

August 6, 2024

Ms. Angela Calvillo, Clerk Honorable Supervisor Mandelman **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 2024-005624PCA/MAP:

Central Neighborhoods Large Residence SUD, Corona Heights Large Residence SUD Board File No. 240637

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Mandelman,

On August 1, 2024, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Mandelman that would amend the Planning Code to expand the boundaries of the Central Neighborhoods Large Residence Special Use District (SUD). At the hearing the Planning Commission adopted a recommendation for approval with modifications.

The Commission's proposed modifications were as follows:

- 1. Do not include accessory garage space in the calculation of Gross Floor Area (GFA).
- 2. Specify that for the purposes of calculating a unit's Gross Square Footage (GSF) in multi-unit buildings, shared spaces shall not be included.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Supervisor, 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,

Aaron D. Starr

Manager of Legislative Affairs

cc: Andrea Ruiz-Esquide, Deputy City Attorney

Calvin Ho, Aide to Supervisor Mandelman John Carroll, Office of the Clerk of the Board

ATTACHMENTS:

Planning Commission Resolution
Planning Department Executive Summary





PLANNING COMMISSION RESOLUTION NO. 21600

HEARING DATE: AUGUST 1, 2024

Project Name: Central Neighborhoods Large Residence SUD, Corona Heights Large Residence SUD

Case Number: 2024-005624PCA [Board File No. 240637]

Initiated by: Supervisor Mandelman / Introduced August 1, 2024

Staff Contact: Audrey Merlone, Legislative Affairs

Audrey.Merlone@sfgov.org, 628-652-7534

Reviewed by: Aaron D Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO EXPAND THE BOUNDARIES OF THE CENTRAL NEIGHBORHOODS LARGE RESIDENCE SPECIAL USE DISTRICT (SUD), AND TO APPLY ITS CONTROLS TO ALL LOTS WITHIN THE SUD, WITH SOME EXCEPTIONS; TO DELETE THE CORONA HEIGHTS LARGE RESIDENCE SUD, AND AS A RESULT TO MERGE IT INTO THE CENTRAL NEIGHBORHOODS LARGE RESIDENCE SUD; AMENDING THE ZONING MAP TO REFLECT THE DELETION AND BOUNDARY EXPANSION; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING PUBLIC NECESSITY, CONVENIENCE, AND WELFARE FINDINGS UNDER PLANNING CODE, SECTION 302, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1.

WHEREAS, on June 4, 2024, Supervisor Mandelman introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 240637, which would amend the Planning Code to expand the boundaries of the Central Neighborhoods Large Residence Special Use District (SUD), and to apply its controls to all lots within the SUD, with some exceptions; to delete the Corona Heights Large Residence SUD, and as a result to merge it into the Central Neighborhoods Large Residence SUD; amending the Zoning Map to reflect the deletion and boundary expansion;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on August 1, 2024; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c); and

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 adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission's proposed recommendation(s) is/are as follows:

- 1. Do not include accessory garage space in the calculation of Gross Floor Area (GFA).
- 2. Specify that for the purposes of calculating a unit's Gross Square Footage (GSF) in multi-unit buildings, shared spaces shall not be included.

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 Department generally supports the purpose of the Central Neighborhoods Large Residence SUD in that it seeks to "encourage new infill housing at compatible densities and scale and provide for thorough assessment of proposed large single-family residences that could adversely impact neighborhood character and affordable housing opportunities." The Department agrees that projects seeking to expand their already large units without increasing their residential density should be discouraged. We also agree that generally, the size of a proposed unit is a sensible indicator of cost. It is also imperative however, that the impacts of this SUD do not simply curtail the size of units, but also encourage the addition of moderately sized units in otherwise low-density, high resource neighborhoods. With the proposed recommended modifications, the Department believes that the Ordinance will achieve these goals.

General Plan Compliance

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

Objective 1 and Policy 1.3 of Urban Design Element With staff modifications: Housing Element Policies 31 & 32, Objectives 3.B & 4.C



URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

The proposed Ordinance helps to maintain a balance between a neighborhood's physical identity while also not impeding the development of future housing.

HOUSING ELEMENT

OBJECTIVE 3.B

CREATE A SENSE OF BELONGING FOR ALL COMMUNITIES OF COLOR WITHIN WELL-RESOURCED NEIGHBORHOODS THROUGH EXPANDED HOUSING CHOICE.

OBJECTIVE 4.C

DIVERSIFY HOUSING TYPES FOR ALL CULTURES, FAMILY STRUCTURES, AND ABILITIES.

Policy 31

Facilitate small and mid-rise multi-family buildings that private development can deliver to serve middle-income households without deed restriction, including through adding units in lower density areas or by adding Accessory Dwelling Units (ADUs).

Policy 32

Promote and facilitate aging in place for seniors and multi-generational living that supports extended families and communal households.

The proposed Ordinance, with all staff modifications, will ensure that not only is home size limited within the SUD, but that density is encouraged by allowing larger units if the project also adds a unit of at least 800sqft. In these districts that are comprised mostly of RH, low density residences, this density is most likely to be added through the addition of ADUs. These ADUs are units that support multi-generational living and provide greater housing choices within our well-resourced neighborhoods.

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:



In this section review each 101 finding response to ensure that the italicized text below relates to the proposed Ordinance. Also, do not use the word "impact." "Impact" is a term reserved for CEQA, and using it in this context could affect its environmental determination. Instead use "effect," such as "This Ordinance will not have a negative effect....", or "adverse effect."

- 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 not have a negative effect on neighborhood serving retail uses and will not have a negative effect on 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 not have an adverse effect on the City's supply of affordable housing.
- 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 would not have an adverse effect on the City's 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 ADOPTS A RECOMMENDATION FOR APPROVAL 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 August 1, 2024.

Jonas P Ionin Digitally signed by Jonas P Ionin Date: 2024.08.02 14:56:51 -07'00'

Jonas P. Ionin

Commission Secretary

AYES: Williams, Braun, Imperial, Moore

NOES: McGarry, So, Diamond

ABSENT: None

ADOPTED: August 1, 2024





EXECUTIVE SUMMARYPLANNING CODE TEXT & ZONING MAP AMENDMENT

HEARING DATE: August 1, 2024

90-Day Deadline: September 11, 2024

Project Name: Central Neighborhoods Large Residence SUD, Corona Heights Large Residence SUD

Case Number: 2024-005624PCA/MAP [Board File No. 240637]
Initiated by: Supervisor Mandelman / Introduced June 4, 2024

Staff Contact: Audrey Merlone, Legislative Affairs

Audrey.Merlone@sfgov.org, 628-652-7534

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

Environmental

Review: Not a Project Under CEQA

RECOMMENDATION: Approval with Modifications

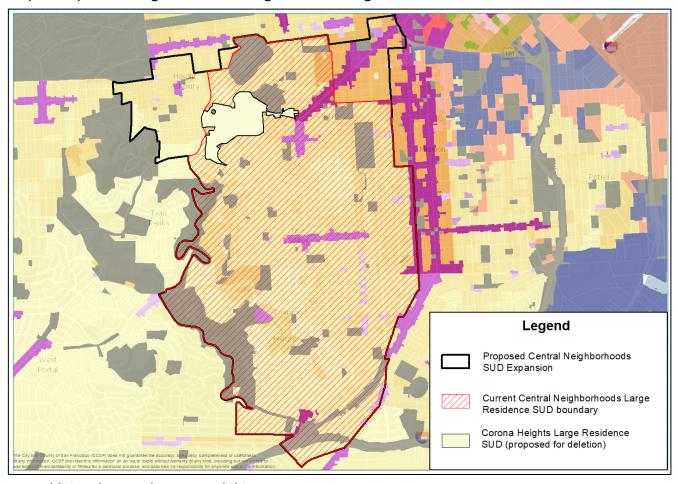
Planning Code Amendment

The proposed Ordinance would amend the Planning Code and Zoning Map to expand the boundaries of the Central Neighborhoods Large Residence Special Use District (SUD), and to apply its controls to all lots within the SUD, with some exceptions; to delete the Corona Heights Large Residence SUD, and as a result to merge it into the Central Neighborhoods Large Residence SUD.

The Way It Is Now & The Way It Would Be:

	The Way It Is	The Way It Would Be
Where the Central Neighborhoods Large Residence SUD Applies	RH-zoned parcels within the previous (pre 2022) D8 Supervisorial District Boundary EXCEPT for parcels within the Corona Heights Large Residence SUD	ALL parcels within the previous D8 Supervisorial District Boundary AND within the new D8 Boundary, INCLUDING all parcels within the Corona Heights Large Residence SUD
Where the Corona Heights Large Residence SUD Applies	RH-zoned parcels within a geographic area that is surrounded by the Central Neighborhoods Large Residence SUD and generally follows the neighborhood boundaries of Corona Heights.	The Corona Heights Large Residence SUD would be removed from the Planning Code (cease to exist).

Map of Proposed Changes to Central Neighborhoods Large Residence SUD Boundaries:



For additional maps please see Exhibit B.



Background

The original ordinance that established the Central Neighborhoods Large Residence SUD became active in April of 2022. When the proposed ordinance was before the Planning Commission in late 2021, the large-home controls would have applied in all RH districts citywide, not just those in District 8. The Commission voted to disapprove the ordinance, while also taking the unusual step of sending specific comments to the Board of Supervisors. The adopted comments included:

- 1. Staff should work with affected areas and complete community outreach based on areas of concern.
- **2.** Encourage density.
- **3.** Explore a form-based approach for the size limitation.
- **4.** Look at tenant protections.
- **5.** Ensure unfinished area can be converted to finished area without triggering the legislation provisions.
- **6.** The legislation's effective date should be the date of the law, and grandfathering should not go back to a prior date.

Taking these comments into account, Supervisor Mandelman made amendments by reducing the area to only RH zoned parcels within an SUD that followed District 8's 2021 supervisorial district lines. Projects within the SUD require a Conditional Use authorization (CUA) if the property is zoned RH, and the proposal would result in a Dwelling Unit with more than 1.2:1 FAR or a GFA of more than 3,0000sqft. The SUD provides an exception to the CU requirement if the proposed expansion is less than a 15% increase of any existing unit over the last 10 years. The CUA requirement also includes specific findings.

Due to Senate Bill 423, the CUA required under the SUD will sunset on December 31, 2024. After that date, no expansion or new construction of a Dwelling Unit exceeding 3,000sqft (GFA) will be allowed, except for expansions of less than 15% over the last 10 years.

Since this ordinance was enacted, the state passed Senate Bill 423, Sponsored by Senator Wiener, which became effective on January 1, 2024. The bill does several things, but relevant for this discussion is that it requires cities that are not on track to meet their housing targets (Regional Housing Needs Assessment, or RHNA targets) to ministerially approve housing projects that comply with local codes. A last-minute amendment to the bill made San Francisco subject to annual reviews of its progress on housing—making it the only jurisdiction in the state receiving elevated scrutiny. Essentially this means if San Francisco fails to meet its annual RHNA targets in any one income category, projects that satisfy that income category must be approved ministerially.

Once HCD determines that the city did not meet its annual RHNA housing target, the CUA requirements in both SUDs would be unenforceable due to a lack of objective criteria. To maintain the SUDs' intent, the

¹ https://sfgov.legistar.com/View.ashx?M=F&ID=10664739&GUID=F6F424D6-CBF9-4D50-918D-38BE6167356C



mayor included a provision in her Housing Production Ordinance² to amend the subjective CUA process into an objective code standard. The CUA requirement under the SUD sunsets on December 31, 2024. After this date, no expansion or new construction of a Dwelling Unit exceeding 3,000 sq ft (GFA) will be allowed, except for expansions of less than 15% over the past 10 years. While this change preserves the intent of the two SUDs and makes housing approval faster and more predictable, it also removes some of the flexibility found in the current SUDs.

On June 28, 2024, San Francisco received notice from HCD stating that the city did not meet its annual RHNA goals; therefore, all multi-unit housing projects are now subject ministerial approval. Ministerial projects can only be reviewed against objective code criteria, such as height, rear yard, and density limits.

Issues and Considerations

Summary of the Corona Heights and Central Neighborhoods SUDs

Both the Corona Heights and the Central Neighborhoods SUDs seek to limit the size of dwelling units. In fact, both SUDs have the exact same purpose statement, which is: "to protect and enhance existing neighborhood character, encourage new infill housing at compatible densities and scale, and provide for thorough assessment of proposed large-scale residences that could adversely impact the area and affordable housing opportunities." There were, however, some differences in how they went about achieving this goal. The Corona Heights Large Residence SUD required CU authorization if the building, not unit, went beyond the limits described above. It did not set a maximum cap on the unit or building size. The Central Neighborhood's Large Residence SUD established a threshold of 3,000 sq. ft. or 1.25 FAR per unit above which CU authorization was required. It also included a cap of 4,000 sq. ft. on unit size and regulated the unit size not the building size. Although the mechanisms were different between the two SUDs, the overall goals were the same.

Effect of the Central Neighborhoods Large Residence SUD to Date

In the two-and-a-half years since it was first enacted the Planning Commission has reviewed 15 projects seeking a Conditional Use authorization (CUA) under the Central Neighborhoods Large Residence SUD. Of those 15 projects:

- All were in either a RH-1 or RH-2 zoning district.
- All but one were existing single-family homes.
- 3 out of 15 projects proposed increasing the density on the lot by adding one Dwelling Unit.
- The Commission required 2 of the 15 applications to revise their project to increase the density on the lot through the addition of an Accessory Dwelling Unit (*Note: This directive of the Commission to increase density on the lot became more common as this SUD aged, suggesting an evolution in how the*

² Board File No. 231142



4

Commission views these types of projects).

• 13 of the 15 CUA's were approved as proposed.

Over the past two and a half years, staff responsible for implementing the SUD noted significant successes in curbing the size of large single-family home expansions. Despite 15 projects proceeding with applications for a CUA to exceed size limits, many others opted to stay below the threshold and incorporate an ADU instead. Staff remains skeptical about whether these ADUs, (whether built to circumvent the CUA or through its approval), will initially be rented as separate units; however, they acknowledge that these units could, in the future, accommodate multi-generational living or becoming rental units for subsequent owners, if not the current ones.

The Department generally supports the Central Neighborhoods Large Residence SUD's primary objective of promoting new infill housing at compatible densities; however, based on our review of projects subject to the SUD over the past 2.5 years, it appears that the 3,000 sqft hard cap may not effectively encourage increased density. There is nothing in the existing controls or in the proposed ordinance that incentivizes additional units or ADUs, as there was with the CU process and Planning Commission review. To remedy this, more flexibility could be added to the program in exchange for an additional unit, so long as the new controls are objective and can be granted ministerially.

Further, to effectively meet the SUD's goal of promoting density and the city's goal to increase housing stock, governmental constraints on housing production must be minimized. For instance, the one-year ownership requirement on single family homes in the city's Exception from Density Ordinance (also known as the Fourplex Ordinance) currently acts as a constraint on housing production. This and similar constraints, such as building configurations required in the Family Housing Opportunity SUD, should be reconsidered to better align with the city's housing objectives.

To effectively meet the SUD's goal of promoting density and the city's goal to increase housing stock, governmental constraints on housing production must be minimized.

Staff have also observed that the current method of calculating GFA for the Central Neighborhoods Large Residence SUD can be confusing to implement and creates a loophole to the square footage limit. Under the SUD, GFA encompasses spaces designated for accessory parking, all expansions within the last decade, and any expansions constructed without proper permits. In cases involving multiple units, staff have observed applicants assigning garage space to smaller units, even when these spaces may be utilized by both units or entirely by the larger one. This tactic aims to maximize the GFA available to the larger unit without exceeding the established threshold. Even when garage space allocation is equitable between units, staff encounters challenges in apportioning shared areas. Additionally, determining which segments of the garage qualify for the GFA calculation is problematic, especially where parts are used for storage or other auxiliary purposes.



Proposed SUD Boundaries

The proposed Ordinance would expand the boundaries of the Central Neighborhoods Large Residence SUD to encompass the Corona Heights Large Residence SUD and new areas from the 2022 redistricting process that now fall within District 8 (Note: The boundaries would not shrink in areas where redrawn district lines move certain parcels out of District 8). The Department maintains its stance against using supervisorial district boundaries for land use delineation due to their basis in population equality and compliance with the Federal Voting Rights Act and the 14th Amendment's Equal Protection Clause. These boundaries are not designed with land use considerations in mind, but rather to prevent the dilution of voting power among diverse ethnic, political, social, and economic groups. As the city's various neighborhoods continue to evolve, redrawing supervisorial district boundaries every ten years is required to ensure they remain equal in this regard. The Department is concerned that district boundaries are being used once again to define the SUD. A more nuanced analysis of which neighborhoods *need* these controls would be preferred; however, this cannot be done in the limited time staff has to respond to the proposed ordinance.

General Plan Compliance

Objective 1 of the Urban Design Element instructs the city to guide development in such a manner where we place "Emphasis of the characteristic pattern which gives to the city and its neighborhoods an image, a sense of purpose, and a means of orientation." Policy 1.3 of this objective is to "Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts." The proposed Ordinance helps to maintain a balance between a neighborhood's physical identity while also not impeding the development of future housing.

This proposed Ordinance, with all staff modifications, is additionally in conformance with Housing Element Policy 31, to "Facilitate small and mid-rise multi-family buildings that private development can deliver to serve middle-income households without deed restriction, including through adding units in lower density areas or by adding Accessory Dwelling Units (ADUs)." The Department's recommended modifications will ensure that not only is home size limited within the SUD, but that density is encouraged by allowing larger units if the project also adds a unit of at least 800sqft. In these districts that are comprised mostly of RH, low density residences, this density is most likely to be added through the addition of ADU's.

Racial and Social Equity Analysis

The primary objective of the Central Neighborhoods Large Residence SUD is to curtail unit size within its boundaries, with a key focus on preserving affordable housing options. The rationale behind these controls is to mitigate market and Planning Code influences that favor larger residences, thereby safeguarding smaller, more affordable units. While the intention to preserve affordable housing is commendable, merely limiting unit size in well-resourced neighborhoods like Central Neighborhoods SUD and Corona Heights SUD may fall short of promoting racial and social equity. Without a concurrent effort to augment the supply of affordable units in these areas, access to housing for historically marginalized groups remains uncertain. Specifically, the Central Neighborhoods Large Residence SUD and the Corona Heights Large Residence SUD are situated in affluent areas characterized by higher-income populations. Restricting unit size without concurrently encouraging density risks perpetuating the existing status quo rather than advancing equity. To truly address housing disparities, it is crucial to consider measures that not only limit unit size but also foster



increased housing density in these neighborhoods.

Merely limiting unit size in well-resourced neighborhoods like Central Neighborhoods SUD and Corona Heights SUD may fall short of promoting racial and social equity.

Furthermore, the proposed ordinance may inadvertently affect BIPOC families with a tradition of multigenerational living. A 3,000 sq. ft. home in San Francisco is notably large, especially when compared to the average home size of approximately 1,600 sq. ft. While the addition of an Accessory Dwelling Unit could make a 3,000 sq. ft. home suitable for multi-generational living, potential impacts should not be overlooked. Ongoing evaluation by the city is essential to understand the full consequences of restricting home sizes on the ability of these families to secure housing across all San Francisco neighborhoods. City initiatives are underway to address issues related to density and unit size. The Constraints Reduction Ordinance, spearheaded by Mayor Breed, seeks to enhance housing production by streamlining regulations and enabling more projects as of right. Supervisor Mandelman's four-plex ordinance and Supervisor Melgar's Family Housing Opportunity SUD both promote greater density in lower-density neighborhoods, including those

covered by the Central Neighborhoods SUD and Corona Heights SUD. Therefore, any shortcomings in the proposed Ordinance's ability to advance racial and social equity can potentially be mitigated by existing legislation. Ongoing assessments, particularly within the Housing Element's rezoning effort, are crucial to comprehensively address questions related to appropriate unit size and the impact on multi-generational families.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures.

Recommendation

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

- 1. Do not include accessory garage space in the calculation of Gross Floor Area (GFA).
- 2. Allow one Dwelling Unit up to 4,000sqft if the project also adds a Dwelling Unit of at least 800sqft.
- 3. Specify that for the purposes of calculating a unit's Gross Square Footage (GSF) in multi-unit buildings, shared spaces shall not be included.

Basis for Recommendation

The Department generally supports the purpose of the Central Neighborhoods Large Residence SUD in that it seeks to "encourage new infill housing at compatible densities and scale and provide for thorough



assessment of proposed large single-family residences that could adversely impact neighborhood character and affordable housing opportunities." The Department agrees that projects seeking to expand their already large units without increasing their residential density should be discouraged. We also agree that generally, the size of a proposed unit is a sensible indicator of cost. It is also imperative however, that the impacts of this SUD do not simply curtail the size of units, but also encourage the addition of moderately sized units in otherwise low-density, high resource neighborhoods. With the proposed recommended modifications, the Department believes that the Ordinance will achieve these goals.

Recommendation 1: Do not include accessory garage space in the calculation of Gross Floor Area (GFA). The inclusion of garage space in the calculation of total GFA has allowed applicants to circumvent size limits by "assigning" garages to smaller units, artificially inflating their apparent size on paper. Staff are not able to ensure that these spaces are used for parking for that unit post-construction.

Recommendation 2: Allow one Dwelling Unit up to 4,000sqft if the project also adds a Dwelling Unit of at least 800sqft. Once the CUA sunsets at the end of this year, there will no longer be an incentive for project sponsors to add additional units to their project. The city needs to find ways to increase density, particularly in our High Resourced neighborhoods. While the primary purpose of this SUD is to prevent overly large homes, the city should also explore avenues to promote increased density in these areas. Although we cannot guarantee that the units will be rented and used independently, requiring a minimum size of 800sqft will ensure that units are substantial enough to be less likely to be left vacant. Implementing objective design criteria, such as standards for entrance locations, reducing options for connectivity to the main unit, and minimum livability requirements, can further prevent ADUs from being absorbed into the primary unit.

Recommendation 2: Specify that for the purposes of calculating a unit's Gross Square Footage (GSF) in multi-unit buildings, shared spaces shall not be included. Staff have encountered challenges in calculating GSF for multi-unit buildings due to shared stairwells, atriums, and other communal spaces accessible to all building tenants. To address this issue, the SUD should explicitly specify that in multi-unit buildings, each unit's GSF should only include areas exclusively dedicated to that unit. Shared spaces between units should not be factored into the calculation.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.



Public Comment

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

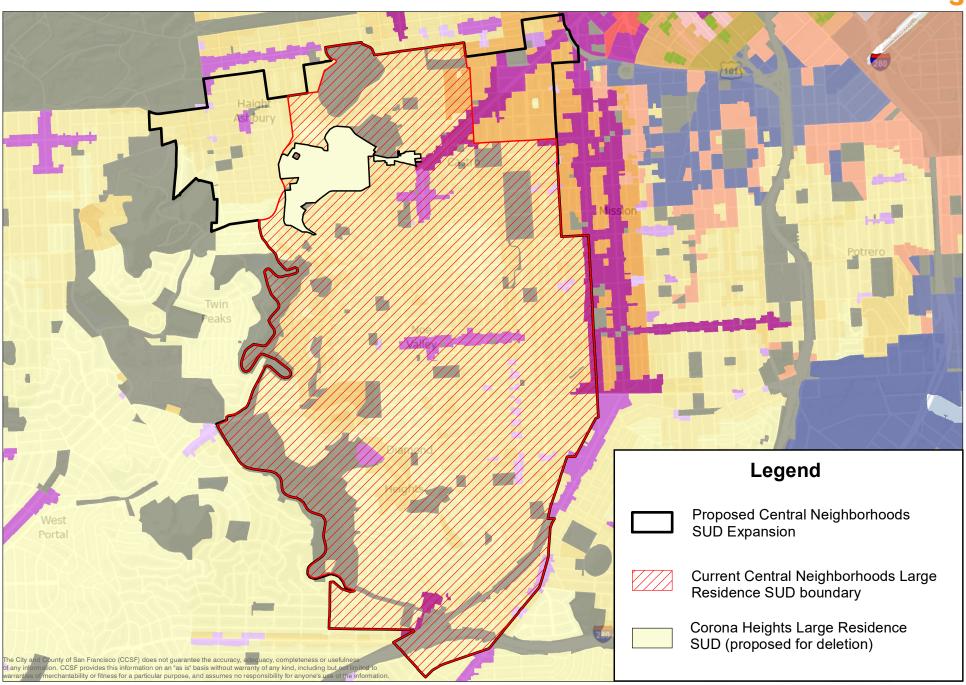
ATTACHMENTS:

Exhibit B: Additional maps illustrating the current and proposed SUD boundaries



Proposed Central Neighborhoods SUD Expansion





Central Neighborhoods Large Residence SUD

Where the SUD Applies Now (RH Districts outside the Corona Heights SUD)

Where the SUD Would Apply (All zoning districts within the boundary)

