



MEMORANDUM

Date: December 19, 2025
To: Planning Department/Planning Commission
From: John Carroll, Assistant Clerk, Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 251213
Planning Code - 100% Affordable Housing

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure
- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302
- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

1 [Planning Code - 100% Affordable Housing]

2

3 **Ordinance amending the Planning Code to exempt 100% affordable housing**

4 **developments from active use and ground floor commercial use requirements, expand**

5 **temporary use authorizations to 100% affordable housing developments that have not**

6 **submitted a development application, and facilitate the conversion of Residential Care**

7 **Facilities to 100% affordable housing developments by exempting such adaptive reuse**

8 **projects from certain residential use and development standards; affirming the**

9 **Planning Department's determination under the California Environmental Quality Act;**

10 **making findings of consistency with the General Plan, and the eight priority policies of**

11 **Planning Code, Section 101.1; and making findings of public necessity, convenience,**

12 **and welfare pursuant to Planning Code, Section 302.**

13 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.

14 **Additions to Codes** are in *single-underlined italics Times New Roman font*.

15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.

16 **Board amendment additions** are in *double-underlined Arial font*.

17 **Board amendment deletions** are in *strikethrough Arial font*.

18 **Asterisks (* * * *)** indicate the omission of unchanged Code

19 subsections or parts of tables.

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

21 Section 1. Environmental and Land Use Findings.

22 (a) The Planning Department has determined that the actions contemplated in this

23 ordinance comply with the California Environmental Quality Act (California Public Resources

24 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

25 Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this

determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, the Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____, and the Board incorporates such reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. _____.

Section 2. General Background and Findings.

(a) On January 31, 2023, the City adopted the 2022 Update of the Housing Element of the General Plan, as required by State Law. This Update commits the City to meeting its Regional Housing Needs Allocation (“RHNA”) goals in the 2023-2031 Housing Element cycle. Among other policies, the 2022 Update also commits the City to removing governmental constraints on housing.

(b) The City is facing a significant shortage of affordable housing, and building more affordable housing is a key component of addressing San Francisco's affordability challenges and meeting the City's RHNA goals.

(c) The City currently has over 9,000 units of affordable housing in its development pipeline in various stages of planning and construction.

(d) Despite San Francisco's continued investments, building affordable housing projects has been challenging due to rising construction costs and limited regional, State, and Federal resources including tax credits, and developer impact fees, which are subject to the

1 volatility of the market. These funding obstacles have delayed projects and resulted in land
2 identified for affordable housing development sitting vacant while awaiting the funding needed
3 to begin construction.

4 (e) Activating these affordable housing development sites with temporary uses would
5 create an active and vital street frontage, generate economic activity, deter crime and
6 nuisance activities, and enhance the vitality of the public realm near or within these sites.

7 (f) Occupying vacant affordable housing development sites with temporary uses will
8 also help ensure proper maintenance of the properties.

9 (g) Affordable housing projects provide an important public benefit to low- and
10 moderate-income San Franciscans. Exempting affordable housing projects from certain
11 Planning Code requirements provides greater flexibility to these projects to ensure they are
12 designed to meet the unique needs of the populations they are intended to serve and can
13 maximize the use of various public funding sources.

14
15 Section 3. Articles 1.2 and 2 of the Planning Code are hereby amended by revising
16 Sections 145.1, 145.4, and 205.5, and adding Section 210.6, to read as follows:

17
18 **SEC. 145.1. STREET FRONTAGES IN NEIGHBORHOOD COMMERCIAL,
19 RESIDENTIAL-COMMERCIAL, COMMERCIAL, AND MIXED USE DISTRICTS.**

20 * * * *
21 (c) **Controls.** The following requirements shall generally apply, except for those
22 controls listed in subsections (c)(1) Above Grade Parking Setback and (c)(4) Ground Floor
23 Ceiling Height, which only apply to a “development lot” as defined above and except as
24 specified in subsection (d).

25 * * * *

9 * * * *

10 (d) **Exceptions** for

24

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(3) Active Use Requirement. The active use requirement in subsection (c)(3) shall not apply to any project where all residential units, except for a manager's unit, are affordable housing units as defined in Section 406(b)(1).

SEC. 145.4. REQUIRED GROUND FLOOR COMMERCIAL USES.

* * * *

(f) This Section 145.4 shall not apply to the following:

12 (2) C-3 Districts through December 31, 2030; and

13 (3) Any project where all residential units, except for a manager's unit, are affordable
14 housing units as defined in Section 406(b)(1).

SEC. 205.5. TEMPORARY USES: INTERIM ACTIVITIES ON DEVELOPMENT

SITES.

22 (b) **Definitions.** For purposes of this Section 205.5, the following definitions shall
23 apply:

24 “100% Affordable Housing Project” means a project located on a site identified through a
25 notice of funding availability, request for qualifications, land acquisition or dedication, or other formal

1 development opportunity administered by the Mayor's Office of Housing and Community Development
2 where all residential units, except for a manager's unit, are affordable housing units as defined in
3 Section 406(b)(1).

4 "Development Project" means (1) a project for which a development application and
5 any associated fees have been submitted and accepted to obtain all required land use
6 entitlements and permits, including any environmental review, for a project that proposes to
7 demolish an existing structure or work that is tantamount to demolition, as defined in Section
8 317, ~~or~~ (2) a project that proposes sufficient changes to the site such that the Director
9 determines Interim Activities are appropriate, or (3) a 100% Affordable Housing Project.

10 "Interim Activity" means any Arts Activities Use; any Entertainment, General Use;
11 and/or any Use Principally Permitted in the subject zoning district. For 100% Affordable Housing
12 Projects, sites where the Development Project will construct Affordable Housing Project(s) as defined
13 ~~in Section 315~~, Interim Activity shall also include any Private Parking Garage, Public Parking
14 Garage, Private Parking Lot, Public Parking Lot, Vehicle Storage Garage, and Vehicle
15 Storage Lot.

16 (c) **Application.** The property owner or the property owner's authorized agent
17 ("Applicant") shall submit an application for temporary use to the Planning Department, on a
18 form prepared by the Planning Department. The application shall be accompanied by the
19 applicable fees pursuant to Planning Code Section 350 and shall include an affidavit signed
20 by the Applicant and, as applicable, each tenant occupying any portion of the eligible site for
21 the Interim Activity, or each tenant's authorized agent, acknowledging that the use of the
22 eligible site for the Interim Activity is temporary and subject to the time limits set forth in this
23 Section 205.5 and acknowledging that the Applicant has to pay any outstanding fees,
24 invoices, or penalties owed to City agencies, and is in compliance with all requirements of the
25 Municipal Code, including any requirements to file Updates to Institutional Master Plans and

1 abate any Code or Building Code violations. The Applicant shall not be required to pay
2 additional fees set forth in Article 4 of the Planning Code as a prerequisite to obtaining
3 temporary use authorization pursuant to this Section 205.5.

4 (d) **New, Additional, or Modified Temporary Uses.** New, additional, or modified
5 temporary uses that were not previously approved by the Planning Director shall be reviewed
6 through the filing of a new application and submittal of a new application fee.

7 (e) **New Tenants.** Additional or different tenants (each a “New Tenant”) may
8 commence occupancy within and use of the eligible site in question without additional
9 applications or fees, provided that each New Tenant submits a completed affidavit to the
10 Department attesting to the truthfulness and correctness of the previously submitted
11 application and declaring that the New Tenant will not discontinue, add to, or modify the
12 approved Interim Activity.

13 (f) **Fenestration, Transparency, and Visibility Requirements.** Construction
14 proposed in connection with the Interim Activity shall not cause noncompliance or exacerbate
15 existing noncompliance with respect to fenestration, transparency, or any other visibility
16 requirement of Section 145.1 of this Code. Further, no film, adhesive, blinds, or other
17 treatment may be applied to any existing fenestration.

18 (g) **Extension of Initial Period.** Upon the Planning Director’s or the Director’s
19 designee’s determination that permits for the Development Project are being and have been
20 diligently pursued, and that the Interim Activity has been consistent with public convenience,
21 necessity, or the general welfare of the City, the Planning Director is authorized to permit the
22 Interim Activity to exceed the Initial Period unless or until the applicant either withdraws the
23 application for the Development Project, the entitlement for the Development Project expires,
24 or construction of the Development Project commences.

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1 **SEC. 210.6. RESIDENTIAL CARE FACILITY ADAPTIVE REUSE PROGRAM.**

2 (a) **Purpose and Findings.** *This Section 210.6 describes the Residential Care Facility*
3 *Adaptive Reuse Program. The purpose of the Program is to facilitate the adaptive reuse of Residential*
4 *Care Facilities to 100% affordable housing developments to support the City's housing needs by*
5 *allowing for conversion, but not the demolition, of those buildings.*

6 (b) **Definitions.**

7 “100% Affordable Housing Project” shall mean a project where all residential units,
8 except for a manager’s unit, are affordable housing units as defined in Section 406(b)(1).

9 “Residential Care Facility Adaptive Reuse Project” shall mean a project that includes a
10 change of use of existing Gross Floor Area from a Residential Care Facility, as that term is defined in
11 Planning Code Section 102, to a 100% Affordable Housing Project.

12 (c) **Controls.** Applicable provisions of the Planning Code shall control except as otherwise
13 provided in this Section 210.6. If there is a conflict between other provisions of the Planning Code and
14 this Section 210.6, this Section shall prevail. The following controls shall apply to the Residential Use
15 component of a Residential Care Facility Adaptive Reuse Project:

16 (1) **Use.** Residential Uses shall be principally permitted in any use district.

17 (2) **Density.** Form-Based Density shall apply.

18 (3) **Dimensions, Areas, and Open Spaces.** Article 1.2 shall not apply, except that
19 Sections 139 (Standards for Bird-Safe Buildings) and 149 (Better Roofs; Living Roof Alternative) shall
20 apply.

21 (4) **Design Standards.** Citywide Objective Design Standards and Residential Design
22 Guidelines shall not apply.

23 (5) **Transportation.** Sections 155.1 (Bicycle Parking: Definitions and Standards), 155.2
24 (Bicycle Parking: Applicability and Requirements), and 166 (Car Sharing) shall not apply.

1 (6) **Zoning Procedures.** Sections 202.14 (Limitation on Change in Use or Demolition
2 of Residential Care Facility) and 303(aa) (Conditional Uses - Change in Use or Demolition of
3 Residential Care Facility) shall not apply.

4 (7) **Development Impact Fees.** Article 4 shall not apply.

5 (8) **Definitions.** The common space requirements of the “Group Housing” definition in
6 Section 102 shall not apply.

7
8 Section 4. Effective Date. This ordinance shall become effective 30 days after
9 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
10 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
11 of Supervisors overrides the Mayor’s veto of the ordinance.

12
13 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
17 additions, and Board amendment deletions in accordance with the “Note” that appears under
18 the official title of the ordinance.

19
20 APPROVED AS TO FORM:
21 DAVID CHIU, City Attorney

22 By: /s/ Giulia Gualco-Nelson
23 GIULIA GUALCO-NELSON
24 Deputy City Attorney

25 4914-5022-4512, v. 1

LEGISLATIVE DIGEST

[Planning Code - 100% Affordable Housing]

Ordinance amending the Planning Code to exempt 100% affordable housing developments from active use and ground floor commercial use requirements, expand temporary use authorizations to 100% affordable housing developments that have not submitted a development application, and facilitate the conversion of Residential Care Facilities to 100% affordable housing developments by exempting such adaptive reuse projects from certain residential use and development standards; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

Existing Law

Planning Code Section 406(b)(1) defines a 100% affordable housing development as housing that is “affordable to a household earning up to 120% of the Area Median Income,” among other criteria. Planning Code Section 102 defines a Residential Care Facility as “an Institutional Healthcare Use providing lodging, board and care for a period of 24 hours or more to persons in need of specialized aid by personnel licensed by the State of California.” Some Planning Code requirements that apply to Residential Uses—such as density, open space, rear yard, and residential impact fees—do not apply to Institutional Uses. A project proposing to convert a Residential Care Facility into a Residential Use would need to satisfy residential development standards.

The Planning Code imposes various street frontage controls, including the requirement that buildings provide active uses on the ground floor (Section 145.1) and ground floor commercial uses (Section 145.4).

The Planning Code authorizes temporary, interim activities on sites with active development applications (Section 205.5).

Amendments to Current Law

This ordinance would exempt projects where all residential units, except for a manager's units, are 100% affordable housing units from ground floor commercial and ground floor active use requirements.

This ordinance would enable 100% affordable housing projects without an active development application to conduct interim activities on future development sites. To be eligible to conduct these interim activities, such as temporary parking lots, the 100% affordable housing project

must be located on a site identified through a notice of funding availability, request for qualifications, land acquisition or dedication, or other formal development opportunity administered by the Mayor's Office of Housing and Community Development.

This ordinance would create the "Residential Care Facility Adaptive Reuse Program" (Planning Code Section 210.6) to facilitate the conversion of Residential Care Facilities into 100% affordable housing projects. The Residential Care Facility Adaptive Reuse Program would exempt eligible adaptive reuse projects from certain residential development standards, including:

- Numeric density limits
- Certain Article 1.2 development standards, including open space and rear yard requirements
- Citywide Objective Design Standards and Residential Design Guidelines
- Bicycle parking (Sections 155.1, 155.2) and Car Share requirements (Section 166)
- Conditional Use requirements for changes in use of a Residential Care Facility
- All Article 4 development impact fees
- Common space requirements of the Group Housing definition (Section 102)

The foregoing exceptions apply only to the Residential Use component of an eligible project; Non-Residential Uses must satisfy all applicable Planning Code requirements.

Background Information

This ordinance contains findings regarding the need to remove governmental constraints on housing. This ordinance removes such constraints by enabling affordable housing sites to be temporarily activated while the economic climate recovers and providing flexibility for new affordable housing developments.