File No. 111374 Committee Item No. 6
Board Item No. 8

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Economic Development **Date** July 23, 2012

Board of Supervisors Meeting **Date** 9/4/12

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Completed by: Alisa Miller **Date** July 20, 2012
Completed by: Derek Evans **Date** July 24, 2012

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

FILE NO. 111374 Substituted 7/10/2012 ORDINANCE NO.

[Planning Code - Creating a New Definition of Student Housing]

Ordinance amending the San Francisco Planning Code by: 1) adding a new Section 102.36 to create a definition of Student Housing; 2) amending Section 124 to create a new subsection (k), to permit additional square footage above the floor area ratio limits for student housing projects in buildings in the C-3-G and C-3-S Districts, that are not designated as significant or contributory pursuant to Article 11; 3) amending Section 135(d)(2) to adjust the minimum open space requirements for dwelling units that do not exceed 350 square feet, plus a bathroom; 4) amending Section 207.6(b)(3) to exempt student housing from the unit mix requirement in RTO, NCT, DTR and Eastern Neighborhoods Mixed Used Districts; 5) amending Section 307 to permit the conversion of student housing into residential uses, when certain conditions are met; 6) amending Section 312 to require notice for a change of use to group housing; 7) amending Section 317 to prohibit the conversion of residential units into student housing, except in specified circumstances; 8) amending Section 401 to make conforming amendments; 9) amending Section 415.3 to make conforming amendments and to simplify the monitoring responsibilities of the Mayor's Office of Housing; 10) amending Tables 814, 840, 841, 842, and 843 to make conforming amendments; and 11) making findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan.

NOTE: Additions are *single-underline italics Times New Roman*; deletions are ~~*strike-through italics Times New Roman*~~. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. Findings. The Board of Supervisors of the City and County of San Francisco hereby finds and determines that:

(a) The Planning Department has determined that the actions contemplated in this Ordinance are in compliance with the California Environmental Quality Act (California Public Resources Code sections 21000 et seq.) Said determination is on file with the Clerk of the Board of Supervisors in File No. 111374 and is incorporated herein by reference.

(b) On November 3, 2011, and January 1, 2012, the Planning Commission, in Resolution Nos. 18485 and 18652 approved and recommended for adoption by the Board of Supervisors this legislation and adopted findings that it is 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 Resolutions are on file with the Clerk of the Board of Supervisors in File No. 111374, and is incorporated by reference herein.

(c) Pursuant to Planning Code Section 302, this Board of Supervisors finds that this legislation will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution Nos. 18485 and 18652, and incorporates such reasons by reference herein.

Section 2. The San Francisco Planning Code is hereby amended by adding Section 102.36, to read as follows:

SEC. 102.36. STUDENT HOUSING.

Student Housing is a living space for students of accredited post-secondary Educational Institutions that may take the form of dwelling units, group housing, or a SRO, and is owned, operated or otherwise controlled by an accredited post-secondary Educational Institution, as defined in Section 209.3(i) of this Code. Unless expressly provided for elsewhere in this Code, the use of Student

Housing is permitted where the form of housing is permitted in the underlying Zoning District in which it is located. Student Housing may consist of all or part of a building, and Student Housing owned, operated or controlled by more than one post-secondary Educational Institution may be located in one building.

Section 3. The San Francisco Planning Code is hereby amended by amending Section 124, to add a new subsection (k), to read as follows:

SEC. 124. BASIC FLOOR AREA RATIO.

(k) For buildings in C-3-G and C-3-S Districts that are not designated as Significant or Contributory pursuant to Article 11 of this Code, additional square footage above that permitted by the base floor area ratio limits set forth above may be approved for construction of a project, or portion thereof, that constitutes a Student Housing project, as defined in Section 102.36 of this Code. Such approval shall be subject to the conditional use procedures and criteria in Section 303 of this Code.

Section 4. The San Francisco Planning Code is hereby amended by amending Section 135(d)(2), to read as follows:

SEC. 135. USABLE OPEN SPACE FOR DWELLING UNITS AND GROUP HOUSING, R, NC, MIXED USE, C, AND M DISTRICTS.

(d)(2) For group housing structures, ~~and~~ SRO units, *and dwelling units that measure less than 350 square feet plus a bathroom,* the minimum amount of usable open space provided for use by each bedroom shall be 1/3 the amount required for a dwelling unit as specified in Paragraph (d)(1) above. For purposes of these calculations, the number of bedrooms on a lot shall in no case be considered to be less than one bedroom for each two beds. Where the actual number of beds exceeds an average of two beds for each bedroom, each two beds shall be considered equivalent to one bedroom.

Section 5. The San Francisco Planning Code is hereby amended by amending Section 207.6(b)(3), to read as follows:

SEC. 207.6. REQUIRED MINIMUM DWELLING UNIT MIX IN RTO, NCT, DTR, AND EASTERN NEIGHBORHOODS MIXED USE DISTRICTS.

(3) This Section does not apply to buildings for which 100 percent of the residential uses are: group housing, dwelling units which are provided at below market rates pursuant to Section 326.3(h)(2)(B) of this Code, Single Room Occupancy Units, ~~s~~Student ~~h~~Housing (as defined in Sec. ~~*315.1.38*~~ *106.36*), or housing specifically and permanently designated for seniors or persons with physical disabilities.

Section 6. The San Francisco Planning Code is hereby amended by adding Section 307(j), to read as follows:

SEC. 307. OTHER POWERS AND DUTIES OF THE ZONING ADMINISTRATOR.

(j) Conversion from Student Housing to Non-Student Residential Use. If a residential project no longer qualifies as Student Housing as defined in Planning Code Section 102.36, the Zoning Administrator may allow the conversion of the Student Housing to any permitted residential use in the zoning district in which the Student Housing is located upon determination that the converted Student Housing has complied with any applicable Inclusionary Affordable Housing Requirements as outlined in Planning Code Section 415.3(c)(5)(C)(iii), and that all other Planning Code requirements applicable to that residential use have been met or modified through appropriate procedures.

Section 7. The San Francisco Planning Code is hereby amended by amending Section 312(c), to read as follows:

SEC. 312. PERMIT REVIEW PROCEDURES FOR ALL NC AND EASTERN NEIGHBORHOODS MIXED USE DISTRICTS.

(c) Changes of Use. In NC Districts, all building permit applications for a change of use to a bar, as defined in Section 790.22, a liquor store, as defined in Section 790.55, a walkup facility, as defined in Section 790.140, other large institutions, as defined in Section 790.50, other small institutions, as defined in Section 790.51, a full-service restaurant, as defined in Section 790.92, a large fast food restaurant, as defined in Section 790.90, a small self-service restaurant, as defined in Section 790.91, a self-service specialty food use, as defined in Section 790.93, a massage establishment, as defined in Section 790.60, an outdoor activity, as defined in Section 790.70, an adult or other entertainment use, as defined in Sections 790.36 and 790.38, ~~or~~ a fringe financial service use, as defined in Section 790.111, *or Group Housing as defined in Section 790.88(b)* shall be subject to the provisions of Subsection 312(d). In all Eastern Neighborhoods Mixed Use Districts all building permit applications for a change of use from any one land use category to another land use category shall be subject to the provisions of Subsection 312(d). In addition, any accessory massage use in the Ocean Avenue Neighborhood Commercial Transit District shall be subject to the provisions of Subsection 312(d).

For the purposes of this Subsection, "land use category" shall mean those categories used to organize the individual land uses which appear in the use tables in Article 8, immediately preceding a group of individual land uses, and include the following: residential use, institutional use, retail sales and service use, assembly, recreation and entertainment use, office use, motor vehicle services use, industrial home and business service use, or other use.

Section 8. The San Francisco Planning Code is hereby amended by amending Section 317, subsections (b)(1) and (f)(1), to read as follows:

SEC. 317. LOSS OF DWELLING UNITS THROUGH MERGER, CONVERSION, AND DEMOLITION.

(b)(1) "Conversion of Residential Unit" shall mean the removal of cooking facilities in a Residential Unit or the change of occupancy (as defined and regulated by the Building Code), or the change of use (as defined and regulated by the Planning Code), of any Residential Unit to a non-residential use. *The change of occupancy from a dwelling unit, group housing, or SRO to Student Housing is also considered a conversion of a residential unit. Notwithstanding the foregoing, the change of use or occupancy of a dwelling unit, group housing, or SRO to Student Housing is not considered a conversion of a residential unit if the dwelling unit, group housing or SRO will be Student Housing owned, operated or otherwise controlled by a not for profit post-secondary Educational Institution and (i) it was built by the post-secondary Educational Institution; (ii) it is in a convent, monastery, or similar religious order facility; (iii) it is on an adjoining lot (i.e., sharing the same lot line) to the post-secondary Educational Institution, so long as the lot has been owned by the post-secondary Educational Institution for at least ten years as of the effective date of this ordinance; or (iv) as of August 10, 2010, it was owned, operated or otherwise controlled by a post-secondary Educational Institution that had an Institutional Master Plan on file with the Planning Commission, and where the occupancy by those other than students at that date was less than 20% of the total occupants. For purposes of determining occupancy, the post-secondary Educational Institution shall present to the Planning Department verified information regarding its rental or lease of units as of that date.*

(f) Loss of Residential Units Through Conversion.

(1) Conversion of Residential Units not otherwise subject to Conditional Use authorization by this Code, shall be prohibited, unless the Planning Commission approves the building permit application at a Mandatory Discretionary Review hearing. *The conversion of residential units to Student Housing is prohibited. For the purposes of this subsection, residential units that have been defined as such by the time a First Certificate of Occupancy has been issued by the Department of Building Inspection for new construction shall not be converted to Student Housing.*

Section 9. The San Francisco Planning Code is hereby amended by deleting the definitions of "Qualified Educational Institution," "Qualified Student," "Qualified Student Housing Project" and "Qualified Student Housing," and amending the definition of "Student Housing" in Section 401, to read as follows:

SEC. 401. DEFINITIONS.

~~*"Qualified Educational Institution" for purposes of Section 415 shall mean an accredited post secondary Educational Institution which has Qualified Students.*~~

~~*"Qualified Student" for purposes of Section 415 shall mean a student who receives or is eligible to receive need based financial aid including, but not limited to, Pell Grants, Perkins Loans, Stafford Subsidized Loans or other grants or loans and is currently enrolled at a Qualified Educational Institute.*~~

~~*"Qualified Student Housing Project" for purposes of Section 415 shall mean any housing project that contains housing for Qualified Students and which may also contain housing for persons who are enrolled students but not Qualified Students, created either through new construction or conversion of an existing building or space.*~~

~~*"Qualified Student Housing" shall mean housing or group housing (measured either by units or beds) or accessory living space within a non-residential space, either owned by a Qualified Educational Institution or controlled by a Qualified Educational Institution through a long-term master lease for a period of at least 20 years in which at least thirty percent (30%) of such beds are occupied by Qualified Students. The Qualified Student Housing may be on the site of the Institution or at another location in the City and County of San Francisco.*~~

"Student ~~h~~Housing." ~~*A building where 100 percent of the residential uses are affiliated with and operated by an accredited post secondary educational institution. Typically, student housing is for rent, not for sale. This housing shall provide lodging or both meals and lodging, by prearrangement for*~~

~~*one week or more at a time. This definition only applies in the Eastern Neighborhoods Mixed Use Districts.*~~ *As defined in Planning Code Section 102.36.*

Section 10. The San Francisco Planning Code is hereby amended by amending Section 415.3(c)(5), to read as follows:

(5) A ~~*Qualified Student Housing Project*~~ *Student Housing project* that meets all of the following criteria:

(A) The building or space conversion does not result in loss or conversion of existing housing, including but not limited to rental housing and dwelling units;

(B) An institutional master plan (IMP) pursuant to Section 304.5 is on file with the Planning Department prior to the issuance of any building permit or alteration permit in connection with the creation of the ~~*Qualified Student Housing Project*~~*Student Housing project*, and, in addition to the requirements of Section 304.5, such IMP shall describe: (i) to the extent such information is available, the type and location of housing used by its students; (ii) any plans for the provision of ~~*Qualified Student Housing*~~ *Student Housing*; and (iii) the Educational Institution's need for student housing to support its program; and (iv) the percentage of its students, on an average annual basis, that receive some form of need-based assistance as described in (113B).

(C) The Mayor's Office of Housing (MOH) is authorized to monitor this program. MOH shall develop a monitoring form and annual monitoring fee to be paid by the ~~*Qualified Educational Institution*~~ *owner of the real property or the post-secondary Educational Institution or Institutions, as defined in Section 209.3(j) of this Code*. The ~~*Qualified Educational Institution*~~ *owner of the real property and each post-secondary Educational Institution or Institutions* shall agree to submit annual documentation to the Mayor's Office of Housing (MOH) and the Planning Department, on or before December 31 of each year, that addresses the following:

(i) Evidence that the ~~Qualified Educational Institution~~ *post-secondary Educational Institution* continues to own or otherwise control the ~~Qualified Student Housing Project~~ *Student Housing project* under a master lease *or other contractual agreement with at least a 5 year term*, including a certificate from the owner of the real property and the ~~Qualified Educational Institution~~ *post-secondary Educational Institution* attaching a true and complete copy of the master lease *or other contractual agreement* (financial information may be redacted) and certifying that the lease *or contract* has not otherwise been amended or terminated; and

(ii) Evidence, on an average annualized basis, of the percentage of ~~Qualified Students~~ *students* in good standing enrolled *at least half time or more* in the ~~Qualified Educational Institution~~ *post-secondary Educational Institution or Institutions* who are occupying the beds or accessory living space in the ~~Qualified Student Housing~~ *Student Housing project*~~, including but not limited to the number and percentage of qualifying students; the rent paid by each student; the type of dwelling the rent covers (i.e. single room; double room; etc.);~~ and

(iii) The ~~Qualified Educational Institution~~ *owner of the real property* records a Notice of Special Restrictions (NSR) against fee title to the real property on which the ~~Qualified Student Housing~~ *Student Housing* is located that states the following:

- The ~~Qualified Educational Institution~~ *post-secondary Educational Institution, or the owner of the real property on its behalf,* must file a statement with the Department if it intends to terminate the ~~Qualified Student Housing Project~~ *Student Housing project* at least 60 days before it terminates such use ("statement of termination");

- The ~~Qualified Student Housing Project~~ *Student Housing project* becomes subject to the Inclusionary Housing Ordinance requirements applicable to Housing Projects other than Qualified Housing Projects if (1) *a* ~~the~~ ~~Qualified Educational Institution~~ *post-secondary Educational Institution* files a statement of termination with the Department *and another*

post secondary Educational Institution or Institutions have not been substituted or obligated to meet the requirements of this section; or (2) the *owner of the real property or the ~~Qualified Educational Institution~~ post-secondary Educational Institution* fails to file a statement of termination and fails to meet the requirements for a ~~*Qualified Student Housing Project*~~ *Student Housing project*, then within not more than one year of a Notice Of Violation issued by the Planning Department;

- If ~~*the*~~ *units in a ~~Qualified Student Housing Project~~ Student Housing project* becomes~~s~~ subject to the Inclusionary Housing Ordinance then ~~*it*~~ *the owner of those units* shall (1) pay the Affordable Housing Fee plus interest from the date the project received its first construction document for the project if there is no evidence the Project ever qualified as ~~*Qualified Student Housing*~~ *Student Housing* or, if ~~*Qualified Student Housing*~~ *Student Housing* was provided and occupied, then the Affordable Housing Fee with no interest is due on the date the units were no longer occupied by qualifying households and interest would accrue from that date if the fee is not paid; or (2) provide the required number of on-site affordable units required at time of original project approval and that those units shall be subject to all of the requirements of this Program. In this event, the ~~*project sponsor*~~ *owner of the real property* shall record a new NSR providing that the designated units must comply with all of the requirements of this Program.

- The ~~*Qualified Educational Institution*~~ *post-secondary Educational Institution* is required to report annually as required in subsection (C) above;

- The City may commence legal action against the owner and/or ~~*Qualified Educational Institution*~~ *post-secondary Educational Institution* to enforce the NSR and the terms of Article IV of the Planning Code and Planning Code Section 415 et seq. if it determines that the project no longer meets the requirements for a ~~*Qualified Student Housing Project*~~ *Student Housing project*; and

- The ~~*Qualified Student Housing Project*~~ *Student Housing project* may be inspected by any City employee to determine its status as a ~~*Qualified Student Housing Project*~~ *Student Housing project* and its compliance with this Section at any time upon at least 24 hours' prior notice to the owner of the real property or to the master lessee.

Section 11. The San Francisco Planning Code is hereby amended by amending Table 814, in Section 814, and by adding a new # to the Specific Provisions section of that Table, to read as follows:

814.16(a)	Student Housing	§ ~~*315.1(38)*~~ *102.36*	C#

SPECIFIC PROVISIONS FOR SPD DISTRICTS

Article Code Section	Other Code Section	Zoning Controls
§ 814.16	*§ 102.36*	*Student Housing generally is permitted where the particular form of housing is permitted in the underlying Zoning District in which it is located (see Section 102.36.) However, in the South Park District Student Housing is subject to a conditional use requirement subject to Section 303.*

Section 12. The San Francisco Planning Code is hereby amended by amending Tables 840, 841, 842 and 843, in Sections 840, 841, 842 and 843, to read as follows:

~~840.23~~	~~Student Housing~~	~~§ 315.1(38)~~	~~C~~
~~841.23~~	~~Student Housing~~	~~§ 315.1(38)~~	~~C~~
~~842.23~~	~~Student Housing~~	~~§ 315.1(38)~~	~~C~~
~~843.23~~	~~Student Housing~~	~~§ 315.1(38)~~	~~C~~

Section 13. Effective Date. This ordinance shall become effective 30 days from the date of passage.

Section 14. In enacting this Ordinance, the Board intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams, or any other constituent parts of the Planning Code that are explicitly shown in this legislation as additions, deletions, Board amendment additions, and Board amendment deletions in accordance to the "Note" that appears under the official title of this legislation. This Ordinance shall not be construed to effectuate any unintended amendments. Any additions or deletions not explicitly shown as described above, omissions, or other technical and non-substantive differences between this Ordinance and the Planning Code that are contained in this legislation are purely accidental and shall not effectuate an amendment to the Planning Code. The Board hereby authorizes the City Attorney, in consultation with the Clerk and other affected City departments, to make those necessary adjustments to the published Planning

Code, including non-substantive changes such as renumbering or relettering, to ensure that the published version of the Planning Code is consistent with the laws that this Board enacts.

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

By: _____
ANDREA RUIZ-ESQUIDE
Deputy City Attorney

FILE NO. 111374

REVISED LEGISLATIVE DIGEST
(7/10/2012, Substituted in Board)

[Planning Code - Creating a New Definition of Student Housing]

Ordinance amending the San Francisco Planning Code by: 1) adding a new Section 102.36 to create a definition of Student Housing; 2) amending Section 124 to create a new subsection (k), to permit additional square footage above the floor area ratio limits for student housing projects in buildings in the C-3-G and C-3-S Districts, that are not designated as significant or contributory pursuant to Article 11; 3) amending Section 135(d)(2) to adjust the minimum open space requirements for dwelling units that do not exceed 350 square feet, plus a bathroom; 4) amending Section 207.6(b)(3) to exempt student housing from the unit mix requirement in RTO, NCT, DTR and Eastern Neighborhoods Mixed Used Districts; 5) amending Section 307 to permit the conversion of student housing into residential uses, when certain conditions are met; 6) amending Section 312 to require notice for a change of use to group housing; 7) amending Section 317 to prohibit the conversion of residential units into student housing, except in specified circumstances; 8) amending Section 401 to make conforming amendments; 9) amending Section 415.3 to make conforming amendments and to simplify the monitoring responsibilities of the Mayor's Office of Housing; 10) amending Tables 814, 840, 841, 842, and 843 to make conforming amendments; and 11) making findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan.

Existing Law

While the Planning Code contains definitions for many different uses in the City, it currently does not contain a definition of student housing.

Amendments to Current Law

This Ordinance creates a new definition of Student Housing, based on occupancy and ownership or control and applicable citywide. The new Section 102.36 defines Student Housing as " a living space for students of accredited post-secondary Educational Institutions that may take the form of dwelling units, group housing, or a SRO, and is owned, operated or otherwise controlled by an accredited post-secondary Educational Institution." It establishes that " the use of Student Housing is permitted where the form of housing is permitted in the underlying Zoning District in which it is located."

The Ordinance creates a process to allow conversions of Student Housing into other residential uses. It provides that "[i]f a residential project no longer qualifies as Student

Housing," the Zoning Administrator may allow the conversion of the Student Housing to any permitted residential use in the zoning district in which the Student Housing is located, once the Zoning Administrator finds that the converted Student Housing has complied with any applicable Inclusionary Affordable Housing Requirements, and that all other Planning Code requirements applicable to that residential use have been met or modified through appropriate procedures. (See new subsection 307(j).)

On the other hand, the Ordinance prohibits conversion of residential uses into Student Housing, with four limited exceptions: If the Student Housing would be owned, operated or controlled by a not for profit post-secondary Educational Institution, and (i) the residential use was built by the post-secondary Educational Institution; (ii) the residential use is in a convent, monastery (or similar religious order facility); (iii) the residential use is on a lot directly adjacent to the post-secondary Educational Institution, so long as the lot has been owned by the post-secondary Educational Institution for at least ten years as of the effective date of this ordinance; or (iv) as of August 10, 2010, it was owned, operated or otherwise controlled by a post-secondary Educational Institution that had an Institutional Master Plan on file with the Planning Commission, and where the occupancy by those other than students at that date was less than 20% of the total occupants. (See amended subsection 317(f)(1).)

The Ordinance makes other changes related to this new definition of Student Housing. It amends Section 135(d)(2), to adjust the minimum open space requirements for dwelling units that do not exceed 350 square feet, plus a bathroom; it amends Section 207(b)(3), to exempt Student Housing from the unit mix requirement in RTO, NCT, DTR and Eastern Neighborhoods Mixed Used Districts; and it amends Section 312, to require notice for a change of use to Group Housing. It also makes conforming amendments to Sections 401 and 415.3 of the Planning Code, and to Tables 814, 840, 841, 842 and 843.

In addition, the Ordinance amends Table 814 to provide that in the South Park District Student Housing is subject to a conditional use requirement subject to Section 303.

Background Information

The Planning Commission found that the adoption of the Ordinance would encourage the production of new student housing while protecting the City's existing housing stock, by prohibiting the conversion from any form of housing to student housing, and by providing incentives for the construction of new student housing. It also found that the proposed definition of student housing acknowledges the different forms that new student housing may take, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to group housing. Finally, the Commission found that the Ordinance provides incentives to construct new student housing such as an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use districts.

Planning Transmittal: Student Housing Ordinance BF 111374-2

AnMarie Rodgers to: Angela Calvillo, Scott Wiener, Jane Kim 06/29/2012 04:23 PM

Cc: ANDRES POWER, Matthias Mormino, Jason Elliott, Jeff Buckley, Olson Lee, Andrea.Ruiz-Esquide, Alisa Somera, Rick Caldeira, Cheryl.Adams

Dear Ms. Calvillo,

On January 1, 2012 the proposed Ordinance was introduced at the Board of Supervisors and became Board File number 111374, sponsored by Supervisor Wiener. On March 26, 2012, Supervisor Wiener introduced amendments to the proposed Ordinance. On March 27, the Clerk of the Board referred the amended Ordinance back to the Commission for further consideration.

On May 17, 2012 and June 21, 2012, the Planning Commission considered Supervisor Wiener's proposed amendments and further potential amendments that were sent to the Commission from Supervisor Kim.

The regarding the proposed amendments from Supervisor Wiener and potential amendments from Supervisor Kim the Planning Commission passed Resolution Number 18652 with the following recommendations:

First and foremost, the Commission strongly recommends that the proposed Ordinance generally keep the prohibition on the conversion of existing housing into student housing.

The Commission also recommended some modifications to the proposed Ordinance. These modifications include: new overall recommendations in response to Supervisor Wiener's proposals, and recommendations in response to Supervisor Kim's proposals.

Please find attached documents relating to the Commission's action. If you have any questions or require further information please do not hesitate to contact AnMarie Rodgers at 558-6395.

BF 111347-2 Transmittal plus Resolution.pdf

Method of Delivery

In addition to this electronic transmittal, we will transmit the hardcopies via interoffice mail. This electronic transmittal is provided in compliance with San Francisco's Administrative Code Section 8.12.5 "Electronic Distribution of Multi-page Documents". Additional hard copies may be requested by contacting AnMarie Rodgers at 558-6395.

AnMarie Rodgers
Manager of Legislative Affairs

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June 29, 2012

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

Re: Transmittal of Planning Department Case Number 2011.0206T4-5:
Definition of Student Housing and Associated Controls

BOS File No: 111374-2
Planning Commission Recommendation: *Approval with Modifications*

Dear Ms. Calvillo,

On October 27, 2011 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the initiation of a proposed Ordinance. On November 10, 2011 the Commission conducted a similar public hearing to recommend that the Board adopt the proposed Ordinance that would establish land use controls for Student Housing.

On January 1, 2012 the proposed Ordinance was introduced at the Board of Supervisors and became Board File number 111374, sponsored by Supervisor Wiener. On March 26, 2012, Supervisor Wiener introduced amendments to the proposed Ordinance. On March 27, the Clerk of the Board referred the amended Ordinance back to the Commission for further consideration.

On May 17, 2012 and June 21, 2012, the Planning Commission considered Supervisor Wiener's proposed amendments and further potential amendments that were sent to the Commission from Supervisor Kim.

The regarding the proposed amendments from Supervisor Wiener and potential amendments from Supervisor Kim the Planning Commission passed Resolution Number 18652 with the following recommendations:

First and foremost, the Commission strongly recommends that the proposed Ordinance generally *keep* the prohibition on the conversion of existing housing into student housing.

The Commission's recommended modifications to the proposed Ordinance include:

- **Previous Recommendation:** Modify Planning Code Section 317(f)(1) to clarify that for the purposes of conversion residential uses are defined as follows: "For the purposes of this

subsection, residential uses that have been defined as such by the time a First Certificate of Occupancy has been issued by the Department of Building Inspection for new construction shall not be converted to Student Housing".

- New Overall Recommendations:
  - **Add a minor modification to the definition of "Student Housing".** The proposed change stresses that the definition includes "owned & operated by educational" by moving the clause earlier in the definition as follows: "Student Housing is a living space for students of accredited post-secondary Educational Institutions that may take the form of dwelling units, group housing, or a SRO, and is owned, operated or otherwise controlled by an accredited post-secondary Educational Institution, as defined in Section 209.3(i) of this Code. Unless expressly provided for elsewhere in this Code, the use of Student Housing is permitted where the form of housing is permitted in the underlying Zoning District in which it is located. ~~Student Housing must be owned, operated or otherwise controlled by an accredited post-secondary Educational Institution, as defined in Section 209.3(i) of this Code~~. Student Housing may consist of all or part of a building."
  - **SF Housing Action Coalition Amendments.** The Commission recommends support for most of the SF HAC proposed amendments, primarily these are minor in nature. The major substantive change would be to relieve educational institutions from entering into a 20 year lease for buildings which were not owned by the institution. The Mayor's Office of Housing (MOH) stated a preference for maintaining a requirement for at least a 5 year least. The Commission defers to the MOH on enforceability of this clause and therefore also recommends requiring at a lease for at least five years in order to qualify for the exemption from the Inclusionary Affordable Housing requirement.
  - **Technical Amendment.** The Commission recommends a minor technical modification. In the long title of the Ordinance this FAR exemption cites Section 214. The proper section should be 124.
  - **Recommendations from the Mayor's Office of Housing.** In consultation with MOH, the Commission would recommend the following modifications:
    - The definition of Qualified Student Housing in Section 401 should be replaced with the newly proposed the definition for "Student Housing" in Section 102.36.
    - The definition of Qualified Educational Institution in Section 401 should be replaced with the existing definition of Post Secondary Educational Institution in Section 209.3 (i).
    - The definition of Qualified Student in Section 401 should be amended to replace the need based criteria with a description "a student who is enrolled at least part-time or more in a Qualified Educational Institution".
    - The monitoring requirements of the Mayor's Office of Housing in Section 415.3 (c) (5) (C) (i) and (ii) should be amended to clarify that the Qualified Educational Institution can present a lease with at least a five year term

and that the report will not include information on rents and the type of dwelling unit provided for each student.

- New Recommendations in Response to Supervisor Wiener's Proposals:
  - Three Permitted Conversions. Allow Supervisor Wiener's proposed amendments to provide avenues for allowing the conversion of a relatively small amount of existing housing to student housing use, however, the circumstances whereby such conversions would be allowed are very limited.
  - FAR Exemption. True to the original spirit of the Ordinance, Supervisor Wiener also introduces additional incentives for building new student housing. Under the proposal student housing in the C-3-G and C-3-S districts would be permitted above the FAR limits, provided that the housing was not in a designated Significant or Contributory building as designated in Article 11. This type of FAR exemption is already provided for affordable housing and parking in these districts. The Commission recommends approval.
  - Clarify "adjacent". The Commission recommends clarifying the Supervisor's intent on allowing an exemption for lots that are "directly adjacent to the post-secondary Educational Institution". The Commission believes that instead of "adjacent" the term "shared lot line" or "adjoining lot" be used.
  - Remove "similar". The Commission recommends limiting the language for the Supervisor's proposal that "convent, monastery (or similar religious order facility)" that would be exempt from the prohibition on conversions. The Commission recommends striking the term "similar" so that the proposed Ordinance would read "convent, monastery (or religious order facility)".
  - **Add another exemption for Student Housing currently in existence that is operated or owned by an institution that has a Commission accepted Institutional Master Plan on file prior to August 10, 2010 *and* where the occupancy by those other than students had been reported to be less than 20% occupied as of August 10, 2010.** For the purposes of determining previous occupancy, such vacancy or low rate of occupancy to be demonstrated by reports filed as required by the Residential Hotel Conversion Ordinance with the Department of Building Inspection and/or, as applicable, verified information from such Educational Institution regarding its rental or lease of such units for its students as of such date. No such change in occupancy recorded as of the time of occupancy by students as provided herein shall cause such units to be deemed exempt from the Residential Stabilization and Arbitration Ordinance.

- New Recommendations in Response to Supervisor Kim's Proposals:
  - The Commission has recently taken two actions: first in November 2010 and later in 2011 to affirm that institutions seeking to establish Student Housing should build new housing and should not convert existing housing. For this reason, the Commission maintains that conversion of existing housing stock should generally be prohibited.
  - **If the Board enacts specific provisions enabling the conversions for Vacant or Underutilized Residential Buildings into Student Housing,** ensure that these conversions shall be subject to existing Conditional Use requirements in Section 303 *and* the new requirements below:
    - A Vacant Building is a Residential Building that has been completely vacant for at least one year from the time of application, and that has been on the Department of Building Inspection's Vacant Building Registry pursuant to Section 103A.4 of the San Francisco Building Code for at least one year prior to the application.
    - An Underutilized Building is a Residential Building where 20% or less of the residential units have been occupied during the two years prior to the time of application. At the time of application, the project sponsor shall submit an affidavit declaring, to the best of his or her knowledge, what the total number of occupied residential units in the Residential Building has been during the last two years.
  - **Further, if the Board enacts any provisions enabling conversions via Conditional Use authorization, the Commission recommends adding protections for tenants from unfair evictions and to ensure rent control protections. The Department recommends the following:**
    - At the time of the conditional use application, the applicant shall submit an affidavit certifying that no eviction, as defined in San Francisco Administrative Code Section 37.9(a)(8)-(16) has occurred since the effective date of this ordinance, or, if such an eviction has occurred, that the original tenant reoccupied the unit after a temporary eviction. Prior to approving the conditional use application the Department must verify with the Rent Stabilization and Arbitration Board the contents of the affidavit. This requirement applies to all applicants, regardless of whether the current owner initiated or otherwise participated in the eviction(s). For purposes of this subsection, "eviction" means the issuance of a written notice terminating tenancy pursuant to Administrative Code Sections 37.9(a)(8)-(16); provided, however, that if the property owner issues and then withdraws the eviction notice prior to its expiration and the tenant receiving the notice remains in tenancy for at least 120 days following the expiration of the notice, the property owner's action shall not be deemed an eviction pursuant to this subsection. To avoid risk of increased evictions, the City should require the signing of an affidavit stating that no evictions have occurred similar to the condo conversion Ordinance.

- Nothing herein shall be construed as limiting or diminishing a tenant's rights under the City's Residential Rent Stabilization and Arbitration Ordinance, set forth in Chapter 37 of the Administrative Code.

- Lastly, the Commission recommends that **further avenues be explored for increasing funding for acquisition and rehabilitation of existing SROs including but not limited to expanding the Small Site Acquisition and Rehabilitation Program and Mills Act Tax Relief.**

The proposed changes have been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c)(2). Please find attached documents relating to the Commission's action. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

AnMarie Rodgers
Manager of Legislative Affairs

Cc:

Supervisor Jane Kim
Supervisor Scott Wiener
Mayor's Office, Jason Elliot
Mayor's Office, Jeff Buckley
Mayor's Office of Housing, Olson Lee
City Attorney, Andrea Ruiz-Esquide

Attachments (one copy of the following):

Planning Commission Resolution No. 18652

Electronic Links: Executive Summary prepared for the Planning Commission available at:

- http://commissions.sfplanning.org/cpcpackets/2011.0206Tc4.pdf
- http://commissions.sfplanning.org/cpcpackets/2011.0206Tc5.pdf

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Planning Commission Resolution No. 18652

HEARING DATE: JUNE 21, 2012

Continued from the May 17, 2012 Hearing

Date:	May 10, 2012
Case No.:	2011.0206T
Project Address:	**Planning Code Amendments: Student Housing**
Initiated by:	Planning Commission
Legislative Sponsor:	Supervisor Wiener & Supervisor Kim
Staff Contact:	AnMarie Rodgers, Manager, Legislative Affairs AnMarie.Rodgers@sfgov.org
Recommendation:	**Approval with Modifications**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT WITH MODIFICATIONS A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ADD A NEW SECTION 102.36 TO CREATE A DEFINITION OF STUDENT HOUSING, TO AMEND SECTION 135(D)(2) TO ADJUST THE MINIMUM OPEN SPACE REQUIREMENTS FOR DWELLING UNITS THAT DO NOT EXCEED 350 SQUARE FEET PLUS A BATHROOM, TO AMEND SECTION 207(B)(3) TO EXEMPT STUDENT HOUSING FORM THE UNIT MIX REQUIREMENT IN RTO, NCT, DTR, AND EASTERN NEIGHBORHOOD MIXED-USE DISTRICTS, TO AMEND SECTION 307 TO PERMIT THE CONVERSION OF STUDENT HOUSING TO RESIDENTIAL USES THAT DO NOT QUALIFY AS STUDENT HOUSING, TO AMEND SECTION 312 TO REQUIRE NOTICE FOR A CHANGE OF USE TO GROUP HOUSING IN NC DISTRICTS, TO AMEND SECTION 317 TO PROHIBIT THE CONVERSION OF RESIDENTIAL USES TO STUDENT HOUSING, AND TO AMEND SECTION 401 TO MAKE CONFORMING AMENDMENTS AND TO MODIFY THE DEFINITION OF QUALIFIED STUDENT HOUSING.

PREAMBLE

WHEREAS, the existing Code does not include a clear definition of Student Housing based on occupancy and ownership or control that is applicable citywide; and

WHEREAS, the Code sections controlling loss of dwelling units do not specifically address the conversion from housing to Student Housing; and

WHEREAS, the Code does not provide a clear process for converting Student Housing to housing; and

WHEREAS, the open space requirements for dwelling units that are smaller than 350 square feet plus a bathroom may be greater than the actual need; and

WHEREAS, the dwelling unit mix requirement within the RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use Districts may not facilitate the production of new Student Housing; and

WHEREAS, no neighborhood notification is currently required for the addition of new Group Housing within the NC Districts, which appears to be inconsistent with other noticing requirements within the NC Districts; and

Whereas, pursuant to Planning Code Section 306.3 the Planning Commission adopted Resolution No. 18477 initiating amendments to the Planning Code on October 27, 2011; and

Whereas, on November 10, 2011, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance; and

Whereas, on November 10, 2011, the Commission approved Resolution No. 18485 recommending approval of the proposed Ordinance; and

WHEREAS, On January 10, 2012, Supervisor Wiener signed on as a Board Sponsor and introduced the legislation at the Board of Supervisors; and

WHEREAS, March 26, 2012, Land Use Hearing, Supervisor Wiener recommended the following amendments. Supervisor Wiener proposed to amend Section 317(b)(1) of the proposed Ordinance to allow the following limited exceptions where the conversion of existing housing and SROs would be allowed to student housing if:

1) the housing was built by the post-secondary Educational Institution that will own, operate or otherwise control the Student Housing,
2) is in a convent monastery (or similar religious order facility), or
3) is on a lot directly adjacent to the post-secondary Educational Institution that will own operate or otherwise control the Student Housing, so long as the lot has been owned by the post-secondary Educational Institution for at least ten years as of the effective date of this ordinance.

WHEREAS, Supervisor Wiener also proposed to amend the proposed Ordinance by amending Section 124[1], to create a new subsection (k), to permit additional square footage above the floor area ratio limits for Qualified Student Housing projects in buildings in the C-3-G and C-3-S Districts, that are not designated as Significant or Contributory pursuant to Article 11.

WHEREAS, since the Land Use hearing, the Department has received a letter dated April 10, 2012 from the San Francisco Housing Action Coalition (SFHAC) that described additional modifications. Supervisor Wiener's office has indicated that the Supervisor would support these

[1] In Board File No 111374-2 as referred to the Planning Commission, the Legislative Digest and long titled of the Ordinance refer to amendments to Planning Code Section 214. There is no Section 214. The amendments described in the Ordinance are actually to 124 Basic Floor Area Ratio.

modifications from SFHAC upon the Commission's recommendation. The amendments proposed by SFHAC include the following:

1) replacing the requirement that institutions be in "long-term master lease for a period of at least 20 years" with a requirement of being in an "other contractual agreement";
2) specifying that those projects which convert a "non-residential" building are eligible for the exemption from the inclusionary requirement;
3) adding a requirement that the Zoning Administrator may approve the conversion of a "Student Housing" use to "Non-Student Residential Use" only if the building owner has made an "extensive and good faith effort" to find another qualified institution to lease the space;
4) minor technical clarifications such as specifying that more than one "Qualified Student Housing Project" may be in a building and that a project may remain "Qualified Student Housing" if the owner or lease-holder transitions from one "Qualified Educational Institution" to another.

WHEREAS, on April 11, 2012 Supervisor Kim sent a memorandum to this Commission proposing further amendments to the proposed Ordinance. Specifically, Supervisor Kim proposed that residential and SRO buildings that have been vacant for at least one year or underutilized for at least two years and create blight could be converted to student housing via Conditional Use authorization. To be considered "vacant" a Residential Building would have to be completely vacant and listed on the Department of Building Inspection's Vacant Building Registry for at least one year from the time of application. To be considered "underutilized" a building would need to be 20% or less occupied for at least two years prior to application, as proven by an affidavit of the buildings owner.

WHEREAS, the proposed legislation is intended to resolve the aforementioned issues; and

WHEREAS, the 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 the applicant, Department staff, and other interested parties; and

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

WHEREAS, the 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 Commission has reviewed the proposed Ordinance.

MOVED, that the Commission hereby adopts this Resolution to recommend *approval with modifications* of the draft Ordinance to the Board of Supervisors; and

First and foremost, the Commission strongly recommends that the proposed Ordinance generally *keep* the prohibition on the conversion of existing housing into student housing.

The Commission's recommended modifications to the proposed Ordinance include:

- Previous Recommendation: Modify Planning Code Section 317(f)(1) to clarify that for the purposes of conversion residential uses are defined as follows: "For the purposes of this subsection, residential uses that have been defined as such by the time a First Certificate of Occupancy has been issued by the Department of Building Inspection for new construction shall not be converted to Student Housing".

- New Overall Recommendations:
  - **Add a minor modification to the definition of "Student Housing".** The proposed change stresses that the definition includes "owned & operated by educational" by moving the clause earlier in the definition as follows: "Student Housing is a living space for students of accredited post-secondary Educational Institutions that may take the form of dwelling units, group housing, or a SRO, and is owned, operated or otherwise controlled by an accredited post-secondary Educational Institution, as defined in Section 209.3(i) of this Code. Unless expressly provided for elsewhere in this Code, the use of Student Housing is permitted where the form of housing is permitted in the underlying Zoning District in which it is located. ~~Student Housing must be owned, operated or otherwise controlled by an accredited post-secondary Educational Institution, as defined in Section 209.3(i) of this Code~~. Student Housing may consist of all or part of a building."
  - **SF Housing Action Coalition Amendments.** The Commission recommends support for most of the SF HAC proposed amendments, primarily these are minor in nature. The major substantive change would be to relieve educational institutions from entering into a 20 year lease for buildings which were not owned by the institution. The Mayor's Office of Housing (MOH) stated a preference for maintaining a requirement for at least a 5 year least. The Commission defers to the MOH on enforceability of this clause and therefore also recommends requiring at a lease for at least five years in order to qualify for the exemption from the Inclusionary Affordable Housing requirement.
  - **Technical Amendment.** The Commission recommends a minor technical modification. In the long title of the Ordinance this FAR exemption cites Section 214. The proper section should be 124.
  - **Recommendations from the Mayor's Office of Housing.** In consultation with MOH, the Commission would recommend the following modifications:
    - The definition of Qualified Student Housing in Section 401 should be replaced with the newly proposed the definition for "Student Housing" in Section 102.36.
    - The definition of Qualified Educational Institution in Section 401 should be replaced with the existing definition of Post Secondary Educational Institution in Section 209.3 (i).
    - The definition of Qualified Student in Section 401 should be amended to replace the need based criteria with a description "a student who is

enrolled at least part-time or more in a Qualified Educational Institution".

- The monitoring requirements of the Mayor's Office of Housing in Section 415.3 (c) (5) (C) (i) and (ii) should be amended to clarify that the Qualified Educational Institution can present a lease with at least a five year term and that the report will not include information on rents and the type of dwelling unit provided for each student.

- **New Recommendations in Response to Supervisor Wiener's Proposals:**
  - **Three Permitted Conversions.** Allow Supervisor Wiener's proposed amendments to provide avenues for allowing the conversion of a relatively small amount of existing housing to student housing use, however, the circumstances whereby such conversions would be allowed are very limited.
  - **FAR Exemption.** True to the original spirit of the Ordinance, Supervisor Wiener also introduces additional incentives for building new student housing. Under the proposal student housing in the C-3-G and C-3-S districts would be permitted above the FAR limits, provided that the housing was not in a designated Significant or Contributory building as designated in Article 11. This type of FAR exemption is already provided for affordable housing and parking in these districts. The Commission recommends approval.
  - **Clarify "adjacent".** The Commission recommends clarifying the Supervisor's intent on allowing an exemption for lots that are "directly adjacent to the post-secondary Educational Institution". The Commission believes that instead of "adjacent" the term "shared lot line" or "adjoining lot" be used.
  - **Remove "similar".** The Commission recommends limiting the language for the Supervisor's proposal that "convent, monastery (or similar religious order facility)" that would be exempt from the prohibition on conversions. The Commission recommends striking the term "similar" so that the proposed Ordinance would read "convent, monastery (or religious order facility)".
  - **Add another exemption for Student Housing currently in existence that is operated or owned by an institution that has a Commission accepted Institutional Master Plan on file prior to August 10, 2010 *and* where the occupancy by those other than students had been reported to be less than 20% occupied as of August 10, 2010.** For the purposes of determining previous occupancy, such vacancy or low rate of occupancy to be demonstrated by reports filed as required by the Residential Hotel Conversion Ordinance with the Department of Building Inspection and/or, as applicable, verified information from such Educational Institution regarding its rental or lease of such units for its students as of such date. No such change in occupancy recorded as of the time of occupancy by students as provided herein shall cause such units to be deemed exempt from the Residential Stabilization and Arbitration Ordinance.

- **New Recommendations in Response to Supervisor Kim's Proposals:**
  - The Commission has recently taken two actions: first in November 2010 and later in 2011 to affirm that institutions seeking to establish Student Housing should build new housing and should not convert existing housing. For this reason, the Commission maintains <u>that conversion of existing housing stock should generally be prohibited</u>.
  - **If the Board enacts specific provisions enabling the conversions for Vacant or Underutilized Residential Buildings into Student Housing,** ensure that these conversions shall be subject to existing Conditional Use requirements in Section 303 *and* the new requirements below:
    - A Vacant Building is a Residential Building that has been completely vacant for at least one year from the time of application, and that has been on the Department of Building Inspection's Vacant Building Registry pursuant to Section 103A.4 of the San Francisco Building Code for at least one year prior to the application.
    - An Underutilized Building is a Residential Building where 20% or less of the residential units have been occupied during the two years prior to the time of application. At the time of application, the project sponsor shall submit an affidavit declaring, to the best of his or her knowledge, what the total number of occupied residential units in the Residential Building has been during the last two years.
  - **Further, if the Board enacts any provisions enabling conversions via Conditional Use authorization, the Commission recommends adding protections for tenants from unfair evictions and to ensure rent control protections. The Department recommends the following:**
    - At the time of the conditional use application, the applicant shall submit an affidavit certifying that no eviction, as defined in San Francisco Administrative Code Section 37.9(a)(8)-(16) has occurred since the effective date of this ordinance, or, if such an eviction has occurred, that the original tenant reoccupied the unit after a temporary eviction. Prior to approving the conditional use application the Department must verify with the Rent Stabilization and Arbitration Board the contents of the affidavit. This requirement applies to all applicants, regardless of whether the current owner initiated or otherwise participated in the eviction(s). For purposes of this subsection, "eviction" means the issuance of a written notice terminating tenancy pursuant to Administrative Code Sections 37.9(a)(8)-(16); provided, however, that if the property owner issues and then withdraws the eviction notice prior to its expiration and the tenant receiving the notice remains in tenancy for at least 120 days following the expiration of the notice, the property owner's action shall not be deemed an eviction pursuant to this subsection. To avoid risk of increased evictions, the City should require the signing of an affidavit stating that no evictions have occurred similar to the condo conversion Ordinance.

- Nothing herein shall be construed as limiting or diminishing a tenant's rights under the City's Residential Rent Stabilization and Arbitration Ordinance, set forth in Chapter 37 of the Administrative Code.

- Lastly, the Commission recommends that **further avenues be explored for increasing funding for acquisition and rehabilitation of existing SROs including but not limited to expanding the Small Site Acquisition and Rehabilitation Program and Mills Act Tax Relief.**

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 Ordinance, as modified, will encourage the production of new student housing while protecting the City's existing housing stock by prohibiting the conversion from any form of housing to student housing, and by providing incentives for the construction of new student housing;

2. The new definition of student housing acknowledges the different forms that new student housing may take, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to group housing;

3. The Ordinance, as modified, provides incentives to construct new student housing such as an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use districts, a reduction in the open space requirements for very small dwelling units, and a streamlined process by which student housing may be converted to standard housing.

4. In December, 2010, Ordinance Number 321-10 was passed providing an Affordable Housing Program exemption for Qualified Student Housing. When the Planning Commission considered this Ordinance, introduced by Supervisor Dufty, it recognized both the need for additional Student Housing and for protections for existing forms of housing from conversion to Student Housing.

5. The Commission believes the goal of the proposed Ordinance should be to encourage the production of new Student Housing while protecting the City's existing housing stock. Of primary concern is to prohibit the conversion from any form of housing to Student Housing.

6. The Commission recommended process would allow for conversion from Student Housing to other residential uses provided that the requirements for standard housing have been met.

7. The new proposed Ordinance initiated by the Planning Commission this fall and now sponsored by Supervisor Wiener is consistent with the 2010 Ordinance. The two-pronged approach of offering significant incentives by the relieving student housing from the Affordable Housing Inclusionary requirements and prohibiting the conversion of existing housing to student housing will ensure that the City will benefit from the production of new student housing without losing existing housing to purely institutional use.

8. The General Plan states that the City should "preserve and maintain the existing housing stock, which provides some of the City's most affordable units".

9. The Office of the Legislative Analyst report states, "The overwhelming increase in the numbers of homeless people in the last 20 years, combined with the shortage of affordable housing since the 1960s, has made SRO hotels an important housing option for many low-income adults."

10. At the last inventory there are just over 18,000 Residential Hotel units in San Francisco. Housing more people than all of the City's public housing, this represents no minor fraction of the housing stock, yet this is significantly less than the estimated existing shortfall of student housing. Once these units are converted to Student Housing, the units will no longer be available to the City's general low-income population but instead will be only for student tenants.

11. Residential Hotels have typically not been attractive for other residential uses but as demand for Student Housing increases, the threat to this affordable housing stock will increase *unless* institutions are encouraged to build new housing.

12. The Residential Hotel Ordinance regulates and protects the existing stock of residential hotels. This ordinance requires that residential hotel rooms replaced with tourist rooms should be replaced at a 1 to 1 ratio.

13. According to a 2009 report commissioned by the Human Services Agency, "The City of San Francisco is unable to meet [existing] residents' demand for affordable housing. Many of the city's most vulnerable populations, including families with children seniors and adults with disabilities, and other public service recipients, are often at risk for homelessness. SROs account for a substantial portion of San Francisco's affordable housing stock, as they provide housing for more low-income people than all the city's public housing developments".

14. **General Plan Compliance.** This Resolution is consistent with the following Objectives and Policies of the General Plan:

I. HOUSING ELEMENT

OBJECTIVE 1
TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

POLICY 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.9
Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 1.10
Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

OBJECTIVE 2
RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

POLICY 2.2
Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

The proposed Ordinance with the Commission's recommended modifications would protect the existing housing stock from conversion from standard housing to student housing.

HOUSING ELEMENT POLICY 3.1
Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.
Sixty-two percent of San Francisco's residents are renters. In the interest of the long term health and diversity of the housing stock the City should work to preserve this approximate ratio of rental units. The City should pay particular attention to rent control units which contribute to the long term existence and affordability of the City's rental

housing stock without requiring public subsidy, by continuing their protection and supporting tenant's rights laws. Efforts to preserve rental units from physical deterioration include programs that support landlord's efforts to maintain rental housing such as: maintenance assistance programs, programs to support and enhance property management capacity, especially for larger companies, and programs to provide financial advice to landlords.

HOUSING ELEMENT POLICY 3.5
Retain permanently affordable residential hotels and single room occupancy (SRO) units.
Residential or single-room occupancy hotels (SROs) offer a unique housing opportunity for lower income elderly, disabled, and single-person households.
The proximity of most SROs to the downtown area has fueled pressure to convert SRO's to tourist hotels. In response to this, the City adopted its Residential Hotel Ordinance, which regulates and protects the existing stock of residential hotels. This ordinance requires permits for conversion of residential hotel rooms, requires replacement on a 1 to 1 level in the case of conversion or demolition

The proposed Ordinance with the Commission's recommended modifications recognizes the need for new student housing, and is intended to encourage the production of new student housing while protecting the City's existing housing stock. The proposed Ordinance will provide incentives for providing new student housing in transit-rich neighborhoods such as RTO, NCT, DTR, certain C-3 Districts and Eastern Neighborhoods Mixed-Use Districts. In addition, the proposed Ordinance with the Commission's recommended modifications recognizes that the City's existing housing stock, particularly forms such as Group Housing and SROs that often provide housing for low-income residents, need protection from conversion to student housing.

15. This Resolution is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced.

B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

C) The City's supply of affordable housing will be preserved and enhanced.

D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking.

E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And

future opportunities for resident employment and ownership in these sectors will be enhanced.

F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

G) That landmark and historic buildings will be preserved.

H) Parks and open space and their access to sunlight and vistas will be protected from development.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on June 21, 2012.

Linda Avery
Commission Secretary

AYES: Fong, Wu, Borden, Miguel, Moore and Sugaya

NAYS: Antonini

ABSENT:

ADOPTED: June 21, 2012

BOARD of SUPERVISORS

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March 27, 2012

Planning Commission
Attn: Linda Avery
1660 Mission Street, 5th Floor
San Francisco, CA 94103

Dear Commissioners:

On March 26, 2012, the Land Use and Economic Development Committee accepted amendments to the proposed legislation and requested it be re-referred back to the Planning Department and Commission for consideration.

File No. 111374-2

Ordinance amending the San Francisco Planning Code by: 1) adding a new Section 102.36, to create a definition of Student Housing; 2) amending Section 135(d)(2), to adjust the minimum open space requirements for dwelling units that do not exceed 350 square feet, plus a bathroom; 3) amending Section 207(b)(3), to exempt Student Housing from the unit mix requirement in RTO, NCT, DTR and Eastern Neighborhoods Mixed Used Districts; 4) amending Section 307, to permit the conversion of Student Housing into residential uses, when certain conditions are met; 5) amending Section 312, to require notice for a change of use to Group Housing; 6) amending Section 317, to prohibit the conversion of residential units into Student Housing, except in specified circumstances; 7) amending Section 401, to make conforming amendments and amend the definition of Qualified Student Housing; 8) amending Section 214, to create a new subsection (k), to permit additional square footage above the floor area ratio limits for Qualified Student Housing projects in buildings in the C-3-G and C-3-S Districts, that are not designated as Significant or Contributory pursuant to Article 11; 9) amending Tables 814, 840, 841, 842 and 843, to make conforming amendments; and 10) making findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan.

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 & Economic Development Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

Alisa Miller

By: Alisa Miller, Committee Clerk
Land Use & Economic Development Committee

c: John Rahaim, Director of Planning
Scott Sanchez, Zoning Administrator
Bill Wycko, Chief, Major Environmental Analysis
AnMarie Rodgers, Legislative Affairs
Nannie Turrell, Major Environmental Analysis
Brett Bollinger, Major Environmental Analysis

Not a project per CEQA Guidelines Sections 15060 (c)(3) and 15378.

Nannie R Turrell
March 27, 2012

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December 13, 2011

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

Re: Transmittal of Planning Department Case Number 2011.0206T:
Definition of Student Housing and Associated Controls

BOS File No: 111374
Planning Commission Recommendation: *Approval*

Dear Ms. Calvillo,

On October 27, 2011 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the initiation of a proposed Ordinance;

On November 10, 2011 the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance;

The proposed Ordinance initiated by the Planning Commission would add Section 102.36, and amend Sections 135(d)(2), 207(b)(2), 166, 307, 312, and 317 of the Planning Code (hereinafter "Code") to create a definition of "Student Housing" and to make associated amendments including but not limited to:

- Adding a new Code Section 102.36 to define Student Housing, applicable citywide;
- Amending Section 401 to delete the existing definition of Student Housing which only applies to the Eastern Neighborhood Mixed-Use Districts. This definition would be replaced with a reference to the new definition, which would apply city-wide;
- Amending Section 317 to prohibit the conversion of residential units to Student Housing;
- Amending Section 135 to adjust the open space requirements for small dwelling units that measure less than 350 square feet plus a bathroom;
- Amending Section 207.6 to exempt Student Housing from the unit mix requirements in RTO, NCT, DTR, and Eastern Neighborhood Mixed Use Districts;
- Amending Section 307 to establish a procedure for the conversion of Student Housing to any form of residential units that are not considered Student Housing,

provided that all aspects of the Planning Code have been met or appropriately modified;

- Amending Section 312 to require neighborhood notification for a change of use to Group Housing within Neighborhood Commercial districts.

The proposed changes have been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c)(2).

At the November 10th hearing, the Commission voted to recommend approval of the proposed Ordinance. Please find attached documents relating to the Commission's action. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

AnMarie Rodgers
Manager of Legislative Affairs

cc:
Mayor's Office, Jason Elliot
Mayor's Office, Malcolm Yeunge
Supervisor Jane Kim
Supervisor Scott Wiener
City Attorney, Andrea Ruiz-Esquide

Attachments (one copy of the following):
Planning Commission Resolution No. 18485
Planning Commission Executive Summary for Case No. 2011.0206T
Draft Ordinance (original sent via interoffice mail)

SAN FRANCISCO
PLANNING DEPARTMENT

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San Francisco,
CA 94103-2479

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Planning Commission Resolution No. 18485

HEARING DATE: NOVEMBER 10, 2011

Date:	November 3, 2011
Case No.:	2011.0206T
Project Address:	**Planning Code Amendments: Student Housing**
Initiated by:	John Rahaim, Director of Planning
Staff Contact:	Sophie Hayward – (415) 558-6372 sophie.hayward@sfgov.org
Reviewed by:	AnMarie Rodgers, Manager, Legislative Affairs Anmarie.rodgers@sfgov.org
Recommendation:	Recommend Approval

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ADD A NEW SECTION 102.36 TO CREATE A DEFINITION OF STUDENT HOUSING, TO AMEND SECTION 135(D)(2) TO ADJUST THE MINIMUM OPEN SPACE REQUIREMENTS FOR DWELLING UNITS THAT DO NOT EXCEED 350 SQUARE FEET PLUS A BATHROOM, TO AMEND SECTION 207(B)(3) TO EXEMPT STUDENT HOUSING FORM THE UNIT MIX REQUIREMENT IN RTO, NCT, DTR, AND EASTERN NEIGHBORHOOD MIXED-USE DISTRICTS, TO AMEND SECTION 307 TO PERMIT THE CONVERSION OF STUDENT HOUSING TO RESIDENTIAL USES THAT DO NOT QUALIFY AS STUDENT HOUSING, TO AMEND SECTION 312 TO REQUIRE NOTICE FOR A CHANGE OF USE TO GROUP HOUSING IN NC DISTRICTS, TO AMEND SECTION 317 TO PROHIBIT THE CONVERSION OF RESIDENTIAL USES TO STUDENT HOUSING, AND TO AMEND SECTION 401 TO MAKE CONFORMING AMENDMENTS AND TO MODIFY THE DEFINITION OF QUALIFIED STUDENT HOUSING.

PREAMBLE

WHEREAS, the existing Code does not include a clear definition of Student Housing based on occupancy and ownership or control that is applicable citywide; and

WHEREAS, the Code sections controlling loss of dwelling units do not specifically address the conversion from housing to Student Housing; and

WHEREAS, the Code does not provide a clear process for converting Student Housing to housing; and

WHEREAS, the open space requirements for dwelling units that are smaller than 350 square feet plus a bathroom may be greater than the actual need; and

WHEREAS, the dwelling unit mix requirement within the RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use Districts may not facilitate the production of new Student Housing; and

WHEREAS, no neighborhood notification is currently required for the addition of new Group Housing within the NC Districts, which appears to be inconsistent with other noticing requirements within the NC Districts; and

WHEREAS, the proposed legislation is intended to resolve the aforementioned issues; and

Whereas, on November 10, 2011, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance; and

Whereas, pursuant to Planning Code Section 306.3 the Planning Commission adopted Resolution No. 18477 initiating amendments to the Planning Code on October 27, 2011; and

Whereas, the 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 the applicant, Department staff, and other interested parties; and

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

Whereas, the 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 Commission has reviewed the proposed Ordinance.

MOVED, that the Commission hereby ***adopts*** this Resolution to recommend approval of the draft Ordinance to the Board of Supervisors, with additional modifications to Planning Code Section 317, as recommended by Staff at the public hearing; and

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 Ordinance will encourage the production of new student housing while protecting the City's existing housing stock by prohibiting the conversion from any form of housing to student housing, and by providing incentives for the construction of new student housing;

2. The new definition of student housing acknowledges the different forms that new student housing may take, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to group housing;

3. The Ordinance provides incentives to construct new student housing such as an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use

districts, a reduction in the open space requirements for very small dwelling units, and a streamlined process by which student housing may be converted to standard housing.

4. The proposed modification to Planning Code Section 3179(f)(1) clarifies when residential uses are defined by adding the sentence: *For the purposes of this subsection, residential uses that have been defined as such by the time a First Certificate of Occupancy has been issued by the Department of Building Inspection for new construction shall not be converted to Student Housing.*

5. **General Plan Compliance.** This Resolution is consistent with the following Objectives and Policies of the General Plan:

I. HOUSING ELEMENT

OBJECTIVE 1
TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

POLICY 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.9
Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 1.10
Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The proposed Ordinance recognizes the need for new student housing, and is intended to encourage the production of new student housing while protecting the City's existing housing stock. The proposed Ordinance will provide incentives for providing new student housing in transit-rich neighborhoods such as RTO, NCT, DTR, and Eastern Neighborhoods Mixed-Use Districts. In addition, the proposed Ordinance recognizes that the City's existing housing stock, particularly forms such as Group Housing and SROs that often provide housing for low-income residents, need protection from conversion to student housing.

OBJECTIVE 2
RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

POLICY 2.2
Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

The proposed Ordinance would protect the existing housing stock from conversion from standard housing to student housing.

6. This Resolution is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced.

B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

C) The City's supply of affordable housing will be preserved and enhanced.

D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking.

E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced.

F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

G) That landmark and historic buildings will be preserved.

H) Parks and open space and their access to sunlight and vistas will be protected from development.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on November 10, 2011.

Linda Avery
Commission Secretary

AYES: Commissioners Borden, Fong, Miguel, Moore, Sugaya

NAYS: Commissioner Antonini

ABSENT: Commissioner Olague

ADOPTED: November 10, 2011

SAN FRANCISCO
PLANNING DEPARTMENT

Executive Summary
Proposed Planning Code Amendments: Student Housing

1650 Mission St.
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HEARING DATE: NOVEMBER 10, 2011

Date:	November 3, 2011
Case No.:	2011.0206T
Project Address:	Planning Code Amendments: Student Housing
Initiated by:	John Rahaim, Director of Planning
Staff Contact:	Sophie Hayward – (415) 558-6372 sophie.hayward@sfgov.org
Reviewed by:	AnMarie Rodgers, Manager, Legislative Affairs Anmarie.rodgers@sfgov.org
Recommendation:	**Approval**

PLANNING CODE AMENDMENT

On October 27, 2011 the Commission initiated amendments to the Planning Code controls for Student Housing. At that hearing and pursuant to Planning Code Section 306.3, the Planning Commission authorized the Department to prepare for a hearing to consider the Planning Code amendments contained in the draft Ordinance.

The proposed Ordinance would amend the Planning Code (herein after "Code") to achieve the following: 1) encourage the production of new Student Housing; 2) protect the existing housing stock; 3) create a definition of Student Housing that may be used throughout the Planning Code; and 4) make additional modifications to the Planning Code for consistency and clarity.

The proposed Code amendment creates a definition of Student Housing that is based on occupancy and ownership and/or control. With the adoption of the proposed Ordinance, Student Housing would take the form of dwelling units (as defined in Code Section 102.6), Group Housing (as defined in Code Section 209.2), or Single Room Occupancy (SRO) units (as defined in Code Section 890.88), and must be owned, operated, or otherwise controlled by an accredited post-secondary Educational Institution. Additional Code changes have been included in the proposed Ordinance in order to encourage the production of new Student Housing while protecting San Francisco's existing housing stock.

The proposed substantive Code amendments include:

- Adding a new Code Section 102.36 to define Student Housing, applicable citywide.
- Amending Section 401 to delete the existing definition of Student Housing which only applies to the Eastern Neighborhood Mixed-Use Districts. This definition would be replaced with a reference to the new definition, which would apply city-wide;
- Amending Section 317 to prohibit the conversion of residential units to Student Housing;
- Amending Section 135 to adjust the open space requirements for small dwelling units that measure less than 350 square feet plus a bathroom;

- Amending Section 207.6 to exempt Student Housing from the unit mix requirements in RTO, NCT, DTR, and Eastern Neighborhood Mixed Use Districts;
- Amending Section 307 to establish a procedure for the conversion of Student Housing to any form of residential units that are not considered Student Housing, provided that all aspects of the Planning Code have been met or appropriately modified;
- Amending Section 312 to require neighborhood notification for a change of use to Group Housing within Neighborhood Commercial districts.

The Way It Is Now:

The proposed Ordinance amends five existing Sections of the Planning Code (hereafter referred to as "Code"). Below is a concise summary of the pertinent components of the Sections proposed for amendment.

- There currently exist two relevant definitions in the Code:
  - **Student Housing in Eastern Neighborhood Mixed-Use Districts.** This definition, located in Planning Code Section 401, identifies Student Housing as a "building where 100 percent of the residential uses are affiliated with and operated by an accredited post-secondary educational institution. Typically, Student Housing is for rent, not for sale. This housing shall provide lodging or both meals and lodging, by prearrangement for one week or more at a time. This definition only applies in the Eastern Neighborhoods Mixed Use Districts." This definition only applies to a limited area of the City's zoning districts, and does not apply citywide.
  - **Qualified Student Housing.** This definition, also located in Planning Code Section 401, defines Qualified Student Housing as, "housing or Group Housing (measured either by units or beds) or accessory living space within a non-residential space, either owned by a Qualified Educational Institution or controlled by a Qualified Educational Institution through a long-term master lease for a period of at least 20 years in which at least thirty percent (30%) of such beds are occupied by Qualified Students. The Qualified Student Housing may be on the site of the Institution or at another location in the City and County of San Francisco." This definition relates to income level of the occupants and the ownership of the housing for the purposes of an exemption from the inclusionary housing fee, but does not define the form of Student Housing or where is it is permitted.
- Code Section 317, which addresses the loss of dwelling units through demolition, merger, or conversion, does not specifically address the loss of residential dwellings through the conversion from housing to Student Housing.
- Code Section 135 outlines the requirements for usable open space for dwelling units and Group Housing. Section 135(d)(2) identifies a reduced requirement for usable open space for use by each bedroom in both Group Housing and SRO units, which is one-third that of required for a dwelling unit.
- Code Section 207.6 defines minimum dwelling unit mixes in certain zoning districts, in order to ensure an adequate supply of family sized units, which include at least two bedrooms. Section 207.6(b)(3) does not apply to buildings for which 100 percent of the uses are Group Housing, dwelling units which are provided at below market rates, Single Room Occupancy Units, or

Student Housing pursuant to the existing definition located in Section 401 (which applies only to mixed-use districts within the Eastern Neighborhoods.

- Code Section 312(c) defines the circumstances in Neighborhood Commercial (NC) districts in which changes of use require neighborhood notification. Currently, a change of use to Group Housing from any other use does not trigger neighborhood notice.

The Way It Would Be:

The proposed Ordinance would amend the following Sections within the Code:

- New Code Section 102.36 would create a citywide land-use definition of Student Housing. This new definition would reflect the variety of Student Housing types that are anticipated. The definition would be based on the occupancy as well as the ownership or control of the space. Student Housing would take the form of a dwelling unit, Group Housing, or an SRO that is occupied by students of an accredited post-secondary educational institution. In addition, the housing must be owned or otherwise controlled by the educational institution.
- Conversions from any existing form of housing to Student Housing would be prohibited with proposed amendments to Code Section 317.
- Conversions from Student Housing to any form of residential use permitted in the underlying zoning district would be approvable by the Zoning Administrator, provided that all Planning Code Requirements have been met or appropriately modified. This is reflected in the proposed addition of Code Section 307(j).
- Student Housing would be exempt, as are Group Housing, SROs, and dwellings offered at Below Market Rate, from the unit mix requirement within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use Districts. If at any point the housing no longer qualifies as Student Housing (as would be defined in new Section 102.36), the exemption from the unit mix requirement would no longer be applicable, and modifications to the unit mix may be required. This is reflected in the proposed amendment to Section 207.7(B)(3).
- Dwelling units that are less than 350 square feet plus a bathroom – including those that are considered Student Housing – would have the same reduced open space requirement (one-third that of dwelling units) as Group Housing and SROs, with the proposed amendment to Section 135(d)(2).
- A change of use to Group Housing within an NC district would require neighborhood notification pursuant to Section 312.
- Qualified Student Housing, as defined in Planning Code Section 401, may consist of all or part of a building, with the proposed modification to the definitions in Section 401.

REQUIRED COMMISSION ACTIONS

The proposed Ordinance is before the Commission so that it may approve or disapprove the proposed Planning Code Amendments.

RECOMMENDATION

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

BASIS FOR RECOMMENDATION

In December, 2010, Ordinance Number 321-10 was passed providing an Affordable Housing Program exemption for Qualified Student Housing.[1] When the Planning Commission considered this Ordinance, introduced by Supervisor Dufty, it recognized both the need for additional Student Housing and for protections for existing forms of housing from conversion to Student Housing. The Commission directed Department Staff to further consider these issues. The proposed Ordinance is the result of the Department's work with stake holders that include other City departments, community groups, developers, and elected officials.

The goal of the proposed Ordinance is to encourage the production of new Student Housing while protecting the City's existing housing stock. Of primary concern is to prohibit the conversion from any form of housing to Student Housing. The Department also prepared for a future potential in the event that approved Student Housing units would seek to convert to standard housing. The recommended process would allow this conversion provided that the requirements for standard housing have been met. These requirements include applicable open space standards, unit mix requirements, as well as affordable housing requirements.

New Varieties in the Form of Student Housing
The new definition of Student Housing is intended to acknowledge the different forms that new Student Housing may take. Educational institutions and investors alike are reporting changes in the form of today's Student Housing. Gone are the days of only traditional dormitory housing. Today's students benefit from a variety of forms of Student Housing, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to Group Housing models.

Preserving the Existing Housing Stock
The Department is recommending that conversions from any form of housing to Student Housing be prohibited. This prohibition is intended as a clear protection for the City's existing housing stock, including Group Housing and SROs that often provide housing for low income residents. The Department is also recommending several specific incentives to encourage the production of new Student Housing through new construction that more than offset the prohibition to convert housing to Student Housing.

Encouraging the Production of New Student Housing
Incentives to construct new Student Housing include an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use districts. These neighborhoods are transit rich, and can support small units intended to house students who may attend any of the area educational institutions. In addition, the Department recommends that the open space requirements for very small dwelling units – less than 350 square feet plus a bathroom – be reduced to 1/3 the basic requirement of

[1] Ordinance No. 321-10 (Board File 101095) amends Section 415 of the Code to provide an exemption from Inclusionary Housing fees for "Qualified Student Housing," which is defined as housing that is owned or controlled through a long-term lease in which a minimum of 30% of beds are occupied by students who are eligible to receive need-based financial aid, including but not limited to Pell Grants, Perkins Loans, Stafford Subsidized Loans, or other grants or loans.

dwelling units, which is consistent with the way that open space for Group Housing and SROs is provided.

Finally, the Department has outlined a streamlined process by which Student Housing may be converted to housing through review by the Zoning Administrator. Conversions from Student Housing to housing may be approved provided that all Code requirements for the underlying district are met or modified through appropriately modified through the Variance process.

The proposal for a new definition of Student Housing, with the associated amendments, described above complements the existing incentive that exempts "Qualified Student Housing" from Inclusionary Housing requirements. The existing exemption sets a fairly low bar for housing to be considered "Qualified Student Housing," such that almost any student can be considered a "Qualified Student." In order to avoid paying the Inclusionary Housing fees, 30 percent of the students in the housing need only qualify for any loan or grant, including (but not limited to) Pell Grants, Stafford Subsidized Loans, or Perkins Loans. Almost any Student Housing may qualify for the exemption from inclusionary housing fees. It is important to note that the proposed Ordinance provides incentives such as reduced open space requirements and an exemption from the unit mix requirements in specific areas that are in addition to the existing exemption from paying inclusionary housing fees. For this reason, the Department does not feel that there exists sufficient reason to also allow additional square footage above that permitted by the base floor area ratio limits in the C-3 districts, as has been suggested by members of the Housing Action Coaltion (HAC), in their June 10, 2011 memo (attached).

Adding New Noticing Procedures

The proposed change to the neighborhood notification process is intended correct an inconsistency in the Code. Currently, while the addition of a dwelling unit within an NC District would require neighborhood notification, the addition of, or conversion to, Group Housing would not. This inconsistency is addressed in the proposed Ordinance, and would apply to Student Housing as well as any form of Group Housing.

In sum, the Department feels that the proposed Ordinance provides additional incentives to create new Student Housing, particularly in transit-rich neighborhoods such as the RTO, NCT, DTR, and Eastern Neighborhoods Mixed-Use Districts. While these incentives are important and the need for new Student Housing is real, the Department also feels that the proposed Ordinance adds needed protection for the existing housing stock, particularly for types such as Group Housing and SROs that often provide housing for low-income residents.

ENVIRONMENTAL REVIEW

The proposal to amend the Planning Code would result in no physical impact on the environment. The proposed amendment is exempt from environmental review under Section 15060(c)(2) of the CEQA Guidelines.

PUBLIC COMMENT

As of the date of this report, the Planning Department has two letters from the Housing Action Coalition (HAC) regarding this legislation. The letters are attached.

RECOMMENDATION:	Recommendation of Approval

Exhibit A:	Draft Planning Commission Resolution: Recommending Approval of Amendments to the Planning Code
Exhibit B:	Draft Ordinance Adding a Definition for Student Housing and Associated Amendments
Exhibit C:	Two memos from the Housing Action Coalition (HAC), dated March 23, 2011 and June 10, 2011

File 111374
BOS-11, CU Clerk (AM)

SAN FRANCISCO
PLANNING DEPARTMENT

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 JAN 12 PM 3:05
BY AK

MEMO

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San Francisco,
CA 94103-2479

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DATE:	January 11, 2012
TO:	Honorable Members of the Board of Supervisors
THROUGH:	Clerk of the Board
FROM:	Mat Snyder Eastern Neighborhood Community Advisory Committee (EN CAC) Staff Planner
RE:	Student Housing Trailing Legislation Planning Case No. 2011.0206T Board File No. 111-374

At their January 9, 2012 meeting, the EN CAC passed a motion supporting a proposal to remove the Conditional Use (CU) requirement from student housing projects in the Eastern Neighborhoods.

As you know, the Board of Supervisors passed legislation last year that established "student housing' as a sub-type of use throughout the City and eliminating the Below Market Rate (BMR) requirement, and family-sized unit requirements for such uses. Trailing legislation addressing student housing definitions, among other things, was recently approved by the Planning Commission and forwarded to the Board of Supervisors for action.

As part of the EN Zoning and General Plan legislation adopted in January 2009, CU was required for student housing. However, the CU requirement was established to largely address inappropriate conversions of other uses to student housing. The student housing legislation passed this past year was to encourage the development of new student housing and a means to address shortage of affordable student housing. Because the EN controls had been recently established, staff did not recommend changing the CU requirement in the EN.

In anticipation of trailing student housing legislation to be heard at the Land Use Committee, the Housing Action Coalition (HAC) made a presentation to the EN CAC advocating the removal of the CU requirement in the EN.

At the conclusion of the presentation, the EN CAC made the following motion:

Motion:	Based on the policy discussion at the January 9, 2012 EN CAC meeting, support the removal of the CU requirement for student housing in Eastern Neighborhood Mixed Use Districts except for the for the SP (South Park) District.
1st:	Goldstein
2nd:	Gillett

Ayes: Block, Doumani, Goldstein, Grande, Gillett, Huie, Ongoco, Scully, Shen, Sofis

Nos: [none]

Please let me know if you have any questions regarding this Motion or the CAC's discussion.

cc:

Chris Block, EN CAC Chair, via e-mail
Kate Sofis, EN CAC Vice-Chair, via e-mail
AnMarie Rodgers, Manager of Legislative Affairs, via e-mail
Sophie Hayward, Planner, via e-mail

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File No. 111374
3/26/12 - Submitted in Committee by James Haas

February 29, 2012

To: Supervisor Scott Weiner

From: James Haas

Re: Student Housing – Problems in the Existing and Proposed Legislation

The basic premise of the student housing initiative has been that the numerous educational instructions in the City have an acute need to secure decent and reasonable cost housing for their students but do not have the ability or financial capacity to develop and provide it themselves. This is particularly true of the smaller institutions. On the other hand private property owners and developers are unwilling and incapable of fulfilling the need because the Planning Code heretofore has not considered student housing as a special category of housing but as an aspect of ordinary market rate housing subject to the affordable housing set aside or payment in lieu. The rents which would have to be charged for market rate housing designed for students would be in excess of what most students could afford. Thus, none has been built. To remedy this situation, the Board of Supervisors added Section 415.3(a)5 to the Planning Code setting forth provisions to facilitate the private development of student housing exempt from the affordable housing requirement.

I set forth below several issues which in my opinion make the current and proposed legislation in effective unless further modified:

1. Owned, Operated or Otherwise Controlled The definition of Qualified Student Housing (Section 401) covers housing "either owned by a Qualified Educational Institution or controlled by a Qualified Educational Institution through a long term master lease for a period of at least 20 years..." Section 415.3(a)5(C)i exempting student housing from the affordable requirement calls for "Evidence that the Qualified Educational Institution continues to own or otherwise control the Qualified Student Housing Project under a master lease..." Proposed Section 102.36 definition of Student Housing states "Student Housing must be owned, operated or otherwise controlled by an accredited post-secondary Educational Institution..." The plain meaning of these clauses is that the Educational Institution is directly involved in the student housing through purchase of the completed project from the developer or controls and operates the facility under a lease with a 20 year term collecting rents from the students, maintaining the premises and making lease payments to the developer/owner.

   I am unaware of any institution which is currently willing to enter into such an arrangement whereby they would expend their resources to purchase a property or incur the risks of operating a facility and collecting the rent from the students. The institutions want to place these burdens and risks on the developer owners while entering into less binding agreements. In return for the developer/owner building housing designed for their students and making a specified number of units available, the institutions would amend their institutional master plans as provided for in Section 415.3((a)5(B) to include the proposed student housing project so that it would become a Qualified Student Housing Project and thus exempt from the affordable housing requirement. They would also make their best efforts to inform and encourage their student seeking housing to rent units in the student housing project so affiliated with the institution. It does not seem to me that this sort of arrangement is covered in the language in the

current or proposed legislation. Thus, I believe that you need to make amendments to provide for such.

2. Multiple Institution Use of A Student Housing Project To develop a student housing project with a rent schedule attractive to student, a developer/owner will probably have to design and build a large facility of 200 or more rooms. Few if any institution will be likely to enter into an agreement with an owner developer for such a number of units exclusively. More likely two or three institutions would agree to take specified numbers of units, perhaps floors, in the student housing project. Currently the language in the existing and proposed legislation speaks of a Qualified Educational Institution in the singular and makes no provision for the join use of a student hosing project. An amendment allowing for join use should be included.

3. Nine Month Leases (Summer) Student housing is normally arranged for the academic year or approximately nine months. Under privately owned and operated student housing, students might have to enter into twelve month leases. On the other hand, the institution may want access to the units for summer classes, workshops and other institutional related activities. The current and proposed legislation makes no provision for such normal institutional usage. You need to amend in appropriate language.

4. Institution Related Non-Student Tenants In certain circumstances, particularly with young or foreign students, institutions provide for graduate student or faculty to live with the students. Under the current or proposed legislation, unless an institution owned or operated the student housing project, such non-student tenants in the housing are not provided for. An amendment for such use should be considered.

111374

Student Housing Impacts have NOT been adequately assessed on family rental housing stock. - Land-Use / SFBOS

Aaron Goodman to: alisa.miller 03/24/2012 08:24 AM

Cc: scott.wiener, eric.l.mar, malia.cohen, board.of.supervisors, john.rahaim

SF Board of Supervisors Land-Use Committee (Monday March 26th meeting)

I am unable to attend the next hearings on

Items 113374 and 120191 (efficiency units) and 120220 (regarding signage on privately owned open-space areas that are publicly accessibly) all affect areas of student housing and land owned in Parkmerced that is publicly accessible from the street, and would promote signage changes on site that are un-sightfull (see large signs placed on SFSU owned property in Parkmerced). The imposed signage changes are unecessary and cause urban blight in terms of urban character. Trees were also removed in parkmerced that were notable species along Font for signage entry features to the open-space medians in Parkmerced. Efficiency unit legislation also will allow denser student housing on prior low-scale density housing on University Park South. This will also adversely affect housing meant for families in Parkmerced. Stonestown will also be affected further if plans for redensification by the university progress.

please see the attached memo on the impacts of Student Housing on Family Housing and existing communities. regarding 113374.

Thank you for your attention to this issue and impacts un-assessed by the city in terms of student housing impacts. Please study the impacts of growth changes by universities and adequately assess impact fees that correct the issues through densification of exisiting campus areas vs. demolition and destruction of sound units.

The study of CSU impacts and fee increases connect DIRECTLY to the purchase of land in 2000-2004 of Stonestown and UPS, and proposals to develop this land, hiring of consultants and costs of capital planning staff. The proposal for a "creative-arts-center" on prior open-space of Parkmerced tenants violates the SF General Plan and indicates a lack of adequate compensation to residents for the loss of there open-space and public ammenities in Parkmerced (play-field, basketball courts, tennis and hardball courts, shoe-horse area, garden areas, and community building.)

Although the deal was in the past, it is imperative that the impacts be adequately assessed in terms of impacts on families, and rental housing stock in the city and county of San Francisco.

Sincerely

A.Goodman

2012_3_26_landusememo.pdf

March 24, 2012

San Francisco Board of Supervisors (Land-Use Committee)

On Monday you are discussing an important item on the impacts of INSTITUTIONAL GROWTH without any checks and balances. The impact of student housing growth, and pirating of the city's general housing stock from the general public has been consistently ignored in terms of "fair-share" impact fees and adequate assessment of enrollment growth. Supervisor Scott Wiener's legislation includes currently a segment that prohibits the transfer or shift of residential housing to student housing use. This section MUST remain in place until adequate steps are taken to analyze and determine the impacts of student housing on neighborhoods is determined via a nexus study or adequate information presented by non-biased groups on the topic.

Schools like the Academy of ART, San Francisco State University, City College, University of SF, and other small local schools utilize property and there financing wings to purchase land and develop it in similar fashion to larger universities. The SFSU Foundation (now entitled U.Corp, or University Corporation) changed its mission statement from education first, to include the term "development". This provided the university with the ability to utilize funds and donated money to purchase land that they could not prior. It was a "first" and exception to the CSU rule stated Robert Corrigan back in 2000-2004 in his "presidents emails" to students. Corrigans statements can be found via "google" search and indicate that something out of the ordinary was occurring to allow growth and expansion. The impact of this change has been negative to numerous issues out on the cities western side.

- Parking
- Traffic
- Housing
- Open-Space

All have been impacted severely in terms of the increase in the enrollment cap, and purchases of land by SFSU. The University increased its tuition thereafter consistently and caused many raised voices of concern due to the inflation of tuition, and housing costs in the area. Stones town and portions of Parkmerced were purchased by the university a loss of over 1,000 units of former rent-controlled housing, parcels of open space and a community center belonging to tenants at Parkmerced. ZERO impact fees were assessed, and the few negotiated impact assessments such as on transit were negligible in scope and amount, even though traffic and transit impacts have only worsened in the district during university hours, and the university cut its bus services, along with the SFMTA in the district. The lack of any analysis to the impacts of the university growth problem is that they do not pay their "fair-share" impact fees per state court decisions on housing, transit, open-space, and parking...CSU vs. Long Beach or Santa Barbara I think was the correct case. A city sued to garner money from CSU to adequately assess and negate the negative impacts on the community/city.

The impacts on family housing have been notable in San Francisco especially on the western side of the city, as units have been removed by SFSU-CSU and no new units built to provide low-mid income rental housing not above 33% of the median income. Families, as has been previously discussed by the board, are a protected class and losing families in SF has been a MAJOR issue due to costs of housing. As noted in a previous email to the SFBOS, the newest rental housing built on Ocean Ave is un-affordable to many families, but students at City College may "occupy" these units through sharing illegally or "cramming" into units and sharing the costs. Many students build out illegally the internal partitions in units in Parkmerced and this has become a concern due to fire-hazards and impacts on street parking and noise, water-use, and overall conditions in the towers (garbage).

SFSU had an IMPLIED PARTNERSHIP (see remarks Bert Polacci a manager government relations lobbyist with Stellar Management with SFSU-CSU) the ads in the SFSU-CSU journal the Xpress available in the journalism department promoted ***"student living re-defined"*** while families were leaving parkmerced in droves! The consistent effort to attract students OVER families had resulted in a gentrification of the Parkmerced Community. No analysis was done on the impacts and concerns raised during the SFSU-CSU Masterplan EIR by the city. It is a well documented fact that housing adjacent to universities and colleges is LUCRATIVE, and therefore the TURNOVER ratio of rental units increased consistently. Students at SFSU stay for 3-4 years and therefore the flipping of units intensified by SF State when renovations occurred by SFSU and Parkmerced's prior Stellar Management ownership. New units that were renovated were priced above the means of many families, and the impacts of students increased when they noted that CSU laws prohibit dogs, alcohol, and smoking, yet in Parkmerced's remaining unpurchased areas they could have a pad, or unit without being subjected to the CSU rules. As more students shared units and utilized facebook and "party-pad" units to have multi-unit parties in Parkmerced additional families were forced to move out due to the situation getting worse in some of the towers and low-rise units. Attempts by management and residents to discuss the issue with SFSU-CSU created the SFSU-Taskforce a small "complaint" meeting group run by the university but with little teeth or enforcement on the issues being raised in the community in terms of housing impacts.

No data exists on the impacts on rental housing at Stonestown and Parkmerced by the planning dept. ***THE PLANNING DEPARTMENT AND AN INDEPENDENT THIRD PARTY GROUP SHOULD BE REQUIRED TO STUDY AND PRESENT ACTUAL DATA ON THE IMPACTS OF UNIVERSITY AREAS ON HOUSING AVAILABILITY AND IMPACTS SINCE SUCH PURCHASES AS STONESTOWN AND PARKMERCED IN DISTRICT 7.*** The loss of stonestown and parts of parkmerced has ***NOT*** been adequately assessed in terms of impacts on Parkmerced by student housing...

. It would be key as Supervisors to utilize the tools you have at the Land-Use committee to enforce the issue at the planning department and planning commission.....Attorney Sue Hestor and others have spoken on the Academy of Art impacts on surrounding areas. I do not believe that the universities are playing fair, when they increase enrollment caps, raise tuition to fund land-grabs such as stonestown and parkmerced in 2000-2004 and do a masterplan www.sfsumasterplan.org that divides and counquers parkmerced's prior status as affordable family housing and the city does nothing to adequately assess the impacts on rental housing and family housing.

It is time to hold the planning department accountable in terms of analysis on their approved EIR's for SFSU-CSU and Parkmerced, to ensure that they act in the GENERAL publics best interests. Students need student housing, and FAMILIES need family housing. Allowing universities and public institutions the ability to cannibalize our housing stock without impact fees being assessed is against the communities and cities best interests. Please keep the section prohibiting the conversion of residential housing to student housing, and do not allow efficiency units to promote re-densification over adequate infill and rehabilitation (University Park South) so that students not only get housing built by the university, they also get housing that includes open-space, and are not stuffed like sardines into units with little protection to communities and the students themselves in terms of costs. Please require an analysis of impacts on families from 1990 onwards DATA is needed!!!!!

Sincerely

Aaron Goodman
25 Lisbon St.
San Francisco, CA 94112
amgodman@yahoo.com

File 111374: Student Housing - SFSU-CSU

Board of Supervisors to: Carmen Chu, David Campos, David Chiu, Eric L Mar, John Avalos, Sean Elsbernd, Malia Cohen, Scott Wiener, 02/27/2012 10:48 AM

From: Aaron Goodman <amgodman@yahoo.com>
To: board.of.supervisors@sfgov.org
Cc: Malia.Cohen@sfgov.org, Eric.L.Mar@sfgov.org, Scott.Wiener@sfgov.org
Date: 02/26/2012 08:29 AM
Subject: Re: Student Housing - SFSU-CSU

SF Board of Supervisors

I must add concern to the proposed legislation on the impacts of upzoning student housing areas. The impacts of which are VERY severe in terms of how the SFSU-CSU "masterplan" impacts negatively the district and community of parkmerced (past and future) in the proposals. The impacts of student housing on an existing prior family housing area for low-mid income working class residents has been consistently impinge on by student housing needs of SFSU-CSU. The impacts are most notable due to the consistent proposals for Infill and redevelopment of this area, when the assessment of land purchases and loss of units (stonestown and parkmerced) has NOT been adequately addressed by the housing dept. planning dept. or SFBOS. These impacts have resulted in a loss of over 1,000 units of rent controlled housing in the western side of SF with little new affordable units or "fair-share-impact" fees assessed to improve transit options, and housing competition in the area. The upscaling of student housing would allow SFSU to build 60'-0" plus buildings adjacent to a low-scale residential community. (even with the future proposals) which are currently in court on the EIR concerns. Please consider the impacts you create environmentally and physically when you allow large swaths of SF to be changed zoning wise, for institutional growth without adequate assessment of the current housing impacts they have created in the past 10+ years with sales of rental housing to institutions for there future "growth" plans. (please see my further comments and concerns below) as I will be unable to attend the monday hearing at the Land-Use committee.

Sincerely

A.Goodman

Date: Sunday, February 26, 2012, 8:19 AM

I must put in two cents to help broaden the impact and view of what this does;

SFSU-CSU owns

a) stonestown apartments (University Park North)
b) University Park South (parts of Parkmerced)
c) Open Space - now proposed for a "creative-arts-center" on lake merced blvd.

the impacts of these proposed changes exacerbate the housing loss, and promote UPzoning of areas that were

The impacts socialogically are severe, as on CSU owned property students cannot "drink, smoke, or own a pe three, promoting again students moving further into parkmerced, and causing faster turn-over of units, vs. lor

the up-zoning by SFSU was proposed in there initial www.sfsumasterplan.org to promote 4 story residential serrano drive opposite the parkmerced units which are low scale, walk down Serrano Drive and imagine 60'-(being built next to a 1 story library.

the effects of INSTITUTIONAL housing on the local housing stock has not been adequately assessed in Park

With ever increasing "enrollment" caps and CSU-SFSU styled incentivization of for-profit housing for there mission statement to include the term "development") we see further impacts on family housing (note: a prot (parkmerced) and where and how that housing should be placed (empty lots at stonestown or demolition of e

Without true open-government process and less back-room dealing by developers and lobbyists we still conti commission ZA legislation by wiener and his behind the scenes developer interests.

Infill like what was done on Brotherhood adjacent to the churches, (currently being pushed slowly back into and the one adjacent to the Bart Line where Farella Braun and Martell maneuvered for a public zoned area to under EVERY stone to figure out how to build more real-estate stock...Environment be damned, and existing

It behooves all community organizations to require a say in the planning and approval processes, especially o see consistent attempts to allow institutional growth through conversion of student housing to full upzoned a

With SFSU-CSU's changes we will have increased "retail" zoning on holloway (busy clotted street already d increased density adjacent to stonestown mall by SFSU, and in other segments such as the open space aquisit student use to a future "creative-arts-center" vs. reusing there existing site, and providing open-space for dor

Sorry for the diatribe, but wanted to be sure when you think of student housing the biggest culprit on the wes University Corporation.

Sincerely

A.Goodman

sfai

san francisco. art. institute.
since 1871.

Dear Mayor Lee,

I am the new President of the San Francisco Art Institute. It has only just come to my attention that an ordinance (111374 [Planning Code - Creating a New Definition of Student Housing]) that may affect San Francisco's only nonprofit, 141-year-old heritage art school will come before the Board of Supervisors on Monday, February 27.

I certainly understand the need to properly manage development in our city. However, in light of the absence of analysis and input from SFAI on this matter, I respectfully request that the Board postpone action to allow for a full discussion of the impact upon the San Francisco Art Institute.

Charles Desmarais

President

File

111374: Student Housing-- Amend ordinance to eliminate "Grandfathering"
~~Li Chapman~~
to:
Scott.Weiner@sfgov.org, david.chiu@sfgov.org, Eric.L.Mar@sfgov.org, Malia.Cohen@sfgov.org, Christina.Olague@sfgov.org, David.Campos@sfgov.org, John.Avalos@sfgov.org, Jane.Kim@sfgov.org, Carmen.Chu@sfgov.org, Sean.Elsbernd@sfgov.org, Mark.Farrell@sfgov.org, Board.of.Supervisors@sfgov.org
07/29/2012 11:57 PM
Cc:
"Andres.Power@sfgov.org", "judson.true@sfgov.org", "amy.chan@sfgov.org", "john.rahaim@sfgov.org"
Hide Details
From: Li Chapman <licwa@yahoo.com> Sort List...
To: "Scott.Weiner@sfgov.org" <Scott.Weiner@sfgov.org>, "david.chiu@sfgov.org" <david.chiu@sfgov.org>, "Eric.L.Mar@sfgov.org" <Eric.L.Mar@sfgov.org>, "Malia.Cohen@sfgov.org" <Malia.Cohen@sfgov.org>, "Christina.Olague@sfgov.org" <Christina.Olague@sfgov.org>, "David.Campos@sfgov.org" <David.Campos@sfgov.org>, "John.Avalos@sfgov.org" <John.Avalos@sfgov.org>, "Jane.Kim@sfgov.org" <Jane.Kim@sfgov.org>, "Carmen.Chu@sfgov.org" <Carmen.Chu@sfgov.org>, "Sean.Elsbernd@sfgov.org" <Sean.Elsbernd@sfgov.org>, "Mark.Farrell@sfgov.org" <Mark.Farrell@sfgov.org>, "Board.of.Supervisors@sfgov.org" <Board.of.Supervisors@sfgov.org>,
Cc: "Andres.Power@sfgov.org" <Andres.Power@sfgov.org>, "judson.true@sfgov.org" <judson.true@sfgov.org>, "amy.chan@sfgov.org" <amy.chan@sfgov.org>, "john.rahaim@sfgov.org" <john.rahaim@sfgov.org>
Please respond to Li Chapman <licwa@yahoo.com>

FOR: Board of Supervisors
FROM: Linda Chapman

Please amend the ordinance to eliminate grandfathering Art Institute-- or other heretofore unauthorized removal of existing housing from protections of the city's rent control law, or residential hotel conversion controls.

The Student Housing ordinance was recommended by the Land Use Committee with most damaging amendments eliminated-- except for the "grandfather" provision t hat Hiroshi Fukuda and I objected to for CSFN.

We were assured just one building qualifies-- and Planning Commissioners directed the exemption for the Art Institute (on Nob Hill like AAU "student housing"). Supervisor Weiner's office and the planner clarified that they did what the commission directed for the Art Institute.

Hiroshi asked how do you know other buildings don't fit the definition devised to grandfather one-- you discovered this one when the school brought it to your attention.

If "one"-- it is arbitrary to exempt one building owner, one institution arguing it is "old" and "nonprofit." Art Institute "converted" existing housing like AAU-- but says it had an Institutional Master Plan in place earlier.

The building identified "Art Institute" looks like a hotel. Robert Garcia believed it was a residential hotel.

How are protections for rent control and permanent residency in a residential hotel affected in this case?

Student tenancies can qualify as residential use (contrast to prohibited tourist use). No objections were raised to students renting protected units. The intent is to stop institutions arranging exclusive use for students, precluding other residents, and precluding permanent residence for everyone.

The ordinance should protect existing housing, and promote housing construction or reuse commercial buildings.

How is a "grandfather" amendment to remove any building from protected rental housing stock consistent with the intent? How is it justified by a school filing its Institutional Master Plan before AAU?

Otherwise, can a nonprofit agency later appeal a "Student Housing" permit, in spite of the ordinance?
1. For example, could one successfully argue the exemption contravened other laws: provisions for residential rent control and eviction protections-- in the general ordinance and the residential hotel protection law, both intended to allow permanent residence (absent a just cause for eviction)?
2. If residential hotel units are removed from housing protected by rent control, available for the public (including students) to establish permanent residence, how is the requirement to replace SRO units obviated?
3. What became of previous residents of a building claimed for student housing-- if not unlawful eviction?

Filing an IMP does not confer a right to "convert" residential hotels to exclusive student use.
If a residential hotel changed to student use, how were replacement units provided?

Institutions acquired no right-- but arranged rentals to evade renter protection laws and seemed to contravene fair housing laws with practices that exclude renters based on age or family status. Even religious institutions that managed housing for young urban women were required to stop making tenants leave at 35, or had to accept men.

Parallel loss of housing stock: short-term rentals--

It is appropriate to eliminate "grandfather" provisions from the Student Housing law because of a parallel situation where dwelling units were withdrawn from the supply of rent controlled housing with no public process to confer entitlement. It is a bad precedent to allow grandfathering for Student Housing, while this situation is unresolved.
1. The ordinance passed to protect dwelling units from commercial use for tourists and business travelers was eviscerated by a deputy city attorney, after approved by BOS (two occasions), and no successful court challenge. Later amendment of the defective Code section was so ineffective that 1000's of dwelling units continued to operate as short-term rentals, and more turned into transient use.
2. "Conversions" occurred with no public notice, no public process.
3. No law or procedure conferred entitlement.
4. "Conversion" contravened the rent law.
5. A commercial use violates zoning where a hotel-like use is prohibited or requires C.U. authorization.
6. These businesses evade a transient tax, and unfairly compete with hotels that have labor contracts and pay the tax.

Linda Chapman

1316 Larkin St 94109
516-5063 cell

File 111374

Adverse Public Comment Not Included in Board Agenda Packet Re: Planning Code Amendments Creating a New Definition of Student Housing [BOS File 111374]

Cynthia Servetnick to: David.Chiu, Supervisor Eric L. Mar, Malia.Cohen, scott.wiener, Mark.Farrell, Carmen.Chu, jane.kim, Sean.Elsbernd, 07/31/2012 09:54 PM

Cc: Alisa.Miller, AnMarie Rodgers, BOS SOTF, sfpreservationconsortium

Honorable President Chiu and Members of the Board:

The below adverse public comment was not included in the 7/31/12 Board Agenda Packet for the Planning Code Amendments Creating a New Definition of Student Housing sponsored by Supervisor Scott Wiener [BOS File 111374] per:

http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/bosagendas/materials/bag073112_111374.pdf

Linda Chapman of the Coalition for San Francisco Neighborhoods and Nob Hill Neighbors spoke against the ordinance. Were there other adverse written public comments that did not make it into the Board Agenda Packet? If so, they should be posted as correspondence to the Board so that the public can easily understand the objections.

Sincerely,

Cynthia Servetnick
District 3 Resident

[NOTE: Cross Reference Sunshine Ordinance Task Force hearing on Case 12027: SF Preservation Consortium v. Supervisor Wiener which was filed by Cynthia Servetnick, eGroup Moderator and has been postponed for three months without explanation.]

------Original Message------
From: CYN
To: Supervisor Eric L. Mar
To: Malia.Cohen@sfgov.org
To: scott.wiener@sfgov.org
Cc: Alisa.Miller@sfgov.org
Cc: David.Chiu@sfgov.org
Cc: Christina.Olague@sfgov.org
Cc: Mark.Farrell@sfgov.org
Cc: Carmen.Chu
Cc: jane.kim@sfgov.org
Cc: Sean.Elsbernd
Cc: Supervisor David Campos
Cc: John.Avalos@sfgov.org
Cc: dean@tenantstogether.org
Cc: ted@sftu.org
Cc: Calvin Welch
Subject: Planning Code Amendments Creating a New Definition of Student Housing [BOS File 111374]
Sent: Jul 23, 2012 12:38 AM

Chair Mar and Honorable Supervisors Cohen and Wiener:

While Supervisor Wiener's proposed student housing ordinance

encourages post-secondary schools to build student housing limiting competition with affordable housing demand for City residents, it still allows the unnecessary limited conversion of existing dwelling units into student housing.

The ordinance amends Section 317 of the Planning Code to permit conversion of residential units into student housing if the residential use is on a lot directly adjacent to the post-secondary educational institution provided the lot has been owned by said institution for at least ten years as of the effective date of the ordinance, or as of August 10, 2010, it was owned, operated or otherwise controlled by said institution that had an Institutional Master Plan on file with the Planning Commission where the occupancy by those other than students at that date was less than 20% of the total occupants.

This exception, along with the proposed definition of student housing to include small efficiency dwellings with individual kitchens and bathrooms in addition to group housing, place residential buildings and Single Room Occupancy hotels adjacent to institutions such as the Academy of Art University at risk of conversion to non-rent-controlled student housing. Students are currently able to rent such units. Given the scarcity of this type of affordable housing stock, no conversions should be permitted. The proposed ordinance effectively "spot zones" ever-widening student housing zones adjacent to post-secondary educational institutions--this loophole should be eliminated.

Sincerely,

Cynthia Servetnick
District 3 Resident

111374

For BOS package SEPT 4, 2012

From: Winchell Quock <winchellq@sbcglobal.net>
To: Board.of.Supervisors@sfgov.org,
Date: 08/27/2012 11:57 AM
Subject: For BOS package SEPT 4, 2012

August 27, 2012

Dear San Francisco Board of Supervisors,

Greetings from the University Terrace Neighborhood.

Except for Section 317(b)(1)(ii) the New Definition of Student Housing Ordinance generally improves San Francisco. To make the Ordinance more fair the object of Section 317(b)(1)(ii) should be changed from "facility" to "housing" because

1. "Housing" is more specific and therefore more in keeping with "very limited" amendments as written on Page 5 of the Planning Commission Resolution No. 18652 and transmitted on June 29, 2012 by the Planning Department. "Housing" is also more in keeping with the intent for "extremely limited" amendments as voiced by Supervisor Wiener at the San Francisco Planning Commission hearing of May 17, 2012.
2. The entirety of San Francisco enjoys prohibitions against conversions into Student Housing except for areas primarily near University of San Francisco (USF). It is only fair that amendments be limited to "housing" instead of "facility" so that neighborhoods near USF can also benefit from the prohibition of conversions.
3. At the Land Use Committee meeting of July 23, 2012, the USF attorney stated that they wanted flexibility in the amendment. However, this USF goal for flexibility is contrary to the stated intent of the amendment. Such flexibility is also contrary to the San Francisco policy of protecting existing housing and neighborhoods.

Please, for Section 317(b)(1)(ii) of the New Definition of Student Housing Ordinance, please consider and change "facility" to "housing".

Thank you for your consideration.

Jeanne Quock
San Francisco resident