

REVISED LEGISLATIVE DIGEST

(12/5/2023, Amended in Board)

[Planning and Subdivision Codes, Zoning Map - Housing Production]

Ordinance amending the Planning Code to encourage housing production by 1) exempting, under certain conditions, specified housing projects from the notice and review procedures of Section 311 and the Conditional Use requirement of Section 317, in areas outside of Priority Equity Geographies, which are identified in the Housing Element as areas or neighborhoods with a high density of vulnerable populations; 2) removing the Conditional Use requirement for several types of housing projects, including housing developments on large lots in areas outside the Priority Equity Geographies Special Use District, projects that build additional units in lower density zoning districts, and senior housing projects that seek to obtain double density; 3) amending rear yard, front setback, lot frontage, minimum lot size, and residential open space requirements in specified districts; 4) allowing additional uses on the ground floor in residential buildings, homeless shelters, and group housing in residential districts, and administrative review of reasonable accommodations; 5) expanding the eligibility for the Housing Opportunities Mean Equity – San Francisco (HOME – SF) program and density exceptions in residential districts; 6) exempting certain affordable housing projects from certain development fees; 7) authorizing the Planning Director to approve State Density Bonus projects, subject to delegation from the Planning Commission; 8) sunsetting the Conditional Use requirements established by the Corona Heights Large Residence and the Central Neighborhoods Large Residence Special Use Districts at the end of 2024, and thereafter limiting the size of any Dwelling Units resulting from residential development in those Special Use Districts to 3,000 square feet of Gross Floor Area; and 9) making conforming amendments to other sections of the Planning Code; amending the Zoning Map to create the Priority Equity Geographies Special Use District; amending the Subdivision Code to update the condominium conversion requirements for projects utilizing residential density exceptions in RH Districts; affirming the Planning Department’s determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

Existing Law

The Planning Code sets forth different zoning districts throughout the City, where different uses are permitted, conditionally permitted, or prohibited, and where various controls (such as height, bulk, setbacks, etc.) apply. It also contains permit application, noticing, and hearing requirements, as well as appeal procedures, as applicable, for different permits and entitlements. The Planning Code also contains Special Use Districts (“SUD”), such as the Family Housing Opportunity SUD, which contain additional use restrictions and development controls (Section 249.94).

The Zoning Map is a component of the Planning Code, and it contains maps and figures that depict zoning regulations spatially, showing how land can be used in areas of San Francisco called "zoning districts" (also known as "zones" or "use districts").

The Subdivision Code provides condominium conversion procedures for projects utilizing the Citywide Fourplex Program (Planning Code Section 207(c)(8)) and the development incentives in the Family Housing Opportunity SUD.

Amendments to Current Law

This ordinance amends the Planning Code to implement a series of process reforms with the goal to encourage housing production. For instance:

- The ordinance creates a new Priority Equity Geographies Special Use District (SUD) and amends the Zoning Map to map that SUD. Priority Equity Geographies are areas that have been identified in the San Francisco Department of Public Health's Community Health Needs Assessment as Areas of Vulnerability.
- The ordinance exempts housing demolition citywide, but outside of Priority Equity Geographies, from the existing Conditional Use (CU) authorization requirement, if conditions regarding notice, tenant protections, unit configuration, and historic buildings are met ("Section 317 waiver").
- It exempts expansion and new construction projects from neighborhood notice in areas outside of the Priority Equity Geographies SUD.
- It deletes the Planning Code requirement for a CU authorization for large lot developments in certain zoning districts (usually 10,000 sq. ft. or greater).
- It deletes the CU authorization requirement for projects to exceed a specified height in certain districts, even if the height limit allows for a greater height. By removing the CU requirement, the ordinance allows construction of buildings to the permitted height limit.
- It provides that if the Planning Commission delegates approval authority to the Planning Director, State Density Bonus (SDB) projects can be approved without a Commission hearing, regardless of any other requirements in the Planning Code.
- In certain zoning districts, it allows construction of more units than currently principally permitted in larger lots in residential (RH-1, RH-2, and RH-3) districts, based on the lot area, removing the current CU requirement.
- It deletes the requirement that in order for senior housing projects to take advantage of double density allowances, they must be located within a quarter mile of a mid-sized Neighborhood Commercial District, or obtain a CU authorization.
- It expands development fee waivers to apply to 100% affordable housing projects with units affordable to up to 120% of the Area Medium Income, regardless of the funding source, and to 100% affordable SDB projects.

- It reduces and standardizes rear yard, front setback, lot frontage, and minimum lot size requirements in certain zoning districts.
- It simplifies residential open space requirements.
- It allows additional uses on the ground floor in residential buildings.
- It makes homeless shelters and group housing permitted in residential districts.
- It expands the eligibility for the Housing Opportunities Mean Equity – San Francisco (HOME – SF) program and density exceptions in residential districts, by removing some of the applicability thresholds for each of these programs.
- It allows for administrative review of reasonable accommodations.

Background Information

The ordinance contains findings explaining its intent to implement some of the goals, objectives, policies and implementing programs of the 2022 Housing Element Update.

This ordinance is the result of amendments made at the Board of Supervisors hearing on December 5, 2023 to the ordinance in Board File No. 230446, version 7. Those amendments:

- Restored the ownership requirement to the Fourplex program, but only for projects on lots which at the time of the project application contain two dwelling units or more;
- Added Sections 249.77 and 249.92 to the ordinance, to sunset the Conditional Use requirements established by the Corona Heights Large Residence and the Central Neighborhoods Large Residence Special Use Districts at the end of 2024, and after that date to limit the size of any dwelling units resulting from residential development in those SUDs to 3,000 square feet of gross floor area, with an exception for projects where the total increase of gross floor area is less than 15%;
- Amended Section 317, to:
 - Clarify that the requirement that there be no tenant buyouts for projects to take advantage of the Section 317 waiver applies whether or not the buyouts have been filed with the Rent Board;
 - Add posted, in addition to mailed notice, to the required project meeting;
 - Simplify the definition of Historic Building to provide that if a building proposed for demolition was built after before 1923, a determination by the Planning Department that the building does not meet the criteria for designation as an Historic Building is required in order for the Section 317 waiver to apply.

This ordinance was passed on first reading with these amendments on December 5, 2023.

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