

[Planning Code - Conversion of Residential Hotel Rooms to Tourist Hotel Rooms at 447 Bush Street]

Ordinance amending the Planning Code to principally permit up to 51 Tourist Hotel rooms at Assessor's Parcel Block No. 0287, Lot No. 020, also known as 447 Bush Street; exempting 447 Bush Street from the requirement to obtain a conditional use authorization to convert 38 Residential Hotel rooms to Tourist Hotel rooms; waiving development impact fees and requirements for the conversion of the 38 rooms; providing that the conversion of the 38 rooms shall occur simultaneously with the application of the Residential Hotel Unit Conversion and Demolition Ordinance to 27 Group Housing rooms at 412-422 Hayes Street and seven Group Housing Rooms at 319-321 Ivy Street, Assessor's Parcel Block No. 0808, Lot No. 007; providing that the Department of Building Inspection shall issue certificates of use to reflect the changes in use of all the aforementioned properties and waiving associated fees; providing that the Ordinance is conditioned on enactment of the ordinance approving settlement of claims in *Hotel Des Arts, LLC v. City and County of San Francisco et al.*; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in single-underline italics Times New Roman font.
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:

1 Section 1. Environmental and Planning Code Findings.

2 (a) The Planning Department has determined that the actions contemplated in this
3 ordinance comply with the California Environmental Quality Act (California Public Resources
4 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
5 Supervisors in File No. 250069 and is incorporated herein by reference. The Board affirms
6 this determination.

7 (b) On March 6, 2025, the Planning Commission, in Resolution No. 21696,
8 recommended the Planning Code amendments in this ordinance for approval and adopted
9 findings that the actions contemplated in this ordinance are consistent, on balance, with the
10 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board
11 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
12 Board of Supervisors in File No. 250069, and is incorporated herein by reference.

13 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the
14 Planning Code amendments in this ordinance will serve the public necessity, convenience,
15 and welfare for the reasons set forth in Planning Commission Resolution No. 21696, and the
16 Board incorporates such reasons herein by reference.

17
18 Section 2. General Findings.

19 (a) The Residential Hotel Unit Conversion and Demolition Ordinance was enacted
20 in 1990 as Chapter 41 of the Administrative Code ("Chapter 41"). The stated purpose of
21 Chapter 41 is "to benefit the general public by minimizing adverse impact on the housing
22 supply and on displaced low-income, elderly, and disabled persons resulting from the loss of
23 residential hotel units through their conversion and demolition." (Administrative Code
24 Section 41.2.)
25

1 (b) Section 41.3 of the Administrative Code, subsections (a)-(h), includes the
2 following verbatim findings:

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

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

9 (3) Many of the elderly, disabled and low-income persons and households
10 reside in residential hotel units.

11 (4) A study prepared by the Department of City Planning estimated that there
12 were only 26,884 residential hotel units in the City in December of 1979, a decrease of 6,098
13 such units from 1975. Since enactment of this Chapter, residential hotel units have continued
14 to decrease, at a slower rate: in 1981, there were 20,466 residential hotel units as defined by
15 this Chapter; in 1988, there were 18,723 residential hotel units, a decrease of 1,743 over a
16 period of 7 years. The decrease is caused by vacation, conversion or demolition of residential
17 hotel units. Continued vacation, conversion or demolition of residential hotel units will
18 aggravate the existing shortage of affordable, safe and sanitary housing in the City and
19 County of San Francisco.

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

23 (6) Residential hotel units are endangered housing resources and must be
24 protected.
25

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

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

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

11 (d) Since its enactment in 1990, the Residential Hotel Unit Conversion and
12 Demolition Ordinance has been amended from time to time to ensure that its provisions
13 continue to align with its original intent (1) to preserve affordable rental housing for elderly,
14 disabled, and low-income persons and households who are least able to cope with
15 displacement and (2) to require a one-for-one replacement of these residential units if the
16 hotel owner or operator is allowed to convert or demolish them.

17
18
19 Section 3. Article 2 of the Planning Code is hereby amended by revising Section
20 210.2, to read as follows:

21
22 **SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.**

23 * * * *

24 **Table 210.2**

25 **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
* * * *						
NON-RESIDENTIAL STANDARDS AND USES						
* * * *						
Sales and Service Category						
Retail Sales and Service Uses*	§§ 102, 202.2(a)	P	P	P	P	P
Hotel	§ 102	C	C	C <u>(12)</u>	C	C
* * * *						

* Not listed below.

* * * *

(12) A total of up to 51 Tourist Hotel rooms are Principally Permitted on Block 0287 Lot 020, subject to the provisions of Ordinance No. 44-25 , in Board File No. 250069.

Section 4. Planning Code Waivers for 447 Bush Street; Certificates of Use for 447 Bush Street, 412-422 Hayes Street, and 319-321 Ivy Street and Associated Fee Waivers.

(a) The conversion to Tourist Hotel Use of 38 Residential Hotel Rooms subject to Administrative Code Chapter 41 and located at 447 Bush Street is hereby exempt from

(1) the requirements of Planning Code Section 317; and

(2) any development impact fee or development impact requirement imposed by Article 4 of the Planning Code.

(b) The change of use of the 38 Residential Hotel Rooms at 447 Bush Street shall occur simultaneously with, and subject to, the application of Administrative Code Chapter 41 to the 27 Group Housing Rooms located at 412-422 Hayes Street and seven Group Housing Rooms at 319-321 Ivy Street, Assessor's Parcel Block 0808, Lot 007, as referenced in and in accordance with the companion ordinance described in Section 6 of this ordinance. The Department of Building Inspection shall issue Certificates of Use to 447 Bush Street, 412-422

Hayes Street, and 319-321 Ivy Street reflecting these changes of use. Any permit or plan review fees incurred in the issuance of the Certificates of Use are hereby waived.

Section 5. Limited Effect of Ordinance.

This ordinance:

(a) shall have no retroactive effect;

(b) does not forgive or waive enforcement of any violations of applicable law, including but not limited to the Planning Code, Building Code, or Administrative Code, that may have occurred at 447 Bush Street, 412-422 Hayes Street, or 319-321 Ivy Street prior to or that may occur on or after the ordinance's effective date; and

(c) does not exempt any future changes of use at 447 Bush Street, 412-422 Hayes Street or 319-321 Ivy Street from the requirements of the Planning Code, Building Code, or Administrative Code, including but not limited to Planning Code Section 317 and Article 4 of the Planning Code.

Section 6. Effective Date; Dependence on Enactment of Companion Settlement Ordinance.

(a) This ordinance shall become effective 30 days after enactment, or upon the enactment of the companion settlement ordinance referenced in subsection (b), whichever occurs later. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

(b) This ordinance is a companion ordinance to the ordinance in Board File No. 250068, which approves the settlement of claims in *Hotel Des Arts, LLC v. City and*

1 County of San Francisco et al. (Northern District of California, Case No. 3:23-cv-02933) filed
2 on June 14, 2023. If that ordinance is not enacted, this ordinance shall be null and void.
3

4 Section 7. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
8 additions, and Board amendment deletions in accordance with the "Note" that appears under
9 the official title of the ordinance.
10

11 APPROVED AS TO FORM:
12 DAVID CHIU, City Attorney

13 By: /s/ Kristen A. Jensen
14 KRISTEN A. JENSEN
Deputy City Attorney

15 n:\legana\as2024\2500178\01809385.docx
16
17
18
19
20
21
22
23
24
25



City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 250069

Date Passed: March 25, 2025

Ordinance amending the Planning Code to principally permit up to 51 Tourist Hotel rooms at Assessor's Parcel Block No. 0287, Lot No. 020, also known as 447 Bush Street; exempting 447 Bush Street from the requirement to obtain a conditional use authorization to convert 38 Residential Hotel rooms to Tourist Hotel rooms; waiving development impact fees and requirements for the conversion of the 38 rooms; providing that the conversion of the 38 rooms shall occur simultaneously with the application of the Residential Hotel Unit Conversion and Demolition Ordinance to 27 Group Housing rooms at 412-422 Hayes Street and seven Group Housing Rooms at 319-321 Ivy Street, Assessor's Parcel Block No. 0808, Lot No. 007; providing that the Department of Building Inspection shall issue certificates of use to reflect the changes in use of all the aforementioned properties and waiving associated fees; providing that the Ordinance is conditioned on enactment of the ordinance approving settlement of claims in Hotel Des Arts, LLC v. City and County of San Francisco et al.; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

March 17, 2025 Land Use and Transportation Committee - RECOMMENDED AS
COMMITTEE REPORT

March 18, 2025 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar,
Sauter, Sherrill and Walton

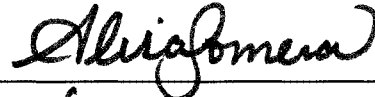
March 25, 2025 Board of Supervisors - FINALLY PASSED

Ayes: 9 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar
and Sherrill

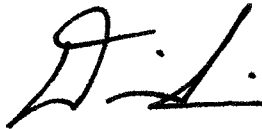
Excused: 2 - Sauter and Walton

File No. 250069

I hereby certify that the foregoing
Ordinance was FINALLY PASSED on
3/25/2025 by the Board of Supervisors of the
City and County of San Francisco.



f Angela Calvillo
Clerk of the Board



Daniel Lurie
Mayor

4.3.2025

Date Approved