



SAN FRANCISCO PLANNING DEPARTMENT

April 8, 2019

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

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CA 94103-2479

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**Re: Transmittal of Planning Department Case Number 2018-016401PCA:
Accessory Dwelling Units in New Construction
Board File No. 181156
Planning Commission Recommendation: Approval with Modification
Historic Preservation Commission Recommendation: Approval with
Modification**

Dear Ms. Calvillo and Supervisor Safai,

On March 6, 2019 and March 7, 2019, the Historic Preservation Commission and Planning Commission, respectively, conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Safai that would amend Planning Code Sections 102, 207, 311, 1005, and 1110 and Business and Tax Regulations Code Sections 8 and 26. At the hearings the Historic Preservation and Planning Commissions recommended approval with modification.

The Historic Preservation Commission recommended the following modifications:

1. Adopt a maximum size of 1,200 gross square feet for ADUs that are approved under the "No Waiver" program proposed in existing single-family homes.
2. Reduce the amount of required open space specifically for the proposed ADUs in RH-1, RH-1(D), and RH-1(S) Zoning Districts to 125 square feet of private usable open space or at a ratio of 1.33 of common usable open space.

Historic Preservation Review for ADUs in the "No Waiver" program:

3. Amend Section 207(c)(6)(B)(v) to specify that ADU projects will be required comply with architectural review standards to prevent adverse impacts on properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11, and that said projects will not be subject to the Certificate of Appropriateness (CoA) or Permit to Alter (PtA) review processes. These projects will be reviewed for compliance with all ADU architectural review standards adopted by the Historic Preservation Commission (HPC), including but not limited to those listed in Resolution No. 1041. Notwithstanding Resolution No. 1041, ADUs in the "No Waiver" program will not be required to obtain Administrative CoAs or Minor PtAs.

4. The HPC will delegate review of "No Waiver" ADUs to staff in properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11. This review will occur within the 120-day timeframe under state law.
5. Amend 1005 and 1110 respectively to reference 207(c)(B)(v) for any code-complying Accessory Dwelling Units (ADUs) in single-family residences.
6. Add subsections to Sections 1006.2 and 1111.3 to delegate to staff review of ADUs in the "No Waiver program pursuant to Section 207(c)(6).

Clerical Amendments:

7. Remove off-street parking and bicycle parking references from amended section of the Code.
8. Amend subsection (c)(6)(B)(iii): This section currently cites "(C)(x) and (xi)"; however, it should reference "(B)(x) and (xi)" instead.
9. Amend the "Residential Standards and Uses" Tables in Articles 7 and 8 to reference both 207(c)(4) and 207(c)(6). Also, the "Controls by Story" section should be simplified to read as "P per Planning Code Sections 207(c)(4) and 207(c)(6)".

The Planning Commission recommended all the above modifications except number two.

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 Safai, 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:

Peter Miljanich, Deputy City Attorney
Suhagey Sandoval, Aide to Supervisor
Angela Calvillo, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution
Historic Preservation Commission Resolution
Planning Department Executive Summary



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20403 HEARING DATE MARCH 7, 2019

Project Name: Accessory Dwelling Units in New Construction
Case Number: 2018-016401PCA [Board File No. 181156]
Initiated by: Supervisor Safai / Introduced November 27, 2018
Staff Contact: Veronica Flores, Legislative Affairs
Veronica.Flores@sfgov.org, 415-575-9173
Reviewed by: Aaron D. Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362

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RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE SECTION 207 AND THE BUSINESS AND TAX REGULATIONS CODE TO AUTHORIZE THE ADDITION OF AN ACCESSORY DWELLING UNIT IN THE CONSTRUCTION OF A NEW SINGLE-FAMILY HOME OR MULTI-FAMILY BUILDING; CLARIFYING THE MINISTERIAL APPROVAL PROCESS AND CREATING AN EXPEDITED BOARD OF APPEALS PROCESS FOR CERTAIN ACCESSORY DWELLING UNITS IN SINGLE-FAMILY HOMES MEETING SPECIFIC REQUIREMENTS; 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 November 27, 2018 Supervisors Safai introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 181156, which would amend Planning Code Section 207 to authorize the addition of an Accessory Dwelling Unit in the construction of a new single-family home or multi-family building; clarifying the ministerial approval process and creating an expedited Board of Appeals process for certain accessory dwelling units in single-family homes meeting specific requirements; and,

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on February 14, 2019 and continued to March 7; and,

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

WHEREAS, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of 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 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

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

MOVED, that the Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed modifications are as follows:

1. Adopt a maximum size of 1,200 gross square feet for ADUs that are approved under the "No Waiver" program proposed in existing single-family homes.
2. Historic Preservation Review for ADUs in the "No Waiver" program:
 - a. Amend Section 207(c)(6)(B)(v) to specify that ADU projects will be required comply with architectural review standards to prevent adverse impacts on properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11, and that said projects will not be subject to the Certificate of Appropriateness (CoA) or Permit to Alter (PtA) review processes. These projects will be reviewed for compliance with all ADU architectural review standards adopted by the Historic Preservation Commission (HPC), including but not limited to those listed in Resolution No. 1041. Notwithstanding Resolution No. 1041, ADUs in the "No Waiver" program will not be required to obtain Administrative CoAs or Minor PtAs.
 - b. The HPC will delegate review of "No Waiver" ADUs to staff in properties listed on the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11. This review will occur within the 120-day timeframe under state law.
 - c. Amend 1005 and 1110 respectively to reference 207(c)(B)(v) for any code-complying Accessory Dwelling Units (ADUs) in single-family residences.
 - d. Add subsections to Sections 1006.2 and 1111.3 to delegate to staff review of ADUs in the "No Waiver program pursuant to Section 207(c)(6).
3. Clerical Amendments:
 - a. Remove off-street parking and bicycle parking references from amended section of the Code.
 - b. Amend subsection (c)(6)(B)(iii): This section currently cites "(C)(x) and (xi)"; however, it should reference "(B)(x) and (xi)" instead.
 - c. Amend the "Residential Standards and Uses" Tables in Articles 7 and 8 to reference both 207(c)(4) and 207(c)(6). Also, the "Controls by Story" section should be simplified to read as "P per Planning Code Sections 207(c)(4) and 207(c)(6)".

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The Commission finds that the proposed Ordinance supports the Housing Element's goals to ensure adequate housing for current and future San Franciscans by increasing the potential for new Accessory Dwelling Units.
2. The Commission finds that the proposed Ordinance will help align the Planning Code with the State Law.
3. The Commission finds that the proposed ordinance will further streamline the ADU review process and clarify current processes. Such changes will make the City's ADU program more effective and flexible.
4. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

The Ordinance retains existing housing units and prioritizes permanently affordable housing. Additionally, the proposed amendments would expand the ADU program and make the addition of ADU's more feasible.

5. **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 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 existing 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.

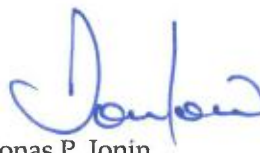
8. That our parks and open space and their access to sunlight and vistas be protected from development;

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

6. **Planning Code Section 302 Findings.** The 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 March 7, 2019.



Jonas P. Ionin
Commission Secretary

AYES: Melgar, Koppel, Hillis, Johnson, Moore

NOES: Richards

ABSENT: None

ADOPTED: March 7, 2019



SAN FRANCISCO PLANNING DEPARTMENT

Historic Preservation Commission Resolution No. 1032

HEARING DATE MARCH 6, 2019

Project Name: Accessory Dwelling Units in New Construction
Case Number: 2018-016401PCA [Board File No. 181156]
Initiated by: Supervisor Safai / Introduced November 27, 2018
Staff Contact: Veronica Flores, Legislative Affairs
Veronica.Flores@sfgov.org, 415-575-9173
Reviewed by: Aaron D. Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362

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RESOLUTION RECOMMENDING APPROVAL OF A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE SECTION 207 AND THE BUSINESS AND TAX REGULATIONS CODE TO AUTHORIZE THE ADDITION OF AN ACCESSORY DWELLING UNIT IN THE CONSTRUCTION OF A NEW SINGLE-FAMILY HOME OR MULTI-FAMILY BUILDING; CLARIFYING THE MINISTERIAL APPROVAL PROCESS AND CREATING AN EXPEDITED BOARD OF APPEALS PROCESS FOR CERTAIN ACCESSORY DWELLING UNITS IN SINGLE-FAMILY HOMES MEETING SPECIFIC REQUIREMENTS; 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 November 27, 2018 Supervisors Safai introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 181156, which would amend Planning Code Section 207 to authorize the addition of an Accessory Dwelling Unit in the construction of a new single-family home or multi-family building; clarifying the ministerial approval process and creating an expedited Board of Appeals process for certain accessory dwelling units in single-family homes meeting specific requirements; and,

WHEREAS, The Historic Preservation Commission (hereinafter "HPC") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on March 6, 2019; and,

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

WHEREAS, the HPC 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 1650 Mission Street, Suite 400, San Francisco; and
WHEREAS, the HPC has reviewed the proposed Ordinance; and

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

MOVED, that the HPC hereby adopts a recommendation for **approval with modifications** of the proposed ordinance. The HPC's recommended modifications are as follows:

1. Adopt a maximum size of 1,200 gross square feet for ADUs that are approved under the "No Waiver" program proposed in existing single-family homes.
2. Reduce the amount of required open space specifically for the proposed ADUs in RH-1, RH-1(D), and RH-1(S) Zoning Districts to 125 square feet of private usable open space or at a ratio of 1.33 of common usable open space.
3. Historic Preservation Review for ADUs in the "No Waiver" program:
 - a. Amend Section 207(c)(6)(B)(v) to specify that ADU projects will be required comply with architectural review standards to prevent adverse impacts on properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11, and that said projects will not be subject to the Certificate of Appropriateness (CoA) or Permit to Alter (PtA) review processes. These projects will be reviewed for compliance with all ADU architectural review standards adopted by the Historic Preservation Commission (HPC), including but not limited to those listed in Resolution No. 1041. Notwithstanding Resolution No. 1041, ADUs in the "No Waiver" program will not be required to obtain Administrative CoAs or Minor PtAs.
 - b. The HPC will delegate review of "No Waiver" ADUs to staff in properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11. This review will occur within the 120-day timeframe under state law.
 - c. Amend 1005 and 1110 respectively to reference 207(c)(B)(v) for any code-complying Accessory Dwelling Units (ADUs) in single-family residences.
 - d. Add subsections to Sections 1006.2 and 1111.3 to delegate to staff review of ADUs in the "No Waiver program pursuant to Section 207(c)(6).
4. Clerical Amendments:
 - a. Remove off-street parking and bicycle parking references from amended section of the Code.
 - b. Amend subsection (c)(6)(B)(iii): This section currently cites "(C)(x) and (xi)"; however, it should reference "(B)(x) and (xi)" instead.

- c. Amend the "Residential Standards and Uses" Tables in Articles 7 and 8 to reference both 207(c)(4) and 207(c)(6). Also, the "Controls by Story" section should be simplified to read as "P per Planning Code Sections 207(c)(4) and 207(c)(6)".

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The Commission finds that the proposed Ordinance supports the Housing Element's goals to ensure adequate housing for current and future San Franciscans by increasing the potential for new Accessory Dwelling Units.
2. The Commission finds that the proposed Ordinance will help align the Planning Code with the State Law.
3. The Commission finds that the proposed ordinance will further streamline the ADU review process and clarify current processes. Such changes will make the City's ADU program more effective and flexible.
4. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

The Ordinance retains existing housing units and prioritizes permanently affordable housing. Additionally, the proposed amendments would expand the ADU program and make the addition of ADU's more feasible.

5. **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 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 existing 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.

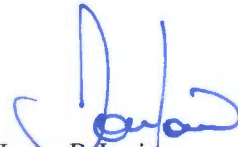
8. That our parks and open space and their access to sunlight and vistas be protected from development;

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

6. **Planning Code Section 302 Findings.** The HPC 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 recommends APPROVAL WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the HPC at its meeting on March 6, 2019.



Jonas P. Ionin
Commission Secretary

AYES: Hyland, Matsuda, Black, Johns, Pearlman, Wolfram

NOES: None

ABSENT: Johnck

ADOPTED: March 6, 2019



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Text Amendment

HEARING DATE: MARCH 7, 2019
CONTINUED FROM: FEBRUARY 14, 2019
90-DAY DEADLINE: MARCH 5, 2019
EXTENSION DEADLINE: JUNE 3, 2019

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Project Name: **Accessory Dwelling Units in New Construction**
Case Number: **2018-016401PCA** [Board File No. 181156]
Initiated by: Supervisor Safai / Introduced December 5, 2018
Staff Contact: Veronica Flores, Legislative Affairs
Veronica.Flores@sfgov.org, 415-575-9173
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362
Recommendation: **Approval with Modifications**

PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code and Business and Tax Regulations Code to authorize the addition of an Accessory Dwelling Unit (ADU) in the construction of a new single-family or multi-family building; clarify the ministerial approval process; and create an expedited Board of Appeals process for certain Accessory Dwelling Units in single-family homes meeting specific requirements.

The Way It Is Now:

1. Under the City's local ADU program (or "Waiver" program), ADUs are permitted in the living area of existing single-family or multi-family buildings or the buildable area of the lot.
2. Under the City's State Mandated ADU program (or "No Waiver" program), ADUs are permitted within existing single-family homes that strictly meet the state law's ADU requirements without requiring a Zoning Administrator waiver of Planning Code provisions. The ADU can be within the existing building or as part of an addition to the existing building within the buildable area of said lot. Currently, only ADUs in the "No Waiver" program that do not include building expansions are ministerial. ADUs in this program that include building expansions are discretionary.
3. ADUs permitted under the "No Waiver" program are subject to neighborhood notification.
4. Appeals for ADUs under the "No Waiver" program are heard per standard appeal processes.

The Way It Would Be:

1. Under the "Waiver" program, ADUs would be permitted in existing or new construction of single-family or multi-family buildings.
2. All ADUs under the "No Waiver" program would be approved ministerially (including said projects with expansions). The ADU can be within the existing building, in an addition to the existing building, or in a new construction building.

3. ADUs under the “No Waiver” program will not be subject to neighborhood notification (including those with building expansions).
4. Appeals for ADUs under the “No Waiver” program will be heard within 10-30 days of the appeal filing.

BACKGROUND

The State Legislature has deemed ADUs a valuable and affordable form of housing in California. The state’s ADU laws have been amended several times to revise the requirements and make the approval of an ADU less discretionary.

San Francisco first adopted a local ADU program in 2015 and made several updates since the initial inception both in response to changes to the state law and to improve the City’s local ADU program. The proposed ordinance will update San Francisco’s ADU programs to comply with amendments to the state law. Additionally, the proposed ordinance clarifies the ministerial approval process and streamlines the appeal process for ADUs under the local program implementing the state law.

ISSUES AND CONSIDERATIONS

Housing Stock

San Francisco and the Bay Area have a housing shortage. The Planning Department is working to meet these housing needs. In the City’s Housing Element, Objective One specifically cites ADUs as an effective way to add to the housing stock. The ADU program helps create new dwelling units, mostly through infill efforts. The initial ADU pilot program in the Castro District in 2014 has now grown into the robust ADU programs of today. This is a testament to the success of ADUs and the Ordinance will build on these efforts.

The Housing Element cites Accessory Dwelling Units as an effective and inexpensive way to realize greater housing potential and add to the housing stock.

Housing Affordability and Variety

Currently, the Planning Code does not limit the size of ADUs. Traditionally, ADUs are thought of as subordinate to the primary unit, and are often added to existing buildings by making use of underutilized space resulting in smaller units. These ADU units end up being more affordable due to the size of the unit. Further, Objective One of the City’s Housing Element’s specifically cites ADUs as an effective and inexpensive way to add the housing stock. In instances where there is a large amount of square footage available to create an ADU, including for projects that include building expansions, the ADUs may no longer be accessory to the primary unit. The Department’s concern is that without a size limitation on ADUs, the ADUs could conceivably be larger and thus be unaffordable for future renters.

This concern is amplified when considering that neighborhood notification will be eliminated for ADUs in the “No Waiver” program, including those with building expansions. Neighborhood notification is a way to inform the public about upcoming projects, provide an avenue to provide public comments, and allow the opportunity to file a Request for Discretionary Review. The ordinance eliminates this neighborhood notification for ADUs in the “No Waiver” program. The Department’s concern is that without this

neighborhood notification for ministerial projects, we may see ADUs even larger than the primary unit without community members knowing about the project first.

ADU Size Limits:

State Law includes a provision on the maximum size for ADUs. The maximums are as follows:

- For attached ADUs, the ADU shall not exceed 50 percent of the proposed or existing primary dwelling living area or 1,200 square feet.
- For detached ADUs, the ADU shall not exceed 1,200 square feet.

Local agencies are not required to adopt the above square footage limits. However, with the new interpretations regarding neighborhood notification and ministerial projects, the Department is concerned about excessively sized ADUs in the “No Waiver” program. Under state law, the City can set its own size limits, but staff recommends adopting a limit of 1,200 square feet for “No Waiver” ADUs proposed in existing single-family homes.

Staff does not recommend this size limitation to the “Waiver” program, recognizing that different contexts may be appropriate to have these larger ADUs. One example of this includes an older, multi-unit building proposing to convert the ground level parking to ADUs. In this case, there is greater potential to add a variety of different sized units, including units larger than 1,200 square feet. This also results in more family-sized units in the housing stock. Therefore, the Department recommends this size limitation only be placed on those ADUs in the “No Waiver” program.

Timeline for Review:

Since the launch of the initial ADU program, the Planning Department has improved efforts to more effectively and efficiently review ADU permits. To help facilitate review, the Planning Department has created a team of ADU specialists. Effective August 2018, Planning established an ADU counter with dedicated staff at the Department of Building Inspection’s (DBI) permit floor. Staff is able to review and issue Plan Check Letters in real time, or within five days, to reduce delays for Planning feedback.

The Planning Department has also collaborated more with other City agencies involved in the review of ADUs and introduced parallel review efforts. One of the biggest time-savings has been the new “Roundtable” review where different City agencies meet and review ADU permits together. This allows for the City to discuss any conflicting policies and provide applicants with consolidated comments.

The State Law (SB 1069), effective January 1, 2017, required jurisdictions to complete approval of Code-complying ADUs in single-family homes within 120 days. In addition to the efforts listed above, the streamlined appeal review timeline for ADUs in the “No Waiver” program would help the City meet the state’s target.

Staff presented the proposed ordinance to the Board of Appeals (BOA) on January 30, 2019. The primary focus included 1) all ADUs under the “No Waiver” program are to be approved ministerially and 2) appeals filed on any ADUs in the “No Waiver” program are to be heard within 10-30 days of appeal filing. The only major legislative question the BOA posed was how the maximum number of days in the appeal timeframe was decided. This 10-30 day appeal timeframe was the proposed number to meet the target 120-day timeline.

General Plan Compliance

The General Plan identifies ADUs as an effective and inexpensive way to increase the housing supply. The Ordinance retains existing housing units and prioritizes permanently affordable housing. Additionally, the proposed amendments would expand the ADU program and streamline the review process.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures. The changes, in addition to the efforts described above, will allow the Department to review ADUs in a more effective and efficient manner.

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. Adopt a maximum size of 1,200 gross square feet for ADUs that are approved under the "No Waiver" program proposed in existing single-family homes.
2. Reduce the amount of required open space specifically for the proposed ADUs in RH-1, RH-1(D), and RH-1(S) Zoning Districts to 125 square feet of private usable open space or at a ratio of 1.33 of common usable open space.
3. Historic Preservation Review for ADUs in the "No Waiver" program:
 - a. Amend Section 207(c)(6)(B)(v) to specify that ADU projects will be required to comply with architectural review standards to prevent adverse impacts on properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11, and that said projects will not be subject to the Certificate of Appropriateness (CoA) or Permit to Alter (PtA) review processes. These projects will be reviewed for compliance with ADU architectural review standards adopted by the Historic Preservation Commission (HPC), including but not limited to those listed in Motion No. XXXX. Notwithstanding Motion No. XXXX, ADUs in the "No Waiver" program will not be required to obtain Administrative CoAs or Minor PtAs.
 - b. The HPC will delegate review of "No Waiver" ADUs to staff in the California Register of Historic Places, and properties designated individually or as part of districts pursuant to Article 10 or 11. This review will occur within the 120-day timeframe under state law.
 - c. Amend Sections 1005 and 1110 to clarify that Section 207(c)(6)(B)(v) applies to any code-complying ADUs in single-family residences.
 - d. Add subsections to Sections 1006.2 and 1111.3 to delegate to staff review of ADUs in the "No Waiver" program pursuant to Section 207(c)(6).
4. Clerical Amendments:
 - a. Remove off-street parking and bicycle parking references from amended section of the Code.
 - b. Amend subsection 207(c)(6)(B)(iii): This section currently cites "(C)(x) and (xi)"; however, it should reference "(B)(x) and (xi)" instead.

- c. Amend the “Residential Standards and Uses” Tables in Articles 7 and 8 to reference both 207(c)(4) and 207(c)(6). Also, the “Controls by Story” section should be simplified to read as “P per Planning Code Sections 207(c)(4) and 207(c)(6)”.

BASIS FOR RECOMMENDATION

The Department supports the proposed Ordinance because it supports the Housing Element’s goals to ensure adequate housing for current and future San Franciscans. Specifically, the Ordinance increases the potential for Accessory Dwelling Units. While the intent behind the original Ordinance under this file is to bring the local ADU program into compliance with State Law, the additional policy recommendations will further streamline ADU review and clarify current processes. Such changes will make the City’s ADU program more effective and flexible.

Recommendation 1: Adopt a maximum size of 1,200 gross square feet for ADUs that are approved under the “No Waiver” program proposed in existing single-family homes.

Currently, the Planning Code does not limit the size of ADUs. ADUs are traditionally more affordable by nature as these are accessory to the existing residential units. Without a size limitation on ADUs, the ADUs can conceivably be more expensive the larger they are. The ordinance would remove the neighborhood notification requirements and discretionary review for ADUs in the “No Waiver” program. The proposed size limitation, which is modeled after the State Law, alleviates the Department’s concern about excessively sized ADUs implemented through the “No Waiver” program. Staff is not recommending that the 1,200 square feet limited be placed on the “Waiver” program because the City has more discretion in the approval process, and there may be situations where a hard cap proves undesirable or inefficient. Further, this flexibility provides greater potential to add a variety of different sized units in multi-unit buildings, which would be subject to the “Waiver” program.

Recommendation 2: Reduce the amount of required open space specifically for the proposed ADUs in RH-1, RH-1(D), and RH-1(S) Zoning Districts to 125 square feet of private usable open space or at a ratio of 1.33 of common usable open space.

Several ADUs that would have been eligible for the “No Waiver” program were subject to the “Waiver” program because they could not meet the open space requirement for RH-1 Districts. Residential units in these districts are required to have at least 300 square feet of private open space per unit. In some cases, the open space deficiency is less than 50 square feet. This change would help resolve the issue by reducing the open space requirement specifically for the ADU. The 125 square foot requirement comes from the open space requirements in RH-2 Zoning Districts. The logic is that single-family homes that add an ADU will closely resemble properties in RH-2 Zoning Districts that have maximized their density. Staff finds that since 125 square feet of private open space per unit is adequate in RH-2 Zoning Districts it should be applied to ADUs in the “No Waiver” program. The 300 square feet of open space for the primary units in RH-1, RH-1(D), and RH-1(S) Districts would still apply.

Recommendation 3(a): Amend 207(c)(6)(B)(v) to specify that ADU projects will be required to comply with architectural review standards to prevent adverse impacts on properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11, and that said projects will not be subject to the Certificate of Appropriateness (CoA) or Permit to Alter (PtA) review processes. Instead these projects will be reviewed for compliance with ADU architectural

review standards adopted by the Historic Preservation Commission (HPC), including but not limited to those listed in Motion No. XXXX. Notwithstanding Motion No. XXXX, ADUs in the “No Waiver” program will not be required to obtain Administrative CoAs or Minor PtAs.

Section 207(c)(6)(B)(v) (“No Waiver” Program) currently states: “If construction of the ADU will have adverse impacts on a property listed in the **California Register of Historic Places or any other known historical resource**, the Department shall require modification of the proposed project to the extent necessary to prevent or mitigate such impacts.” Staff recommends adding a reference to properties designated pursuant to Articles 10 and 11 in addition to “California Register of Historic Places or any other known historical resource.” Subsection (v) should also be revised to appropriately reference the architectural review standards adopted by HPC. Additionally, staff recommends that the language be revised to emphasize “prevent adverse impacts”. Amended Section 207(c)(6)(B)(v) would read:

Section 207(c)(6)(B)(v):

(v) ~~If construction of the ADU will have adverse impacts on~~ For projects involving a property listed in the California Register of Historic Places, ~~or a property designated individually or as part of a historic or conservation district pursuant to Article 10 or Article 11, the ADU shall comply with any architectural review standards adopted by the Historic Preservation Commission to prevent adverse impacts to such historic resources~~, the Department shall require modification of the proposed project to the extent necessary to prevent or mitigate such impacts. Such projects shall not be required to obtain a Certificate of Appropriateness or a Permit to Alter.

Modifications to Article 10 and 11 buildings require CoAs and PtAs, which are additional Planning Department discretionary entitlements. The intention of this Ordinance is to clarify that all ADUs in the “No Waiver” program are subject to ministerial approval. The Department will still review impacts to historical resources as delegated by the Historic Preservation Commission.

Recommendation 3(b): The HPC will delegate review of “No Waiver” ADUs to staff in properties listed in the California Register of Historic Places and properties and districts designated pursuant to Article 10 and Article 11. This review will occur within the 120-day timeframe under state law.

The Planning Department will review “No Waiver” ADUs in Article 10 and 11 buildings for compliance with the architectural review standards listed in Motion No. XXXX. This motion also features other similar minor scopes of work the HPC has delegated to Planning Department staff in Motion No. 0349. This review shall occur within the same 120-day timeframe for ministerial ADUs under the state law.

Recommendation 3(c): Amend Sections 1005 and 1110 to clarify that Section 207(c)(6)(B)(v) applies to any code-complying Accessory Dwelling Units (ADUs) in single-family residences.

Sections 1005 and 1110 should specifically cross-reference Section 207(c)(6)(B)(v).

Recommendation 3(d): Add subsections to Sections 1006.2 and 1111.3 to delegate to staff review of ADUs in the “No Waiver” program pursuant to Section 207(c)(6)

Sections 1006.2 and 1111.3 should specifically cross-reference Section 207(c)(6) and the Architectural Review Standards adopted by HPC. Sections 1006.2 and 1111.3 will be amended to include an additional subsection as follows:

Accessory Dwelling Units Reviewed Pursuant to the "No Waiver" Program. The Historic Preservation Commission may delegate to Department staff the review of an Accessory Dwelling Unit project for which an application has been submitted for approval pursuant

to the "No Waiver" Program set forth in Section 207(c), for compliance with any architectural review standards adopted by the Commission.

Recommendation 4: Clerical Amendments

Recommendation 4(a): Amend 207.

Section 207 still notes parking requirements. The City removed the minimum off-street parking requirements effective January 21, 2019. This change will correct outdated language in the ADU program. Specifically, off-street parking and bicycle parking are listed as potential waivers in Section 207(c)(4)(G); however, parking exceptions are no longer required due to the recent change in parking requirements. Bicycle parking was previously calculated based on the number of required off-street parking spaces. Therefore, bicycle parking exceptions will also be no longer required. (This was an unintended consequence of the parking amendments, but will be corrected in a future ordinance). Also, Section 207(c)(6)(B)(ix) states that the ADU does not require parking and discuss replacement parking. This subsection should be removed altogether to avoid confusion.

Section 207(c)(4)(G):

(G) **Waiver of Code Requirements; Applicability of Rent Ordinance.** Pursuant to the provisions of Section 307(l) of this Code, the Zoning Administrator may grant an Accessory Dwelling Unit a complete or partial waiver of the density limits and ~~off-street parking, bicycle parking,~~ rear yard, exposure, or open space standards of this Code.

Recommendation 4(b): Amend 207(c)(6)(B)(iii).

Section 207(c)(6)(B)(iii) currently cites the wrong subsection. This error should be resolved as shown below:

(iii) Only one ADU will be constructed that is entirely within either the "living area" or the buildable area of an existing single-family home or, except as provided in subsection (c)(6)(x) and (xi) below, within the built envelope of an existing and authorized auxiliary structure on the same lot.

Recommendation 4(c): Amend Articles 7 and 8.

Articles 7 and 8 of the Planning Code include "Residential Standards and Uses" Tables (see example below). Currently, these tables only cite Section 207(c)(4). This change will accurately reference both subsections (c)(4) and (c)(6). Also, the table is very detailed and the narrative description should be simplified to reference the appropriate Planning Code sections since the requirements have and continue to evolve. This will also prevent any future potential conflicting information.

Zoning Category	§ References	Controls		
Residential Uses		Controls by Story		
		1st	2nd	3rd+
Residential Uses	§ 102	P	P	P
Accessory Dwelling Unit Density	§§102, 207(c)(4)	P within the existing building envelope. 1 ADU allowed in buildings with 4 or fewer Dwelling Units. No limit in buildings with 5 or more Dwelling Units. ADUs may not eliminate or reduce ground-story retail or commercial space.		
Dwelling Unit Density	§§ 102, 207	1 unit per 800 square foot lot area, or the density permitted in the nearest Residential District, whichever is greater.		

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 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 received one letter in support of the Ordinance from the Executive Director of Livable City & Sunday Streets.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Draft Historic Preservation Commission Resolution for ADU Architectural Review Standards
- Exhibit C: Board of Supervisors File No. 181156