



July 13, 2023

Ms. Angela Calvillo, Clerk  
Mayor Breed and President Peskin  
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 2023-003165PCA: Planning and Building Codes -  
Commercial to Residential Adaptive Reuse and Downtown Economic Revitalization  
Board File No. 230732

**Planning Commission Recommendation: Approval with Modification**

Dear Ms. Calvillo, Mayor Breed and President Peskin,

On July 13, 2023 the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Mayor Breed and President Peskin that would amend would amend the Planning Code and Building Code to support more residential uses Downtown by facilitating the adaptive reuse of commercial buildings, help to economically revitalize Downtown by allowing flexibility for more uses, and streamline permitting and review of project applications to better support the economic revitalization of Downtown. At the hearing the Planning Commission recommended approval with a modification.

The Commission's proposed modifications were as follows:

- Modify the Ordinance so that the title (page 2, line 12) correctly states the intended change of threshold for large projects subject to commercial to residential ratios applies to the C-3-O(SD) zoning district, consistent with the proposed revision to PC Section 248.

Mayor Breed and President Peskin, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

Lily Langlois  
*Principal Planner*

cc: Austin Yang, Deputy City Attorney  
Andres Power, Office of Mayor London N. Breed  
Sunny Angulo, Aide to President Peskin  
Jacob Bintliff, OEWD  
Erica Major, Office of the Clerk of the Board

**Attachments:**

Planning Commission Resolution  
Planning Department Executive Summary



# PLANNING COMMISSION RESOLUTION NO. 21352

**HEARING DATE: July 13, 2023**

**Project Name:** Commercial to Residential Adaptive Reuse and Downtown Economic Revitalization  
**Case Number:** 2023-005431PCA / Board File No. 230732  
**Initiated by:** Mayor Breed, Board President Peskin / Introduced April 4, 2023; Substitute Ordinance April 11, 2023; duplicated and amended in committee June 12, 2023  
**Staff Contact:** Lily Langlois, Principal Planner, Citywide Division  
lily.langlois@sfgov.org, 628-652-7472  
**Reviewed by:** Joshua Switzky, Acting Director of Citywide Division  
joshua.switzky@sfgov.org, 628.652.7464

APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO 1) FACILITATE RESIDENTIAL USES DOWNTOWN BY AUTHORIZING THE CONVERSION OF NON-RESIDENTIAL USES TO RESIDENTIAL USE IN C (COMMERCIAL) ZONING DISTRICTS, AND EXEMPTING SUCH PROJECTS FROM REQUIREMENTS FOR REAR YARD, OPEN SPACE, STREETScape IMPROVEMENTS, DWELLING UNIT EXPOSURE, OFF-STREET FREIGHT LOADING, CURB CUTS FOR VEHICULAR ACCESS, BIKE PARKING, TRANSPORTATION DEMAND MANAGEMENT, DWELLING UNIT MIX, AND INTERMEDIATE LENGTH OCCUPANCY CONTROLS, PERMITTING LIVE WORK UNITS IN SUCH PROJECT, STREAMLINING ADMINISTRATIVE APPROVALS FOR PROJECTS IN THE C-3 ZONING DISTRICT, AND MODIFYING THE DIMENSIONAL LIMITS ON EXEMPTIONS TO HEIGHT RESTRICTIONS FOR MECHANICAL EQUIPMENT, ELEVATOR, STAIR, AND MECHANICAL PENTHOUSES; 2) ECONOMICALLY REVITALIZE DOWNTOWN BY ADDING FLEXIBLE WORKSPACE AS A DEFINED USE, AUTHORIZING LARGE SCALE RETAIL USES IN THE C-3 ZONING DISTRICT, ALLOWING WINDOW DISPLAYS IN THE C-3 ZONING DISTRICT, ALLOWING FLEXIBLE WORKSPACE AS AN ACTIVE GROUND FLOOR COMMERCIAL USE ALONG CERTAIN STREET FRONTAGES IN C-3 ZONING DISTRICTS, ALLOWING ACCESSORY STORAGE IN ANY C ZONING DISTRICT, ALLOWING THE TEMPORARY INSTALLATION FOR 60 DAYS OF CERTAIN SIGNS IN THE C-3-R DISTRICT, ALLOWING TEMPORARY NON-RESIDENTIAL USES IN VACANT SPACES FOR UP TO ONE YEAR, INCLUDING FORMULA RETAIL, REDUCING DENSITY LIMITS FOR RESIDENTIAL DWELLING UNITS AND SENIOR HOUSING IN THE C-2 ZONING DISTRICTS EAST OF OR FRONTING VAN NESS/SOUTH VAN NESS AVENUE FRANKLIN STREET/13TH STREET AND NORTH OF TOWNSEND STREET, PRINCIPALLY PERMITTING LABORATORY, LIFE SCIENCE, AGRICULTURAL AND BEVERAGE PROCESSING, AND ANIMAL HOSPITALS IN C-2 ZONING DISTRICTS, PRINCIPALLY PERMITTING SENIOR HOUSING, RESIDENTIAL CARE FACILITIES, OUTDOOR ENTERTAINMENT, OPEN RECREATION AREAS, ANIMAL HOSPITALS, AND TRADE SCHOOLS IN THE C-3 ZONING DISTRICT, ALLOWING FORMULA RETAIL AS A GROUND FLOOR USE ON MARKET STREET, PRINCIPALLY PERMITTING OFFICE AND DESIGN PROFESSIONAL USES ON THE SECOND FLOOR AND HIGHER IN THE C-3-R ZONING DISTRICT, AND REQUIRING CONSIDERATION OF OFFICE VACANCY IN CONSIDERATION OF GRANTING EXCEPTIONS IN THE TRANSIT CENTER COMMERCIAL SPECIAL USE DISTRICT; 3) STREAMLINE SIGN PERMITTING CITYWIDE AND IN THE C-3 AND PORTIONS OF THE C-2

**DISTRICTS BY ALLOWING FOR THE REPAIR AND REHABILITATION OF CERTAIN NEON SIGNS, AND EXEMPTING EXISTING BUSINESS SIGNS IN THE C-3 ZONING DISTRICT FROM CERTAIN ZONING CONTROLS; 4) STREAMLINE HISTORIC PRESERVATION REVIEW OF ADMINISTRATIVE CERTIFICATES OF APPROPRIATENESS, AND MINOR PERMITS TO ALTER FOR AWNINGS, AND QUALIFYING SCOPES OF WORK, AS MAY BE DELEGATED BY THE HISTORIC PRESERVATION COMMISSION; 5) INCREASE THRESHOLD FOR LARGE PROJECTS SUBJECT TO COMMERCIAL TO RESIDENTIAL RATIOS IN THE C-3-O DISTRICT, AND PROVIDE ALTERNATIVES TO ON-SITE OPEN SPACE IN CERTAIN C-3 DISTRICTS BY ALLOWING FOR PAYMENT OF AN IN LIEU FEE AS AN ALTERNATIVE TO PROVIDING OPEN SPACE; 6) FACILITATE RESIDENTIAL ADAPTIVE REUSE BY AMENDING THE BUILDING CODE TO ADD STANDARDS FOR ADAPTIVE REUSE OF NONRESIDENTIAL BUILDINGS; AND 7) PRINCIPALLY PERMIT FORMULA RETAIL AND WAIVE SIZE LIMITATIONS FOR SUCH USES ON A PORTION OF SHOWPLACE SQUARE AREA (555-9TH STREET, ASSESSOR'S PARCEL BLOCK NO. 3781, LOT NO. 003); ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.**

WHEREAS, on April 4, 2023, Mayor Breed and Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230371, which would amend the Planning Code to support more Residential Uses Downtown by facilitating conversion of commercial buildings to residential, economically revitalize Downtown by allowing flexibility for more uses, and streamline permitting and review of some Planning Code requirements to better support economic revitalization downtown.

WHEREAS, on June 12, 2023, the Board Land Use and Transportation Committee duplicated and further amended the ordinance under Board File Number 230732 which included additional waivers and modifications from the Planning Code to further advance the objectives itemized above.

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on July 13, 2023; and,

WHEREAS, the proposed ordinance is within the scope of the environmental analysis for the 2022 Housing Element Update. On November 17, 2022, the Planning Commission reviewed and considered the Final EIR (FEIR) for the 2022 Housing Element Update and certified the FEIR through approval of Motion No. 21206. The Planning Department reviewed and considered the proposed changes to the Planning Code and the Building Code and finds that the physical environmental impacts of these changes are within the scope of the analysis and findings for the Housing Element 2022 Update EIR.

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

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed recommendation(s) is/are as follows:

## 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:

The shift to hybrid work, with its consequent reduction in office workers and foot traffic, has adversely impacted the City's Downtown and other sectors of the City's economy, including retail and small business, and more broadly has impacted use and activation of public space, transportation, and public safety. This legislation would help facilitate adaptive reuse of commercial buildings. If governmental efforts at reducing regulatory barriers for adaptive reuse projects are successful, the result will be to re-activate the Downtown core, increase the City's housing stock, and establish new housing options in the Downtown core. This legislation would also help to bring new life to downtown, and revitalize the area economically, by allowing flexibility for more uses and streamline permitting and review of some Planning Code requirements.

**Recommendation 1: Amend the Ordinance Title.** The Commission recommends amending the title (page 2, line 12) because the current text incorrectly states that proposed revision applies to C-3-O zoning district, rather than the intended C-3-O(SD) zoning district.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

### DOWNTOWN PLAN

#### OBJECTIVE 7

#### EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

##### Policy 7.1

Promote the inclusion of housing in downtown commercial developments.

##### Policy 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

*The proposed Ordinance would help facilitate adaptive reuse of commercial buildings to housing by waiving certain Planning Code requirements for existing buildings.*

### TRANSIT CENTER DISTRICT SUBAREA PLAN

#### OBJECTIVE 1.3

#### CONTINUE TO FOSTER A MIX OF LAND USES TO REINFORCE THE 24-HOUR CHARACTER OF THE AREA.

Policy 1.1

Increase the overall capacity of the Transit Center District for additional growth.

*The proposed Ordinance recognizes that smaller lots are often not large enough to be developed with efficient office buildings and facilitates their maximum development potential, while retaining the largest sites for job-related growth.*

**COMMERCE AND INDUSTRY ELEMENT**

**OBJECTIVE 1**

**MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.**

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

*The proposed Ordinance will facilitate the establishment of new commercial and residential uses. Any potential undesirable consequences may be addressed through existing regulatory controls.*

**OBJECTIVE 2**

**MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.**

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

*The proposed ordinance will bring new residents Downtown to facilitate reactivation of the area, in furtherance of economic and social revitalization, and restoration of Downtown's attractiveness as a firm location.*

**HOUSING ELEMENT**

**OBJECTIVE 7**

**EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.**

**POLICY 7.1**

Promote the inclusion of housing in downtown commercial developments.

**POLICY 7.2**

Facilitate conversion of underused industrial and commercial areas to residential use.

*The proposed Ordinance would help facilitate adaptive reuse of commercial buildings to housing by waiving certain Planning Code requirements for existing buildings.*

## IMPLEMENTING PROGRAMS

### 7. EXPANDING HOUSING CHOICES

#### Action 7.3.4

Study feasibility challenges and support proposals for adaptive re-use of vacant and underutilized commercial office buildings to potentially increase housing and affordable housing opportunities, especially if building types work well for groups that would benefit from their proximity to transit, services, or institutions, such as seniors, teachers, or students.

*The proposed ordinance will help to facilitate adaptive reuse of commercial buildings and could help to create more housing units in an area of the City that is well-connected to jobs of various skill levels, and numerous public transit options.*

#### Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would support neighborhood-serving retail by allowing more retail uses downtown and that expanding retail uses would provide more opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on housing or neighborhood character.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The proposed Ordinance would support more housing and more affordable housing by facilitating the adaptive reuse of commercial buildings.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident

employment and ownership in these sectors be enhanced;

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.*

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

*The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.*

7. That the landmarks and historic buildings be preserved;

*The proposed Ordinance will further the purposes of Articles 10 and 11 of the Planning Code by continuing to protect the special architectural, historical and aesthetic value of the City's downtown Landmarks and historic buildings.*

8. That our parks and open space and their access to sunlight and vistas be protected from development;

*The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.*

**Planning Code Section 302 Findings.**

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on July 13, 2023.



Jonas P. Ionin  
Commission Secretary

AYES: Braun, Ruiz, Diamond, Imperial, Koppel, Tanner

NOES: None

ABSENT: Moore

ADOPTED: July 13, 2023





# EXECUTIVE SUMMARY

## PLANNING CODE TEXT AMENDMENT

**HEARING DATE: July 13, 2023**

**90-Day Deadline:** When the 90-day review period ends or the new expiration date from an extension resolution

**Project Name:** Commercial to Residential Adaptive Reuse and Downtown Economic Revitalization  
**Case Number:** 2023-005431PCA / Board File No. 230732  
**Initiated by:** Mayor Breed, Board President Peskin / Introduced April 4, 2023; Substitute Ordinance April 11, 2023; duplicated and amended in committee June 12, 2023  
**Staff Contact:** Lily Langlois, Principal Planner, Citywide Division  
 lily.langlois@sfgov.org, 628-652-7472  
**Reviewed by:** Joshua Switzky, Acting Director of Citywide Planning  
 joshua.switzky@sfgov.org, 628.652.7464

**Environmental Review:** Memorandum to File – [2022 Housing Element Update Final Environmental Impact Report](#)

**Recommendation:** Approval with Modifications

### Planning Code Amendment

The Ordinance amended the Planning Code and Building Code to support more residential uses Downtown by facilitating the adaptive reuse of commercial buildings, help to economically revitalize Downtown by allowing flexibility for more uses, and streamline permitting and review of project applications to better support the economic revitalization of Downtown.

The proposed amendments would make further changes that are consistent with the Ordinance. Those amendments include:

- Waiving off-street freight loading requirements for commercial to residential adaptive reuse projects.
- Allowing pre-existing garage entries or driveways to remain on transit preferential streets for commercial to residential adaptive reuse projects.
- Exempting existing signs in C-2 zoning districts east of or fronting Franklin Street/13th Street and north

of Townsend Street from Planning Code Section 604.

- Increasing the threshold for projects subject to the 2:1 commercial to residential use limits in the C-3-O(SD) district to 20,000 square feet from 15,000 square feet.

The way it is now:		The Way it would be:
<b>Facilitate Residential Uses Downtown [Section 3 of Ordinance]</b>		
PC § 152. and 152.1.	Projects are subject to the off-street freight loading requirements specified in Sections 152. and 152.1.	Eligible Commercial to Residential Adaptive Reuse projects (as described in Section 210.5.) would be exempt from the off-street freight loading requirements specified in Sections 152. and 152.1.
PC § 155(r).	To preserve the pedestrian character of certain districts and to minimize delays to transit service, garage entries, driveways, and other vehicular access to off-street parking or loading via curb cuts on development lots are restricted per section 155(r).	Pre-existing garage entries, driveways, or other vehicular access to off-street parking and loading via curb cuts for eligible Commercial to Residential Adaptive Reuse projects would not be subject to Section 155(r). Creation of new or expanded garage entries, driveways, or other vehicular access to off-street parking and loading via curb cuts would still be subject to Section 155(r).
<b>Streamline Sign Permitting in C-3 Districts and Citywide [Section 5 of Ordinance]</b>		
PC § 604.	Planning Code Section 604 regulates permitting and conformance of existing and new signs. Signs removed by an owner (maintenance and repair), or which are required by law to be removed, may be restored only in full conformity.	Existing signage in a C-2 zoning district that is east of or fronting Franklin Street/13th Street and north of Townsend Street would not be subject to Section 604 or a more restrictive provision in a special sign district in Section 608 <i>et seq.</i> Previously this exemption had been limited to C-3 zoning districts.
<b>Increase Threshold for Commercial to Residential Zoning Control in the C-3-O district [Section 7 of Ordinance]</b>		
PC § 248.	Planning Code Section 248. requires that in the Transit Center C-3-O(SD) Commercial Special Use District all new development on lots larger than 15,000 square feet shall include not less than 2 gross square feet of principally or conditionally permitted commercial uses for every 1 gross square foot of dwellings or other housing uses. The Planning Commission may grant exceptions to this requirement pursuant to the procedures in Section 309.	The ordinance would increase the threshold for projects subject to the 2:1 commercial to residential use limits in the C-3-O district to 20,000 square feet from 15,000 square feet.

## Background

The ordinance contains numerous findings about the importance of Downtown to San Francisco's economic vitality, and the negative impacts the COVID-19 pandemic have had on Downtown. It describes how San Francisco is faced with a crisis of housing affordability at the same time commercial vacancy rates have increased. It describes how the shift to hybrid work, with its consequent reduction in office workers and foot traffic, has adversely impacted Downtown and other sectors of the City's economy, including retail and, small business, and more broadly has impacted use and activation of public space, transportation, and public safety. To remedy these problems, this ordinance would incentivize the conversion of Downtown non-residential buildings into residential units by exempting eligible projects from certain Planning Code standards. It also would enact local code changes to support existing and attract new businesses Downtown and streamline approvals to draw consumers back to Downtown.

The ordinance was introduced on April 4, 2023, and heard at the Planning Commission on May 4, 2023. The Planning Commission recommended approval with modifications.

The ordinance was amended in the Land Use and Transportation Committee on June 5, 2023. The amendments related to providing more flexibility for adaptive reuse projects by: waiving the transportation demand management requirements, adding a second means of satisfying the exposure requirement, and replacing the 20% gross floor area and one vertical story limits with a 33% limit for addition gross floor area before the Planning Code would apply. The amendments also provided more flexibility for the Flexible Workspace use and clarified that formula retail is permitted as a temporary use where it is already permitted as a retail use. This is not a change to the existing code. The amendment also clarified the boundary for the ordinance as applying to parcels in the C-2 and C-3 zoning districts east of or fronting Franklin Street/13th Street and north of Townsend Street. The amendments also included an obligation for adaptive reuse projects to preserve Privately Owned Public Open Space by clarifying that Section 210.5 does not alter, modify or waive the projects obligation to comply with Planning Code Section 138 (POPOS), if the project retains non-residential uses.

On June 12, 2023, the ordinance was further amended in the Land Use and Transportation Committee to exclude hotel uses from the adaptive reuse program. That version of the ordinance (Board File 230371) was recommended as amended to the Board of Supervisors and passed on second reading, June 27<sup>th</sup>, 2023.

After the ordinance was amended, it was duplicated and further amended (Board File 230732). Those amendments include additional waivers and modifications from the Planning Code from the requirements for off-street loading and curb cuts for commercial to residential adaptive reuse projects. The amendments also expanded the exception from the sign controls in Planning Code Section 604 to include portions of the C-2 zoning district east of or fronting Franklin Street/13th Street and north of Townsend Street. Previously this exemption had been limited to the C-3 zoning districts. The ordinance was also amended to raise the threshold for large projects subject to the 2:1 commercial to residential use limits in the C-3-O(SD) district to 20,000 square feet from 15,000 square feet. Because these four amendments were not discussed at the Planning Commission hearing on May 4<sup>th</sup> and are determined to be substantive, the amendments are now before the Planning Commission.

## Issues and Considerations

The ordinance would incentivize the conversion of non-residential buildings into residential units by exempting eligible projects from certain Planning Code standards. It would also enact local code changes to support existing and attract new businesses Downtown and streamline approvals to draw consumers back Downtown.

### Economic Feasibility of Office-to-Residential Conversion

In March 2023, SPUR, Gensler, ULI and HR+A Advisors released a summary of [findings](#) from a report on office to residential conversion. The report finds that *the “city’s planning and building code requirements represent a major challenge for conversions.”* The changes to the Planning Code in this ordinance would help to facilitate adaptive reuse of commercial buildings by waiving certain planning code requirements. The report also finds that the *“city’s inclusionary housing requirement and impact fees are major barriers to conversion.”* Legislation introduced by Supervisor Dorsey on April 4, 2023 [Board File No. 230372] aims to help with the economic feasibility of adaptive reuse projects by waiving certain development impact fees.

### General Plan Compliance and Racial and Social Equity Analysis

Understanding the potential benefits, burdens and the opportunities to advance racial and social equity that proposed Planning Code amendments provide is part of the Department’s Racial and Social Equity Action Plan. This is also consistent with the Mayor’s Citywide Strategic Initiatives for equity and accountability, the Planning and Historic Preservation Commissions’ 2020 Equity Resolutions, and with the Office of Racial Equity mandates, which requires all Departments to conduct this analysis. Below are some specific issues to consider:

San Francisco’s recently certified Housing Element is the first General Plan Element to center on racial and social equity. It includes policies and programs that express the City’s collective vision and values for the future of housing in San Francisco. Objective 7 of the Housing Element is to expand housing choices. The Expanding Housing Choices program area includes various programs that will increase housing choices for residents in a variety of housing types. This program includes rezoning to accommodate Regional Housing Needs Assessment (RHNA) goals, allowing more homes in small and mid-rise multifamily buildings, and support for ADUs in existing residential buildings. Importantly, it also encourages actions to support additional housing near major transit nodes and jobs centers, such as new housing and conversions of offices downtown. Specifically, Housing Element Implementation Action 7.3.4 states: “Study feasibility challenges and support proposals for adaptive reuse of vacant and under-utilized commercial office buildings to potentially increase housing and affordable housing opportunities, especially if building types work well for groups that would benefit from their proximity to transit, services, or institutions, such as seniors, teachers, or students.” Though the proposed Ordinance does not have a direct racial and social equity benefit, increasing the amount of housing in well-resourced areas that have seen little housing production will assist in creating more housing choices and opportunities for all residents.

Downtown is important to the City’s economy, representing 75% of the City’s GPD, 40% of the City’s jobs, and has a high concentration of employment for people of color. The proposed ordinance seeks to support economic revitalization of Downtown by amending zoning controls to allow more flexibility and diversity of uses. Maintaining a sound and diverse economic base, attracting new industries, and concentrating commercial

activity are common themes in the Commerce and Industry Element and the Downtown Plan.

## Implementation

The Department has determined that this ordinance will improve our current implementation procedures by streamlining review of certain projects and providing more clarity and certainty in the development review process.

## Recommendation

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Modify the Ordinance so that the title (page 2, line 12) correctly states the intended change of threshold for large projects subject to commercial to residential ratios applies to the C-3-O(SD) zoning district, consistent with the proposed revision to PC Section 248.

## Basis for Recommendation

The shift to hybrid work, with its consequent reduction in office workers and foot traffic, has adversely impacted the City's Downtown and other sectors of the City's economy, including retail and small business, and more broadly has impacted use and activation of public space, transportation, and public safety. This legislation would help facilitate adaptive reuse of commercial buildings. If governmental efforts at reducing regulatory barriers for adaptive reuse projects are successful the result will be to re-activate the Downtown core, increase the City's housing stock, and establish new housing options in the Downtown core. This legislation would also help to bring new life to downtown, and economically revitalize the area by allowing flexibility for more uses and streamline permitting and review of some Planning Code requirements.

**Recommendation 1: Amend the Ordinance Title.** Staff recommends amending the title (page 2, line 12) because the current text incorrectly states that proposed revision applies to C-3-O zoning district, rather than the intended C-3-O(SD) zoning district.

## Required Commission Action

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

## Environmental Review

The proposed ordinance is within the scope of the environmental analysis for the 2022 Housing Element Update. On November 17, 2022, the Planning Commission reviewed and considered the Final EIR (FEIR) for the 2022 Housing Element Update and certified the FEIR through approval of Motion No. 21206. The Planning Department reviewed and considered the proposed changes to the Planning Code and the Building Code and finds that the

physical environmental impacts of these changes are within the scope of the analysis and findings for the Housing Element 2022 Update EIR.

## **Public Comment**

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

### **Attachments:**

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 230732



# PLANNING COMMISSION DRAFT RESOLUTION

**HEARING DATE: July 13, 2023**

**Project Name:** Commercial to Residential Adaptive Reuse and Downtown Economic Revitalization  
**Case Number:** 2023-005431PCA / Board File No. 230732  
**Initiated by:** Mayor Breed, Board President Peskin / Introduced April 4, 2023; Substitute Ordinance April 11, 2023; duplicated and amended in committee June 12, 2023  
**Staff Contact:** Lily Langlois, Principal Planner, Citywide Division  
lily.langlois@sfgov.org, 628-652-7472  
**Reviewed by:** Joshua Switzky, Acting Director of Citywide Division  
joshua.switzky@sfgov.org, 628.652.7464

APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO 1) FACILITATE RESIDENTIAL USES DOWNTOWN BY AUTHORIZING THE CONVERSION OF NON-RESIDENTIAL USES TO RESIDENTIAL USE IN C (COMMERCIAL) ZONING DISTRICTS, AND EXEMPTING SUCH PROJECTS FROM REQUIREMENTS FOR REAR YARD, OPEN SPACE, STREETScape IMPROVEMENTS, DWELLING UNIT EXPOSURE, OFF-STREET FREIGHT LOADING, CURB CUTS FOR VEHICULAR ACCESS, BIKE PARKING, TRANSPORTATION DEMAND MANAGEMENT, DWELLING UNIT MIX, AND INTERMEDIATE LENGTH OCCUPANCY CONTROLS, PERMITTING LIVE WORK UNITS IN SUCH PROJECT, STREAMLINING ADMINISTRATIVE APPROVALS FOR PROJECTS IN THE C-3 ZONING DISTRICT, AND MODIFYING THE DIMENSIONAL LIMITS ON EXEMPTIONS TO HEIGHT RESTRICTIONS FOR MECHANICAL EQUIPMENT, ELEVATOR, STAIR, AND MECHANICAL PENTHOUSES; 2) ECONOMICALLY REVITALIZE DOWNTOWN BY ADDING FLEXIBLE WORKSPACE AS A DEFINED USE, AUTHORIZING LARGE SCALE RETAIL USES IN THE C-3 ZONING DISTRICT, ALLOWING WINDOW DISPLAYS IN THE C-3 ZONING DISTRICT, ALLOWING FLEXIBLE WORKSPACE AS AN ACTIVE GROUND FLOOR COMMERCIAL USE ALONG CERTAIN STREET FRONTAGES IN C-3 ZONING DISTRICTS, ALLOWING ACCESSORY STORAGE IN ANY C ZONING DISTRICT, ALLOWING THE TEMPORARY INSTALLATION FOR 60 DAYS OF CERTAIN SIGNS IN THE C-3-R DISTRICT, ALLOWING TEMPORARY NON-RESIDENTIAL USES IN VACANT SPACES FOR UP TO ONE YEAR, INCLUDING FORMULA RETAIL, REDUCING DENSITY LIMITS FOR RESIDENTIAL DWELLING UNITS AND SENIOR HOUSING IN THE C-2 ZONING DISTRICTS EAST OF OR FRONTING VAN NESS/SOUTH VAN NESS AVENUE FRANKLIN STREET/13TH STREET AND NORTH OF TOWNSEND STREET, PRINCIPALLY PERMITTING LABORATORY, LIFE SCIENCE, AGRICULTURAL AND BEVERAGE PROCESSING, AND ANIMAL HOSPITALS IN C-2 ZONING DISTRICTS, PRINCIPALLY PERMITTING SENIOR HOUSING, RESIDENTIAL CARE FACILITIES, OUTDOOR

**ENTERTAINMENT, OPEN RECREATION AREAS, ANIMAL HOSPITALS, AND TRADE SCHOOLS IN THE C-3 ZONING DISTRICT, ALLOWING FORMULA RETAIL AS A GROUND FLOOR USE ON MARKET STREET, PRINCIPALLY PERMITTING OFFICE AND DESIGN PROFESSIONAL USES ON THE SECOND FLOOR AND HIGHER IN THE C-3-R ZONING DISTRICT, AND REQUIRING CONSIDERATION OF OFFICE VACANCY IN CONSIDERATION OF GRANTING EXCEPTIONS IN THE TRANSIT CENTER COMMERCIAL SPECIAL USE DISTRICT; 3) STREAMLINE SIGN PERMITTING CITYWIDE AND IN THE C-3 AND PORTIONS OF THE C-2 DISTRICTS BY ALLOWING FOR THE REPAIR AND REHABILITATION OF CERTAIN NEON SIGNS, AND EXEMPTING EXISTING BUSINESS SIGNS IN THE C-3 ZONING DISTRICT FROM CERTAIN ZONING CONTROLS; 4) STREAMLINE HISTORIC PRESERVATION REVIEW OF ADMINISTRATIVE CERTIFICATES OF APPROPRIATENESS, AND MINOR PERMITS TO ALTER FOR AWNINGS, AND QUALIFYING SCOPES OF WORK, AS MAY BE DELEGATED BY THE HISTORIC PRESERVATION COMMISSION; 5) INCREASE THRESHOLD FOR LARGE PROJECTS SUBJECT TO COMMERCIAL TO RESIDENTIAL RATIOS IN THE C-3-O DISTRICT, AND PROVIDE ALTERNATIVES TO ON-SITE OPEN SPACE IN CERTAIN C-3 DISTRICTS BY ALLOWING FOR PAYMENT OF AN IN LIEU FEE AS AN ALTERNATIVE TO PROVIDING OPEN SPACE; 6) FACILITATE RESIDENTIAL ADAPTIVE REUSE BY AMENDING THE BUILDING CODE TO ADD STANDARDS FOR ADAPTIVE REUSE OF NONRESIDENTIAL BUILDINGS; AND 7) PRINCIPALLY PERMIT FORMULA RETAIL AND WAIVE SIZE LIMITATIONS FOR SUCH USES ON A PORTION OF SHOWPLACESQUARE AREA (555-9TH STREET, ASSESSOR'S PARCEL BLOCK NO. 3781, LOT NO. 003); ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.**

WHEREAS, on April 4, 2023, Mayor Breed and Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230371, which would amend the Planning Code to support more Residential Uses Downtown by facilitating conversion of commercial buildings to residential, economically revitalize Downtown by allowing flexibility for more uses, and streamline permitting and review of some Planning Code requirements to better support economic revitalization downtown.

WHEREAS, on June 12, 2023, the Board Land Use and Transportation Committee duplicated and further amended the ordinance under Board File Number 230732 which included additional waivers and modifications from the Planning Code to further advance the objectives itemized above.

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on July 13, 2023; and,

WHEREAS, the proposed ordinance is within the scope of the environmental analysis for the 2022 Housing Element Update. On November 17, 2022, the Planning Commission reviewed and considered the Final EIR (FEIR) for the 2022 Housing Element Update and certified the FEIR through approval of Motion No. 21206. The Planning Department reviewed and considered the proposed changes to the Planning Code and the Building Code and finds that the physical environmental impacts of these changes are within the scope of the analysis and findings for the Housing Element 2022 Update EIR.

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



WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed recommendation(s) is/are as follows:

## 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:

The shift to hybrid work, with its consequent reduction in office workers and foot traffic, has adversely impacted the City's Downtown and other sectors of the City's economy, including retail and small business, and more broadly has impacted use and activation of public space, transportation, and public safety. This legislation would help facilitate adaptive reuse of commercial buildings. If governmental efforts at reducing regulatory barriers for adaptive reuse projects are successful, the result will be to re-activate the Downtown core, increase the City's housing stock, and establish new housing options in the Downtown core. This legislation would also help to bring new life to downtown, and revitalize the area economically, by allowing flexibility for more uses and streamline permitting and review of some Planning Code requirements.

**Recommendation 1: Amend the Ordinance Title.** The Commission recommends amending the title (page 2, line 12) because the current text incorrectly states that proposed revision applies to C-3-O zoning district, rather than the intended C-3-O(SD) zoning district.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

### DOWNTOWN PLAN

#### OBJECTIVE 7

**EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.**

##### Policy 7.1

**Promote the inclusion of housing in downtown commercial developments.**

Policy 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

*The proposed Ordinance would help facilitate adaptive reuse of commercial buildings to housing by waiving certain Planning Code requirements for existing buildings.*

**TRANSIT CENTER DISTRICT SUBAREA PLAN**

**OBJECTIVE 1.3**

**CONTINUE TO FOSTER A MIX OF LAND USES TO REINFORCE THE 24-HOUR CHARACTER OF THE AREA.**

Policy 1.1

Increase the overall capacity of the Transit Center District for additional growth.

*The proposed Ordinance recognizes that smaller lots are often not large enough to be developed with efficient office buildings and facilitates their maximum development potential, while retaining the largest sites for job-related growth.*

**COMMERCE AND INDUSTRY ELEMENT**

**OBJECTIVE 1**

**MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.**

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

*The proposed Ordinance will facilitate the establishment of new commercial and residential uses. Any potential undesirable consequences may be addressed through existing regulatory controls.*

**OBJECTIVE 2**

**MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.**

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

*The proposed ordinance will bring new residents Downtown to facilitate reactivation of the area, in furtherance of economic and social revitalization, and restoration of Downtown's attractiveness as a firm location.*

## HOUSING ELEMENT

### OBJECTIVE 7

EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

#### POLICY 7.1

Promote the inclusion of housing in downtown commercial developments.

#### POLICY 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

*The proposed Ordinance would help facilitate adaptive reuse of commercial buildings to housing by waiving certain Planning Code requirements for existing buildings.*

### IMPLEMENTING PROGRAMS

#### 7. EXPANDING HOUSING CHOICES

##### Action 7.3.4

Study feasibility challenges and support proposals for adaptive re-use of vacant and underutilized commercial office buildings to potentially increase housing and affordable housing opportunities, especially if building types work well for groups that would benefit from their proximity to transit, services, or institutions, such as seniors, teachers, or students.

*The proposed ordinance will help to facilitate adaptive reuse of commercial buildings and could help to create more housing units in an area of the City that is well-connected to jobs of various skill levels, and numerous public transit options.*

### Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would support neighborhood-serving retail by allowing more retail uses downtown and that expanding retail uses would provide more opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on housing or neighborhood character.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The proposed Ordinance would support more housing and more affordable housing by facilitating the adaptive reuse of commercial buildings.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.*

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

*The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.*

7. That the landmarks and historic buildings be preserved;

*The proposed Ordinance will further the purposes of Articles 10 and 11 of the Planning Code by continuing to protect the special architectural, historical and aesthetic value of the City's downtown Landmarks and historic buildings.*

8. That our parks and open space and their access to sunlight and vistas be protected from development;

*The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.*

### **Planning Code Section 302 Findings.**

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on July 13, 2023.

Jonas P. Ionin  
*Commission Secretary*

AYES:

NOES:

ABSENT:

ADOPTED: July 13, 2023

1 [Planning and Building Codes - Commercial to Residential Adaptive Reuse and Downtown  
2 Economic Revitalization]

3 **Ordinance amending the Planning Code to 1) facilitate residential uses Downtown**  
4 **by authorizing the conversion of non-residential uses to residential use in C**  
5 **(Commercial) zoning districts, and exempting such projects from requirements**  
6 **for rear yard, open space, streetscape improvements, dwelling unit exposure, off-**  
7 **street freight loading, curb cuts for vehicular access, bike parking, transportation**  
8 **demand management, dwelling unit mix, and Intermediate Length Occupancy**  
9 **controls, permitting live work units in such project, streamlining administrative**  
10 **approvals for projects in the C-3 zoning district, and modifying the dimensional**  
11 **limits on exemptions to height restrictions for mechanical equipment, elevator,**  
12 **stair, and mechanical penthouses; 2) economically revitalize Downtown by**  
13 **adding Flexible Workspace as a defined use, authorizing large scale retail uses in**  
14 **the C-3 zoning district, allowing window displays in the C-3 zoning district,**  
15 **allowing Flexible Workspace as an active ground floor commercial use along**  
16 **certain street frontages in C-3 zoning districts, allowing accessory storage in any**  
17 **C zoning district, allowing the temporary installation for 60 days of certain signs**  
18 **in the C-3-R district, allowing temporary non-residential uses in vacant spaces for**  
19 **up to one year, including formula retail, reducing density limits for Residential**  
20 **Dwelling Units and Senior Housing in the C-2 zoning districts east of or fronting**  
21 **~~Van Ness/South Van Ness Avenue~~ Franklin Street/13th Street and north of**  
22 **Townsend Street, principally permitting Laboratory, Life Science, Agricultural and**  
23 **Beverage Processing, and Animal Hospitals in C-2 zoning districts, principally**  
24 **permitting Senior Housing, Residential Care Facilities, Outdoor Entertainment,**  
25 **Open Recreation Areas, Animal Hospitals, and Trade Schools in the C-3 zoning**

1 district, allowing formula retail as a ground floor use on Market Street, principally  
2 permitting office and design professional uses on the second floor and higher in  
3 the C-3-R zoning district, and requiring consideration of office vacancy in  
4 consideration of granting exceptions in the Transit Center Commercial Special  
5 Use District; 3) streamline sign permitting citywide and in the C-3 and portions of  
6 the C-2 districts by allowing for the repair and rehabilitation of certain neon signs,  
7 and exempting existing business signs in the C-3 zoning district from certain  
8 zoning controls; 4) streamline Historic Preservation review of administrative  
9 certificates of appropriateness, and minor permits to alter for awnings, and  
10 Qualifying Scopes of Work, as may be delegated by the Historic Preservation  
11 Commission; 5) increase threshold for large projects subject to commercial to  
12 residential ratios in the C-3-O district, and provide alternatives to on-site open  
13 space in certain C-3 districts by allowing for payment of an in lieu fee as an  
14 alternative to providing open space; 6) facilitate residential adaptive reuse by  
15 amending the Building Code to add standards for adaptive reuse of non-  
16 residential buildings; and 7) principally permit formula retail and waive size  
17 limitations for such uses on a portion of Showplace Square Area (555-9th Street,  
18 Assessor's Parcel Block No. 3781, Lot No. 003); affirming the Planning  
19 Department's determination under the California Environmental Quality Act;  
20 making findings of consistency with the General Plan, and the eight priority  
21 policies of Planning Code, Section 101.1; and making findings of public  
22 necessity, convenience, and welfare pursuant to Planning Code, Section 302.

23 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
24 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
25 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial font~~.

**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:

Section 1. Environmental, Land Use, and Building Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply 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. \_\_\_ and is incorporated herein by reference. The Board affirms this determination.

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

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

(d) On \_\_\_\_\_, at a duly noticed public hearing, the Building Inspection Commission considered this ordinance in accordance with Charter Section D3.750-5 and Building Code Section 104A.2.11.1.1. A copy of a letter from the Secretary of the Building Inspection Commission regarding the Commission's



1 recommendation is on file with the Clerk of the Board of Supervisors in File No.

2 \_\_\_\_\_.

3 (e) No local findings are required under California Health and Safety Code  
4 Section 17958.7 because the amendments to the Building Code contained in this  
5 ordinance do not regulate materials or manner of construction or repair, and instead  
6 relate in their entirety to administrative procedures for implementing the code and  
7 remedies available for enforcing code violations, which are expressly excluded from the  
8 definition of a “building standard” by California Health and Safety Code Section  
9 18909(c).

10  
11 Section 2. General Background and Findings.

12 (a) California faces a severe crisis of housing affordability and availability,  
13 prompting the Legislature to declare, in Section 65589.5 of the Government Code, that  
14 the state has “a housing supply and affordability crisis of historic proportions. The  
15 consequences of failing to effectively and aggressively confront this crisis are hurting  
16 millions of Californians, robbing future generations of a chance to call California home,  
17 stifling economic opportunities for workers and businesses, worsening poverty and  
18 homelessness, and undermining the state’s environmental and climate objectives.”

19 (b) This crisis of housing affordability and availability is particularly severe in San  
20 Francisco. It is characterized by dramatic increases in rent and home sale prices over  
21 recent years.

22 (c) According to the Planning Department’s 2020 Housing Inventory, the cost of  
23 housing in San Francisco has increased dramatically since the Great Recession of  
24 2008-2009, with the median sale price for a two-bedroom house more than tripling from  
25 2011 to 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to

1 2020 alone, even in the face of the COVID-19 pandemic. The median rental price for a  
2 two-bedroom apartment saw similar although slightly smaller increases, nearly doubling  
3 from \$2,570 to \$4,500 per month, from 2011 to 2019, before declining in 2020 due to  
4 the pandemic.

5 (d) These housing cost trends come after decades of underproduction of  
6 housing in the Bay Area, according to the Planning Department's 2019 Housing  
7 Affordability Strategies Report. The City's Chief Economist has estimated that  
8 approximately 5,000 new market-rate housing units per year would be required to keep  
9 housing prices in San Francisco constant with the general rate of inflation.

10 (e) Moreover, San Francisco will be challenged to meet increased Regional  
11 Housing Needs Allocation ("RHNA") goals in the upcoming 2023-2031 Housing Element  
12 cycle, which total 82,069 units over eight years, more than 2.5 times the goal of the  
13 previous eight-year cycle. The importance of meeting these goals to address housing  
14 needs is self-evident. In addition, under relatively new State laws like Senate Bill 35  
15 (2017), failure to meet the 2023-2031 RHNA housing production goals would result in  
16 limitations on San Francisco's control and discretion over certain projects.

17 (f) At the same time, the City faces reduced demand for office space and large  
18 increases in commercial vacancy rates, as the impacts to the workforce wrought by the  
19 COVID-19 pandemic – most notably the shift toward remote work – persist even as  
20 public health threats have waned. These changes have been particularly prominent in  
21 the Greater Downtown Area, defined as the North Financial District, South Financial  
22 District, Mid-Market, Union Square, Jackson Square, Mission Bay/China Basin, North  
23 Waterfront, Showplace Square, South of Market, and the Van Ness Corridor (referred to  
24 in this ordinance as "Downtown"). In the Greater Downtown Area, the office sector has  
25 experienced a fourfold increase in total vacancy rate between the third quarter of 2019

1 and the third quarter of 2022, driven largely by reduced space needs due to the rise of  
2 remote work.

3 (g) To address the twin problems of under-utilized office space and lack of  
4 affordable and available housing in San Francisco, a recent report from the Board of  
5 Supervisors' Budget and Legislative Analyst, dated January 6, 2023, urges City  
6 policymakers to consider programs to incentivize the conversion of office space into  
7 residential units ("BLA Report"). The BLA Report identifies various policy options to  
8 incentivize the conversion of office buildings, including reducing regulatory hurdles,  
9 such as protracted approval timeframes; exempting or relaxing projects from various  
10 standards in the Planning Code; and offering financial incentives to offset the costly  
11 architectural and engineering challenges of these conversions.

12 (h) Prior to the COVID-19 pandemic, two-thirds of the City's total jobs were  
13 located Downtown, representing more than three-quarters of the City's total gross  
14 domestic product ("GDP"). San Francisco is also the economic hub for the Bay Area.  
15 With a \$250 billion annual GDP in 2022, San Francisco accounted for more than one-  
16 quarter of the nine-county Bay Area economy — and 79% of the City's share of the Bay  
17 Area economy stems from office-based industries concentrated Downtown. Downtown-  
18 based businesses have historically generated nearly half of the City's sales tax revenue  
19 and almost all (95%) of the City's business tax revenue. This revenue funds many key  
20 services such as public safety, cleaning, open space, and transportation.

21 (i) The shift to hybrid work, with its consequent reduction in office workers and  
22 foot traffic, has adversely impacted the City's Downtown and other sectors of the City's  
23 economy, including retail and small business, and more broadly has impacted use and  
24 activation of public space, transportation, and public safety.

1 (k) On February 9, 2023, Mayor Breed issued a Roadmap to Downtown San  
2 Francisco's Future. Several of the plan's key policies include: (1) the economic  
3 diversification of Downtown and the revisioning of office space there, (2) expanding  
4 Downtown housing, (3) activating Downtown and enacting zoning controls that draw  
5 people Downtown, and (4) maximizing flexibility for uses and economic activity in the  
6 Union Square area, which has historically played a unique role citywide, regionally, and  
7 internationally as a center for shopping, entertainment, and services.

8 (l) This ordinance would incentivize the conversion of non-residential buildings  
9 into residential units by exempting eligible projects from certain Planning Code  
10 standards. It also would enact local code changes to support existing and attract new  
11 businesses Downtown, and streamline approvals to draw consumers back Downtown.

12 (m) To achieve these ends, this ordinance contains seven sections, each of  
13 which comprises a policy objective: Section 3 includes Planning Code amendments to  
14 facilitate residential uses Downtown, including the creation of a Commercial to  
15 Residential Adaptive Reuse program; Section 4 includes Planning Code amendments to  
16 economically revitalize downtown, by creating a new Retail Sales and Service Use type  
17 and relaxing restrictions on existing uses Downtown; Section 5 includes Planning Code  
18 Amendments to streamline sign permitting in C-3 zoning districts as well as Citywide;  
19 Section 6 will streamline Historic Preservation review of administrative certificates of  
20 appropriateness, and minor permits to alter for awnings, and Qualifying Scopes of  
21 Work; Section 7 provides an in lieu fee alternative to on-site privately-owned public  
22 space requirements in certain C-3 Districts; Section 8 amends the San Francisco  
23 Building Code to facilitate residential adaptive reuse of existing buildings; and Section 9  
24 principally permits formula retail on a portion of Showplace Square Area.

1 Section 3. Facilitate Residential Uses Downtown. The Planning Code is hereby  
2 amended by revising Sections 102, 134, 135, 140, 155.1, 155.2, 207.7, 210.1, 210.2,  
3 260, 309, and 309.1, and adding Section 210.5, to read as follows:

4  
5 **SEC. 102. DEFINITIONS.**

6 \* \* \* \*

7 **City.** The City and County of San Francisco.

8 **Commercial to Residential Adaptive Reuse.** Commercial to Residential Adaptive Reuse  
9 shall mean to change the use of an existing Gross Floor Area from a non-residential use to a  
10 residential use pursuant to Section 210.5.

11 \* \* \* \*

12 **Live/Work Unit.** A hybrid Residential and PDR Use that is defined as a structure  
13 or portion of a structure combining a residential living space for a group of persons  
14 including not more than four adults in the same unit with an integrated work space  
15 principally used by one or more of the residents of that unit; provided, however, that no  
16 otherwise qualifying portion of a structure that contains a Group A occupancy under the  
17 Building Code shall be considered a Live/Work Unit. No City official, department, board,  
18 or commission shall issue or approve a building permit or other land use entitlement  
19 authorizing a new live/work unit as defined here, except as authorized under Section  
20 210.5, or as an accessory use under Section 204.4. Lawfully approved live/work units  
21 are subject to the provisions of Sections 181 and 317 of this Code.

22 \* \* \* \*

1           **SEC. 134. REAR YARDS IN R, RC, NC, ~~C~~, SPD, M, MUG, WMUG, MUO, MUR,**  
2 **UMU, RED, AND RED-MX DISTRICTS; AND LOT COVERAGE REQUIREMENTS IN C**  
3 **DISTRICTS.**

4           (c) **Basic Requirements.** The basic rear yard requirements shall be as follows  
5 for the districts indicated:

6           \* \* \* \*

7           (2) **RM-3, RM-4, RC-3, RC-4, NC Districts other than the Pacific**  
8 **Avenue NC District, ~~C~~, M, MUG, WMUG, MUO, CMUO, MUR, UMU, RED, RED-MX,**  
9 **and SPD Districts.** Except as specified in this subsection (c), the minimum rear yard  
10 depth shall be equal to 25% of the total depth of the lot on which the building is situated,  
11 but in no case less than 15 feet.

12           \* \* \* \*

13           (E) **RC-3, RC-4, NC-3, NCT-3, Bayview, Broadway, Fillmore**  
14 **Street, Geary Boulevard, Hayes-Gough, Japantown, SoMa NCT, Mission Bernal,**  
15 **Mission Street, Polk Street, Lower Polk Street, Pacific Avenue, ~~C~~, M, SPD, MUR,**  
16 **MUG, MUO, and UMU Districts.** Rear yards shall be provided at the lowest story  
17 containing a Dwelling Unit, and at each succeeding level or story of the building. In the  
18 Hayes-Gough NCT, lots fronting the east side of Octavia Boulevard between Linden  
19 and Market Streets (Central Freeway Parcels L, M, N, R, S, T, U, and V) are not  
20 required to provide rear yards at any level of the building, provided that the project fully  
21 meets the usable open space requirement for Dwelling Units pursuant to Section 135. *of*  
22 *this Code, meets* the exposure requirements of Section 140, and gives adequate  
23 architectural consideration to the light and air needs of adjacent buildings given the  
24 constraints of the project site.

25           \* \* \* \*

1                                    (H) Lot Coverage in C Districts. Lot coverage is limited to 80% at all  
2 levels containing residential uses, except that on levels that include only lobbies and circulation  
3 areas and on levels in which all residential uses, including circulation areas, are within 40  
4 horizontal feet from a property line fronting a street or alley, up to 100% lot coverage may  
5 occur. The unbuilt portion of the lot shall be open to the sky except for those obstructions  
6 permitted in yards pursuant to subsections (1) through (23) of Section 136(c). Where the  
7 adjacent properties have an existing rear yard, the unbuilt area of the new project shall be  
8 designed to adjoin that rear yard. In accordance with Section 210.5, lot coverage requirements  
9 shall not be applicable for Commercial to Residential Adaptive Reuse projects.

10                    \* \* \* \*

11  
12                    **SEC. 135. USABLE OPEN SPACE FOR DWELLING UNITS AND GROUP**  
13 **HOUSING, R, NC, MIXED USE, C, AND M DISTRICTS.**

14                    \* \* \* \*

15                    (d) **Amount Required.** Usable open space shall be provided for each building  
16 in the amounts specified herein and in Tables 135A and B for the district in which the  
17 building is located; provided, however, that (i) in the Downtown Residential (DTR)  
18 Districts, open space shall be provided in the amounts specified in Section 825 ~~of this~~  
19 ~~Code~~, and (ii) in accordance with Section 210.5, usable open space shall not be required for  
20 Commercial to Residential Adaptive Reuse projects.

21                    \* \* \* \*

22                                    **TABLE 135A**  
23 **MINIMUM USABLE OPEN SPACE FOR DWELLING UNITS AND GROUP HOUSING**  
24 **OUTSIDE THE EASTERN NEIGHBORHOODS MIXED USE DISTRICT**  
25

District	Square Feet of Usable Open Space Required for Each Dwelling Unit If All Private	Ratio of Common Usable Open Space That May Be Substituted for Private
* * * *		
C-3, M-1, M-2	36 <sup>(1)</sup>	1.33 <sup>(1)</sup>
C-1, C-2	Same as for the R District establishing the dwelling unit density ratio for the <del>C-1 or</del> C-2 District property. <i>Group Housing requirement is per bedroom and 1/3 the amount required for a Dwelling Unit. (1)</i>	

*(1) In accordance with Section 210.5, usable open space shall not be required for Commercial to Residential Adaptive Reuse projects.*

\* \* \* \*

**SEC. 140. ALL DWELLING UNITS IN ALL USE DISTRICTS TO FACE ON AN OPEN AREA.**

(a) **Requirements for Dwelling Units.** In each Dwelling Unit in any use district, the required windows (as defined by Section 504 of the San Francisco Housing Code-) of at least one room that meets the 120-square-foot minimum superficial floor area requirement of Section 503 of the Housing Code shall face directly onto an open area of one of the following types:

\* \* \* \*

*(3) In accordance with Section 210.5, this Section 140 shall not apply to Commercial to Residential Adaptive Reuse projects.*

\* \* \* \*



1           **SEC. 152. SCHEDULE OF REQUIRED OFF-STREET FREIGHT LOADING**  
2 **SPACES IN DISTRICTS OTHER THAN C-3 AND EASTERN NEIGHBORHOODS**  
3 **MIXED USE DISTRICTS.**

4           In districts other than C-3 and Eastern Neighborhoods Mixed Use Districts, off-  
5 street freight loading spaces shall be provided in the minimum quantities specified in the  
6 following table, except as otherwise provided in Section 152.2 and Section 161 of this  
7 Code. The measurement of Occupied Floor Area shall be as defined in this Code,  
8 except that non-accessory parking spaces and driveways and maneuvering areas  
9 incidental thereto shall not be counted. In accordance with Section 210.5, this Section  
10 152 shall not apply to Commercial to Residential Adaptive Reuse projects.

11           \* \* \* \*

12           **SEC. 152.1. REQUIRED OFF-STREET FREIGHT LOADING AND SERVICE**  
13 **VEHICLE SPACES IN C-3 AND EASTERN NEIGHBORHOODS MIXED USE**  
14 **DISTRICTS.**

15           In C-3 and Eastern Neighborhoods Mixed Use Districts, off-street freight loading  
16 spaces shall be provided in the minimum quantities specified in the following Table  
17 152.1, except as otherwise provided in Sections 153(a)(6), 161, and as stated below in  
18 this Section 152.1. Notwithstanding the requirements of this Section, including Table  
19 152.1, no building in the C-3-O(SD) district shall be required to provide more than six  
20 off-street freight loading or service vehicle spaces in total. The measurement of  
21 Occupied Floor Area shall be as defined in this Code, except that non-accessory  
22 parking spaces and driveways and maneuvering areas incidental thereto shall not be  
23 counted. In accordance with Section 210.5, this Section 152.1 shall not apply to  
24 Commercial to Residential Adaptive Reuse projects.

25           \* \* \* \*

1           **SEC. 155. GENERAL STANDARDS AS TO LOCATION AND ARRANGEMENT**  
2 **OF OFF-STREET PARKING, FREIGHT LOADING, AND SERVICE VEHICLE**  
3 **FACILITIES.**

4           Required off-street parking and freight loading facilities shall meet the following  
5 standards as to location and arrangement. Facilities which are not required but are  
6 actually provided shall also meet the following standards unless such standards are  
7 stated to be applicable solely to required facilities. In application of the standards of this  
8 Code for off-street parking and loading, reference may be made to provisions of other  
9 portions of the Municipal Code concerning off-street parking and loading facilities, and  
10 to standards of the Better Streets Plan and the Bureau of Engineering of the  
11 Department of Public Works. Final authority for the application of such standards under  
12 this Code, and for adoption of regulations and interpretations in furtherance of the  
13 stated provisions of this Code shall, however, rest with the Planning Department.

14           \* \* \* \*

15           **(r) Protected Pedestrian-, Cycling-, and Transit-Oriented Street**  
16 **Frontages.** In order to preserve the pedestrian character of certain districts and to  
17 minimize delays to transit service, garage entries, driveways, or other vehicular access  
18 to off-street parking or loading via curb cuts on development lots shall be regulated as  
19 set forth in this subsection (r). These limitations do not apply to the creation of new  
20 publicly-accessible Streets and Alleys. Any lot whose sole feasible vehicular access is  
21 via a protected street frontage described in this subsection (r) shall be exempted from  
22 any off-street parking or loading requirement found elsewhere in this Code.

23           (1) Folsom Street, from Second Street to The Embarcadero, not  
24 permitted except as set forth in Section 827.

25           \* \* \* \*

1                                   **(7) Commercial to Residential Adaptive Reuse projects**  
2 **pursuant to Section 210.5. Pre-existing garage entries, driveways, or other vehicular**  
3 **access to off-street parking and loading via curb cuts for Commercial to Residential**  
4 **Adaptive Reuse projects are not subject to Section 155(r). Creation of new or**  
5 **expanded garage entries, driveways, or other vehicular access to off-street parking and**  
6 **loading via curb cuts shall be subject to Section 155(r).**

7                                   **SEC. 155.1. BICYCLE PARKING: DEFINITIONS AND STANDARDS.**

8                                   \* \* \* \*

9                                   **(g) Commercial to Residential Adaptive Reuse projects. In accordance with Section**  
10 **210.5, the requirements of this Section 155.1 shall not apply to any Commercial to Residential**  
11 **Adaptive Reuse projects.**

12  
13                                   **SEC. 155.2. BICYCLE PARKING: APPLICABILITY AND REQUIREMENTS**  
14 **FOR SPECIFIC USES.**

15                                   Bicycle parking spaces are required in at least the minimum quantities specified  
16 in Table 155.2. Bicycle parking shall meet the standards in Section 155.1.

17                                   \* \* \* \*

18                                   **(f) Commercial to Residential Adaptive Reuse projects. In accordance with Section**  
19 **210.5, the requirements of this Section 155.2 shall not apply to any Commercial to Residential**  
20 **Adaptive Reuse projects.**

21                                   **SEC. 169. TRANSPORTATION DEMAND MANAGEMENT PROGRAM.**

22                                   Sections 169 through 169.6 (hereafter referred to collectively as “Section 169”)  
23 set forth the requirements of the Transportation Demand Management Program (TDM  
24 Program).

25                                   \* \* \* \*

1           **SEC. 169.3. APPLICABILITY.**

2           \* \* \* \*

3           (b) Exemptions. Notwithstanding subsection (a), Section 169 shall not apply to  
4 the following:

5                   (1) One Hundred Percent Affordable Housing Projects. Residential uses  
6 within Development Projects where all residential units are affordable to households at  
7 or below 120% of the Area Median Income, as defined in Section 401, shall not be  
8 subject to the TDM Program. Any uses other than Residential within those projects,  
9 whose primary purpose is to provide services to the Residential uses within those  
10 projects shall also be exempt. Other uses shall be subject to the TDM program. All uses  
11 shall be subject to all other applicable requirements of the Planning Code.

12                   (2) Parking Garages and Parking Lots, as defined in Section 102.  
13 However, parking spaces within such Parking Garages or Parking Lots, when included  
14 within a larger Development Project, may be considered in the determination of TDM  
15 Plan requirements, as described in the TDM Program Standards.

16                   (3) Commercial to Residential Adaptive Reuse projects per Planning  
17 Code Section 210.5.

18           \* \* \* \*

19           **SEC. 207.7. REQUIRED MINIMUM DWELLING UNIT MIX.**

20           (a) **Purpose.** To ensure an adequate supply of family-sized units in new  
21 housing stock, new residential construction must include a minimum percentage of units  
22 of at least two and three bedrooms.

23           (b) **Applicability.**

24           \* \* \* \*

(4) In accordance with Section 210.5, this Section 207.7 shall not apply to Commercial to Residential Adaptive Reuse projects.

\* \* \* \*

**SEC. 210.1. C-2 DISTRICTS: COMMUNITY BUSINESS.**

\* \* \* \*

**Table 210.1  
ZONING CONTROL TABLE FOR C-2 DISTRICTS**

Zoning Category	§ References	C-2
<b>RESIDENTIAL STANDARDS AND USES</b>		
<b>Development Standards</b>		
* * * *		
* * * *		
Usable Open Space for Dwelling Units and Group Housing	§§ 135, 136	Same as for the R District establishing the dwelling unit density ratio for the property. <i>Group Housing requirement is per bedroom and 1/3 the amount required for a Dwelling Unit. See exceptions for Commercial to Residential Adaptive Reuse projects in Section 210.5</i>
* * * *		
Rear Yard Setback	§§ 130, 134	<i>Lot coverage is limited to 80% at all levels containing Residential Uses, except that on levels that include only lobbies and circulation areas and on levels in which all residential uses, including circulation areas, are within 40 horizontal feet from a property line fronting a street or alley, up to 100% lot coverage may occur. The unbuilt portion of the lot shall be open to the sky except for those obstructions permitted in yards pursuant to subsections (1) through (23) of Section 136(c). Where the adjacent properties have an existing rear yard, the unbuilt area of the new project shall be</i>

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

		<i>designed to adjoin that rear yard. See exceptions for Commercial to Residential Adaptive Reuse projects in Section 210.5.25% of the total depth lot depth, but in no case less than 15 feet for lowest story containing a dwelling unit and each succeeding story.</i>
--	--	---

\* \* \* \*

**SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.**

\* \* \* \*

**Table 210.2  
ZONING CONTROL TABLE FOR C-3 DISTRICTS**

Zoning Category	§ References	C-3-O	C-3-O(SD)	C-3-R	C-3-G	C-3-S
<b>RESIDENTIAL STANDARDS AND USES</b>						
<b>Development Standards</b>						
* * * *						
<i>Usable Open Space [Per Dwelling Unit]</i>	§§ 135, 136	At least 36 square feet if private, and 48 square feet per Dwelling Unit if common; <i>Group Housing requirement is per bedroom and 1/3 the amount required for a Dwelling Unit. See exceptions for Commercial to Residential Adaptive Reuse projects in Section 210.5</i>				
<i>Usable Open Space for Dwelling Units and Group Housing</i>						
* * * *						
Rear Yard Setback	§§ 130, 134	<i>Lot coverage is limited to 80% at all levels containing Residential Uses, except that on levels that include only lobbies and circulation areas and on levels in which all residential uses, including circulation areas, are within 40 horizontal feet from a property line fronting a street or alley, up to 100%</i>				

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

	<p><i>lot coverage may occur. The unbuilt portion of the lot shall be open to the sky except for those obstructions permitted in yards pursuant to subsections (1) through (23) of Section 136(c). Where the adjacent properties have an existing rear yard, the unbuilt area of the new project shall be designed to adjoin that rear yard. See exceptions for Commercial to Residential Adaptive Reuse projects in Section 210.5. 25% of the total depth lot depth, but in no case less than 15 feet for lowest story containing a dwelling unit and each succeeding story. Exceptions are permitted by § 309.</i></p>
--	--

\* \* \* \*

**SEC. 210.5. COMMERCIAL TO RESIDENTIAL ADAPTIVE REUSE PROGRAM.**

(a) Purpose and Findings. This Section 210.5 describes the Commercial to Residential Adaptive Reuse Program. The purpose of the Program is to facilitate the adaptive reuse of non-residential buildings to support the City’s housing needs by allowing for conversion of those buildings to residential use.

(b) Commercial to Residential Adaptive Reuse Projects. A Commercial to Residential Adaptive Reuse project is a project that includes a change of use of any existing Gross Floor Area from a non-residential use to a residential use as those uses are defined in Section 102.

(c) Eligibility. To be eligible for the Commercial to Residential Adaptive Reuse Program, a project must:

(1) be located in a C-3 zoning district or a C-2 zoning district that is east of or fronting ~~Van Ness/South Van Ness Avenue~~ Franklin Street/13th Street and north of Townsend Street;

1                   (2) not seek approval under Section 206.5 or 206.6; and

2                   (3) not expand an existing building's envelope in a manner where the addition to  
3 the building envelope represents more than 3320% of the existing building's Gross Floor Area;  
4 provided that if a project would exceed this limit, the portions of the building additions in  
5 excess of 33% must meet generally prevailing code requirements. For purposes of this  
6 section, additional Gross Floor Area shall be counted from the lowest floor to the  
7 highest floor. and

8                   ~~(4) not add more than one vertical story.~~

9                   (d) Controls. Applicable provisions of the Planning Code shall control except as  
10 otherwise provided in this Section 210.5. If there is a conflict between other provisions of the  
11 Planning Code and this Section 210.5, this Section shall prevail; provided that this Section does  
12 not alter, amend, or modify Section 249.93 (Group Housing Special Use District). For  
13 Commercial to Residential Adaptive Reuse projects, the following zoning controls shall be  
14 waived or modified, as described:

15                   (1) Lot Coverage. Lot coverage requirements per Section 134 shall not apply.

16                   (2) Open Space. Usable open space requirements per Section 135 shall not  
17 apply.

18                   (3) Streetscape and Pedestrian Improvements. Required streetscape and  
19 pedestrian improvements per Section 138.1 shall not apply.

20                   (4) Dwelling Unit Exposure. The dwelling unit exposure requirements of Section  
21 140 may be satisfied by either of the following:

22                   (a) providing an unobstructed open area that is at least as wide as the  
23 exposed exterior width of the Dwelling Unit and is no less than five feet in every horizontal  
24 dimension at each story containing the Dwelling Unit and all stories above.



1                                    (b) providing an unobstructed open area that is at least 5 feet wide  
2 by 15 feet long at each story containing the Dwelling Unit and all stories above.

3                                    (5) **Bicycle Parking.** The Bicycle Parking requirements in Sections 155.1 and  
4 155.2 shall not apply.

5                                    (6) **Dwelling Unit Mix.** The required minimum dwelling unit mix per Section  
6 207.7 shall not apply.

7                                    (7) **Intermediate Length Occupancy.** The establishment of Intermediate Length  
8 Occupancy units shall be consistent with Section 202.10, provided that the controls in Section  
9 202.10(b)(1) and (b)(2) shall not apply. Intermediate Length Occupancy units shall be  
10 principally permitted in Commercial to Residential Adaptive Reuse projects.

11                                    (8) **Live Work Units.** Live Works units are permitted in any Commercial to  
12 Residential Adaptive Reuse project.

13                                    (9) **Transportation Demand Management (TDM) Plan Requirements.**  
14 The Transportation Demand Management Plan requirements in Section 169 shall not  
15 apply.

16                                    (10) **Preservation of Privately Owned Public Open Spaces (POPOS).**  
17 Nothing in this Section 210.5 is intended to modify, alter, or waive the applicability of  
18 Section 138 (POPOS) to Commercial to Residential Adaptive Reuse projects that retain  
19 non-residential uses.

20                                    (11) **Off-Street Freight Loading and Service Vehicle Spaces.** The  
21 requirements of Sections 152 and 152.1 for Off-Street Freight Loading and Service  
22 Vehicle Spaces shall not apply.

23                                    (12) **Protected Pedestrian, Cycling, and Transit-Oriented Street**  
24 **Frontages.** Pre-existing garage entries, driveways, or other vehicular access to off-  
25 street parking and loading via curb cuts for Commercial to Residential Adaptive Reuse

1 projects are not subject to Section 155(r). Creation of new or expanded garage entries,  
2 driveways, or other vehicular access to off-street parking and loading via curb cuts shall  
3 be subject to Section 155(r).

4 (e) **Review of Projects in the C-3 District.** If a project seeks exceptions that are waived  
5 or modified in subsection (d) above, the hearing requirements in Section 309 shall not apply as  
6 to the consideration of those exceptions. But if a project seeks exceptions not otherwise waived  
7 or modified in subsection (d) above, the hearing requirements of Section 309 shall apply.

8 (f) **Applications.** Any application to establish a residential use pursuant to this Section  
9 210.5 must be filed on or before December 31, 2028.

10 **SEC. 260. HEIGHT LIMITS: MEASUREMENT.**

11 \* \* \* \*

12 (b) **Exemptions.** In addition to other height exceptions permitted by this Code,  
13 the features listed in this subsection (b) shall be exempt from the height limits  
14 established by this Code, in an amount up to but not exceeding that which is specified.

15 (1) The following features shall be exempt provided the limitations  
16 indicated for each are observed; and provided further that the sum of the horizontal  
17 areas of all features listed in this subsection (b)(1) shall not exceed ~~2~~30% of the  
18 horizontal area of the roof above which they are situated, or, in C-3 Districts and in the  
19 Rincon Hill Downtown Residential District, where the top of the building has been  
20 separated into a number of stepped elements to reduce the bulk of the upper tower, of  
21 the total of all roof areas of the upper towers; and provided further that in any R, RC-3,  
22 or RC-4 District the sum of the horizontal areas of all such features located within the  
23 first 10 feet of depth of the building, as measured from the front wall of the building,  
24 shall not exceed 20% of the horizontal area of the roof in such first 10 feet of depth.

1           As an alternative, the sum of the horizontal areas of all features listed in  
2 this subsection (b)(1) may be equal to but not exceed ~~23~~30% of the horizontal area  
3 permitted for buildings and structures under any bulk limitations in Section 270 of this  
4 Code applicable to the subject property.

5           Any such sum of ~~23~~30% heretofore described may be increased to ~~34~~40% by  
6 unroofed screening designed either to obscure the features listed under (A) and (B)  
7 below or to provide a more balanced and graceful silhouette for the top of the building or  
8 structure.

9           (A) Mechanical equipment and appurtenances necessary to the  
10 operation or maintenance of the building or structure itself, including chimneys,  
11 ventilators, plumbing vent stacks, cooling towers, water tanks, panels or devices for the  
12 collection of solar or wind energy, and window-washing equipment, together with visual  
13 screening for any such features. This exemption shall be limited to the top ~~10~~ 16 feet of  
14 such features where the height limit is 65 feet or less, and the top ~~16~~ 20 feet of such  
15 features where the height limit is more than 65 feet. *In C-3 districts, for existing buildings*  
16 *whose height exceeds the permitted height limit, these exempted features shall be measured from*  
17 *the existing roofline instead of the height limit.*

18           (B) Elevator, stair and mechanical penthouses, fire towers,  
19 skylights, and dormer windows. This exemption shall be limited to the top ~~10~~ 16 feet of  
20 such features where the height limit is 65 feet or less, and the top ~~16~~ 20 feet of such  
21 features where the height limit is more than 65 feet. However, for elevator penthouses,  
22 the exemption shall be limited to the top 16 feet and limited to the footprint of the  
23 elevator shaft, regardless of the height limit of the building. The design of all elevator  
24 penthouses in Residential Districts shall be consistent with the "Residential Design  
25 Guidelines" as adopted and periodically amended for specific areas or conditions by the

1 Planning Commission. In C-3 districts, for existing buildings whose height exceeds the  
2 permitted height limit, these exempted features shall be measured from the existing roofline  
3 instead of the height limit.

4 \* \* \* \*

5 (E) In any C-3 District, the CMUO District, and any MUR or MUG  
6 District within the Central SoMa Special Use District, enclosed space related to the  
7 recreational, Restaurant, or Bar use of the roof, not to exceed 16 feet in height. In C-3  
8 districts, for existing buildings whose height exceeds the permitted height limit, these exempted  
9 features shall be measured from the existing roofline instead of the height limit.

10 \* \* \* \*

11  
12 **SEC. 309. PERMIT REVIEW IN C-3 DISTRICTS.**

13 The provisions and procedures set forth in this Section 309 shall govern the  
14 review of project authorization and building and site permit applications for (1) the  
15 construction or substantial alteration of structures in C-3 Districts, (2) the granting of  
16 exceptions to certain requirements of this Code where the provisions of this Section are  
17 invoked, and (3) the approval of open space and streetscape requirements of the  
18 Planning Code. When any action authorized by this Section is taken, any determination  
19 with respect to the proposed project required or authorized pursuant to CEQA may also  
20 be considered. This Section shall not require additional review in connection with a site  
21 or building permit application if review hereunder was completed with respect to the  
22 same proposed structure or alteration in connection with a project authorization  
23 application pursuant to Section 322.

24 \* \* \* \*

1           (d) ~~**Notice of Proposed Approval for Projects that do not require Public Hearing.** If an~~  
2 ~~application does not require a Planning Commission hearing pursuant to Subsection 309(e)(1)~~  
3 ~~below, the application or building or site permit may be reviewed and approved~~  
4 ~~administratively. At the determination of the Planning Director, applications for especially~~  
5 ~~significant scopes of work may be subject to the notification requirements of Section 333 of this~~  
6 ~~Code. If a request for Planning Commission review is made pursuant to subsection 309(f), the~~  
7 ~~application will be subject to the notification and hearing procedures of this Section. If no~~  
8 ~~request for Commission review is made, the Zoning Administrator may approve the project~~  
9 ~~administratively.~~

10           (e) **Hearing and Determination of Applications for Exceptions.**

11           (1) Hearing. The Planning Commission shall hold a public hearing on a  
12 Section 309 application if:

13                   (A) ~~The project would result in a net addition of more than 50,000~~  
14 ~~square feet of gross floor area of space, or~~

15                   (B) The project includes the construction of a new building greater  
16 than 120 ~~75~~ feet in height (excluding any exceptions permitted per Section 260(b)), or  
17 includes a vertical addition to an existing building with a height of 120 ~~75~~ feet or less  
18 resulting in a total building height greater than 120 ~~75~~ feet; or

19                   (C) The project would require an exception as provided in  
20 Subsection 309(a); provided that the hearing requirements of this Section 309 shall not apply  
21 to Commercial to Residential Adaptive Reuse projects seeking exceptions or modifications  
22 pursuant to Section 210.5(d).

23           \* \* \* \*

24           (f) ~~**Planning Commission Review Upon Request.**~~

1           — ~~(1) **Requests.** Within 10 days after notice of the proposed Zoning Administrator~~  
2 ~~approval has been given, as provided in subsection (d), any person may request in writing that~~  
3 ~~the Planning Commission impose additional modifications on the project as provided in~~  
4 ~~subsection (b) or consider the application for compliance with the open space and streetscape~~  
5 ~~requirements of the Planning Code. The written request shall state why additional modifications~~  
6 ~~should be imposed notwithstanding its compliance with the requirements of this Code and shall~~  
7 ~~identify the policies or objectives that would be promoted by the imposition of conditions, or~~  
8 ~~shall state why the open space and streetscape requirements have not been complied with.~~

9           — ~~(2) **Commission Consideration.** The Planning Commission shall consider at a~~  
10 ~~public hearing each written request for additional modifications and for consideration of the~~  
11 ~~open space and streetscape requirements of the Planning Code compliance and may, by majority~~  
12 ~~vote, direct that a hearing be conducted to consider such modifications or compliance, which~~  
13 ~~hearing may be conducted at the same meeting that the written request is considered and~~  
14 ~~decided. Notice of such hearing shall be provided pursuant to the requirements of Section 333 of~~  
15 ~~this Code, provided that mailed notice shall also be provided to any person who has requested~~  
16 ~~such notice, and to any person who has submitted a request for additional requirements. In~~  
17 ~~determining whether to conduct such a hearing, the Planning Commission shall determine~~  
18 ~~whether, based upon a review of the project, reasonable grounds exist justifying a public hearing~~  
19 ~~in order to consider the proposed additional modifications and the open space and streetscape~~  
20 ~~requirements of the Planning Code compliance.~~

21           — ~~(3) **Commission Action.** If the Planning Commission determines to conduct a~~  
22 ~~hearing to consider the imposition of additional modifications or the open space and streetscape~~  
23 ~~requirements compliance, it may, after such hearing and after making appropriate findings,~~  
24 ~~approve, disapprove, or approve subject to conditions the building or site permit or project~~  
25 ~~authorization application. If the Planning Commission determines not to conduct a hearing, the~~

1 ~~Zoning Administrator shall approve the application subject to any conditions imposed by the~~  
2 ~~Director of Planning to which the applicant has consented.~~

3 (ei) **Imposition of Conditions, General.** If, pursuant to the provisions of this  
4 Section 309, the Planning Commission determines that conditions should be imposed  
5 on the approval of a building or site permit application, or Section 309 application, and  
6 the applicant agrees to comply, the Planning Commission may approve the application  
7 subject to those conditions, and if the applicant refuses to so agree, the Planning  
8 Commission may disapprove the application.

9 (fj) **Change of Conditions.** Authorization of a change in any condition  
10 previously imposed pursuant to this Section 309 shall require an application for a  
11 change in conditions, which application shall be subject to the procedures set forth in  
12 this Section.

13 (gk) An approval action in accordance with this Section 309 shall constitute the  
14 City's decision to approve the project for purposes of Administrative Code Chapter 31.

15  
16 **SEC. 309.1. PERMIT REVIEW IN DOWNTOWN RESIDENTIAL DISTRICTS.**

17 The provisions and procedures set forth in this Section 309.1 shall govern the  
18 review of project authorization and building and site permit applications for the  
19 construction or substantial alteration of structures in Downtown Residential districts, the  
20 granting of exceptions to requirements of this Code, and the imposition of modifications  
21 necessary to achieve the objectives and policies of the General Plan and the purposes  
22 of this Code as provided for in Section 825 and elsewhere. When any action authorized  
23 by this Section is taken, any determination with respect to the proposed project required  
24 or authorized pursuant to CEQA may also be considered.

25 \* \* \* \*

1 (c) **Hearing and Determination on Design Modifications and Applications**  
2 **for Exceptions.**

3 (1) **Hearing.** The Planning Commission shall hold a public hearing for all  
4 projects ~~greater than 50,000 gross square feet, for all projects~~ proposing construction of a new  
5 building greater than 120 ~~85~~ feet in height or ~~greater~~ a vertical addition to an existing building  
6 with a height of 120 feet or less resulting in a total building height greater than 120 feet, and for  
7 applications that require exceptions as provided in ~~S~~subsection (b).

8 \* \* \* \*

9  
10 Section 4. Economically Revitalize Downtown. The Planning Code is hereby  
11 amended by revising Sections 102, 121.6, 145.1, 145.4, 204.3, 205.1, 210.1, 210.2, and  
12 248, to read as follows:

13 **SEC. 102. DEFINITIONS.**

14 \* \* \* \*

15 **Flexible Retail.** A Retail Sales and Service Use in Neighborhood Commercial  
16 Districts, subject to the requirements of Sections 179.2 and 202.9, that combines a  
17 minimum of two of the following distinct Uses within a space that may be operated by  
18 one or more business operators:

- 19 (1) Arts Activities;
  - 20 (2) Restaurant, Limited;
  - 21 (3) Retail Sales and Services, General;
  - 22 (4) Service, Personal;
  - 23 (5) Service, Retail Professional; and
  - 24 (6) Trade Shop.
- 25



1           **Flexible Workspace.** A Retail Sales and Service use that is a combination of any uses  
2 within the Retail Sales and Service use category or a General Entertainment use that operates in  
3 conjunction with a principally or conditionally permitted Non-Retail Sales and Service use other  
4 than a Commercial Storage, Wholesale Sales, or Wholesale Storage use. The Retail Sales and  
5 Service or General Entertainment portion of the use shall be at least one-third of the overall  
6 Gross Floor Area and must face the street occupy space within the first 25 feet of the  
7 storefront.

8           \* \* \* \*

9  
10           **SEC. 121.6. LARGE-SCALE RETAIL USES.**

11           ~~(a) Notwithstanding any other provision of this Code, establishment of a single~~  
12 ~~retail use in excess of 50,000 gross square feet in any zoning district other than the C-3~~  
13 ~~Zoning Districts shall require conditional use authorization pursuant to Section 303~~  
14 ~~unless such use already is prohibited. This Subsection 121.6 shall apply to the~~  
15 ~~establishment of a new use and the expansion of an existing use. (b) Notwithstanding~~  
16 ~~any other provision of this Code, establishment of a single retail use in excess of 90,000 gross~~  
17 ~~square feet within a C-3 Zoning District shall require conditional use authorization pursuant to~~  
18 ~~Section 303 unless such use already is prohibited. This Subsection shall apply only to the~~  
19 ~~establishment of a new use (c) Notwithstanding any other provision of this Code,~~  
20 ~~establishment of a single retail use in excess of 120,000 gross square feet is prohibited in any~~  
21 ~~zoning district other than a C-3 Zoning District. This Subsection shall apply to the establishment~~  
22 ~~of a new use and the expansion of an existing use. (d) Notwithstanding any other provision of~~  
23 ~~this Code, establishment of a single retail use in excess of 120,000 gross square feet in a C-3~~  
24 ~~Zoning District shall be prohibited if it would sell groceries; contain more than 20,000~~  
25 ~~Stockkeeping Units (SKUs); and devote more than five percent (5%) of its total sales floor area~~

1 ~~to the sale of non-taxable merchandise. This Subsection shall apply only to the establishment of a~~  
2 ~~new use.(e) For purposes of this Section, 121.6:—(1) “sales floor area” includes only~~  
3 ~~interior building space devoted to the sale of merchandise, and does not include restrooms,~~  
4 ~~office space, storage space, automobile service areas, or open-air garden sales space;—(2)~~  
5 ~~“non-taxable merchandise” includes only grocery products not subject to California State sales~~  
6 ~~tax; and—(3) “single retail use” shall include, except for Hotels and Motels, all Retail~~  
7 ~~and Service Uses listed in Section 102 and retail uses identified in Article 8 of this Code.~~

8  
9 **SEC. 145.1. STREET FRONTAGES IN NEIGHBORHOOD COMMERCIAL,**  
10 **RESIDENTIAL-COMMERCIAL, COMMERCIAL, AND MIXED USE DISTRICTS.**

11 \* \* \* \*

12 (c) **Controls.** The following requirements shall generally apply, except for those  
13 controls listed in subsections (1) Above Grade Parking Setback and (4) Ground Floor  
14 Ceiling Height, which only apply to a "development lot" as defined above.

15 In NC-S Districts, the applicable frontage shall be the primary  
16 facade(s) that contains customer entrances to commercial spaces.

17 \* \* \* \*

18 (6) **Transparency and Fenestration.** Frontages with active uses that are  
19 not PDR must be fenestrated with transparent windows and doorways for no less than  
20 60% of the street frontage at the ground level and allow visibility to the inside of the  
21 building. The use of dark or mirrored glass shall not count towards the required  
22 transparent area. Buildings located inside of, or within an unobstructed line of less than  
23 300 feet of an Urban Bird Refuge, as defined in Section 139(c)(1), shall follow glazing  
24 requirements within Section 139(c) of this Code.

In C-3 zoning districts, for tenant spaces with at least two frontages and active uses that are not PDR, frontages must be fenestrated with transparent windows and doorways for no less than 60% of the street frontage at the ground level or contain window displays of at least four feet in depth to allow visibility to the inside of the building or activate the street.

\* \* \* \*

**SEC. 145.4. REQUIRED GROUND FLOOR COMMERCIAL USES.**

\* \* \* \*

**Table 145.4**

<i>Reference for Commercial, Neighborhood Commercial, and Residential- Commercial Districts</i>	<i>Reference for Mixed Use Districts</i>	<i>Use</i>
* * * *		
N/A	890.37	Entertainment, Other
<u>102</u>	<u>N/A</u>	<u>Flexible Workspace</u>
102	N/A	Grocery, General
* * * *		

\* \* \* \*

**(d) Controls.**

(1) Active commercial uses which are permitted by the specific district in which they are located are required on the ground floor of all street frontages listed in § subsection (b) above.

(2) Active commercial uses shall comply with the standards applicable to active uses as set forth in Section 145.1(c)(3) and shall further be consistent with any applicable design guidelines.

1 (3) On those street frontages listed in § subsection (b), an individual  
2 ground floor nonresidential use may not occupy more than 75 contiguous linear feet for  
3 the first 25 feet of depth along a street-facing facade. Separate individual storefronts  
4 shall wrap large ground floor uses for the first 25 feet of depth, as illustrated in Figure  
5 145.4. This requirement shall not apply to such street frontages within the C districts.

6 \* \* \* \*

7  
8 **SEC. 204.3. ACCESSORY USES FOR USES OTHER THAN DWELLINGS IN**  
9 **C, RC, M, AND PDR DISTRICTS.**

10 \* \* \* \*

11 (e) Accessory Storage in C Districts. Accessory storage on the second floor and above  
12 is permitted for stock and trade relating to retail uses with street level storefronts in the same  
13 building. There shall be no limitation on the square footage of accessory storage as long as the  
14 storage supports a ground floor use in the same building.

15  
16 **SEC. 205.1. TEMPORARY USES: SIXTY-DAY LIMIT.**

17 A temporary use may be authorized for a period not to exceed 60 days for any of  
18 the following uses:

19 \* \* \* \*

20 (e) Within the C-3-R District, installation of a temporary Sign, other than a General  
21 Advertising Sign, or a temporary decorative or artistic display or installation. Such Sign or  
22 installation shall have a maximum height of 16 feet above the roofline of the building to which it  
23 is affixed.

24  
25 **SEC. 205.2. TEMPORARY USES: ONE- TO SIX-YEAR LIMIT.**

1 A temporary use may be authorized for the following uses as specified below:

2 (a) **Temporary authorization for a period not to exceed one year.**

3 (1) Temporary Wireless Telecommunications Services (WTS) Facilities, if  
4 the following requirements are met:

5 (A) The Planning Director determines that the Temporary WTS  
6 Facility shall be sited and constructed so as to:

7 (iA) avoid proximity to residential dwellings to the maximum  
8 extent feasible;

9 (iiB) comply with the provisions of Article 29 of the Police  
10 Code;

11 (iiiC) be no taller than needed;

12 (ivD) be physically screened to the maximum extent  
13 feasible; and

14 (vE) be erected for no longer than reasonably required.

15 (B2) Permits in excess of 90 days for Temporary WTS Facilities  
16 operated for commercial purposes shall be subject to Sections 311 and 312 of this  
17 Code, where applicable.

18 (C3) The Planning Department may require, where appropriate,  
19 notices along street frontages abutting the location of the Temporary WTS Facility  
20 indicating the nature of the facility and the duration of the permit.

21 (2) Pop-Up Activations. Pop-Up Activations are temporary Non-Residential  
22 uses, including but not limited to Pop-Up Retail, Entertainment, or Arts Activity uses, permitted  
23 within either a vacant space last occupied by a Non-Residential use or a space occupied by a  
24 legally established Non-Residential use, and that is located within a C-3 zoning district or a C-  
25 2 zoning dDistrict that is east of or fronting Van Ness/South Van Ness Avenue

1 Franklin/13th Street and north of Townsend Street or within an NC, NCT, or Mixed-Use  
 2 District that is south of Market Street, north of Townsend/Division/13th Streets, and east of  
 3 South Van Ness Avenue. Such uses may include Formula Retail uses so long as Formula  
 4 Retail uses are principally permitted in the underlying zoning.

5 \* \* \* \*

7 **SEC. 210.1. C-2 DISTRICTS: COMMUNITY BUSINESS.**

8 \* \* \* \*

9 **Table 210.1**  
**ZONING CONTROL TABLE FOR C-2 DISTRICTS**

Zoning Category	§ References	C-2
<b>RESIDENTIAL STANDARDS AND USES</b>		
* * * *		
<b>Use Characteristics</b>		
Zoning Category	§ References	C-2
Intermediate Length Occupancy	§§ 102, 202.10	P(6)
* * * *		
<b>Residential Uses</b>		
Zoning Category	§ References	C-2
Residential Density, Dwelling Units (5)	§ 207	P at a density ratio not exceeding the number of dwelling units permitted in the nearest R District, with the distance to such R District measured from the midpoint of the front lot line or from a point directly across the street therefrom, whichever permits the greater density; provided, that the maximum density ratio shall in no case be less than one unit for each 800 square feet of lot area. NP above. (8)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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 § 202.2(f)(1) except for § 202.2(f)(1)(D)(iv), related to location. <u>(8)</u>
Residential Density, Group Housing	§ 208	P at a density ratio not exceeding the maximum density permitted for group housing in the nearest R District, with the distance to such R District measured from the midpoint of the front lot line or from a point directly across the street therefrom, whichever permits the greater density; provided, that the maximum density ratio shall in no case be less than one bedroom for each 275 square feet of lot area. NP above. <u>(8)</u>
<b><u>NON-RESIDENTIAL STANDARDS AND USES</u></b>		
* * * *		
<b><u>Industrial Use Category</u></b>		
Industrial Uses*	§ 102	NP
<u>Agricultural and Beverage Processing 1</u>	<u>§ 102</u>	<u>P</u>

1	<i>Agricultural and Beverage Processing 2</i>	§ 102	P
2	<i>Manufacturing, Light</i>	§ 102	P
3	* * * *		
4	<b><i>Sales and Service Category</i></b>		
5	<b>Retail Sales and Service*</b>	§§ 102, 202.2(a)	P
6	<i>Animal Hospital</i>	§ 102	€
7	* * * *		
8	<b>Non-Retail Sales and Service*</b>	§ 102	P
9	<i>Laboratory</i>	§ 102	NP
10	<i>Life Science</i>	§ 102	NP

\* \* \* \*

(6) NP for buildings with three or fewer Dwelling Units; C for buildings with 10 or more Dwelling Units. P for Commercial to Residential Adaptive Reuse projects pursuant to Section 210.5, regardless of building size.

(7) C on the 2nd floor and above, except that a Massage Establishment located on the 2nd floor or above accessory to a Hotel, Personal Service, or Health Service is P.

(8) In C-2 zoning districts east of or fronting Van Ness/South Van Ness Avenue Franklin Street/13th Street and north of Townsend Street, there is no density limit. Density is regulated by the permitted height and bulk, and required setbacks, exposure, open space, and other Code requirements applicable to each development lot.

**SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.**

\* \* \* \*

**Table 210.2  
ZONING CONTROL TABLE FOR C-3 DISTRICTS**



Zoning Category	§ References	C-3-O	C-3-O(SD)	C-3-R	C-3-G	C-3-S
<b>RESIDENTIAL STANDARDS AND USES</b>						
* * * *						
<b>Use Characteristics</b>						
Intermediate Length Occupancy	§§102, 202.10	P(8)	P(8)	P(8)	P(8)	P(8)
* * * *						
<b>Residential Uses</b>						
Residential Density, Dwelling Units (7)	§ 207	No density limit. Density is regulated by the permitted height and bulk, and required setbacks, exposure, and open space of each development lot.				
Senior Housing	§§ 102, 202.2(f)	No density limit. Density is regulated by the permitted height and bulk, and required setbacks, exposure, and open space of each development lot. <i>Required if development meets all requirements of Section § 202.2(f)(1), except for § 202.2(f)(1)(D)(iv), related to location.</i>				
* * * *						
<b>NON-RESIDENTIAL STANDARDS AND USES</b>						
* * * *						
<b>Commercial Use Characteristics</b>						
* * * *						
Formula Retail	§§ 102, 303.1	P	P	P	P (6)	P
* * * *						
<b>Entertainment, Arts and Recreation Use Category</b>						
Entertainment, Arts and Recreation Uses*	§ 102	P	P	P	P	P
Entertainment, Outdoor	§ 102	<del>NP</del>	<del>NP</del>	<del>NP</del>	<del>NP</del>	<u>CP</u>
Livery Stable	§ 102	NP	NP	NP	NP	NP
Open Recreation Area	§ 102	<del>NP</del>	<del>NP</del>	<del>NP</del>	P	P

1	* * * *						
2	<b>Institutional Use Category</b>						
3	<b>Institutional Uses*</b>	§§ 102, 202.2(e)	P	P	P	P	P
4	* * * *						
5	Residential Care Facility	§ 102	P	P	P	P	<del>C</del> <u>P</u>
6	Trade School	§ 102	<del>NP</del>	<del>NP</del>	<del>NP</del>	P	P
7	<b>Sales and Service Category</b>						
8	<b>Retail Sales and Service*</b>	§§ 102, 202.2(a)	P	P	P	P	P
9	<i>Animal Hospital</i>	<del>§ 102</del>	<del>NP</del>	<del>NP</del>	<del>NP</del>	<del>C</del>	<del>C</del>
10	* * * *						
11	<b>Non-Retail Sales and Service*</b>	§ 102	P (1)	P (1)	<del>P (2)</del> <u>(1)</u>	P (1)	P (1)
12	* * * *						
13	Design Professional	§ 102	P	P	<del>P (2)</del> <u>(1)</u>	P	P
14	* * * *						

\* Not listed below.

(1) C required if at or below the ground floor.

(2) ~~[Reserved] NP if located on floors one and two and does not offer on-site services to the general public. C required if located on the third floor, or floors four through six and the use is larger than 5,000 gross square feet in size.~~

~~—For uses located on the third floor, in addition to the criteria set forth in Section 303, a Conditional Use Authorization pursuant to this note shall be given only if the Commission determines that: the proposed use would not require modification of the location that would negatively impact existing architectural, historic and aesthetic features, or otherwise inhibit the conversion back to a principally permitted use in the future; the proposed use would not have an actual or potential adverse impact on adjacent zoning districts in which non-retail sales and services uses are not permitted; and the proposed use will not result in the development of non-~~

1 ~~retail sales and services uses such that the District's primary function is no longer an area for~~  
2 ~~comparison shopper retailing and direct consumer services. Provided further that for any~~  
3 ~~Conditional Use Authorization given pursuant to the preceding sentence, the Planning~~  
4 ~~Commission also consider the following: whether the proposed use would complement or~~  
5 ~~support principally permitted uses in the District, and whether the site of the proposed use is not~~  
6 ~~conducive to any principally permitted uses in the District by virtue of physical limitations,~~  
7 ~~including but not limited to the size and orientation of the floor plate and the nature of~~  
8 ~~independent access to the third floor~~

9 \* \* \* \*

10 (6) ~~[Reserved.] C required for Formula Retail on properties in the C-3-G District with~~  
11 ~~frontage on Market Street, between 6th Street and the intersection of Market Street, 12th Street,~~  
12 ~~and Franklin Street.~~

13 (7) Construction of Accessory Dwelling Units may be permitted pursuant to  
14 Sections 207(c)(4) and 207(c)(6).

15 (8) NP for buildings with three or fewer Dwelling Units; C for buildings with 10 or  
16 more Dwelling Units. P for Commercial to Residential Adaptive Reuse projects pursuant to  
17 Section 210.5, regardless of building size.

18  
19 **SEC. 248. TRANSIT CENTER C-3-O(SD) COMMERCIAL SPECIAL USE**  
20 **DISTRICT.**

21 A Special Use District entitled the "Transit Center C-3-O(SD) Commercial  
22 Special Use District" is hereby established for a portion of the C-3-O(SD) district in the  
23 downtown area around the Transbay Transit Center within ~~the City and County of~~ San  
24 Francisco, the boundaries of which are designated on Sectional Map SU01 of the  
25

1 Zoning Map of the City and County of San Francisco. The following provisions shall  
2 apply within the Special Use District:

3 \* \* \* \*

4 (c) **Controls.** All new development on lots larger than ~~20,000~~ 15,000-square  
5 feet in the Special Use District shall include not less than ~~2~~ two gross square feet of  
6 principally or conditionally permitted commercial uses for every ~~1~~ one gross square foot  
7 of dwellings or other housing uses.

8 (d) **Exceptions.** Exceptions to the controls in ~~§~~ subsection (c) may be granted by  
9 the Planning Commission according to the procedures in Section 309 only if the  
10 Commission makes one of the following affirmative findings:

11 (1) That the development consists of multiple buildings on a single lot or  
12 adjacent lots that are entitled as a single development project pursuant to Section 309,  
13 and that commercial uses account for greater than ~~50% percent~~ of the project's  
14 aggregate total gross floor area for all buildings and where the project sponsor  
15 demonstrates that it is infeasible or impractical to construct commercial uses on the  
16 footprint of the portion of the site dedicated to dwellings and/or other housing uses due  
17 to the size and configuration of that portion of the lot; or

18 (2) That the footprint of the portion of the site dedicated to dwellings  
19 and/or other housing uses is less than 15,000 square feet and the lot contains existing  
20 buildings which are to be retained; or

21 (3) That the downtown commercial vacancy rate is persistently high and the  
22 project would fulfill its inclusionary requirement pursuant to Planning Code Section 415 through  
23 100% on-site or off-site units within the C-3 District.

1 Section 5. Streamline Sign Permitting in C-3 Districts and Citywide. The  
2 Planning Code is hereby amended by revising Section 604, to read as follows:

3 **SEC. 604. PERMITS AND CONFORMITY REQUIRED.**

4 \* \* \* \*

5 (h) **Nonconforming Signs; Replacement, Alteration, Reconstruction,**  
6 **Relocation, Intensification, or Expansion.** Unless otherwise provided in this Code or  
7 in other Codes or regulations, a lawfully existing sign which fails to conform to the  
8 provisions of this Article 6 shall be brought into conformity when the activity for which  
9 the sign has been posted ceases operation or moves to another location, when a new  
10 building is constructed, or at the end of the sign's normal life. Such sign may not,  
11 however, be replaced, altered, reconstructed, relocated, intensified, or expanded in area  
12 or in any dimension except in conformity with the provisions of this Code, including  
13 §subsection (i) below. Ordinary maintenance and minor repairs shall be permitted, but  
14 such maintenance and repairs shall not include replacement, alteration, reconstruction,  
15 relocation, intensification, or expansion of the sign; provided, however, that alterations  
16 of a structural nature required to reinforce a part or parts of a lawfully existing sign to  
17 meet the standards of seismic loads and forces of the Building Code, to replace a  
18 damaged or weathered signboard, to ensure safe use and maintenance of that sign, to  
19 remediate hazardous materials, or any combination of the above alterations shall be  
20 considered ordinary maintenance and shall be allowed. A sign which is damaged or  
21 destroyed by fire or other calamity shall be governed by the provisions of Sections  
22 181(d) and 188(b) of this Code.

23 A sign which is voluntarily destroyed or removed by its owner or which is required  
24 by law to be removed may be restored only in full conformity with the provisions of this  
25 Code, except as authorized in §subsection (i) below. A general advertising sign that has

1 been removed shall not be reinstalled, replaced, or reconstructed at the same location,  
2 and the erection, construction, and/or installation of a general advertising sign at that  
3 location to replace the previously existing sign shall be deemed to be a new sign in  
4 violation of Section 611(a) of this Code; provided, however, that such reinstallation,  
5 replacement, or reconstruction pursuant to a permit duly issued prior to the effective  
6 date of this requirement shall not be deemed a violation of Section 611(a) and shall be  
7 considered a lawfully existing nonconforming general advertising sign; and further  
8 provided that this prohibition shall not prevent a general advertising sign from being  
9 relocated to that location pursuant to a Relocation Agreement and conditional use  
10 authorization under Sections 611 and 303(k) of this Code and Section 2.21 of the ~~San~~  
11 ~~Francisco~~ Administrative Code.

12 A nonconforming Neon Sign may be physically detached from the building for any  
13 required repairs or maintenance, except that such maintenance or repairs shall not include  
14 replacement, reconstruction, relocation, intensification, or expansion of the Neon Sign. After the  
15 off-site repair or maintenance work is complete, the Neon Sign may be reinstalled at the  
16 premises in the same location where the Neon Sign was previously affixed, so long as such  
17 replacement is completed within 18 months of removal.

18 \* \* \* \*

19 (m) Existing Signs in the C-3 Zoning District and portions of the C-2 Zoning  
20 District. Existing signage in the C-3 zoning dDistrict or a C-2 zoning district that is east of  
21 or fronting Franklin Street/13th Street and north of Townsend Street shall not be subject to  
22 the provisions of this Section 604 or a more restrictive provision in a special sign district in  
23 Section 608 et seq., provided that a change from general advertising to nongeneral  
24 advertising sign copy or from nongeneral advertising to general advertising sign copy or an  
25 increase in area including, but not limited to, any extensions in the form of writing.

1 representation, emblem or any figure of similar character shall in itself constitute a new sign  
2 subject to the provisions of this Section 604. Consistent with Section 608, this provision  
3 shall control over any conflicting, more restrictive provision in a special sign district.  
4

5 Section 6. Streamline Historic Preservation Review. The Planning Code is  
6 hereby amended by revising Sections 1005 and 1111.1, to read as follows:

7 **SEC. 1005. CONFORMITY AND PERMITS.**

8 \* \* \* \*

9 (e) After receiving a permit application from the Central Permit Bureau in  
10 accordance with the preceding subsection, the Department shall ascertain whether a  
11 Certificate of Appropriateness is required or has been approved for the work proposed  
12 in such permit application. If a Certificate of Appropriateness is required and has been  
13 issued, and if the permit application conforms to the work approved in the Certificate of  
14 Appropriateness, the permit application shall be processed without further reference to  
15 this Article 10. If a Certificate of Appropriateness is required and has not been issued, or  
16 if the permit application does not conform to what was approved, the permit application  
17 shall be disapproved or held by the Department until such time as conformity does exist  
18 either through modifications to the proposed work or through the issuance of an  
19 amended or new Certificate of Appropriateness. Notwithstanding the foregoing, in the  
20 following cases the Department shall process the permit application without further  
21 reference to this Article 10:

22 \* \* \* \*

23 (9) When the application is for a permit to install a City-sponsored  
24 Landmark plaque to a landmark or district, provided that the improvements conform to  
25 the requirements outlined in Section 1006.6 of this Code; or

1                    (10) When the application is for a Qualifying Scope of Work, as delegated by  
2 HPC to Department and periodically updated, and the site is located in C-3 zoning districts.

3                    \* \* \* \*

4  
5                    **SEC. 1111.1. DETERMINATION OF MINOR AND MAJOR ALTERATIONS.**

6                    \* \* \* \*

7                    (c) All applications for a Permit to Alter that are not Minor Alterations delegated  
8 to Department staff shall be scheduled for a hearing by the HPC pursuant to the  
9 procedures in Section 1111.4 and 1111.5 below. Notwithstanding the foregoing, in the  
10 following cases the Department shall process the permit application without further  
11 reference to the Permit to Alter procedures outlined herein:

12                    (1) When the application is for a permit to make improvements to provide  
13 an accessible entrance to a Significant or Contributory building or any building within a  
14 Conservation District provided that the improvements conform to the requirements  
15 outlined in Section 1111.6 of this Code;

16                    (2) When the application is for a permit to install business signs to a  
17 Significant or Contributory building or any building within a Conservation District  
18 provided that signage and transparency conform to the requirements outlined in Section  
19 1111.6 of this Code; ~~or~~

20                    (3) When the application is for a permit to install non-visible rooftop  
21 appurtenances to a Significant or Contributory building or any building within a  
22 Conservation District provided that the improvements conform to the requirements  
23 outlined in Section 1111.6 of this Code.;



1                   (4) When the application is for a permit to install an awning to a Significant or  
2 Contributory building or any building within a Conservation District provided that the awning  
3 conforms to the requirements outlined in Section 1111.6 of this Code; or

4                   (5) When the application is for a Qualifying Scope of Work, as delegated by HPC  
5 to the Department, as periodically updated.

6  
7                   Section 7. Provide Alternatives to On-Site Open Space in Certain C-3 Districts.  
8 The Planning Code is hereby amended by revising Section 426, to read as follows:

9                   **SEC. 426. PAYMENT FOR REQUIRED NON-RESIDENTIAL OPEN SPACE**  
10 **NOT PROVIDED IN THE EASTERN NEIGHBORHOODS MIXED USE AND C-3-O(SD)**  
11 **DISTRICTS.**

12                   \* \* \* \*

13                   (b) **C-3-O(SD) District.** In the C-3-O(SD) District, if a project sponsor chooses  
14 to pay the in-lieu fee described in Section 138(j)(4), a fee of \$1,410 shall be required for  
15 each square foot of usable open space not provided. This fee shall be adjusted in  
16 accordance with Section 409. This fee shall be paid into the Transit Center District  
17 Open Space Fund, as described in Sections 424.6 et seq. of this Article 4. Said fee shall  
18 be used for the purpose of acquiring, designing, and improving public open space,  
19 recreational facilities, and other open space resources, which are expected to be used  
20 solely or in substantial part by persons who live, work, shop, or otherwise do business in  
21 the Transit Center District.

22                   (c) C-3-O District, C-3-S District, and C-3-G District. In the C-3-O, C-3-S, and C-3-G  
23 Districts, if a project sponsor chooses to pay the in-lieu fee described in Section 138(j)(4), a fee  
24 of \$1,410 shall be required for each square foot of usable open space not provided. The amount  
25 of this fee shall equal the fee payable under this subsection (b) and shall be adjusted in

1 accordance with Section 409. This fee shall be paid into the Downtown Park Fund, as described  
2 in Section 412 of this Article 4. Said fee shall be used for the purpose of acquiring, designing,  
3 and improving public open space, recreational facilities, and other open space resources, which  
4 are expected to be used solely or in substantial part by persons who live, work, shop, or  
5 otherwise do business Downtown.

6 (d) C-3-R District. In the C-3-R Districts, if a project sponsor chooses to pay the in-lieu  
7 fee described in Section 138(j)(4), a fee shall be required for each square foot of usable open  
8 space not provided. The amount of this fee shall equal the fee payable under this subsection (b)  
9 and shall be adjusted in accordance with Section 409. This fee shall be paid into the Union  
10 Square Park, Recreation, and Open Space Fee, as described in Sections 434 of this Article 4.  
11 Said fee shall be used for the purpose of acquiring, designing, and improving public open space,  
12 recreational facilities, and other open space resources, which are expected to be used solely or  
13 in substantial part by persons who live, work, shop, or otherwise do business Downtown.

14  
15 Section 8. Facilitate Residential Adaptive Reuse in the Building Code. Chapter  
16 1A of the 2022 San Francisco Building Code is hereby amended by adding Section  
17 111A, to read as follows:

18 **SECTION 111A – ADAPTIVE REUSE**

19 **111A.1 Purpose and intent.** The purpose of this Section 111A (consisting of Sections  
20 111A.1, 111A.2, and 111A.3) is to amend, expand, establish, and clarify alternative building  
21 standards for the conversion of existing non-residential buildings to accommodate new  
22 residential uses and still provide reasonable safety to the building occupants, as a means to  
23 promote the safe, flexible use of the existing structures, as part of the City’s strategy for  
24 economic recovery.

1           Key to the furtherance of this purpose is the ability of the Building Official and Fire Code  
2 Official to effectively use their authority to grant code modifications or authorizations for  
3 alternative materials, design and methods of construction, and equipment to address practical  
4 difficulties involved in complying with the strict provisions of the code or consider alternative  
5 design or methods not specifically prescribed in the code.

6           For example, the Building Official and Fire Code Official are authorized to consider  
7 alternative building standards consistent with Sections 17951 and 19957 of the California  
8 Health and Safety Code.

9           **111A.2 Scope.** This Section 111A may apply to projects that meet the definition and  
10 applicable requirements for Commercial to Residential Adaptive Reuse projects pursuant to  
11 Planning Code Section 210.5.

12           Nothing in this Section 111A shall preclude the use of the California Historical Building  
13 Code for the conversion of a building that the Planning Department has determined to be a  
14 qualified historic building or that may otherwise be eligible to use the California Historical  
15 Building Code. If a project elects to use the standards established in the California Historical  
16 Building Code, that project shall not be permitted to use the alternative building standards of  
17 this Section 111A.

18           **111A.3 Compliance requirements.** Generally, the San Francisco Building Code, which  
19 adopts and amends the most recent edition of the California Building Standards Code, applies to  
20 new construction or a change of use or occupancy. For the conversion of existing non-  
21 residential buildings to accommodate new residential uses, however, alternative building  
22 standards described in an alternative building standards manual (described below) may apply.

23           The Building Official and Fire Code Official shall prepare, maintain, and update, as  
24 necessary and appropriate, an alternative building standards manual, which shall provide the  
25 building standards applicable to Commercial to Residential Adaptive Reuse projects as defined

1 in Planning Code Section 210.5. This alternative building standards manual shall include  
 2 technical information and implementation parameters, standards for determining technical  
 3 infeasibility, and alternative standards if technical infeasibility is present, as well as other rules,  
 4 requirements and procedures as the City deems necessary, for implementing the intent of this  
 5 Section 111A.

6 The Building Official and Fire Code Official shall develop, as deemed necessary and  
 7 appropriate, in cooperation with other City departments and stakeholders, information sheets,  
 8 administrative bulletins, training manuals, and educational materials to assist in the  
 9 implementation of this alternative building standards manual and this Section 111A.

10  
 11 Section 9. Principally Permitting Formula Retail on a Portion of Showplace  
 12 Square Area. The Planning Code is hereby amended by revising Section 843, to read  
 13 as follows:

14 **SEC. 843. UMU – URBAN MIXED USE DISTRICT.**

15 \* \* \* \*

16 **Table 843**

17 **UMU – URBAN MIXED USE DISTRICT ZONING CONTROL TABLE**

<b>No.</b>	<b>Zoning Category</b>	<b>§ References</b>	<b>Urban Mixed Use District Controls</b>
* * * *			
<b>Retail Sales and Services</b>			
* * * *			
843.46	Formula Retail	§§ 303.1, 843.45	C. If approved, subject to size controls in Section 843.45. <u>(3)</u>

1 \* \* \* \*

2 \* \* \* \*

3 (3) P on Assessor’s Parcel Block No. 3781, Lot 003, and the size controls in Section  
4 843.45 shall not apply.

5 \* \* \* \*

6  
7 Section 10. Effective Date. This ordinance shall become effective 30 days after  
8 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns  
9 the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or  
10 the Board of Supervisors overrides the Mayor’s veto of the ordinance.

11  
12 Section 11. Scope of Ordinance. In enacting this ordinance, the Board of  
13 Supervisors intends to amend only those words, phrases, paragraphs, subsections,  
14 sections, articles, numbers, punctuation marks, charts, diagrams, or any other  
15 constituent parts of the Municipal Code that are explicitly shown in this ordinance as  
16 additions, deletions, Board amendment additions, and Board amendment deletions in  
17 accordance with the “Note” that appears under the official title of the ordinance.

18 APPROVED AS TO FORM:  
19 DAVID CHIU, City Attorney

20  
21 By: Austin M. Yang  
AUSTIN M. YANG  
Deputy City Attorney

22 n:\legana\as2023\2300216\01681542.docx