

1 [Planning, Administrative, Subdivision Codes; Zoning Map - Density Exception in Residential
2 Districts]

3 Ordinance amending the Planning Code to rezone all Residential, One Family (RH-1)
4 zoning districts, except for Residential One Family, Detached (RH-1(D)) districts, to
5 Residential, Two Family (RH-2) zoning districts; to rezone the RH-1(D) districts to a new
6 class of residential district called Residential, Two Family, Detached (RH-2(D)) districts;
7 and to provide a density limit exception to permit up to four dwelling units per lot, and
8 up to six dwelling units per lot in Corner Lots, in all RH (Residential, House) zoning
9 districts, subject to certain requirements, including among others the replacement of
10 protected units; amending the Administrative Code to require new dwelling units
11 constructed pursuant to the density limit exception to be subject to the rent increase
12 limitations of the Rent Ordinance; amending the Subdivision Code to authorize a
13 subdivider that is constructing new dwelling units pursuant to the density exception to
14 submit an application for condominium conversion or a condominium map that
15 includes the existing dwelling units and the new dwelling units that constitute the
16 project; affirming the Planning Department’s determination under the California
17 Environmental Quality Act; and making findings of consistency with the General Plan
18 and the eight priority policies of Planning Code, Section 101.1, and findings of public
19 necessity, convenience, and welfare under Planning Code, Section 302.

20 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
21 **Additions to Codes** are in *single-underline italics Times New Roman font*.
22 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
23 **Board amendment additions** are in double-underlined Arial font.
24 **Board amendment deletions** are in ~~Arial font~~.
25 **Asterisks (* * * *)** indicate the omission of unchanged Code subsections or parts of tables.

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

1 Section 1. CEQA and Land Use Findings.

2 (a) The Planning Department has determined that the actions contemplated in this
3 ordinance comply with the California Environmental Quality Act (California Public Resources
4 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
5 Supervisors in File No. 210866 and is incorporated herein by reference. The Board affirms
6 this determination.

7 (b) On November 18, 2021, the Planning Commission, in Resolution No. 21031,
8 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
9 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
10 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
11 the Board of Supervisors in File No. 210866, and is incorporated herein by reference.

12 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
13 amendments will serve the public necessity, convenience, and welfare for the reasons set
14 forth in Planning Commission Resolution No. 21031, and the Board adopts such reasons as
15 its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File
16 No. 210866 and is incorporated herein by reference.

17
18 Section 2. Background and Findings.

19 (a) California faces a severe crisis of housing affordability and availability, prompting
20 the Legislature to declare, in Section 65589.5 of the Government Code, that the state has “a
21 housing supply and affordability crisis of historic proportions. The consequences of failing to
22 effectively and aggressively confront this crisis are hurting millions of Californians, robbing
23 future generations of a chance to call California home, stifling economic opportunities for
24 workers and businesses, worsening poverty and homelessness, and undermining the state's
25 environmental and climate objectives.”

1 (b) This crisis of housing affordability and availability is particularly severe in San
2 Francisco. It is characterized by dramatic increases in rent and home sale prices over recent
3 years and historic rates of underproduction of new housing units across income levels,
4 particularly in the City’s western neighborhoods and RH (Residential, House) zoning districts.

5 (c) According to the Planning Department’s 2020 Housing Inventory, the cost of
6 housing in San Francisco has increased dramatically since the Great Recession of 2008-
7 2009, with the median sale price for a two-bedroom house more than tripling from 2011 to
8 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone,
9 even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom
10 apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to
11 \$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.

12 (d) These housing cost trends come after decades of underproduction of housing in
13 San Francisco, with only 600 net new units on average added per year from 1960 to 1990,
14 compared with 37,000 per year in the Bay Area as a whole, and fewer than 1,000 net new
15 units on average per year in San Francisco in the 1990s, before increasing to an average of
16 roughly 2,500 per year from 2000 to 2019, according to the Planning Department’s 2019
17 Housing Affordability Strategies Report.

18 (e) The City’s Chief Economist has estimated that approximately 5,000 new market-
19 rate housing units per year would be required to keep housing prices in San Francisco
20 constant with inflation generally, rather than greatly exceeding general rates of inflation.

21 (f) Moreover, San Francisco will be challenged to meet increased Regional Housing
22 Needs Allocation (“RHNA”) goals in the upcoming 2023-2031 Housing Element cycle, which
23 total 72,000 units over eight years, more than 2.5 times the goal of the previous eight-year
24 cycle. At the same time, relatively new State laws like Senate Bill 35 (2017) would limit San
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1 Francisco’s local zoning control and discretion if the City does not meet these RHNA housing
2 production goals.

3 (g) San Francisco’s new housing production in recent years has been heavily
4 concentrated in the eastern and southeastern parts of the City, with 90% of all new housing
5 produced in just ten eastside and central neighborhoods, according to the Housing
6 Affordability Strategies Report. These neighborhoods are home to many of the City’s most
7 established communities of color and communities most vulnerable to displacement
8 pressures.

9 (h) Roughly 60% of San Francisco’s developable land area is in the RH (Residential,
10 House) zoning districts, concentrated primarily on the City’s west side, with 38% of the City’s
11 developable land area zoned exclusively for single-family homes in RH-1 (Residential, House,
12 One Family) and RH-1(D) (Residential, House, One Family, Detached Dwellings) zoning
13 districts. In spite of the expansive geographic coverage of RH zoning districts throughout the
14 City, only 10% of the total new housing units in 2020 were built in these districts.

15 (i) Neighborhoods zoned for RH encompass a wide variety of housing and building
16 typologies, with a distinct historic pattern of taller, higher-density buildings often located on
17 corner lots throughout residential neighborhoods in the City, which predate the advent of RH
18 zoning, in the 1970s.

19 (j) The City’s COVID-19 Economic Recovery Task Force included a recommendation
20 in its October 2020 report to support construction of small multifamily buildings in low density
21 areas to support “missing middle” housing opportunities.

22 (k) This ordinance allows the development of up to four units, and up to six units in
23 Corner Lots, in all RH districts throughout the City (as shown on the Zoning Maps ZN 01
24 through ZN 14), at the heights currently specified in the City’s Zoning Maps (Height Maps HT
25 01 through HT 14). All parcels affected by this ordinance are considered urban infill sites

1 under California Government Code Section 65913.5(e)(3). This Board therefore declares that
2 this ordinance is enacted pursuant to California Government Code Section 65913.5.

3 (l) This Board acknowledges that new housing developments approved under this
4 ordinance will be subject to the requirements of California Government Code Section
5 66300(d), such as the obligation to replace all existing or demolished protected units and
6 protections for existing occupants, including, for lower income occupants of protected units,
7 relocation benefits and a right of first refusal for a comparable unit available in the new
8 housing development at an affordable rent or cost, as provided by state law.

9 (m) This Board finds that this ordinance is consistent with San Francisco’s obligation to
10 affirmatively further fair housing pursuant to California Government Code Section 8899.50, by
11 increasing density in a manner that meaningfully addresses significant disparities in housing
12 needs and access to opportunity. The ordinance achieves the increase in density by
13 increasing the principally permitted residential density in areas subject to historically
14 exclusionary density limits, by providing an additional density exception for projects that
15 comply with the requirements of Section 66300(d) of the California Government Code and
16 enter into regulatory agreements with the City acknowledging that, in consideration for the
17 density exception, the new units shall be subject to local rent control notwithstanding the
18 Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et seq.).

19
20 Section 3. Article 2 of the Planning Code is hereby amended by revising Sections 207
21 and 209.1, to read as follows:

22
23 **SEC. 207. DWELLING UNIT DENSITY LIMITS.**

24 * * * *

1 **(c) Exceptions to Dwelling Unit Density Limits.** An exception to the calculations
2 under this Section 207 shall be made in the following circumstances:

3 * * * *

4 **(8) Residential Density Exception in RH Districts.**

5 **(A) Density Exception.** Projects located in RH Districts that are not seeking or
6 receiving a density bonus under the provisions of Planning Code Sections 206.5 or 206.6 shall receive
7 an exception from residential density limits for up to four dwelling units per lot, excluding Corner Lots,
8 or up to six dwelling units per lot in Corner Lots, not inclusive of any Accessory Dwelling Units as
9 permitted under this Section 207, provided that the dwelling units meet the requirements set forth in
10 this subsection (c)(8).

11 **(B) Eligibility of Historic Resources.** To receive the density exception
12 authorized under this subsection (c)(8), a project must demonstrate to the satisfaction of the
13 Environmental Review Officer that it does not cause a substantial adverse change in the significance of
14 an historic resource as defined by California Code of Regulations, Title 14, Section 15064.5, as may be
15 amended from time to time.

16 **(C) Applicable Standards.** Projects utilizing the density exception of this
17 subsection (c)(8) and that provide at least four dwelling units shall be subject to a minimum Rear Yard
18 requirement of the greater of 30% of lot depth or 15 feet. All other building standards shall apply in
19 accordance with the applicable zoning district as set forth in Section 209.1.

20 **(D) Unit Replacement Requirements.** Projects utilizing the density exception of
21 this subsection (c)(8) shall comply with the requirements of Section 66300(d) of the California
22 Government Code, as may be amended from time to time, including but not limited to requirements to
23 produce at least as many dwelling units as the projects would demolish; to replace all protected units;
24 and to offer existing occupants of any protected units that are lower income households relocation
25 benefits and a right of first refusal for a comparable unit, as those terms are defined therein.

1 **(E) Applicability of Rent Ordinance; Regulatory Agreements.** Project
2 sponsors of projects utilizing the density exception of this subsection (c)(8) shall enter into a
3 regulatory agreement with the City, as a condition of approval of the density exception
4 ("Regulatory Agreement"). At a minimum, the Regulatory Agreement shall contain the
5 following: (i) a statement that the new units created pursuant to the density exception are not
6 subject to the Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et
7 seq.) because, under Section 1954.52(b), the property owner has entered into and agreed to
8 the terms of this agreement with the City in consideration of an exception from residential
9 density limits of up to four dwelling units per lot, or up to six units per lot in Corner Lots, or
10 other direct financial contribution or other form of assistance specified in California
11 Government Code Sections 65915 et seq.; (ii) a description of the exception of residential
12 density or other direct financial contribution or form of assistance provided to the property
13 owner; and (iii) a description of the remedies for breach of the agreement and other provisions
14 to ensure implementation and compliance with the agreement. The property owner and the
15 Planning Director (or the Director's designee), on behalf of the City, will execute the
16 Regulatory Agreement, which shall be reviewed and approved by the City Attorney's Office.
17 The Regulatory Agreement shall be executed prior to the City's issuance of the First
18 Construction Document for the project, as defined in Section 107A.13.1 of the San Francisco
19 Building Code. Following execution of the Regulatory Agreement by all parties and approval
20 by the City Attorney, the Regulatory Agreement or a memorandum thereof shall be recorded
21 to the title records in the Office of the Assessor-Recorder against the property and shall be
22 binding on all future owners and successors in interest.

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SEC. 209.1. RH (RESIDENTIAL, HOUSE) DISTRICTS.

1 These Districts are intended to recognize, protect, conserve, and enhance areas
2 characterized by dwellings in the form of houses and small multi-family buildings, usually with
3 one, two, or three units with separate entrances, and limited scale in terms of building width
4 and height, and characterized by rear yards and a pattern of mid-block open spaces. Such areas
5 tend to have similarity of building styles and predominantly contain large units suitable for
6 family occupancy, considerable open space, and limited nonresidential uses. The RH
7 Districts are composed of ~~five separate~~ two three classes of districts, as follows:

8 ~~*RH-1(D) Districts: One-Family (Detached Dwellings). These Districts are characterized by lots*~~
9 ~~*of greater width and area than in other parts of the City, and by single-family houses with side yards.*~~
10 ~~*The structures are relatively large, but rarely exceed 35 feet in height. Ground level open space and*~~
11 ~~*landscaping at the front and rear are usually abundant. Much of the development has been in sizable*~~
12 ~~*tracts with similarities of building style and narrow streets following the contours of hills. In some*~~
13 ~~*cases private covenants have controlled the nature of development and helped to maintain the street*~~
14 ~~*areas.*~~

15 ~~*RH-1 Districts: One-Family. These Districts are occupied almost entirely by single-family*~~
16 ~~*houses on lots 25 feet in width, without side yards. Floor sizes and building styles vary, but tend to be*~~
17 ~~*uniform within tracts developed in distinct time periods. Though built on separate lots, the structures*~~
18 ~~*have the appearance of small-scale row housing, rarely exceeding 35 feet in height. Front setbacks are*~~
19 ~~*common, and ground level open space is generous. In most cases the single-family character of these*~~
20 ~~*Districts has been maintained for a considerable time.*~~

21 ~~*RH-1(S) Districts: One-Family with Minor Second Unit. These Districts are similar in*~~
22 ~~*character to RH-1 Districts, except that a small second dwelling unit has been installed in many*~~
23 ~~*structures, usually by conversion of a ground-story space formerly part of the main unit or devoted to*~~
24 ~~*storage. The second unit remains subordinate to the owner's unit, and may house one or two persons*~~
25

1 ~~related to the owner or be rented to others. Despite these conversions, the structures retain the~~
2 ~~appearance of single-family dwellings.~~

3 **RH-2 (D) Districts: Two-Family (Detached Dwellings).** These Districts are
4 characterized by lots of greater width and area than in other parts of the City, and by one or
5 two houses with side yards. The structures are relatively large, but rarely exceed 35 feet in
6 height. Ground level open space and landscaping at the front and rear are usually abundant.
7 Much of the development has been in sizable tracts with similarities of building style and
8 narrow streets following the contours of hills. In some cases, private covenants have
9 controlled the nature of development and helped to maintain the street areas.

10 **RH-2 Districts: Two-Family.** These Districts are devoted to one-family and two-family
11 houses, with the latter commonly consisting of two large flats, one occupied by the owner and
12 the other available for rental. Structures are finely scaled and usually do not exceed 25 feet in
13 width or 40 feet in height. Building styles are often more varied than in *historically* single-family
14 areas, but certain streets and tracts are quite uniform. Considerable ground-level open space
15 is available, and it frequently is private for each unit. The Districts may have easy access to
16 shopping facilities and transit lines. In some cases, Group Housing and institutions are found
17 in these areas, although nonresidential uses tend to be quite limited.

18 **RH-3 Districts: Three-Family.** These Districts have many similarities to RH-2
19 Districts, but structures with three units are common in addition to one-family and two-family
20 houses. The predominant form is large flats rather than apartments, with lots 25 feet wide, a
21 fine or moderate scale, and separate entrances for each unit. Building styles tend to be varied
22 but complementary to one another. Outdoor space is available at ground level, and also on
23 decks and balconies for individual units. Nonresidential uses are more common in these areas
24 than in RH-2 Districts.

**Table 209.1
ZONING CONTROL TABLE FOR RH DISTRICTS**

Zoning Category	§ Referen ces	<i><u>RH-1(D)</u></i>	<i><u>RH-1</u></i>	<i><u>RH-1(S)</u></i>	<u>RH-2(D)</u>	RH-2	RH-3
BUILDING STANDARDS							
Massing and Setbacks							
Height and Bulk Limits	§§ 102, 105, 106, 250-252, 253, 260, 261, 261.1, 270, 271. See also Height and Bulk District Maps.	<i>No portion of a Dwelling may be taller than 35 feet. Structures with uses other than Dwellings may be constructed to the prescribed height limit, which is generally 40 feet. Per § 261 the height limit may be decreased or increased based on the slope of the lot.</i>			<u>No portion of a Dwelling may be taller than 35 feet. Structures with uses other than Dwellings may be constructed to the prescribed height limit, which is generally 40 feet. Per § 261 the height limit may be decreased or increased based on the slope of the lot.</u>	No portion of a Dwelling may be taller than 40 feet. Structures with uses other than Dwellings may be constructed to the prescribed height limit. Per § 261 the height limit may be decreased based on the slope of the lot.	Varies, but generally 40 feet. Height sculpting on Alleys per § 261.1.
Front Setback	§§ 130, 131, 132	Required. Based on average of adjacent properties or if subject property has a Legislated Setback. When front setback is based on adjacent properties, in no case shall the required setback be greater than 15 feet.					
Rear Yard <i>(10)</i>	§§ 130, 134	<i>30% of lot depth, but in no case less than 15 feet.</i>			<u>30% of lot depth, but in no case less than 15 feet.</u>	45% of lot depth or average of adjacent neighbors. If averaged, no less than 25% or 15 feet, whichever is greater.	
Side Yard	§§ 130, 133	<i>Required for lots 28 feet and wider. Width of side setback depends on width of lot.</i>			<u>Required for lots 28 feet and wider. Width of side setback depends on width of lot.</u>	Not Required.	

1	Residential Design Guidelines	§ 311	Subject to the Residential Design Guidelines. Other design guidelines that have been approved by the Planning Commission may also apply.					
2	Street Frontage and Public Realm							
3	Front Setback Landscaping and Permeability Requirements	§ 132	Required. At least 50% of Front Setback shall be permeable so as to increase storm water infiltration and 20% of Front Setback shall be unpaved and devoted to plant material.					
4	Streetscape and Pedestrian Improvements (Street Trees)	§ 138.1	Required.					
5	Street Frontage Requirements	§ 144	§ 144 applies generally. Additional requirements apply to Limited Commercial Uses, as specified in § 186.					
6	Street Frontage, Parking and Loading Access Restrictions	§ 155(r)	As specified in § 155(r)					
7	Miscellaneous							
8	Large Project Review	§ 253	C required for projects over 40 feet in height.					
9	Planned Unit Development	§ 304	€	€	€	<u>C</u>	C	C
10	Awning	§ 136.1	<i>P(1)</i>	<i>P(1)</i>	<i>P(1)</i>	<u>P(1)</u>	P (1)	P (1)
11	Canopy or Marquee	§ 136.1	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u>NP</u>	NP	NP
12	Signs	§ 606	As permitted by Section § 606					
13	RESIDENTIAL STANDARDS AND USES							
14	Development Standards							
15	Usable Open Space [Per Dwelling Unit]	§§ 135, 136	<i>At least 300 square feet if private, and 400 square feet if common.</i>	<i>At least 300 square feet for the first unit and 400 square feet if common.</i>	<i>At least 300 square feet for the minor second unit if private,</i>	<u>At least 300 square feet if private, and 400 square feet if common.</u>	At least 125 square feet if private, and 166 square feet if common.	At least 100 square feet if private, and 133 square feet if common.

1									and 400 square feet for the first unit and 133 square feet for the second unit if common.
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3									
4									
5									
6									
7									
8									
9	Parking Requirements	§§ 151, 161	None required. Maximum permitted per § 151.						
10	Residential Conversion, Demolition, or Merger	§ 317	C for Removal of one or more Residential Units or Unauthorized Units.						
11									
12	Use Characteristics								
13	Intermediate Length Occupancy	§§102, 202.10	<i>P(9)</i>	<i>P(9)</i>	<i>P(9)</i>	<u>P(9)</u>	P(9)	P(9)	
14	Single Room Occupancy	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u>P</u>	P	P	
15	Student Housing	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u>P</u>	P	P	
16	Residential Uses								
17									
18									
19									
20									
21	Residential Density, Dwelling Units (6)(11)	§§ 102, 207	<i>One unit per lot.</i>	<i>P up to one unit per lot. C up to one unit per 3,000 square feet of lot area, with no more than three</i>	<i>P up to two units per lot, if the second unit is 600 sq. ft. or less. C up to one unit per 3,000 square</i>	<u>P up to two units per lot.</u>	P up to two units per lot. C up to one unit per 1,500 square feet of lot area.	P up to three units per lot. C up to one unit per 1,000 square feet of lot area.	
22									
23									
24									
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1			units per lot.	feet of lot area, with no more than three units per lot.				
2								
3								
4								
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6	Senior Housing	§§ 102, 202.2(f)	P up to twice the number of dwelling units otherwise permitted as a principal use in the district and meeting all the requirements of § 202.2(f)(1). C up to twice the number of dwelling units otherwise permitted as a principal use in the district and meeting all requirements of Section § 202.2(f)(1) except for § 202.2(f)(1)(D)(iv), related to location.					
7								
8								
9								
10	Residential Density, Group Housing	§ 208	NP	NP	NP	NP	C, up to one bedroom for every 415 square feet of lot area.	C, up to one bedroom for every 275 square feet of lot area.
11								
12								
13								
14								
15	Homeless Shelter	§§ 102, 208	NP	NP	NP	NP	C	C
16	NON-RESIDENTIAL STANDARDS AND USES							
17	Development Standards							
18	Floor Area Ratio	§§ 102, 123, 124	1.8 to 1	1.8 to 1	1.8 to 1	<u>1.8 to 1</u>	1.8 to 1	1.8 to 1
19								
20	Off-Street Parking	§§ 150, 151, 161	None required. Maximum permitted per § 151.					
21	Limited Commercial Uses	§§ 186, 186.3	Continuing nonconforming uses are permitted, subject to the requirements of § 186. Limited Commercial Uses may be conditionally permitted in historic buildings subject to § 186.3.					
22	Agricultural Use Category							
23								
24	Agricultural Uses*	§§ 102, 202.2(c)	€	€	€	<u>C</u>	C	C
25	Agriculture, Industrial	§§ 102, 202.2(c)	NP	NP	NP	<u>NP</u>	NP	NP

1	Agriculture, Neighborhood	§§ 102, 202.2(c)	<i>P</i>	<i>P</i>	<i>P</i>	<u><i>P</i></u>	P	P
2	Automotive Use Category							
3	Automotive Uses*	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP	NP
4	Parking Garage, Private	§ 102	€	€	€	<u>€</u>	C	C
5	Parking Lot, Private	§ 102	€	€	€	<u>€</u>	C	C
6	Parking Lot, Public	§§ 102, 142, 156	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP (8)	NP
7	Entertainment, Arts and Recreation Use Category							
8	Entertainment, Arts and Recreation Uses*	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP	NP
9	Open Recreation Area	§ 102	€	€	€	<u>€</u>	C	C
10	Passive Outdoor Recreation	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u><i>P</i></u>	P	P
11	Industrial Use Category							
12	Industrial Uses*	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP	NP
13	Institutional Use Category							
14	Institutional Uses*	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP	NP
15	Child Care Facility	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u><i>P</i></u>	P	P
16	Community Facility	§ 102	€	€	€	<u>€</u>	C	C
17	Hospital	§ 102	€	€	€	<u>€</u>	C	C
18	Post-Secondary Ed. Institution	§ 102	€	€	€	<u>€</u>	C	C
19	Public Facilities	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u><i>P</i></u>	P	P
20	Religious Institution	§ 102	€	€	€	<u>€</u>	C	C
21	Residential Care Facility	§ 102	<i>P</i>	<i>P</i>	<i>P</i>	<u><i>P</i></u>	P	P
22	School	§ 102	€	€	€	<u>€</u>	C	C
23	Sales and Service Category							
24	Retail Sales and Service Uses*	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	NP	NP
25	Hotel	§ 102	<i>NP</i>	<i>NP</i>	<i>NP</i>	<u><i>NP</i></u>	C (4)	C (4)

1	Mortuary	§ 102	C(5)	C(5)	C(5)	<u>C(5)</u>	C(5)	C(5)
2	Non-Retail Sales and Service*	§ 102	NP	NP	NP	<u>NP</u>	NP	NP
3	Utility and Infrastructure Use Category							
4	Utility and Infrastructure*	§ 102	NP	NP	NP	<u>NP</u>	NP	NP
5	Internet Service Exchange	§ 102	C	C	C	<u>C</u>	C	C
6	Utility Installation	§ 102	C	C	C	<u>C</u>	C	C
7	Wireless Telecommunications Services Facility	§ 102	C or P(7)	C or P(7)	C or P(7)	<u>C or P(7)</u>	C or P(7)	C or P(7)

9 * Not listed below.

10 * * * *

11
 12 (10) Projects utilizing the density exception of Section 207(c)(8) and that provide at least four dwelling units shall be subject to a minimum Rear Yard requirement of 30% of lot depth, but in no case less than 15 feet.

13 (11) P for up to four dwelling units per lot, excluding Corner Lots, and P for up to six dwelling units in Corner Lots, pursuant to Section 207(c)(8).

15
 16 Section 4. The Planning Code is hereby amended by revising Sheets ZN01, ZN02,
 17 ZN03, ZN04, ZN05, ZN06, ZN07, ZN08, ZN09, ZN10, ZN11, ZN12, and ZN13 of the Zoning
 18 Map of the City and County of San Francisco, as follows:

<u>Zoning Districts to be Superseded</u>	<u>Zoning Districts Hereby Approved</u>
RH-1(D); RH-1; RH-1(S)	RH-2
<u>RH-1(D)</u>	<u>RH-2(D)</u>

1 Section 5. Chapter 37 of the Administrative Code is hereby amended by revising
2 Sections 37.2 and 37.3, to read as follows:

3
4 **SEC. 37.2. DEFINITIONS.**

5 * * * *

6 (r) **Rental Units.** All residential dwelling units in the City and County of San Francisco
7 together with the land and appurtenant buildings thereto, and all housing services, privileges,
8 furnishings, and facilities supplied in connection with the use or occupancy thereof, including
9 garage and parking facilities.

10 * * * *

11 The term "rental units" shall not include:

12 * * * *

13 (4) Except as provided in subsections (A)-(DE), dwelling units whose rents are
14 controlled or regulated by any government unit, agency, or authority, excepting those
15 unsubsidized and/or unassisted units which are insured by the United States Department of
16 Housing and Urban Development; provided, however, that units in unreinforced masonry
17 buildings which have undergone seismic strengthening in accordance with Building Code
18 Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the
19 ordinance is not in conflict with the seismic strengthening bond program or with the program's
20 loan agreements or with any regulations promulgated thereunder;

21 * * * *

22 (E) The term "rental units" shall include any new dwelling units created
23 pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.

24
25 **SEC. 37.3. RENT LIMITATIONS.**

1 (a) Rent Increase Limitations for Tenants in Occupancy. Landlords may impose rent
2 increases upon tenants in occupancy only as provided below and as provided by subsections
3 37.3(d) and 37.3(g):

4 * * * *

5 (d) **Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).**
6 Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
7 and regardless of whether otherwise provided under Chapter 37:

8 (1) **Property Owner Rights to Establish Initial and All Subsequent Rental**
9 **Rates for Separately Alienable Parcels.**

10 (A) An owner or residential real property may establish the initial and all
11 subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any
12 other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
13 (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
14 right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or
15 unit where the preceding tenancy has been terminated by the owner by notice pursuant to
16 California Civil Code Section 1946 or has been terminated upon a change in the terms of the
17 tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent
18 increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new
19 tenancy in that dwelling or unit.

20 * * * *

21 (D) An owner’s right to establish subsequent rental rates under
22 subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
23 pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.

24 * * * *

1 (g) **New Construction and Substantial Rehabilitation.**

2 (1) An owner of a residential dwelling or unit which is newly constructed and
3 first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June
4 13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation,
5 may establish the initial and all subsequent rental rates for that dwelling or unit, except:

6 (A) where rent restrictions apply to the dwelling or unit under
7 Sections 37.3(d) or 37.3(f);

8 (B) where the dwelling or unit is a replacement unit under
9 Section 37.9A(b);

10 (C) as provided for certain categories of Accessory Dwelling Units under
11 Section 37.2(r)(4)(D); ~~and~~

12 (D) as provided in a development agreement entered into by the City
13 under Administrative Code Chapter 56-; and

14 (E) as provided for certain categories of new dwelling units under Section
15 37.2(r)(4)(E).

16
17 Section 56. Article 9 of the Subdivision Code is hereby amended by revising Sections
18 1396.2, 1396.4 and 1396.5 and adding Section 1396.6, to read as follows:

19
20 **SEC. 1396.2. PROHIBITION ON CONDOMINIUM CONVERSIONS FOR CERTAIN**
21 **BUILDINGS.**

22 (a) Notwithstanding any provisions in this Code to the contrary, including
23 Section 1359, the Department of Public Works shall not sell residential condominium
24 conversion lottery tickets to; shall not accept a residential condominium conversion
25 subdivision application from; and shall deny a tentative subdivision or tentative parcel map for

1 residential condominium conversion submitted by the owner(s) of a building that meets all of
2 the following conditions:

3 (1) the building had two or more evictions with each eviction associated with a
4 separate unit(s);

5 (2) issuance of each eviction notice occurred on or after May 1, 2005; and,

6 (3) issuance of the eviction notice(s) occurred pursuant to San Francisco
7 Administrative Code Sections 37.9(a)(8), 37.9(a)(10), or 37.9(a)(11); ~~or 37.9(a)(13).~~

8
9 **SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED CONVERSION**
10 **PROGRAM.**

11 * * * *

12 (b) Any building may be exempted from the annual lottery provisions of Section 1396
13 if the building owners for said building comply with either: (1) Section 1396.3 (g)(1) and all the
14 requirements of this Section 1396.4 or (2) all the requirements of Section 1396.6.

15 Notwithstanding the foregoing sentence, no property or applicant subject to any of the
16 prohibitions on conversions set forth in Section 1396.2, in particular a property with the
17 eviction(s) set forth in Section 1396.2 (b), is eligible for the Expedited Conversion program
18 under this Section 1396.4. Eligible buildings as set forth in this subSection (b) may exercise
19 their option to participate in this program according to the following requirements:

20 * * * *

21 **SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF**
22 **REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS.**

23 * * * *

24 (c) Except as otherwise authorized under Section 1396.6, Fthe Department shall not accept
25 an application for the conversion of residential units under Section 1396 nor conduct a lottery

1 under this Article prior to January 1, 2024. Thereafter, the lottery shall resume upon the
2 earlier of the following: (1) the first February following the Mayor’s Office of Housing and
3 Community Development report pursuant to §subsection (b) showing that the total number of
4 Conversion Replacement Units produced in the City of San Francisco exceeded the total
5 number of units converted as identified in the Department's report prepared pursuant to
6 subsection (a); or (2) completion of the “Maximum Suspension Period” as defined below.

7 * * * *

8 **1396.6. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS THAT**
9 **UTILIZE THE RESIDENTIAL DENSITY EXCEPTION IN RH DISTRICTS TO CONSTRUCT**
10 **NEW DWELLING UNITS PURSUANT TO PLANNING CODE SECTION 207(C)(8).**

11 (a) Findings. The findings of Planning Code Section 415.1 concerning the City's inclusionary
12 affordable housing program are incorporated herein by reference and support the basis for charging
13 the fee set forth herein as it relates to the conversion of dwelling units into condominiums.

14 (b) Definition. “Existing Dwelling Units” shall refer to the dwelling units in existence on a lot
15 at the time of the submittal of an application to construct a new dwelling unit pursuant to Planning
16 Code Section 207(c)(8).

17 (c) Notwithstanding Section 1396.4 and Ordinance No. 117-13, the subdivider of a one unit
18 building that has obtained a permit to build one or more new dwelling units by utilizing the exception
19 to residential density in RH districts set forth in Planning Code Section 207(c)(8), which results in a
20 greater number of dwelling units than the number of Existing Dwelling Units two or more
21 dwelling units, shall (1) be exempt from the annual lottery provisions of Section 1396 with respect to
22 the dwelling units built as part of the Project Units and (2) be eligible to submit a condominium
23 conversion application for ~~such~~ the Existing Dwelling Units and/or include the Existing Dwelling
24 Units in a condominium map application for the project approved pursuant to Planning Code Section
25 207(c)(8). Notwithstanding the foregoing sentence, no property or applicant subject to any of the

1 prohibitions on conversions set forth in Section 1396.2, in particular a property with the eviction(s) set
2 forth in Section 1396.2(b), shall be eligible for condominium conversion under this Section 1396.6.
3 Eligible buildings as set forth in this subsection (c) may exercise their option to participate in this
4 program according to the following requirements:

5 (1) The applicant(s) for the subject building seeking to convert dwelling units to
6 condominiums or subdivide dwelling units into condominiums under this subsection shall pay the fee
7 specified in Section 1315.

8 (2) In addition to all other provisions of this Section 1396.6, the applicant(s) comply
9 with all of the following:

10 (A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,
11 1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.

12 (B) The applicant(s) must certify that within the 60 months preceding the date of
13 the subject application, no tenant resided at the property.

14 (C) The applicant(s) must certify that to the extent any tenant vacated their unit
15 after March 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did so
16 voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code
17 Sections 37.9(a)(8)-(12) and 37.9(a)(14). If an eviction has taken place under Sections 37.9(a)(11) or
18 37.9(a)(14), then the applicant(s) shall certify that the original tenant reoccupied the unit after the
19 temporary eviction.

20 (3) If the Department finds that a violation of this Section 1396.6 occurred prior to
21 recordation of the final map or final parcel map, the Department shall disapprove the application or
22 subject map. If the Department finds that a violation of this Section occurred after recordation of the
23 final map or parcel map, the Department shall take such enforcement actions as are available and
24 within its authority to address the violation.

1 (4) This Section 1396.6 shall not prohibit a subdivider who has lawfully
2 exercised the subdivider's rights under Administrative Code Section 37.9(a)(13) from
3 submitting a condominium conversion application under this Section 1396.6.

4 (d) Decisions and Hearing on the Application.

5 (1) The applicant shall obtain a final and effective tentative map or tentative parcel
6 map approval for the condominium subdivision or parcel map within one year of paying the fee
7 specified in subsection (e). The Director of the Department of Public Works or the Director's designee
8 is authorized to waive the time limits set forth in this subsection (d)(1) as it applies to a particular
9 building due to extenuating or unique circumstances. Such waiver may be granted only after a public
10 hearing and in no case shall the time limit extend beyond two years after submission of the application.

11 (2) No less than 20 days prior to the Department's proposed decision on a tentative
12 map or tentative parcel map, the Department shall publish the addresses of buildings being considered
13 for approval and post such information on its website. During this time, any interested party may file a
14 written objection to an application and submit information to the Department contesting the eligibility
15 of a building. In addition, the Department may elect to hold a public hearing on said tentative map or
16 tentative parcel map to consider the information presented by the public, other City department, or an
17 applicant. If the Department elects to hold such a hearing it shall post notice of such hearing and
18 provide written notice to the applicant, all tenants of such building, any member of the public who
19 submitted information to the Department, and any interested party who has requested such notice. In
20 the event that an objection to the conversion application is filed in accordance with this subsection
21 (d)(2), and based upon all the facts available to the Department, the Department shall approve,
22 conditionally approve, or disapprove an application and state the reasons in support of that decision.

23 (3) Any map application subject to a Departmental public hearing on the subdivision
24 or a subdivision appeal shall have the time limit set forth in subsection (d)(1) extended for another six
25 months.

1 (e) Should the subdivision application be denied or be rejected as untimely in accordance with
2 the dates specified in subsection (d)(1), or the tentative subdivision map or tentative parcel map
3 disapproved, the City shall refund the entirety of the application fee.

4 (f) Conversion of buildings pursuant to this Section 1396.6 shall have no effect on the terms
5 and conditions applicable to such buildings under Section 1341A , 1385A , or 1396 of this Code.

6
7 Section 67. The Planning Department, the Rent Board, and the Department of Public
8 Works are authorized to adopt regulations to implement this ordinance. The Planning
9 Department shall create a report summarizing all applicable design standards in residential
10 districts in the City, and submit such report to the Board for its consideration within six months
11 from the effective date of this ordinance.

12
13 Section 78. Conforming Amendments in the Municipal Code.

14 (a) This ordinance abolishes RH-1, RH-1(D), and RH-1(S) districts. To conform the
15 Municipal Code to these districts having been abolished, the City Attorney shall cause all
16 references to RH-1, ~~RH-1(D)~~, and RH-1(S) in the Municipal Code to be removed and replaced
17 with a reference to RH-2, and all references to RH-1(D) to be replaced with RH-2(D);
18 provided, however, that where the Municipal Code references ~~one or more of the three~~
19 ~~abolished districts~~ RH-1 or RH-1(S) districts along with a reference to RH-2, the City Attorney
20 shall cause the reference to the abolished district or districts to be removed from the Municipal
21 Code, with the reference to RH-2 retained.

22 (b) The City Attorney shall provide written notice to the Clerk of the Board of
23 Supervisors of the changes to the Municipal Code resulting from the implementation of
24 subsection (a). The Clerk shall place the City Attorney's notice in Board File No. 210866, the
25 file for the ordinance abolishing the RH-1, RH-1(D), and RH-1(S) districts.

1 (c) Any reference in the Municipal Code to RH-1, RH-1(D), or RH-1(S) districts that
2 might remain, for example, due to inadvertence or delay in implementing subsection (a), or for
3 any other reason, shall not be understood to contradict or be in conflict with this ordinance's
4 abolition of said districts.

5
6 Section ~~8~~9. No Conflict with Federal or State Law. Nothing in this ordinance shall be
7 interpreted or applied so as to create any requirement, power, or duty in conflict with any
8 federal or state law.

9
10 Section ~~9~~10. Severability. If any section, subsection, sentence, clause, phrase, or
11 word of this ordinance, or any application thereof to any person or circumstance, is held to be
12 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
13 shall not affect the validity of the remaining portions or applications of the ordinance. The
14 Board of Supervisors hereby declares that it would have passed this ordinance and each and
15 every section, subsection, sentence, clause, phrase, and word not declared invalid or
16 unconstitutional without regard to whether any other portion of this ordinance or application
17 thereof would be subsequently declared invalid or unconstitutional.

18
19 Section ~~40~~11. Effective Date. This ordinance shall become effective 30 days after
20 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
21 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
22 of Supervisors overrides the Mayor's veto of the ordinance.

23
24 Section ~~44~~12. Scope of Ordinance. Except as stated in Sections 4 and 7 of this
25 ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those

1 words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks,
2 charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly
3 shown in this ordinance as additions, deletions, Board amendment additions, and Board
4 amendment deletions in accordance with the "Note" that appears under the official title of the
5 ordinance.

6

7 APPROVED AS TO FORM:
8 DAVID CHIU, City Attorney

8

9 By: /s/ Andrea Ruiz-Esquide
10 ANDREA RUIZ-ESQUIDE
Deputy City Attorney

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