

BOARD of SUPERVISORS



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## MEMORANDUM

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Date: January 27, 2023  
To: Planning Department / Commission  
From: Erica Major, Clerk of the Land Use and Transportation Committee  
Subject: Board of Supervisors Legislation Referral - File No. 230058  
Planning Code, Zoning Map - Rezone Designated RM-2 Parcel

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

Please send the Planning Department/Commission recommendation/determination to Erica Major at [Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org).

1 [Planning Code, Zoning Map - Rezone Designated RM-2 Parcel]

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3 **Ordinance amending the Planning Code and Zoning Map to rezone Assessor's Parcel**  
 4 **Block No. 0976, Lot No. 001, located in the Residential Mixed, Moderate Density (RM-2)**  
 5 **District to permit use for up to 47 Tourist Hotel Rooms; affirming the Planning**  
 6 **Department's determination under the California Environmental Quality Act; making**  
 7 **findings of consistency with the General Plan, and the eight priority policies of**  
 8 **Planning Code, Section 101.1; and making findings of public necessity, convenience,**  
 9 **and welfare under Planning Code, Section 302.**

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

14

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

16 Section 1. Environmental and Planning Code Findings.

17 (a) The Planning Department has determined that the actions contemplated in this  
 18 ordinance comply with the California Environmental Quality Act (California Public Resources  
 19 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of  
 20 Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference. The Board  
 21 affirms this determination.

22 (b) On \_\_\_\_\_, the Planning Commission, in Resolution No. \_\_\_\_\_,  
 23 recommended the Planning Code and Zoning Map amendments in this ordinance for approval  
 24 and adopted findings that the actions contemplated in this ordinance are consistent, on  
 25 balance, with the City's General Plan and eight priority policies of Planning Code Section

1 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with  
2 the Clerk of the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by  
3 reference.

4 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the  
5 Planning Code and Zoning Map amendments in this ordinance will serve the public necessity,  
6 convenience, and welfare for the reasons set forth in Planning Commission Resolution No.  
7 \_\_\_\_\_, and the Board incorporates such reasons herein by reference.

8  
9 Section 2. General Findings.

10 (1) The Residential Hotel Unit Conversion and Demolition Ordinance was enacted  
11 in 1990 as Chapter 41 of the Administrative Code ("Chapter 41"). The stated purpose of  
12 Chapter 41 was "to benefit the general public by minimizing adverse impact on the housing  
13 supply and on displaced low-income, elderly, and disabled persons resulting from the loss of  
14 residential hotel units through their conversion and demolition."

15 (2) Section 41.3 of the Administrative Code includes the following findings:

16 (a) There is a severe shortage of decent, safe, sanitary and affordable rental  
17 housing in the City and County of San Francisco and this shortage affects most severely the  
18 elderly, the disabled and low-income persons.

19 (b) The people of the City and County of San Francisco, cognizant of the  
20 housing shortage of San Francisco, on November 4, 1980, adopted a declaration of policy to  
21 increase the city's housing supply by 20,000 units.

22 (c) Many of the elderly, disabled and low-income persons and households  
23 reside in residential hotel units.

24 (d) A study prepared by the Department of City Planning estimated that there  
25 were only 26,884 residential hotel units in the City in December of 1979, a decrease of 6,098

1 such units from 1975. Since enactment of this Chapter, residential hotel units have continued  
2 to decrease, at a slower rate: in 1981, there were 20,466 residential hotel units as defined by  
3 this Chapter; in 1988, there were 18,723 residential hotel units, a decrease of 1,743 over a  
4 period of years. The decrease is caused by vacation, conversion or demolition of residential  
5 hotel units. Continued vacation, conversion or demolition of residential hotel units will  
6 aggravate the existing shortage of affordable, safe and sanitary housing in the City and  
7 County of San Francisco.

8 (e) As a result of the removal of residential hotel units from the rental housing  
9 market, a housing emergency exists within the City and County of San Francisco for its  
10 elderly, disabled and low-income households.

11 (f) Residential hotel units are endangered housing resources and must be  
12 protected.

13 (g) The Board of Supervisors and the Mayor of the City and County of San  
14 Francisco recognized this housing emergency and enacted an ordinance which established a  
15 moratorium on the demolition or conversion of residential hotel units to any other use. The  
16 moratorium ordinance became effective on November 21, 1979.

17 (h) The conversion of residential hotel units affects those persons who are  
18 least able to cope with displacement in San Francisco's housing market.

19 (3) Pursuant to Sections 41.12 and 41.13 of the Administrative Code, the owner or  
20 operator of a residential hotel within Chapter 41's scope may apply to convert or demolish one  
21 or more residential units by providing for a one-to-one replacement of the unit(s) by one of the  
22 methods set forth in Section 41.13.

23 (4) Since its enactment in 1990, provisions of the Residential Hotel Unit Conversion  
24 and Demolition Ordinance have been amended from time to time to ensure that its provisions  
25 continue to align with its original intent (a) to preserve affordable rental housing for elderly,

1 disabled, and low-income persons and households who are least able to cope with  
 2 displacement and (b) to require a one-for-one replacement of these residential units if the  
 3 hotel owner or operator is allowed to convert or demolish them.

4 (5) This ordinance contemplates that there are a limited number of existing hotels in  
 5 the City that are subject to Administrative Code Chapter 41 but were built by design to be  
 6 hotels with high-end services and have never been affordable rental housing. This ordinance  
 7 provides an alternative means to benefit San Francisco’s low-income, elderly and formerly  
 8 houseless citizens without having an adverse impact on the City’s supply of affordable rental  
 9 housing that the Residential Hotel Unit Conversion and Demolition Ordinance was intended to  
 10 address.

11 Section 3. The Planning Code is hereby amended by revising Section 209.2, to read as  
 12 follows:

13 **SEC. 209.2. RM (RESIDENTIAL, MIXED) DISTRICTS.**

14 \* \* \* \*

15 **Table 209.2**  
 16 **ZONING CONTROL TABLE FOR RM DISTRICTS**

Zoning Category	§ References	RM-1	RM-2	RM-3	RM-4
* * * *					
<b>NON-RESIDENTIAL STANDARDS AND USES</b>					
* * * *					
<b>Sales and Service Category</b>					
<b>Retail Sales and Service Uses*</b>	§ 102	NP	NP	NP	NP
Hotel	§ 102	C(4)	C(4)	C(4)	C(4)
* * * *	* * * *	* * * *			

1 \* Not listed below.

2 \* \* \* \*

3 (4) C for 5 or fewer guest rooms or suites of rooms; NP for 6 or more guest rooms; provided,  
4 however, that a total of up to 47 Tourist Hotel rooms are Principally Permitted on Block 0976, Lot 001,  
5 subject to the provisions of Ordinance No. 251-22.

6

7 Section 4. This ordinance shall have no retroactive effect and does not forgive or  
8 waive enforcement of any violations that occurred prior to the ordinance's effective date.

9

10 Section 5. Effective Date. This ordinance shall become effective 30 days after  
11 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
12 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
13 of Supervisors overrides the Mayor's veto of the ordinance.

14

15 Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
19 additions, and Board amendment deletions in accordance with the "Note" that appears under  
20 the official title of the ordinance.

21

22 APPROVED AS TO FORM:  
23 DAVID CHIU, City Attorney

24 By: /s/ KRISTEN A. JENSEN  
25 KRISTEN A. JENSEN  
Deputy City Attorney

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## **LEGISLATIVE DIGEST**

[Planning Code, Zoning Map - Rezone Designated RM-2 Parcel]

**Ordinance amending the Planning Code and Zoning Map to rezone Assessor's Parcel Block No. 0976, Lot No. 001, located in the Residential Mixed, Moderate Density (RM-2) District to permit use for up to 47 Tourist Hotel Rooms; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.**

### Existing Law

The Planning Code and Zoning Map limit the uses, height and bulk of buildings in the City.

### Amendments to Current Law

This legislation would rezone Block 0976, Lot 001 located in the RM-2 District to permit use for up to 47 Tourist Hotel Rooms as a principally permitted use.

### Background Information

This legislation is proposed in connection with and as a requirement of a settlement of litigation brought by the owner of the hotel located on Block 0976, Lot 001 challenging San Francisco's enforcement of the Hotel Conversion Ordinance. Under the terms of that settlement, the owner has agreed to make various payments to support the Veterans' Academy, a permanent supportive housing program for very low-income veterans operated by Swords to Plowshares. The terms of the settlement are described further in Board File No. 220729.

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