

1 [Planning Code - Conditional Use Authorizations for Demonstrably Unaffordable Housing]

2
3 **Ordinance amending the Planning Code to require Conditional Use authorization for**
4 **applications to demolish a Single-Family Residential Building on a site zoned as RH-1**
5 **or RH-1(D), when the building is demonstrably not affordable or financially accessible**
6 **housing; affirming the Planning Department’s determination under the California**
7 **Environmental Quality Act; making findings of consistency with the General Plan, and**
8 **the eight priority policies of Planning Code, Section 101.1; and adopting findings of**
9 **public convenience, necessity, and welfare under Planning Code, Section 302.**

10 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.
15 **Asterisks (* * * *)** indicate the omission of unchanged Code
16 subsections or parts of tables.

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

18 Section 1. Findings.

19 (a) The Planning Department has determined that the actions contemplated in this
20 ordinance comply with the California Environmental Quality Act (California Public Resources
21 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
22 Supervisors in File No. 200142 and is incorporated herein by reference. The Board affirms
23 this determination.

24 (b) On April 23, 2020, the Planning Commission, in Resolution No. 20689, adopted
25 findings that the actions contemplated in this ordinance are consistent, on balance, with the
City’s General Plan and eight priority policies of Planning Code Section 101.1. The Board

1 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
2 Board of Supervisors in File No. 200142, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
4 amendment will serve the public necessity, convenience, and welfare for the reasons set forth
5 in Planning Commission Resolution No. 20689, and the Board incorporates such reasons
6 herein by reference. A copy of said Resolution is on file with the Board of Supervisors in File
7 No. 200142.

8
9 Section 2. Article 3 of the Planning Code is hereby amended by revising Section 317
10 to read as follows:

11
12 **SEC. 317. LOSS OF RESIDENTIAL AND UNAUTHORIZED UNITS THROUGH**
13 **DEMOLITION, MERGER, AND CONVERSION.**

14 * * * *

15 (b) **Definitions.** For the purposes of this Section 317, the terms below shall be as
16 defined below. Capitalized terms not defined below are defined in Section 102 of this Code.

17 * * * *

18 (2) "Residential Demolition" shall mean any of the following:

19 (A) Any work on a Residential Building for which the Department
20 of Building Inspection determines that an application for a demolition permit is required, or

21 (B) A major alteration of a Residential Building that proposes the
22 Removal of more than 50% of the sum of the Front Facade and Rear Facade ~~and also~~
23 ~~proposes or~~ the Removal of more than 65% of the sum of all exterior walls, measured in lineal
24 feet at the foundation level, or
25

1 (C) A major alteration of a Residential Building that proposes the
2 Removal of more than 50% of the Vertical Envelope Elements ~~and or~~ more than 50% of the
3 Horizontal Elements of the existing building, as measured in square feet of actual surface
4 area.

5 (D) The Planning Commission may reduce the above numerical
6 elements of the criteria in Subsections (b)(2)(B) and (b)(2)(C), by up to 20% of their values
7 should it deem that adjustment is necessary to implement the intent of this Section 317, to
8 conserve existing sound housing and preserve affordable housing.

9 (c) **Applicability; Exemptions.**

10 (1) Any application for a permit that would result in the Removal of one or more
11 Residential Units or Unauthorized Units is required to obtain Conditional Use authorization.
12 For Unauthorized Units, this Conditional Use authorization will not be required for Removal if
13 the Zoning Administrator has determined in writing that the unit cannot be legalized under any
14 applicable provision of this Code. The application for a replacement building or alteration
15 permit shall also be subject to Conditional Use requirements.

16 * * * *

17 ~~(5) The Demolition of a Single-Family Residential Building that meets the~~
18 ~~requirements of Subsection (d)(3) below may be approved by the Department without requiring a~~
19 ~~Conditional Use authorization.~~

20 (5) The Demolition of a Single-Family Residential Building that meets the
21 requirements of Subsection (d)(3) below may be approved by the Department without
22 requiring a Conditional Use authorization.

23 (6) Exception for Certain Permits Filed Before February 11, 2020. An
24 application to demolish a Single-Family Residential Building on a site in a RH-1 or RH-1(D)
25 District that is demonstrably not affordable or financially accessible housing, meaning housing

1 that has a value greater than 80% than the combined land and structure values of single-
2 family homes in San Francisco as determined by a credible appraisal made within six months
3 of the application to demolish, is exempt from the Conditional Use authorization requirement
4 of Subsection (c)(1), provided that a complete Development Application was submitted prior to
5 February 11, 2020.

6 (d) **Demolition.**

7 * * * *

8 (3) — *An application to demolish a Single-Family Residential Building on a site in a*
9 *RH-1 or RH-1(D) District that is demonstrably not affordable or financially accessible housing is*
10 *exempt from the Conditional Use authorization requirement of Subsection (c)(1). Specific numerical*
11 *criteria for such analyses shall be adopted by the Planning Commission in the Code Implementation*
12 *Document, in accordance with this Section 317, and shall be adjusted periodically by the Zoning*
13 *Administrator based on established economic real estate and construction indicators.*

14 ~~————— (A) — The Planning Commission shall determine a level of affordability or~~
15 ~~financial accessibility, such that Single-Family Residential Buildings on sites in RH-1 and RH-1(D)~~
16 ~~Districts that are demonstrably not affordable or financially accessible, that is, housing that has a~~
17 ~~value greater than at least 80% of the combined land and structure values of single-family homes in~~
18 ~~San Francisco as determined by a credible appraisal, made within six months of the application to~~
19 ~~demolish, are not subject to a Conditional Use hearing. The demolition and replacement building~~
20 ~~applications shall undergo notification as required by other sections of this Code. The Planning~~
21 ~~Commission, in the Code Implementation Document, may increase the numerical criterion in this~~
22 ~~Subsection by up to 10% of its value should it deem that adjustment is necessary to implement the intent~~
23 ~~of this Section 317, to conserve existing housing and preserve affordable housing.~~

24 ~~————— (B) — The Planning Commission, in the Code Implementation~~
25 ~~Document, shall adopt criteria and procedures for determining the soundness of a structure~~

1 proposed for demolition, where "soundness" is an economic measure of the feasibility of
2 upgrading a residence that is deficient with respect to habitability and Housing Code
3 requirements, due to its original construction. The "soundness factor" for a structure shall be
4 the ratio of a construction upgrade cost (i.e., an estimate of the cost to repair specific
5 habitability deficiencies) to the replacement cost (i.e., an estimate of the current cost of
6 building a structure the same size as the existing building proposed for demolition), expressed
7 as a percent~~age~~. A building is unsound if its soundness factor exceeds 50%. A Residential
8 Building that is unsound may be approved for demolition without requiring a Conditional Use
9 authorization.

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12 Section 3. Effective Date. This ordinance shall become effective 30 days after
13 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
14 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
15 of Supervisors overrides the Mayor's veto of the ordinance
16

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

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4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA, City Attorney

6 By: /s/ Judith A. Boyajian
7 JUDITH A. BOYAJIAN
8 Deputy City Attorney

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