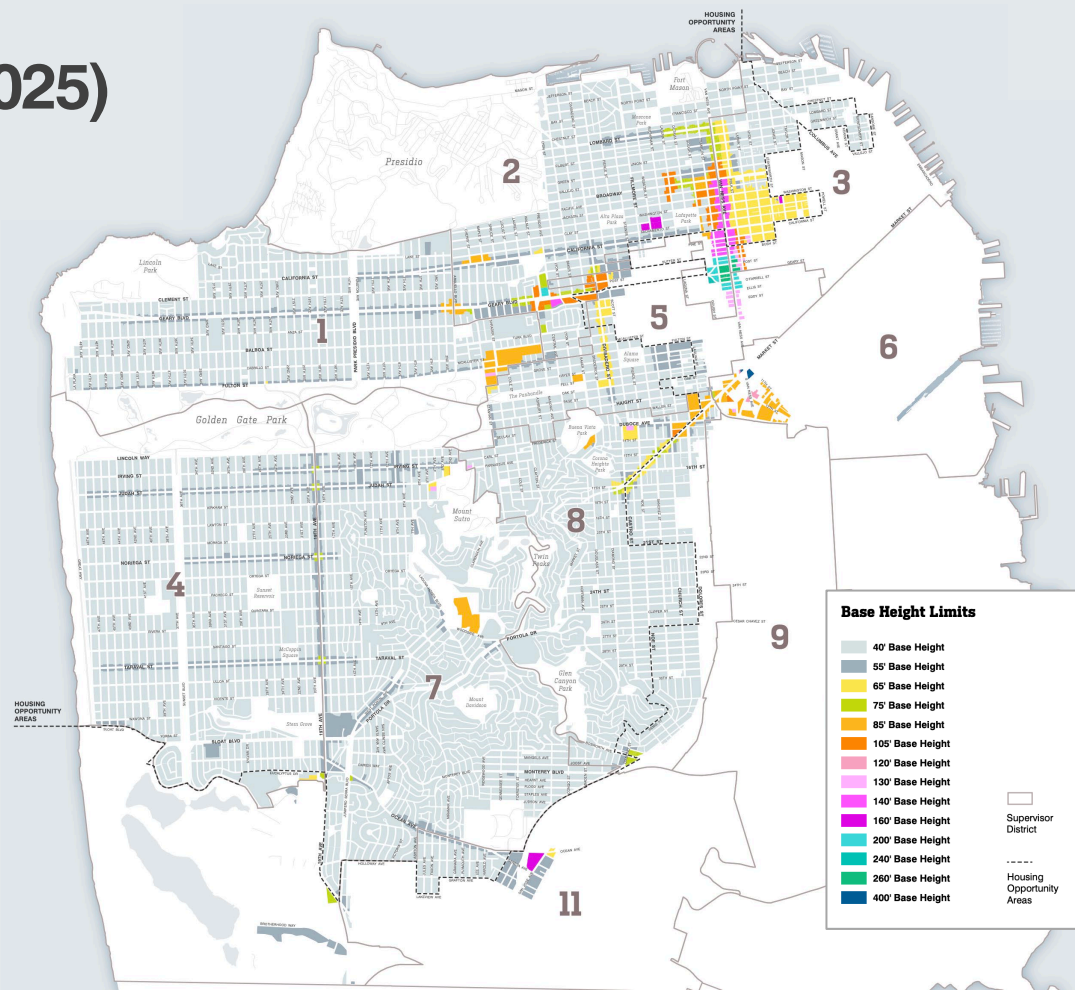
Proposed Local Program Map (Sept 2025)

- **MEETS STATE REQUIREMENTS** and allows for at least 36,200 new homes.
- **KEEPS LOCAL CONTROL** by setting base heights lower and incentivizing projects to use a Local Program.
- **PUTS TALLER BUILDINGS NEAR TRANSIT AND SERVICES:** 6+ stories on main streets and near transit.
- **ALLOWS SMALL APARTMENTS ELSEWHERE:** keeps existing 40' height (4 stories) while welcoming more homes.



Proposed Base Height Map (Sept 2025)

- **ON CORRIDORS, PROJECTS CHOOSE LOCAL OR STATE PROGRAMS:** Projects can get to similar heights under either option.
- **IN RESIDENTIAL AREAS, PROJECTS MUST USE LOCAL PROGRAM.** Projects in program get form-based zoning and **may not use State Density bonus.**



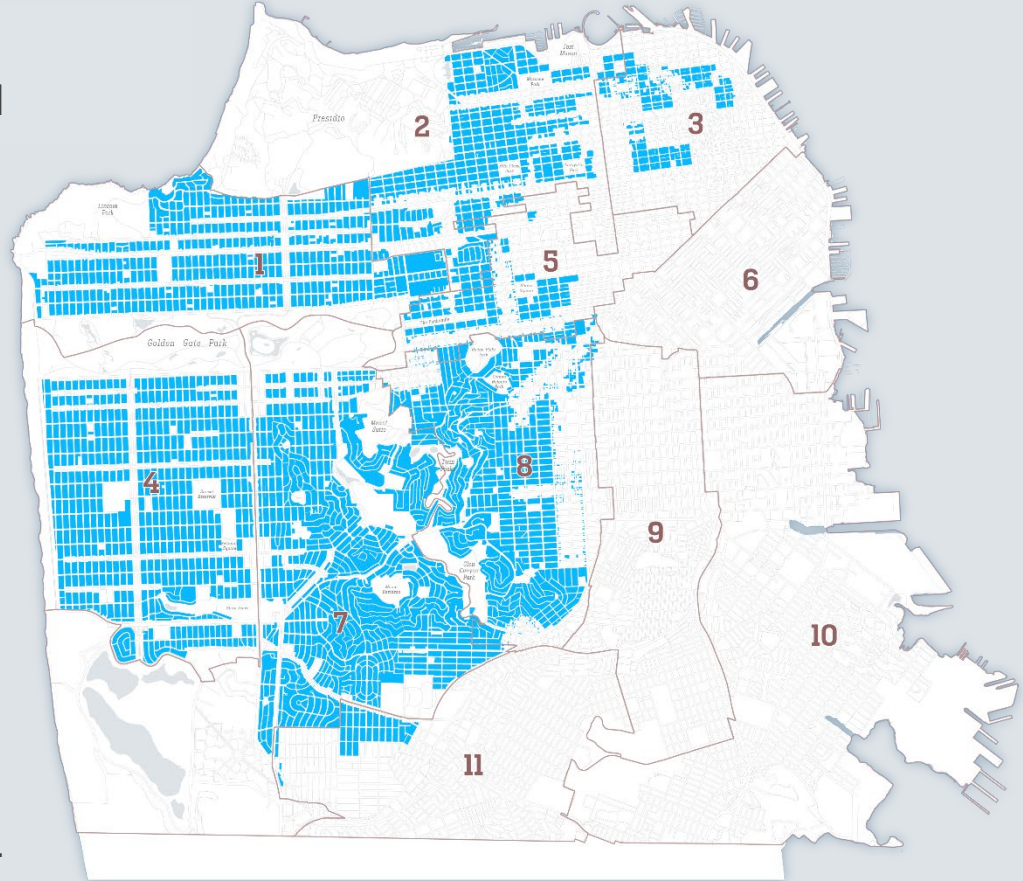
40' Gentle Density (4 stories)

77% of sites in the rezoning receive **no height changes** but will get to build more units within their 40' height limit.

These projects **cannot use State Density Bonus** to increase heights further.



2-unit (left) and a 4-unit building (right) on Hermann Street.



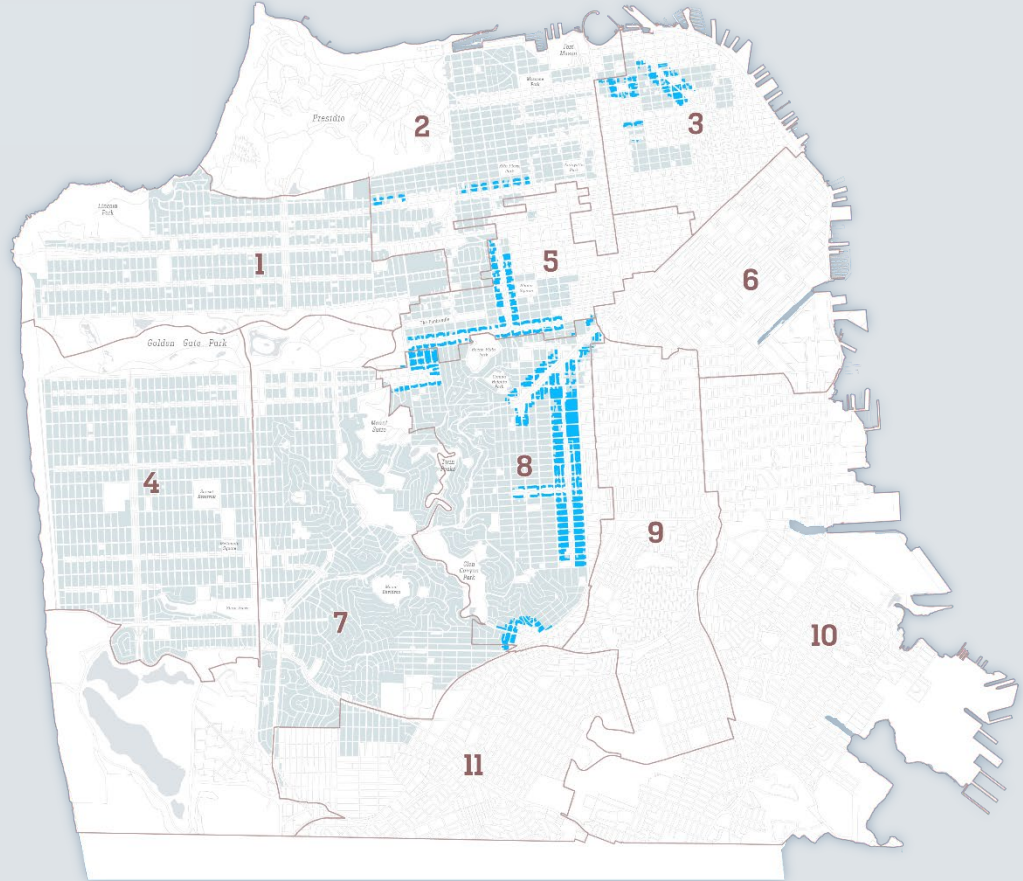
50' Commercial Transition (5 stories)

Commercial transition areas get an additional **1 story (10')** through the Local Program.

These projects **cannot use State Density Bonus** to increase heights further.



5-story building on
West Portal Avenue



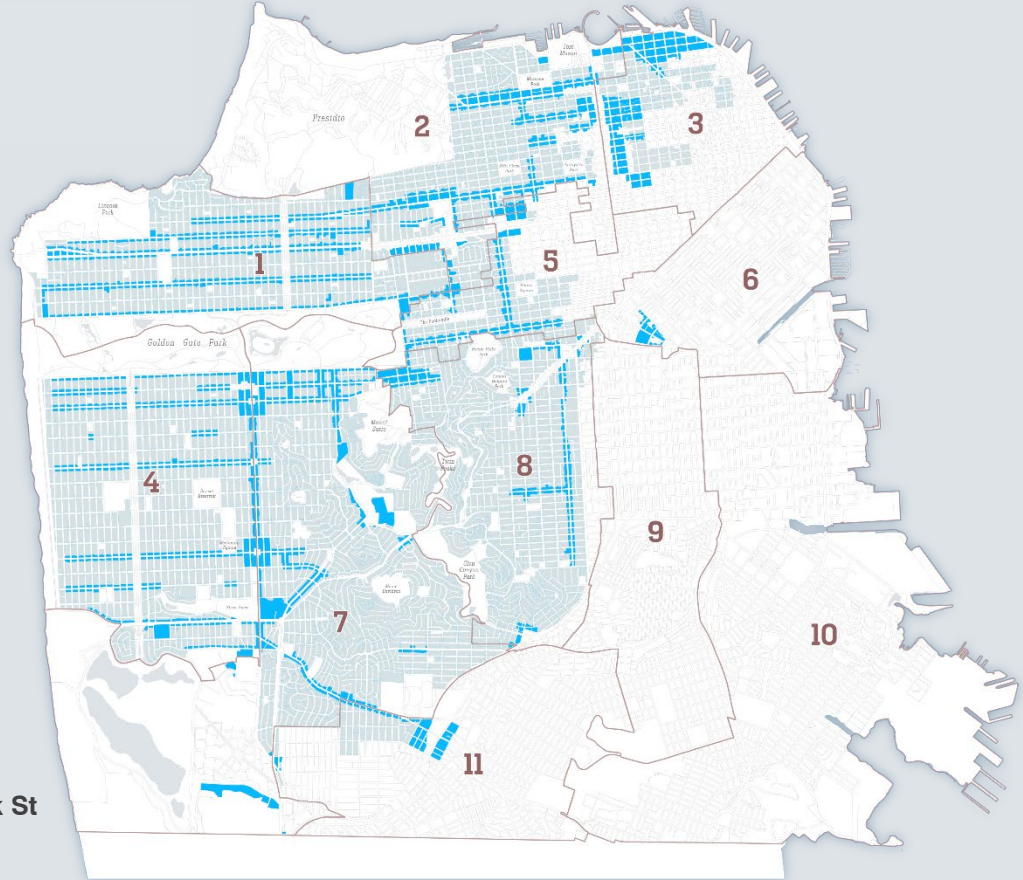
65' & 85' Mid-Rise Corridors (6 and 8 stories)

Generally 2 to 4 stories above today's height limit.

Projects can choose either Local Program or State Density Bonus to get to similar heights.



6- and 8-story building on Polk St

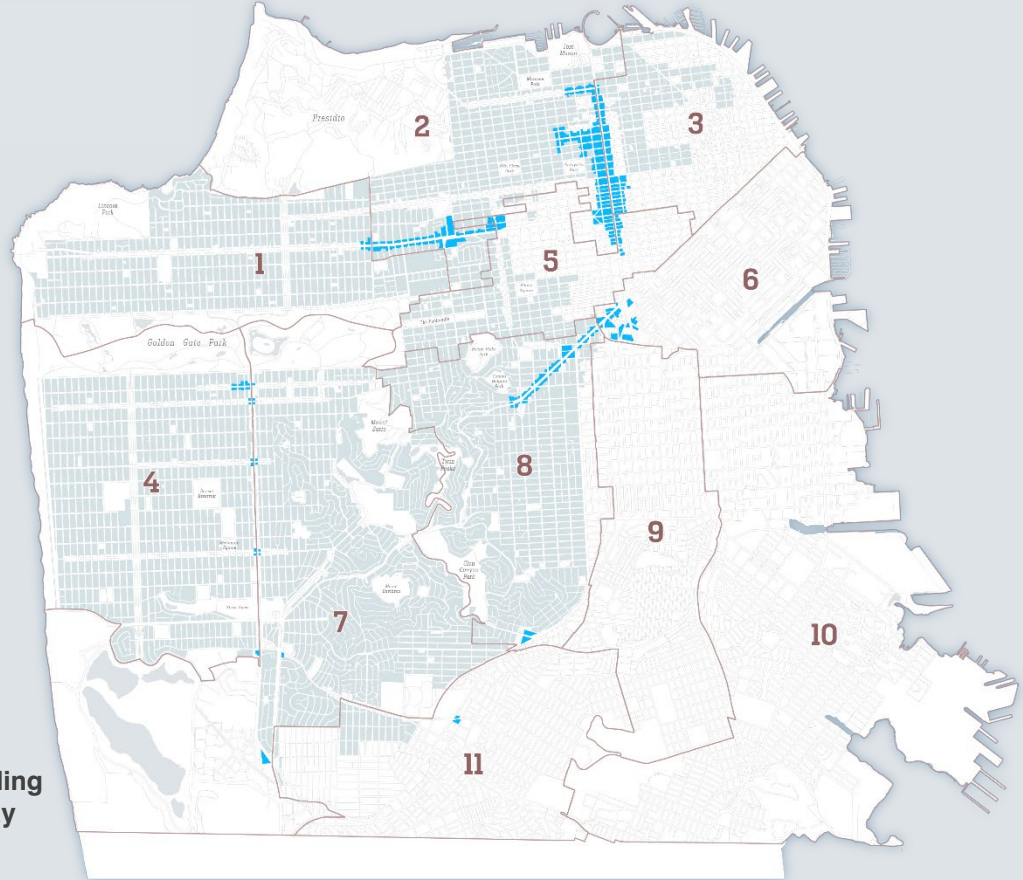


Select High Rise Area (Height varies)

Projects can choose either Local Program or State Density Bonus to get to similar heights.



16-story building
in Mission Bay



State Law & Capacity Calculations

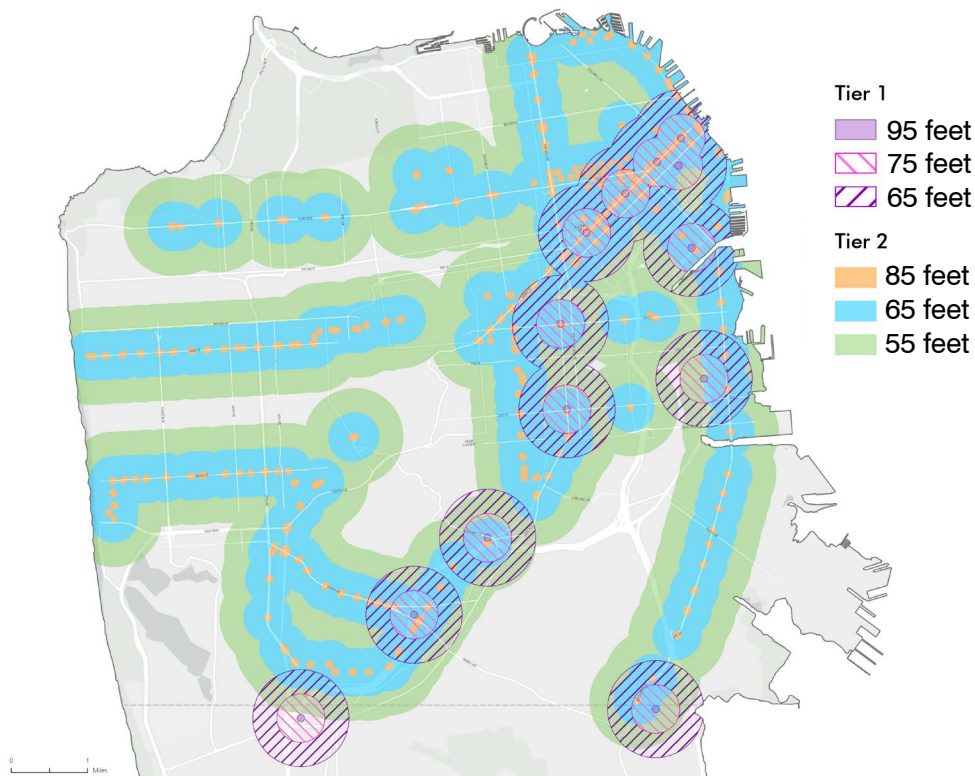
To meet state law and Housing Element Action 7.1.1: SF must demonstrate that rezoning adds at least 36,200 units of capacity on **sites that are suitable and available**, using **methods that reasonably account for development likelihood**.

HCD issued a preliminary approval of the Plan on September 9th, noting that SF must use **all three of these methods** in combination to demonstrate realistic capacity:

Method	Analysis	Capacity <i>(June & Sept ordinances)</i>
Citywide	Uses an annual pace of development relative to zoned capacity.	39,000 units <i>(meets target of 36,200 units)</i>
Soft Sites	Excludes or discounts parcels based on current uses and other characteristics.	45,000 units <i>(meets target of 36,200 units)</i>
Feasibility	Computational model testing financial feasibility and economic conditions on each parcel.	19,000 units <i>(meets target of 16,000 moderate & above-moderate units)</i>

Senate Bill 79 (SB 79): Applies after July 1, 2026

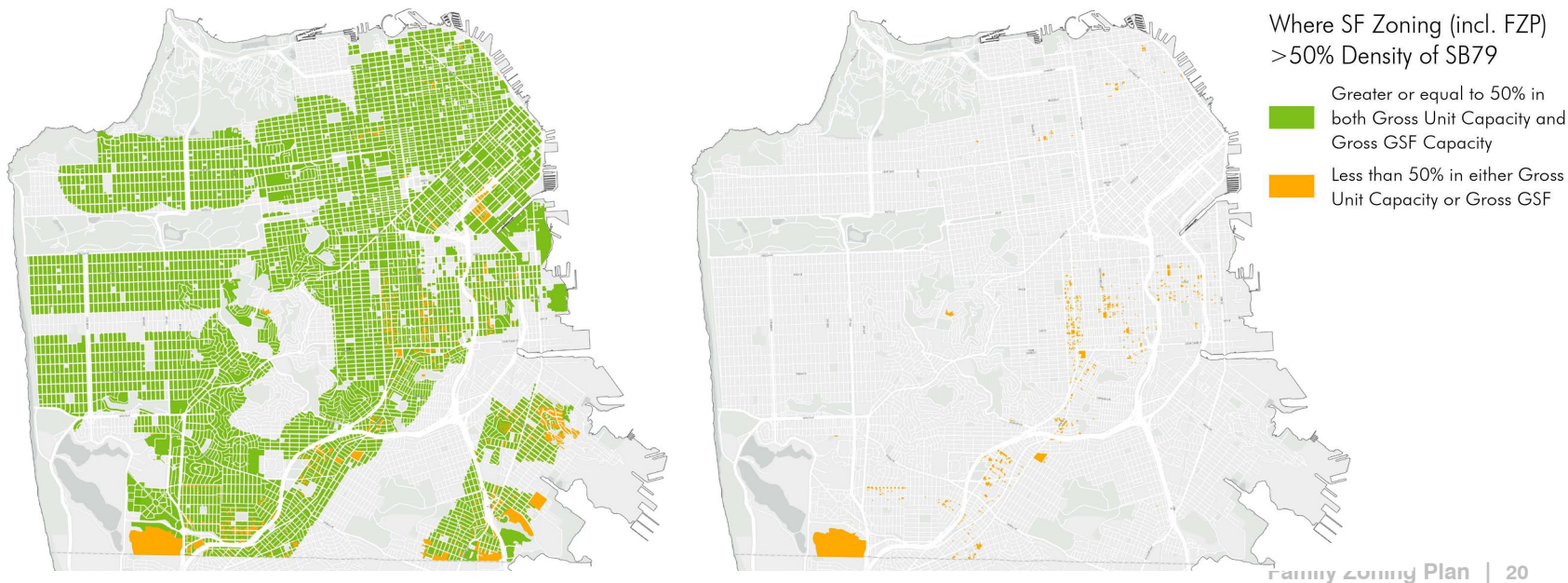
- **SETS MINIMUM HEIGHT & DENSITY: 5 to 9 stories**, 1/2-mile around BART, Caltrain, Muni Metro, and Major Bus Stops
- **VARIOUS EXEMPTIONS UNTIL 2032:** For lots with >50% SB79 density, low-resource census tracts, other conditions. *Most SF parcels are exempt under these rules.*
- **ALLOWS LOCAL “ALTERNATIVE PLAN” IN-LIEU OF SB79:** provided that Alternative Plan has at least same cumulative housing capacity as SB79.



SB 79: Family Zoning Plan is Adequate as “Alternative Plan”

Preliminary analysis shows that **if the proposed rezoning is adopted, SF will likely have an adequate Alternative Plan**, though further analysis is needed.

HCD and MTC will issue additional guidance on SB79 implementation.



ENVIRONMENTAL REVIEW

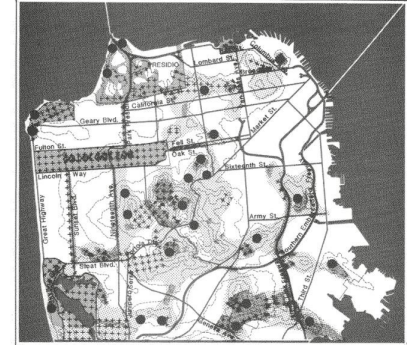


ACTIONS UNDER CONSIDERATION

- 1 Adoption of General Plan Amendments Ordinance (File 250966)**
- 2 Adoption of Map Ordinance (File 250700)**
- 3 Adoption of Planning, Business, & Tax Regulations Code Ordinance (File 250701)**
- 4 Adoption of Local Costal Plan Amendment Resolution (File 250985)**

General Plan Amendments Ordinance (File 250966)

- **Goal:** Modernize the General Plan and bring it into **alignment with the Family Zoning Plan.**
- **Proposed Amendments:**
 - Remove **outdated height maps**
 - **Update language** about height limits, density limits, and building scale and character.



Urban Design Element
Commerce and Industry Element
Transportation Element
Balboa Park Station Area Plan
Glen Park Community Plan
Market and Octavia Area Plan
Northeastern Waterfront Plan
Van Ness Avenue Area Plan
Western SoMa (South of Market) Area Plan
Western Shoreline Area Plan.
Land Use Index

PROPOSED AREA PLAN AND ELEMENT UPDATES

Zoning Map Ordinance (File 250700)

- **ZONING DISTRICT CHANGES:** Reclassifies various parcels to other districts to **allow more housing**, including Mixed Use, NC, and new RTO-C zoning.
- **HEIGHT CHANGES:** Changes **height limits** on certain parcels, and sets a “Base” height and “Local Program” height.
- **NEW BULK DISTRICT:** Creates new **R-4 Height and Bulk District**, which establishes eligibility for optional Local Program (“Housing Choice SF Program”)
- **SFMTA SPECIAL USE DISTRICT (SUD):** Adds various properties to a SFMTA SUD to enable housing production. **Future development projects will need Board approval.**
- **LOCAL COASTAL PLAN:** Amends parcels in Local Coastal Plan to be **consistent with the changes above.**

Planning, Business & Tax Regulation Code Ordinance (File 250701)

Topic	Amendment	Sections
Local Program (Housing Choice SF Program)	Offers Incentives and streamlined process via Local Program (Housing Choice SF Program), a flexible alternative to the State Density Bonus that ensures local control over height and design standards	206.10; 344
New Residential Zoning District (RTO-C)	Sets rules for newly created Residential Transit Oriented – Commercial (RTO-C) district, a form-based district which allows ground floor commercial	209.4
SFMTA Special Use District	Sets rules for SFMTA Special Use District to allow for future housing on sites (future developments projects will still require Board approval)	249.11

Planning, Business & Tax Regulation Code Ordinance (File 250701)

Topic	Amendment	Sections
Senior Housing Flexibility	Makes it easier to build senior housing by adjusting open space, bike parking, and minimum unit requirements.	135 155.1 202.1(f)(1)(C)
Small Business Relocation & Early Notification	• Supports relocation of displaced businesses by exempting Conditional Use hearings and impact fees; • Requires early notification to the commercial tenant and Office of Small Business.	202.17; 311
Efficient Land Use Near Transit; Parking Management	• Establishes minimum densities for residential and office uses near transit. • Adjusts maximum parking ratios according to proximity to transit.	Various

Planning, Business & Tax Regulation Code Ordinance (File 250701)

Topic	Amendment	Sections
Housing Sustainability District (HSD)	Creates a Housing Sustainability District (HSD), another ministerial pathway for qualifying projects in the Local Program.	344
Height and bulk limits	Modifies height and bulk standards to be consistent with Citywide Design Standards.	260
Wind Review Standards	Consolidates wind review standards for projects 85' and above in some districts	148
Code Cleanup & Local Coastal Plan Consistency	• Conforming edits to zoning control tables • Referral of amendments in Local Coastal Plan to Coastal Commission • Clarifying edits to conform with state law and other code cleanup	Various

Local Program (206.10): Menu of Code Flexibility

Automatic Flexibility in Local Program

- **Density:** form-based density (if not already in base zoning)
- **Inclusionary Housing:** flexibility to use all affordable options; rent-control option for <25 units.
- **100% Affordable Projects** receive 2 extra stories (20') and other flexibility.
- **Waive Exposure and Usable Open Space** requirements
- **Waive Large Lot and Non-residential Use Size** Conditional Use hearing.
- **Rear Yard** reduction to the greater of 18% or 15'.
- **Ground Floor Height** waiver for projects in 85' height districts
- **“Catchall” Flexibility:** 15% additional relief on other topics.

Local Program (206.10): Development Bonuses

Projects can receive a **square footage bonus**, added via height or horizontal bonuses:

Height bonuses (Corridors Only)	Horizontal bonuses (Location varies)
Cumulative 2 stories (20') bonus for historic preservation: for adaptive reuse Cumulative 1 story (10') bonus for various incentives: • Commercial: Warm Shell, Micro-Retail, Legacy Business or displaced business • Community-serving use: nonprofits, grocery, community facilities, childcare • Family-sized units: 3+ bedrooms	• Historic preservation (corridors only): may reduce rear yard • Family-sized unit incentives: may reduce rear yard, side yard, and upper-story setbacks • Family-friendly amenities (residential districts only): may reduce rear yard, side yard, and upper-story setbacks

Local Coastal Plan Amendment Resolution (File 250985)

San Francisco Coastal Zone



- **CONSISTENCY WITH COASTAL ACT:**
Certifies Local Coastal Plan (LCP)
Amendment is **consistent with Coastal Act**
- **REFERRAL TO COASTAL COMMISSION:**
Directs Planning Director to submit LCP
Amendment to **CA Coastal Commission**
for public hearing and certification.

Affordable Housing Sites Analysis and Strategies

Topics We'll Cover Today

- Project **Purpose and Context**
- Research and Analysis:
 - **Pipeline and Parcel Analysis**
 - **Policy and Financial Research**
- Recommended **Strategies**



Affordable Housing Sites Analysis & Strategies **Purpose**

Affordable Housing Sites Analysis and Strategies (AHSAS) informs how the City and affordable housing developers can **acquire and develop sites for 100% affordable housing**, focused on:

- **Effectively managing the existing pipeline** of affordable housing
- **Ensuring ongoing affordable housing production** along with equitable geographic distribution of affordable housing
- **Identifying and acquiring new sites for affordable housing development** using a range of approaches

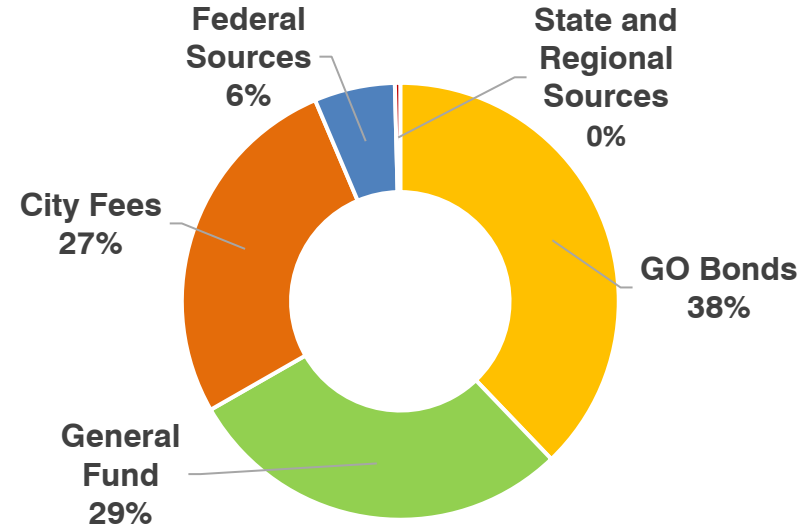
Affordable Housing Funding as the Key Challenge

Funding and cost lowering are key to produce and preserve affordable housing.

Affordable Housing Leadership Council Report (Spring 2024) addresses **funding, financing, and costs**.

- **Increase Federal, State, and regional funding.**
- **Expand San Francisco's capacity and coordination to fund** affordable housing.
- **Innovation and alternative approaches** to delivering affordable housing.

Local Affordable Housing Funding 2018-2023



Property taxes and other revenue from new development provide majority of local funding

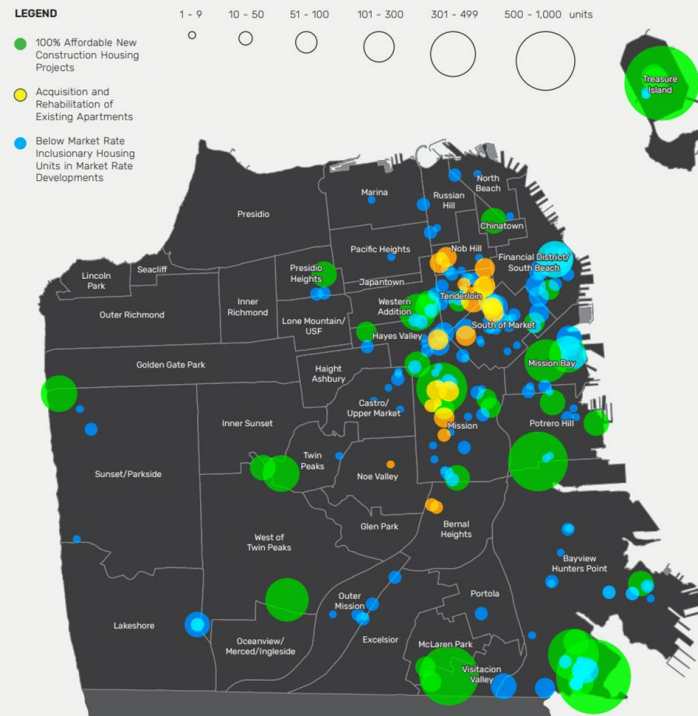
Affordable Housing Pipeline Analysis

Mapping and Analysis of Existing Affordable Housing Pipeline

- **Prospective sites & Pre-construction:** 12,600+ units (59 projects)
- **Under Construction:** 2,299 units (30 projects)
- **Inclusionary BMR Units:** 2,500+ units (124 projects)

Geography: Affordable Housing pipeline **mirrors the market-rate pipeline**, with most projects in equity geographies.

Significant funding gap holds back the completion of existing pipeline



Site Suitability Analysis (pre-rezoning)

Purpose: Identify potential affordable housing sites based on:

- **Policy** (local/state law) and development potential
- **MOHCD and affordable developer criteria:** preference for 100+ units on 8,000+ sq ft for efficiency
- **Analysis excludes existing residential units** and various public sites

Draft Finding: Under today's rules (pre-rezoning), **1,200 parcels** may be suitable for affordable housing with capacity for **148,000 units**.

Assembling smaller adjacent lots yields additional **2,200 parcels** with capacity for **98,000 units**.



100% Affordable Sites: Relationship to Rezoning

FAMILY ZONING PLAN

REZONED SITES (overall)

- Required to meet Housing Element (e.g., **RHNA**) at all income levels.
- **Primarily located in Well-Resourced Neighborhoods.**

- Subset of rezoned sites to meet **low-income** RHNA requirement.
- Must meet **minimum size and density.**
- Future projects proposing >20% BMR are eligible for **ministerial approval**

LOW- INCOME SITES

100% AFFORDABLE SITES

- Sites meeting **suitability criteria** for MOHCD, state, and federal funding.
- **Located citywide;** overlaps with rezoning & low-income sites
- **Rezoning will enable additional parcels** to meet criteria.



Affordable Housing **Financial and Policy Research**

Financial Research: Trends in land and development costs

- **Construction costs are 60%+ of affordable housing development costs while land costs averaged about 10%** (ranging from 7-14%). Land holding can add cost as well
- **Land prices have been relatively stable averaging ~\$121K per unit over the last decade.** Fewer land sales in down markets; prices fluctuating just 5%.
- **Rezoning has limited effect on land costs per unit;** effects are linked to economic conditions and financial feasibility. Recent land prices per unit for affordable housing sites were comparable in rezoned areas and areas with no zoning changes

Policy research: Best practices from other cities

- **Establishing stable funding and aligning pipeline growth with funding capacity** and building on **partnerships with public, nonprofit, & faith-based property owners**

Affordable Housing Sites **Recommended Strategies**

1. **Managing the pipeline** of housing development and site acquisition
2. **Expanding the geography** of affordable housing
3. **Public sites and faith- and nonprofit-owned sites** for affordable housing
4. **Strategic market practices** for site acquisition
5. **Expanding opportunities for "missing middle"** affordable housing types.

Updated Informational Resources

Resources providing factual information and addressing misinformation:

- What is the Family Zoning Plan?
- (NEW) Capacity Calculations
- Small Business
- Tenant Protections
- What Happens if We Don't Rezone?
- Example visualizations

A graphic titled "Tenant Protections" with the subtitle "How SF will continue to protect renters as the city grows". It features a circular logo for the "FAMILY ZONING PLAN" and a background image of a family (father, mother, and two children) sitting at a dining table.

FAST FACTS: How the Family Zoning Plan Benefits Renters

- 1 San Francisco is the 2nd most expensive housing market in the nation.** Renters, especially low- and middle-income families, face sky high competition and growing displacement pressure.
- 2 More housing = more affordable housing.** Every new project creates Below Market Rate (BMR) units, funds 100% affordable housing, and adds more homes overall.
- 3 Building citywide keeps rents in check.** Cities like Boston, Sacramento, Minneapolis, and Austin saw housing costs stabilize—or even drop—after allowing more housing in their community.
- 4 Demolitions are almost non-existent.** Our current rules work, and make demolishing rent-controlled homes nearly impossible. Since 2012, an average of 18 housing units a year – most of them single family homes – have been demolished. This is just 0.00004% of SF's total housing stock (420,000 homes).
- 5 The Plan adds even stronger protections.** The Family Zoning Plan and Tenant Protections Ordinance would require even stronger requirements for relocating existing tenants and providing a right to return. It also preserves the Planning Commission's decision-making power to approve or deny any proposals to demolish rent-controlled housing.

San Francisco Planning

Photo: Tenant Ordinance / iStock

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esses

ow homes generate higher public venues. In addition to fueling the local economy, new homes will increase property taxes, increasing City revenues to fund vital infrastructure and services, such as public safety and neighborhood beautification.

ost housing is built on sites without prefront businesses, helping preserve the vitality of commercial districts. On two SF projects that were rezoned and added 2,800 units, 85% of developments were built on underutilized sites – such as parking lots, bus stations, and vacant commercial buildings or closed banks.

F has a range of programs to support small businesses, which will be strengthened through the Family Zoning Plan. These include programs like leasing support, technical assistance, marketing, and access to grants and loans.

ing plan

© tenant.org
sfhousing.choicel@sf.gov

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Residential demolitions are extraordinarily rare and will remain so after rezoning.

235

Units demolished (2012 - 24)

18 units/year
(0.00004% of SF housing stock)

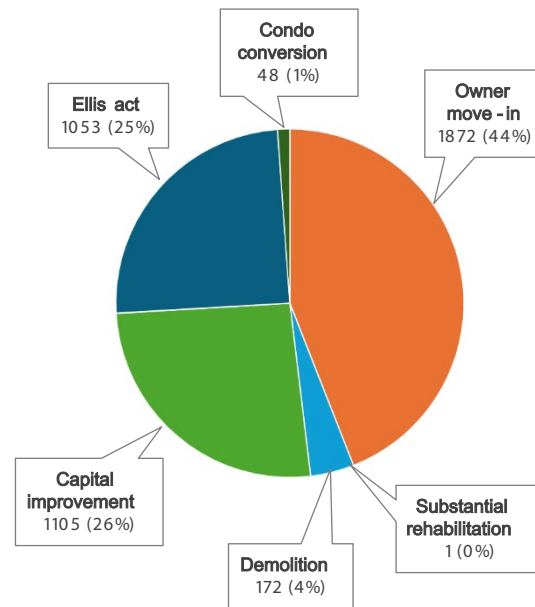
139 single family (11 units/yr)
(352 units built; 213 net new)

96 multifamily (7 units/yr)
(284 units built; 188 net new)

4%

of no-fault evictions are due to demolition (2015 - 2025)

96% of evictions are due to **owner move - in (44%)**, **capital improvement (26%)**, and **Ellis Act (24%)**



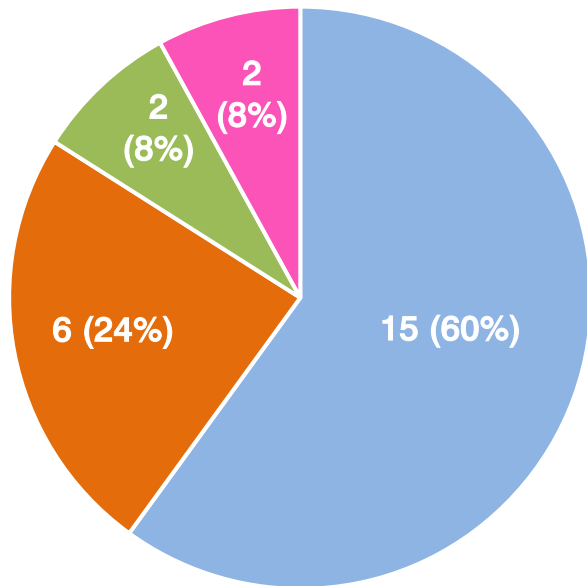
Most housing developments are built on vacant and underutilized lots.

Case study: Market Street & Ocean Ave

2,800 new homes built since 2007

84% of new housing projects were on sites without storefront businesses

92% did not result in major impacts to historic resources



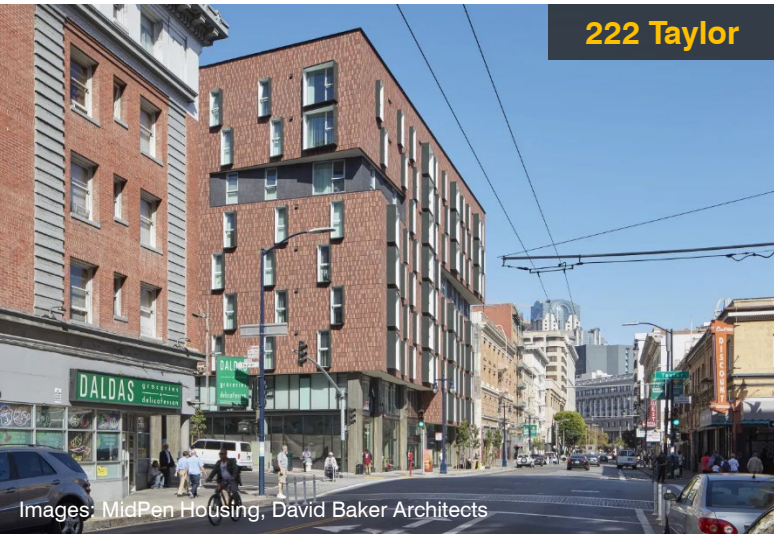
■ Projects without previous commercial
■ Previously retail

■ Previously auto use
■ Previously food business



Rezoning will increase housing affordability & diversity.

- **100% AFFORDABLE HOUSING:** funded by **bonds**, **inclusionary fees**, **state & federal funds**.
- **MIXED-INCOME HOUSING:** Market-rate projects contribute at least **15-20% affordable** units.
- **SITES FOR AFFORDABLE:** Enabling **sufficient sites** for affordable housing
- **INCENTIVES FOR 100% AFFORDABLE:** through our **Local Program**.
- **DIVERSITY = AFFORDABILITY:** Allowing more housing will increase affordability, esp. for middle-income households.



What will **change** look like?

- Spending at local businesses (\$5.6 billion over 8yr)
- Housing diversity and affordability
- More housing choices & stability for employees
- Revenues for public services & infrastructure
- Climate & environmental benefits

Hayes Valley



Mission Bay



SoMa



Visualization: Geary Blvd at 3rd Ave





Visualization: Lombard St @ Buchanan St



Visualization: Lombard St at Richardson St





Visualization: Divisadero St and Bush St



Visualization: Residential District (composite; not an actual location)



Visualization: Lyon St Steps view



Visualization: Francisco Park view



Credit: AECOM

Visualization: Francisco Park view



Credit: AECOM



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Thank you!



<http://sfplanning.org/sf-family-zoning-plan>



sf.housing.choice@sfgov.org



Art by ChatGPT with modifications by SF Planning