

File No. 230808

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Transportation

Date: February 26, 2024

Board of Supervisors Meeting: _____

Date: _____

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Prepared by: John Carroll

Date: February 23, 2024

Prepared by: _____

Date: _____

Prepared by: _____

Date: _____

1 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District]

2
3 **Ordinance amending the Planning Code to change the title of the Family Housing**
4 **Opportunity Special Use District to the Family and Senior Housing Opportunity Special**
5 **Use District (“SUD”); authorize within the SUD the greater of up to six units per lot or**
6 **one unit per 1,000 square feet of lot area on individual Corner Lots in RH (Residential**
7 **House) Districts, the greater of up to 18 units per lot or one unit per 1,000 square feet of**
8 **lot area on Corner Lots resulting from three lot mergers in RH-1 districts, and the**
9 **greater of up to 12 units per lot or one unit per 1,000 square feet of lot area on Corner**
10 **Lots resulting from two lot mergers in RH-1 districts; extend various development and**
11 **streamlining benefits, including lot merger benefits, to RM-1 (Residential, Mixed), RH-2,**
12 **and RH-3 Districts within the area of the SUD bounded by the Great Highway, Lincoln**
13 **Way, 19th Avenue, and Sloat Boulevard; and refine project eligibility criteria in the**
14 **SUD; amending the Zoning Map to reflect the renamed Family and Senior Housing**
15 **Special Use District; affirming the Planning Department’s determination under the**
16 **California Environmental Quality Act; and making findings of consistency with the**
17 **General Plan and the eight priority policies of Planning Code Section 101.1, and**
18 **findings of public necessity, convenience, and welfare under Planning Code, Section**
19 **302.**

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

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Section 1. CEQA and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 230808 and is incorporated herein by reference. The Board affirms this determination.

(b) On October 26, 2023, the Planning Commission, in Resolution No. 21414, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City’s General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 230808, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 21414, and the Board adopts such reasons as its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. 230808 and is incorporated herein by reference.

Section 2. Background and Findings.

(a) The 2022 Housing Element of the General Plan includes goals, objectives, policies, and programs that seek to guide development patterns and the allocation of resources to San Francisco neighborhoods. Generally, it intends to shift an increased share of San Francisco's projected future housing growth to transit corridors and low-density residential districts in “Well-Resourced Neighborhoods” (areas identified by the state as neighborhoods that provide strong economic, health, and educational outcomes for its residents). In San Francisco, “Well-

1 Resources Neighborhoods” are generally coterminous with the boundaries of the Family
2 Housing Opportunity Special Use District (“SUD”), established in Planning Code Section
3 249.94. The SUD provides eligible projects with density and other development incentives, as
4 well as relief from procedural requirements like conditional use authorizations, neighborhood
5 notification, and public-initiated discretionary review. This ordinance furthers the Housing
6 Element’s goals by providing additional density and development incentives to projects
7 located on corner lots in the SUD.

8 (b) To further the goals of the 2022 Housing Element, this ordinance also expands the
9 scope of existing development incentives to certain neighborhoods within the SUD. The
10 Planning Department’s 2020 Housing Inventory found the Outer Sunset Planning District,
11 bound by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard, contained the
12 largest concentration of single-family homes within the city’s Well-Resourced Neighborhoods.
13 From 2010 through 2020, the Outer Sunset Planning District gained only one new housing
14 unit in the housing stock building category containing five to nine units, and only six new
15 housing units in the housing stock building category containing 10 to 19 units. Relative to
16 other districts in Well-Resourced Neighborhoods, the Outer Sunset Planning District produced
17 the least number of new housing units in multifamily buildings. Permitting additional units on
18 residential and mixed-use lots within the Outer Sunset Planning District provides a significant
19 opportunity to increase the supply of available housing in San Francisco’s Well-Resourced
20 Neighborhoods.

21
22 Section 3. The Planning Code is hereby amended by revising Section 249.94, to read
23 as follows:

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1 **SEC. 249.94. FAMILY AND SENIOR HOUSING OPPORTUNITY SPECIAL USE**
2 **DISTRICT.**

3 (a) **Purpose and Relationship to Planning Code Provisions.** To incentivize the
4 development of multifamily housing in the City’s well-resourced neighborhoods, a special use
5 district entitled “Family and Senior Housing Opportunity Special Use District” is hereby
6 established. All applicable provisions of the Planning Code shall continue to apply to this
7 special use district, except as otherwise provided in this Section 249.94.

8 (b) **Boundaries.** The boundaries of the Family and Senior Housing Opportunity
9 Special Use District are shown on Special Use District Maps Sheets SU 1, SU 2, SU 3, SU 4,
10 SU 5, SU 6, SU 7, SU 11, SU 12, and SU 13. These boundaries consist generally of the areas
11 designated as high-resource and highest-resource on the Well-Resourced Neighborhoods
12 Map of the 2023-2031 Housing Element.

13 (c) **Eligibility.** An eligible project under this Section 249.94 shall be a project that
14 complies with all the following criteria:

15 (1) is located in:

16 (A) an RH District in the Family and Senior Housing Opportunity Special
17 Use District (“the SUD”), and is not located in the Telegraph Hill - North Beach Residential
18 Special Use District (Section 249.9449) or the North Beach Special Use District (Section
19 780.3); or

20 (B) an RM-1 District within the area of the SUD that is bounded by the
21 Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard;

22 (2) is not seeking or receiving approval under the provisions of Planning Code
23 Sections 206.3, 206.5, or 206.6;

24 (3) is not located on a parcel resulting from a lot split under California
25 Government Code Section 66411.7;

1 (4) proposes any of the following project types:

2 (A) **Single-Lot Development Project.** The construction on a single lot,
3 including through the alteration of an existing structure, of at least two dwelling units and no
4 more than the maximum number of dwelling units prescribed in subsection (d)(1)(A) of this
5 Section 249.94, inclusive of any existing dwelling units on the site and any Unauthorized
6 Units, as defined in Section 317, occupied by a tenant at any time within the five years
7 preceding application.

8 (i) For a single-lot project proposing four dwelling units, the fourth
9 dwelling unit shall be constructed in the rear yard pursuant to subsection (d)(3) of this Section
10 249.94. If the proposed rear-yard unit does not meet the requirements of subsection (d)(3) of
11 this Section 249.94, the project shall be limited to three units. For a project proposing fewer
12 than four dwelling units, up to one unit may be located in the rear yard pursuant to subsection
13 (d)(3) of this Section 249.94.

14 (ii) Single-lot projects located on Corner Lots shall not construct
15 any units in the rear yard;

16 (B) **Lot-Merger Development Project in RH-1 Districts.** A merger of
17 up to three lots in RH-1, RH-1(D), or RH-1(S) districts and the construction on the resulting lot
18 of at least nine dwelling units and no more than the maximum number of dwelling units
19 prescribed in subsection (d)(1)(B) of this Section 249.94 for a three-lot merger project, or at
20 least six dwelling units and no more than the maximum number of dwelling units prescribed in
21 subsection (d)(1)(B) of this Section 249.94 for a two-lot merger project. A project proposing a
22 lot merger shall not be eligible to construct a rear-yard unit pursuant to subsection (d)(3) of
23 this Section 249.94. A project may not propose a lot merger that would result in a lot having
24 both its front and its rear lot line along Streets, Alleys, or a Street and an Alley (“through lot”).

1 unless at least one of the lots that will be merged is a through lot. To be eligible to construct a
2 lot merger project in the SUD, the project shall be located in the following:

- 3 _____ (i) an RH-1, RH-1(D), or RH-1(S) District; or
- 4 _____ (ii) an RH-2 or RH-3 District within the area of the SUD that is
5 bounded by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard; or
- 6 _____ (iii) an RM-1 District within the area of the SUD that is bounded by
7 the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard;

8 (C) **Group Housing Development Project.** A single-lot project
9 pursuant to subsection (c)(4)(A) of this Section 249.94 and a lot-merger project pursuant to
10 subsection (c)(4)(B) of this Section 249.94 may also propose the construction of Group
11 Housing up to the density limits prescribed in subsection (d)(1)(C) of this Section 249.94 for
12 projects located in RH-1, RH-1(D), or RH-1(S) districts. For projects outside of those districts,
13 the group housing density limit shall be the limits currently permitted under the Planning Code.
14 A project shall not propose both dwelling units and Group Housing bedrooms. Projects
15 proposing Group Housing bedrooms shall not be eligible for condominium subdivision,
16 including but not limited to conversion pursuant to Subdivision Code Section 1396.7;

17 (D) **Ground Floor Commercial Use.** An eligible project under
18 subsection (c)(4)(A)-(C) may also propose ground floor commercial uses, provided that such
19 uses are principally permitted in the applicable use district;

20 (5) contains the following bedroom configurations:

21 (A) for single-lot projects under subsection (c)(4)(A) of this Section
22 249.94, at least two dwelling units with two or more bedrooms, unless the project proposes
23 the addition of one dwelling unit to a lot with three existing dwelling units, in which case the
24 required bedroom configurations in this subsection (c)(5)(A) shall not apply;

25

1 (B) for two-lot merger projects under subsection (c)(4)(B) of this Section
2 249.94, at least two dwelling units with two bedrooms, or at least one dwelling unit with three
3 bedrooms;

4 (C) for three-lot merger projects under subsection (c)(4)(B) of this
5 Section 249.94, at least three dwelling units with two bedrooms, or at least two dwelling units
6 with three bedrooms.

7 (D) The requirements of this subsection (c)(5) may be satisfied by
8 existing dwelling units retained on site. This subsection (c)(5) does not apply to Group
9 Housing projects or to certain Corner Lot projects, as detailed in subsection (d)(7)(6) of this
10 Section 249.94;

11 (6) includes more dwelling units than are existing on the site at the time of
12 application. For the purposes of this subsection (c)(6), an existing dwelling unit includes an
13 Unauthorized Unit, as defined in Planning Code Section 317, that has been occupied by a
14 tenant at any time within the five years preceding application submittal and also includes an
15 Accessory Dwelling Unit, as defined in Planning Code Section 102. Group Housing projects
16 utilizing this Section 249.94 shall provide more bedrooms than are existing on the site at the
17 time of application;

18 (7) does not propose the demolition of a building that is:

19 (A) located in an Article 10 Historic District;

20 (B) listed as a Landmark under Article 10-;

21 (C) located in an Article 11 Conservation District, where the building has
22 a rating of Category I, II, III or IV;

23 (D) listed in or determined eligible for listing in the California Register of
24 Historical Resources individually and/or as a contributor to a historic district; or,
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1 (E) listed in or determined eligible for listing in the National Register of
2 Historic Places individually and/or as a contributor to a historic district;

3 (8) complies with the Planning Code and any applicable design guidelines,
4 including but not limited to the provisions of this Section 249.94 and does not seek any
5 variances or exceptions from the Planning Code. Notwithstanding the previous sentence, an
6 eligible project shall strive for consistency with the Residential Design Guidelines to the extent
7 feasible;

8 (9) complies with the requirements of Section 66300(d) of the California
9 Government Code, as may be amended from time to time and as are in effect at the time a
10 complete project application is submitted, except as otherwise specified herein, including but
11 not limited to requirements to replace all protected units and to offer existing occupants of any
12 protected units that are lower income households relocation benefits and a right of first refusal
13 for a comparable unit, as those terms are defined therein. Notwithstanding the foregoing
14 sentence, if California Government Code Section 66300 becomes inoperative, the project
15 shall comply with the last operative version of Section 66300 before it became inoperative.
16 This subsection (c)(9) does not modify or supersede any other City requirements related to
17 relocation, including but not limited to the requirements of Chapter 37 of the Administrative
18 Code;

19 (10) the project sponsor certifies under penalty of perjury that at the time of the
20 submittal of their application, the project sponsor has owned the subject lot for a minimum of
21 ~~five~~one years if the site contains two or more dwelling units, ~~or a minimum of one year if the~~
22 ~~site contains one or fewer dwelling units~~. Notwithstanding the foregoing sentence, a single-
23 family home that contains an Unauthorized Unit shall not be subject to the one-year
24 requirement. This ownership requirement in this subsection (c)(10) shall be subject to the
25 following:

1 (A) **Eligible Predecessor.** A property owner who has inherited the
2 subject lot, including any inheritance in or through a trust, from a blood, adoptive, or step
3 family relationship, specifically from either (i) a grandparent, parent, sibling, child, or
4 grandchild, or (ii) the spouse or registered domestic partner of such relations, or (iii) the
5 property owner’s spouse or registered domestic partner (each an “Eligible Predecessor”), may
6 add an Eligible Predecessor’s duration of ownership of the subject lot to the property owner’s
7 duration of ownership of the same lot.

8 (B) **Multiple Ownership.** Whenever property proposed for development
9 is jointly owned, owned as common property, or is otherwise subject to multiple ownership,
10 the durational requirements of this subsection (c)(10) must be satisfied by: (i) the majority
11 ownership, whether represented by stock, membership interest, partnership interest, co-
12 tenancy interest, or otherwise, in the case of projects proposed under subsection (c)(4)(A); or
13 (ii) the majority ownership of each lot to be merged, whether represented by stock,
14 membership interest, partnership interest, co-tenancy interest, or otherwise, in the case of
15 projects proposed under subsection (c)(4)(B).

16 (C) **Vacant or Abandoned Property.** The ownership requirement in this
17 subsection (c)(10) shall not apply if the property has been registered as a vacant or
18 abandoned building pursuant to Building Code Section 103A.4 et seq. for at least five years
19 preceding the application submittal if the existing site contains two or more dwelling units, or
20 one year preceding application submittal if the site contains one or fewer dwelling units or a
21 single-family home containing an Unauthorized Unit.;

22 (D) The requirements of this subsection (c)(10) shall apply regardless of
23 the legal form of ownership of the property, including but not limited to properties owned by a
24 limited liability company.;

1 (11) the project sponsor certifies under penalty of perjury that the project does
2 not propose the demolition of:

3 (A) three or more dwelling units that are or were:

4 (i) subject to a recorded covenant, ordinance, or law that restricts
5 rents to levels affordable to persons and families of lower or very low income within the past
6 five years; or

7 (ii) subject to limits on rent increases under the Residential Rent
8 Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) within the past
9 five years; or

10 (iii) rented by lower or very low income households within the
11 past five years; or

12 (B) a dwelling unit occupied by a tenant at the time of application; or

13 (C) a dwelling unit from which a tenant has been evicted under
14 Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) within the past five years or a
15 dwelling unit that has been vacated within the past five years pursuant to a Buyout
16 Agreement, pursuant to the requirements of Administrative Code Section 37.9E, as it may be
17 amended from time to time, regardless of whether the Buyout Agreement was filed and
18 registered with the Rent Board pursuant to Administrative Code Section 37.9E(h).

19 (D) For the purposes of this subsection (c)(11) of Section 249.94, "lower
20 or very low income households" shall have the same meaning as in Government Code
21 Section 66300; and

22 (12) the project sponsor has conducted one ~~pre-application~~ meeting prior to or
23 within 20 days of filing a development application. Following submission of a development
24 application, the The Planning Department shall not ~~accept~~ determine a development
25 application under this Section 249.94 to be complete without confirmation that the project

1 sponsor has held at least one ~~pre-application~~ meeting conforming to the requirements of this
2 subsection (c)(12) and any additional procedures established by the Planning Department.
3 The project sponsor shall provide mailed notice of the ~~pre-application~~ meeting to the
4 individuals and neighborhood organizations specified in Planning Code Section 333(e)(2)(A)
5 and (C). The Planning Department shall establish additional procedures to administer this
6 subsection (c)(12).

7 (d) **Other Controls.**

8 (1) **Density Exceptions.** Projects that meet the eligibility criteria in subsection
9 (c) of this Section 249.94 are exempt from residential density limits, calculation of which shall
10 not include any Accessory Dwelling Units permitted under Section 207, as follows:

11 (A) **Single-Lot Density Exception.** For projects eligible under
12 subsection (c)(4)(A), up to four dwelling units per lot. Projects on a single Corner Lot may
13 propose the greater of up to six dwelling units per lot or one dwelling unit per 1,000 square
14 feet of lot area;

15 (B) **Lot-Merger Density Exception.** For projects eligible under
16 subsection (c)(4)(B), the greater of twelve dwelling units per lot or one dwelling unit per 1,000
17 square feet of lot area, if the lot is the result of a merger of three lots, or the greater of eight
18 dwelling units per lot or one dwelling unit per 1,000 square feet of lot area, if the lot is the
19 result of a merger of two lots. Projects on a resulting Corner Lot may propose the greater of
20 up to 18 dwelling units per lot or one dwelling unit per 1,000 square feet of lot area for a three-
21 lot merger project, or the greater of up to 12 dwelling units per lot or one dwelling unit per
22 1,000 square feet of lot area for a two-lot merger project;

23 (C) **Group Housing Density Exception.** For both Single-Lot and Lot-
24 Merger Development Projects under subsection (c)(4)(A) or (B), up to one Group Housing
25 bedroom per 415 square feet of lot area in RH-1, RH-1(D), and RH-1(S) districts.

1 (2) **Height.** Notwithstanding any other provision of this Code, including but not
2 limited to Section 261(b), the height limit for a project that meets the eligibility criteria in
3 subsection (c) of this Section 249.94 shall be 40 feet, if 40 feet is authorized by the Height
4 Map of the Zoning Map. Notwithstanding the foregoing sentence, a project shall comply with
5 the requirements of Section 261(c).

6 (3) **Construction of Rear-Yard Unit.** ~~Construction of a A rear-yard unit shall~~
7 ~~be a permitted obstruction in the required rear yard under Section 136(c), provided that the~~
8 ~~project complies with governed by the following standards:~~

9 (A) The subject parcel must be at least 2,400 square feet;

10 (B) The rear-yard unit shall be located at least four feet from the side
11 and rear lot lines and shall not share structural walls with any other structure on the lot;

12 (C) ~~Compliance with minimum rear-yard requirements shall not be~~
13 ~~required, except that a A minimum 25 feet separation of unobstructed open area shall be~~
14 ~~provided between the facades of the rear-yard building and the primary building that face~~
15 ~~each other. Such open area shall comply with the requirements of Section 135(a)-(c);~~

16 (D) For the rear-yard unit and units in the primary building that obtain
17 their only Code-complying exposure from the rear yard, the dwelling unit exposure
18 requirements of Section 140(a)(2) may be satisfied through qualifying windows facing an
19 unobstructed open area that is no less than 25 feet in every horizontal dimension, and such
20 open area is not required to expand in every horizontal dimension at subsequent floors. Such
21 open area shall be unobstructed except for fire escapes not projecting more than necessary
22 for safety, and in no case more than four feet six inches; chimneys; and those obstructions
23 permitted in Sections 136(c)(14), (15), (16), (19), (20), and (26);

24 (E) The rear-yard building height shall be limited to 20 feet measured
25 from existing grade at any given point to either i) the highest point of a finished roof, in the

1 case of a flat roof, or ii) the average height of a pitched roof or stepped roof, or similarly
2 sculptured roof form. The rear-yard building shall not be eligible for any height exemptions in
3 subsection (d)(2) of this Section 249.94 or in Section 260(b); and

4 (F) Each dwelling unit or group housing bedroom shall have at least 100
5 square feet of usable open space if private, or 133 square feet if common.

6 (G) For the purposes of this subsection (d)(3), the unobstructed open
7 area shall be measured from the greatest depth of the rear façade for the primary building and
8 the front façade of the rear-yard building that is closest to the rear yard.

9 ~~(4) Rear-Yard Requirements.~~ For projects that do not construct a rear-yard
10 unit pursuant to subsection (d)(3) of this Section 249.94, the basic rear yard requirement shall
11 be equal to 30% of the total depth of the lot on which the building is situated, but in no case
12 less than 15 feet.

13 ~~(5)(4) Open Space Requirements for Lot-Merger Projects.~~ For projects
14 eligible under subsection (c)(4)(B) of this Section 249.94, each dwelling unit shall have at
15 least 100 square feet of usable open space if private, or 133 square feet if common.

16 ~~(6)(5) Minimum Density Requirement on Merged Lots.~~ For lots merged
17 pursuant to subsection (c)(4)(B) of this Section 249.94, any development on the resulting lot
18 shall be subject to the following minimum densities:

- 19 (A) six units per lot, if the lot results from a two-lot merger; or
- 20 (B) nine units per lot, if the lot results from a three-lot merger.

21 ~~(7)(6) Additional Requirements for Certain Corner Lot Projects.~~ For
22 projects on Corner Lots that propose at least five units under subsection (c)(4)(A) of this
23 Section 249.94, or at least 15 units for a three-lot merger or at least 10 units for a two-lot
24 merger under subsection (c)(4)(B), the following requirements shall apply:

1 (A) The height limit shall be 65 feet, notwithstanding any provision to the
2 contrary in the Height Map of the Zoning Map and notwithstanding subsection (d)(2) of this
3 Section 249.94. Compliance with Section 261(c) shall not be required;

4 (B) The basic rear yard requirement shall be equal to 25% of the total
5 depth of the lot on which the building is situated, but in no case less than 15 feet;

6 (C) Each dwelling unit shall have at least 100 square feet of usable open
7 space if private, and 133 square feet if common;

8 (D) Group Housing shall not be permitted; and

9 (E) The minimum bedroom requirements in subsection (c)(5) of this
10 Section 249.94 shall not apply; and

11 ~~(F) No units may be located in the rear yard pursuant to subsection (d)(3)~~
12 ~~of this Section 249.94.~~

13 **(e) Applicability of Rent Ordinance; Regulatory Agreements.**

14 (1) Sponsors of projects utilizing any of the density exceptions above the base
15 density up to the limits in subsection (d)(1) of this Section 249.94 shall enter into a regulatory
16 agreement with the City subjecting the new units created pursuant to such density exception,
17 except for any required Affordable Units as defined in Planning Code Section 401, to the
18 Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative
19 Code), as a condition of approval of the density exception (“Regulatory Agreement”).

20 (2) The property owner and the Planning Director, or the Director’s designee,
21 on behalf of the City, will execute the Regulatory Agreement, which is subject to review and
22 approval by the City Attorney’s Office. The Regulatory Agreement shall be executed prior to
23 the City’s issuance of the First Construction Document for the project, as defined in Section
24 107A.13.1 of the Building Code. Following execution of the Regulatory Agreement by all
25 parties and approval by the City Attorney, the Regulatory Agreement or a memorandum

1 thereof shall be recorded in the title records in the Office of the Assessor-Recorder against the
2 property and shall be binding on all future owners and successors in interest.

3 (3) At a minimum, the Regulatory Agreement shall contain the following:

4 (A) A description of the total number of units approved, including the
5 number of units subject to the Rent Stabilization and Arbitration Ordinance and other
6 restricted units, if any, and the location, square footage of dwelling units, and number of
7 bedrooms in each unit;

8 (B) A statement that the new units created pursuant to the density
9 exception are not subject to the Costa-Hawkins Rental Housing Act (California Civil Code
10 Section 1954.50 et seq.). Further, that under Section 1954.52(b), the property owner has
11 entered into and agreed to the terms of the agreement with the City in consideration for an
12 exception from residential density limits, or other direct financial contribution or other forms of
13 assistance specified in California Government Code Section 65915 et seq.;

14 (C) A description of the residential density exception or other direct
15 financial contribution or forms of assistance provided to the property owner; and

16 (D) A description of the remedies for breach of the agreement and other
17 provisions to ensure implementation and compliance with the agreement.

18 (f) **Review and Approvals.** Notwithstanding any other provision of this Code, the
19 following shall apply to any project that meets the eligibility criteria in subsection (c) of this
20 Section 249.94, irrespective of whether a project is utilizing a density exception to construct
21 units above the applicable density limit in the RH or RM-1 eDistrict pursuant to subsection
22 (d)(1) of this Section 249.94:

23 (1) No conditional use authorization shall be required, including but not limited
24 to the requirements of Sections 303 and 317 of this Code, unless:

1 (A) a project would demolish any units that are subject to limits on rent
2 increases under the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of
3 the Administrative Code); or

4 (B) a project requires a conditional use authorization pursuant to
5 Sections 249.77 or 249.92.

6 (2) Compliance with Section 311 of this Code shall not be required, unless a
7 project would demolish any units that are subject to limits on rent increases under the
8 Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative
9 Code), in which case the requirements of Section 311 shall apply; and

10 (3) A Notice of Special Restrictions (“NSR”) shall be recorded on the title of any
11 property receiving approval under this Section 249.94. The NSR shall:

12 (A) Describe the uses, restrictions, and development controls approved
13 under Planning Code Section 249.94, including but not limited to the minimum density
14 restrictions set forth in subsection (d)~~(6)~~(5);

15 (B) State that the NSR runs with the land and is binding on all future
16 owners and successors in interest;

17 (C) Provide the Planning Department with the ability to enforce the
18 provisions of this Section 249.94;

19 (D) Describe any other conditions that the Planning Director or Planning
20 Commission deems appropriate to ensure compliance with this Section 249.94; and

21 (E) Be signed by the City and recorded prior to issuance of the building
22 permit for the project receiving approval under this Section 249.94.

23 (g) **Review of Program.** The Planning Department shall include the location and
24 number of units of projects using this Section 249.94 in the Housing Inventory Report. Prior to
25 December 31, 2030, the Planning Department shall prepare a report containing

1 recommendations for modifications to this Section 249.94, including modifications to the
2 boundaries described in subsection (b), to further the goals of the City’s Seventh Housing
3 Element Cycle.

4
5 Section 4. Pursuant to Sections 106 and 302(c) of the Planning Code, Sheets SU 1,
6 SU 2, SU 3, SU 4, SU 5, SU 6, SU 7, SU 11, SU 12, and SU 13 of the Zoning Map of the City
7 and County of San Francisco are hereby amended, as follows:

<u>Existing Special Use District</u>	<u>Renamed Special Use District</u>
<u>Family Housing Opportunity Special Use District</u>	<u>Family and Senior Housing Opportunity Special Use District</u>

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13
14 The Zoning Map amendment in this Section 4 amends the title of the Special Use
15 District and does not alter the boundaries of the Special Use District.

16
17 Section 5. Formatting of Ordinance; Explanation of Fonts.

18 (a) On July 10, 2023, the Land Use and Transportation Committee of the Board of
19 Supervisors duplicated Board File No. 230026 to create Board File No. 230808. The
20 ordinance in File No. 230026 proceeded through the legislative process, was enacted as
21 Ordinance No. 195-23, and became effective in October 2023. The ordinance in File No.
22 230808 – this ordinance – remained at the Land Use and Transportation Committee. This is
23 the third version of that ordinance.

24 (b) While the second version of this ordinance was pending at the Land Use and
25 Transportation Committee, Ordinance No. 195-23 became effective. To clearly understand

1 the proposed amendments to existing law (Planning Code Section 249.94, as enacted by
2 Ordinance No. 195-23) contained in this third version of the ordinance, the ordinance shows in
3 “existing text” font (plain Arial) the law currently in effect (Planning Code Section 249.94, as
4 enacted by Ordinance No. 195-23). The ordinance shows in “Board amendment” font
5 (double-underlined Arial for additions, and strikethrough Arial for deletions) amendments to
6 existing law.

7 (c) This third version of the ordinance also includes new short and long titles that
8 describe the ordinance, to reflect changes in existing law. They replace the short and long
9 titles in the previous two versions of the ordinance, which had included references to the
10 amendments that became effective with the enactment of Ordinance No. 195-23.

11
12 Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word
13 of this ordinance, or any application thereof to any person or circumstance, is held to be
14 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
15 shall not affect the validity of the remaining portions or applications of the ordinance. The
16 Board of Supervisors hereby declares that it would have passed this ordinance and each and
17 every section, subsection, sentence, clause, phrase, and word not declared invalid or
18 unconstitutional without regard to whether any other portion of this ordinance or application
19 thereof would be subsequently declared invalid or unconstitutional.

20
21 Section 7. No Conflict with Federal or State Law. Nothing in this ordinance shall be
22 interpreted or applied so as to create any requirement, power, or duty in conflict with any
23 federal or state law.

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

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

12
13 APPROVED AS TO FORM:
14 DAVID CHIU, City Attorney

15 By: /s/ Giulia Gualco-Nelson
16 GIULIA GUALCO-NELSON
17 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST
(Amended in Committee – February 5, 2024)

[Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District]

Ordinance amending the Planning Code to change the title of the Family Housing Opportunity Special Use District to the Family and Senior Housing Opportunity Special Use District (“SUD”); authorize within the SUD the greater of up to six units per lot or one unit per 1,000 square feet of lot area on individual Corner Lots in RH (Residential House) Districts, the greater of up to 18 units per lot or one unit per 1,000 square feet of lot area on Corner Lots resulting from three lot mergers in RH-1 districts, and the greater of up to 12 units per lot or one unit per 1,000 square feet of lot area on Corner Lots resulting from two lot mergers in RH-1 districts; extend various development and streamlining benefits, including lot merger benefits, to RM-1 (Residential, Mixed), RH-2, and RH-3 Districts within the area of the SUD bounded by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard; and refine project eligibility criteria in the SUD; amending the Zoning Map to reflect the renamed Family and Senior Housing Special Use District; affirming the Planning Department’s determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The General Plan consists of goals, policies and programs for the future physical development of San Francisco. The Housing Element is a component of the General Plan and serves as the City’s plan for accommodating its Regional Housing Needs Allocation during an eight-year planning cycle. The 2023-2031 Housing Element identifies Well-Resourced Neighborhoods, comprised of high-resource and highest-resource areas, as defined by the California Tax Credit Allocation Committee and the Department of Housing and Community Development’s Fair Housing Taskforce.

The Planning Code sets forth different zoning districts, including Special Use Districts, throughout the City, where different uses are permitted, conditionally permitted, or prohibited, and where various controls (such as density, height and bulk standards, rear yard, and open space requirements) apply.

The Planning Code prescribes a process to grant conditional use authorizations, which may be required in a variety of circumstances, including but not limited to the demolition, removal, or merger of dwelling units (Planning Code Section 317). The Planning Code also sets forth the procedures for neighborhood notification for building permit applications and the process for members of the public to initiate discretionary review (Section 311).

Planning Code Section 249.94 (“the Family Housing Opportunity Special Use District” or “the SUD”) provides streamlining and development benefits (including density exceptions) to qualifying projects in RH districts within the SUD. Project sponsors may construct up to 4 units on a single lot, the greater of one unit per 1,000 square feet of lot area or up to 8 units on two merged lots, or the greater of one unit per 1,000 square feet of lot area or up to 12 units on three merged lots. The boundaries of the SUD are generally coterminous with the Well-Resourced Neighborhoods identified in the 2023-2031 Housing Element. Eligible projects must satisfy a number of criteria, including minimum bedroom, ownership, and pre-application requirements.

The SUD (Planning Code Section 249.94) was enacted through Ordinance No. 195-23 in Board File 230026 and took effect in October 2023.

Amendments to Current Law

This ordinance amends Planning Code Section 249.94 to add a corner lot project typology, extend various development and streamlining benefits to the RM-1, RH-2, and RH-3 Districts within a defined subset of the SUD, and revise various eligibility criteria. This ordinance also amends the Zoning Map to reflect a new name for the SUD – the Family and Senior Housing Opportunity Special Use District.

On single Corner Lots, project sponsors may construct up to 6 units. No units can be located in the rear yard of a Corner Lot. For merged Corner Lots, Project sponsors may construct up to 12 units on a two-lot merger, or up to 18 units on a three-lot merger. Alternatively, sponsors could construct up to one unit per 1,000 square feet of lot area, if that number exceeds the numerical limits above.

This ordinance extends the existing and proposed development and streamlining benefits to RM-1 Districts within the area of the SUD that is bounded by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard.

This ordinance extends the existing lot merger and proposed Corner Lot merger benefits to RH-2 or RH-3 Districts within the area of the SUD that is bounded by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard.

This ordinance clarifies that a qualifying project may propose ground floor commercial uses, provided that such uses are principally permitted in the applicable use district.

This ordinance also aligns various eligibility criteria with recent legislation (Ordinance No. 248-23) in Board File No. 230446. Specifically, this ordinance applies a one year ownership requirement to projects with an existing structure containing two or more units. The one-year ownership requirement would not apply to single-family homes or single-family homes with an Unauthorized Unit. This ordinance also moves the pre-application meeting requirement to 20

days after submission of a development application. Additionally, this ordinance removes the rear-yard setback incentive of 30% to reflect that this is now the base Planning Code standard.

Background Information

The ordinance contains findings setting forth the need to promote housing development in San Francisco's well-resourced neighborhoods. It states that the City faces a severe crisis of housing affordability and availability, characterized by dramatic increases in rent and home sale prices over recent years and historic underproduction of new housing units across income levels, particularly in the City's well-resourced neighborhoods.

On July 10, 2023, the Land Use and Transportation Committee of the Board of Supervisors duplicated Board File No. 230026 to create Board File No. 230808. The ordinance in File No. 230026 proceeded through the legislative process, was enacted as Ordinance No. 195-23, and became effective in October 2023. The ordinance in File No. 230808 – this ordinance – remained at the Land Use and Transportation Committee.

This legislative digest reflects amendments made at the Land Use and Transportation Committee on July 10, 2023 ("the second version"). Those amendments:

- created a Corner Lot project typology with increased density limits and additional development requirements;
- prohibited through lot merger, as defined in the ordinance;
- clarified that the rear-yard unit is a permitted obstruction in the required rear yard; and
- applied the reduced rear-yard requirement to projects that construct a rear-yard unit.

This legislative digest reflects amendments made at the Land Use and Transportation Committee on February 5, 2024 ("the third version"). Those amendments:

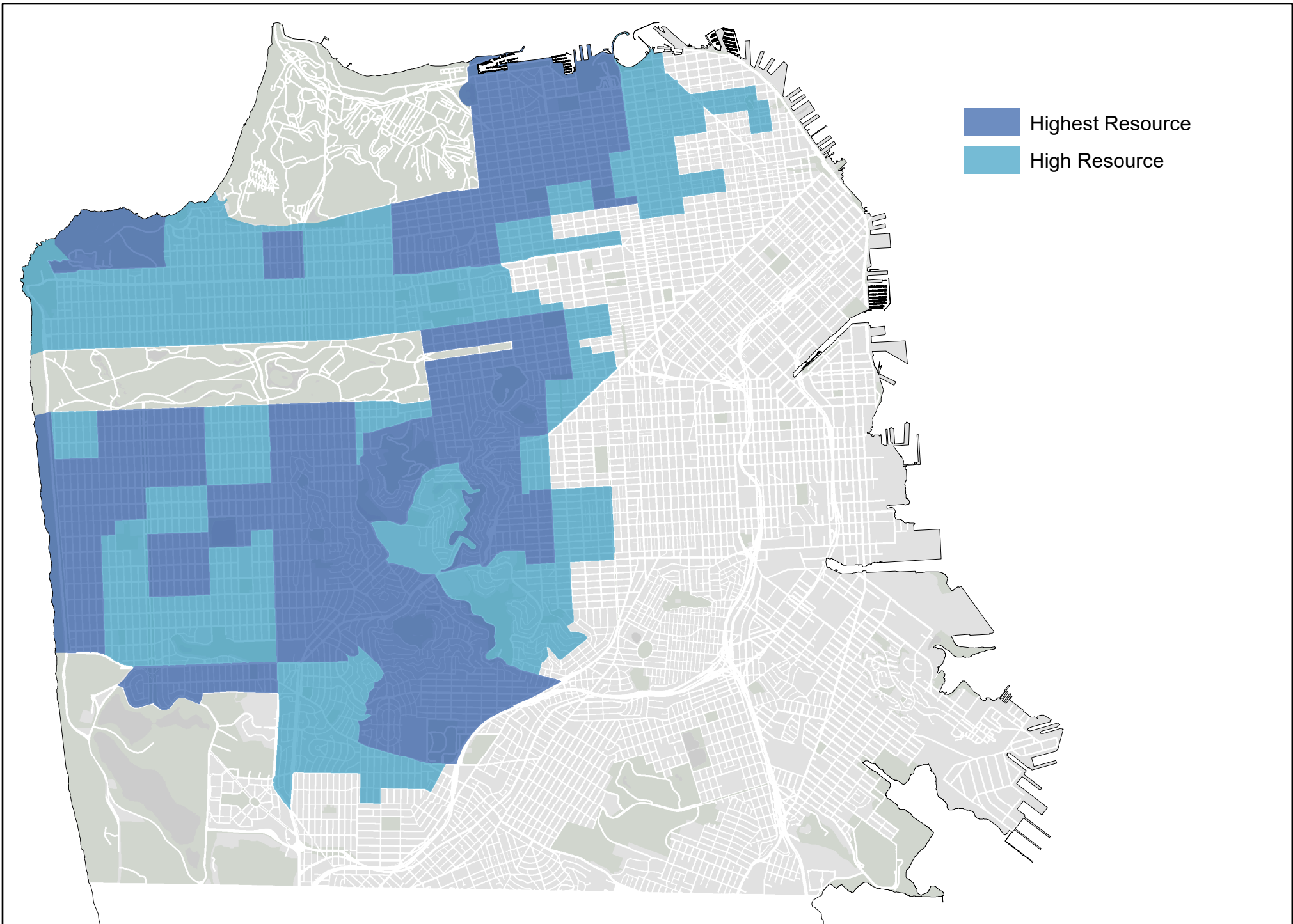
- further refined the Corner Lot project typology, including providing alternative density limits;
- extended the existing and proposed development and streamlining benefits to RM-1, RH-2, and RH-3 districts within the area of the SUD that is bounded by the Great Highway, Lincoln Way, 19th Avenue, and Sloat Boulevard; and
- refined eligibility requirements, including pre-application and ownership requirements;
- aligned rear-yard requirements with new Planning Code standard; and
- renamed the SUD as the "Family and Senior Housing Opportunity Special Use District."

While the second version of this ordinance was pending at the Land Use and Transportation Committee, Ordinance No. 195-23 became effective. To clearly understand the proposed amendments to existing law (Planning Code Section 249.94, as enacted by Ordinance No. 195-23) contained in this third version of the ordinance, the ordinance shows in "existing text" font (plain Arial) the law currently in effect (Planning Code Section 249.94, as enacted by Ordinance No. 195-23). The ordinance shows in "Board amendment" font (double-underlined Arial for additions, and strikethrough Arial for deletions) amendments to existing law.

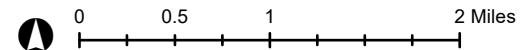
FILE NO. 230808

This third version of the ordinance also includes new short and long titles that describe the ordinance, to reflect changes in existing law. They replace the short and long titles in the previous two versions of the ordinance, which had included references to the amendments that became effective with the enactment of Ordinance No. 195-23.

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Well-Resourced Neighborhoods: State Department of Housing and Community Development
SAN FRANCISCO





November 9, 2023

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

Re: Transmittal of Planning Department Case Number 2023-006326PCAMAP:
Family Housing Opportunity Special Use District
Board File No. 230808

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Engardio,

On October 5, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed ordinance, introduced by Supervisor Engardio, that would amend various sections of the Planning Code. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modifications were as follows:

1. Include RM-1 in the eligible Zoning Districts for the SUD.
2. Permit density exception limits up to one Dwelling Unit per 1,000 square feet of lot area.
3. Revise the required rear yard requirements to allow for this Corner Lot provision to shift the rear yard to the interior corner of the lot.
4. Allow lot mergers in RM-1 and all RH Zoning Districts.
5. Decrease the proposed corner lot height limits from 65' to 55'.

The proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.

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,

A handwritten signature in black ink, appearing to read "Aaron D. Starr". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: Giulia Gualco-Nelson, Deputy City Attorney
Jonathan Goldberg, Aide to Supervisor Engardio
John Carroll, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution

Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21414

HEARING DATE: OCTOBER 26, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Case Number: 2023-006326PCAMAP [Board File No. 230808]
Initiated by: Supervisor Engardio / Introduced July 17, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND 1) THE PLANNING CODE TO CREATE THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; 2) THE PLANNING CODE TO AUTHORIZE THE GREATER OF UP TO FOUR UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON INDIVIDUAL LOTS IN THE RH (RESIDENTIAL, HOUSE) DISTRICT, UP TO SIX DWELLING UNITS ON INDIVIDUAL CORNER LOTS IN THE RH DISTRICT, THE GREATER OF UP TO 12 UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON THREE MERGED LOTS AND THE GREATER OF UP TO EIGHT UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON TWO MERGED LOTS IN RH-1 (RESIDENTIAL, HOUSE: ONE FAMILY) DISTRICTS, UP TO 18 UNITS ON CORNER LOTS RESULTING FROM THREE LOT MERGERS IN RH-1 DISTRICTS, UP TO 12 UNITS ON CORNER LOTS RESULTING FROM TWO LOT MERGERS IN RH-1 DISTRICTS, AND GROUP HOUSING IN RH-1 DISTRICTS FOR ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT; 3) THE PLANNING CODE TO EXEMPT ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT FROM CERTAIN HEIGHT, OPEN SPACE, DWELLING UNIT EXPOSURE, AND REAR-YARD REQUIREMENTS, CONDITIONAL USE AUTHORIZATIONS, AND NEIGHBORHOOD NOTIFICATION REQUIREMENTS; 4) THE SUBDIVISION CODE TO AUTHORIZE ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT TO QUALIFY FOR CONDOMINIUM CONVERSION OR A CONDOMINIUM MAP THAT INCLUDES THE EXISTING DWELLING UNITS AND THE NEW DWELLING UNITS THAT CONSTITUTE THE PROJECT; 5) THE ADMINISTRATIVE CODE TO REQUIRE NEW DWELLING OR GROUP HOUSING UNITS CONSTRUCTED PURSUANT TO THE DENSITY LIMIT EXCEPTION TO BE SUBJECT TO THE RENT INCREASE LIMITATIONS OF THE RENT ORDINANCE; 6) THE ZONING MAP TO SHOW THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; AND AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on July 17, 2023 Supervisor Engardio introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 230808, which amend 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize the greater of up to four units or one unit per 1,000 square feet of lot area on individual lots in the RH (Residential, House) District, up to six dwelling units on individual Corner Lots in the RH District, the greater of up to 12 units or one unit per 1,000 square feet of lot area on three merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18 units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) the Zoning Map to show the Family Housing Opportunity Special Use District;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 26, 2023; and,

WHEREAS, the proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022; 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 **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Include RM-1 in the eligible Zoning Districts for the SUD.
2. Permit density exception limits up to one Dwelling Unit per 1,000 square feet of lot area.
3. Revise the required rear yard requirements to allow for this Corner Lot provision to shift the rear yard

to the interior corner of the lot.

4. Allow lot mergers in RM-1 and all RH Zoning Districts.
5. Decrease the proposed corner lot height limits from 65' to 55'.

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 proposed Ordinance will streamline review of qualifying housing projects.

The proposed Ordinance focuses on increasing housing production in the Well-Resourced neighborhoods.

The Planning Commission expressed concerns with the proposed 65' height limit, particularly with the potential four-story difference between a new corner building next to a two-story structure. There was also interest in limiting this corner lot provision with the increased height limit to District 4 as a pilot program before expanding to the rest of the SUD.

The Planning Commission noted that while the Objective Design Standards are not yet final, they hoped it would include some requirements for the taller buildings to step down to the shorter adjacent buildings.

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.A

Ensure housing stability and healthy homes.

OBJECTIVE 3.B

Create a sense of belonging for all communities of color within well-resourced neighborhoods through expanded housing choice.

OBJECTIVE 4.A

Substantially expand the amount of permanently affordable housing for extremely low- to moderate-income households.

OBJECTIVE 4.B

Expand small and mid-rise multi-family housing production to serve our workforce, prioritizing middle-income households.

OBJECTIVE 4.C

Diversify housing types for all cultures, family structures, and abilities.

POLICY 19

Enable low and moderate-income households, particularly American Indian, Black, and other people of color, to live and prosper in Well-resourced Neighborhoods by increasing the number of permanently affordable housing units in those neighborhoods.

POLICY 20

Increase mid-rise and small multi-family housing types by adopting zoning changes or density bonus programs in Well-resourced Neighborhoods and adjacent lower-density areas near transit, including along SFMTA Rapid Network33 and other transit.

POLICY 25

Reduce governmental constraints on development in Well-resourced Neighborhoods to enable small and mid-rise multi-family buildings providing improved housing choice and affordability.

POLICY 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

POLICY 32

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

POLICY 33

Prevent the outmigration of families with children and support the needs of families to grow.

POLICY 34

Encourage co-housing to support ways for households to share space, resources, and responsibilities, especially to reinforce supportive relationships within and across communities and generations.

The proposed Ordinance aligns with the Housing Element's goal of providing a diverse stock of housing to meet existing and future residents' needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Additionally, the Planning Department's recommendation modification related to permitting Group Housing under this Corner Lot provision promotes Policy 34 which encourages co-housing to supports ways for households to share space, resources, and responsibilities. Collectively, this Ordinance supports the Housing Element's goal of "housing for all".

Planning Code Section 101 Findings

The proposed amendments to the Planning Code and Zoning Map 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 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 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 October 26, 2023.



Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2023.11.03 12:20:24 -07'00'

Jonas P. Ionin
Commission Secretary

AYES: Braun, Diamond, Imperial, Koppel, Tanner

NOES: Moore

ABSENT: Ruiz

ADOPTED: October 26, 2023



EXECUTIVE SUMMARY

PLANNING CODE TEXT & ZONING MAP AMENDMENT

HEARING DATE: October 5, 2023

90-Day Deadline: October 10, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Case Number: 2023-003626PCAMAP [Board File No. 230808]
Initiated by: Supervisor Engardio / Introduced July 17, 2023
Staff Contact: Veronica Flores, Legislative Affairs
 veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
 aaron.starr@sfgov.org, (628) 652-7533
Environmental Review: San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.

Recommendation: Approval with Modifications

Planning Code and Zoning Map Amendment

The proposed Ordinance would amend 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize the greater of up to four units or one unit per 1,000 square feet of lot area on individual lots in the RH (Residential, House) District, up to six dwelling units on individual Corner Lots in the RH District, the greater of up to 12 units or one unit per 1,000 square feet of lot area on three merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18 units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to

authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) the Zoning Map to show the Family Housing Opportunity Special Use District.

The Way It Would Be under the Family Housing Opportunity SUD effective October 15, 2023:

The Family Housing Opportunity SUD would be established under Board File 230026. The boundaries are generally coterminous with the areas designated as high-resource and highest-resource neighborhoods in the “Well-Resourced Neighborhoods Map” of the 2023-2031 Housing Element. Eligible projects would be exempt from CUAs per Section 303 and 317, except if the project demolishes any units subject to the price controls under the Rent Ordinance or a CUA is required per Sections 249.77 (Corona Heights Large Residence SUD) or 249.92 (Central Neighborhoods Large Residence SUD). Additionally, eligible projects would be exempt from the neighborhood notification and public-initiated Discretionary Review (DR) procedures in Section 311, except if the project demolishes any units subject to the price controls under the Rent Ordinance. All projects would be required to record a Notice of Special Restrictions (NSR) describing the approved uses, restrictions, and development controls. Such NSR needs to be signed by the City and recorded against the property prior to building permit issuance.

The Family Housing Opportunity SUD would allow projects with the following densities (exclusive of any Accessory Dwelling Units (ADUs)) and locational requirements:

- Single-Lot Development Project: The construction, including the alteration of an existing structure, of at least two units and a maximum of up to four dwelling units or one unit up to 1,000 square feet of lot area, whichever is greater. This is inclusive of any existing dwelling units on the site, and any Unauthorized Units occupied by a tenant within the past five years. For a project proposing four dwelling units, the fourth dwelling unit shall be constructed in the rear yard only if it meets the rear-yard unit requirements of this SUD; otherwise, the project shall be limited to three units. For a project proposing fewer than four dwelling units, up to one unit may be in the rear yard.
- Lot-Merger Development Project in RH-1 Districts combining lots within RH-1, RH-1(D), or RH-1(S):
 - For two-lot merger: the construction of a minimum of six units and a maximum of up to eight units or one unit up to 1,000 square feet of lot area, whichever is greater.
 - For three-lot merger: the construction of a minimum of nine units and a maximum of up to 12 units or one unit up to 1,000 square feet of lot area, whichever is greater.
 - Lot-Merger projects would not be permitted to have a rear yard unit.
- Group Housing Development Project: A Single-Lot project and a Lot-Merger project may also propose the construction of up to one Group Housing bedroom per 415 square feet of lot area for projects located in RH-1, RH-1(D), or RH-1(S) districts. For projects outside of those districts, Group Housing density based on what is currently permitted under the Planning Code. A project shall not propose both Dwelling Units and Group Housing bedrooms.

To be eligible for this residential density limit exception, projects must demonstrate the following criteria:

- is in an RH district within the Family Housing Opportunity SUD and is not located in the Telegraph Hill - North Beach Residential SUD or the North Beach SUD;
- not combined with the State Density Bonus or HOME-SF programs;

- not proposed on a property resulting from a lot-split under Senate Bill 9;
- provides the following bedroom mix requirements, inclusive of any existing Dwelling Units retained on the site (not applicable to Group Housing):
 - for a Single-Lot, at least two Dwelling Units with two or more bedrooms, unless the project involves adding one Dwelling Unit to a lot with three existing Dwelling Units;
 - for two-lot merger, at least two Dwelling Units with two bedrooms, or at least one Dwelling Unit with three bedrooms; and
 - for three-lot merger, at least three Dwelling Units with two bedrooms, or at least two Dwelling Units with three bedrooms;
- includes more dwelling units than are existing on the site at the time of application, this is inclusive of any Unauthorized Dwelling Units that has been occupied by a tenant within the past five years and ADUs (Group Housing projects need to provide at least as many bedrooms as the project would demolish);
- does not propose the demolition of a known historic building;
- complies with Code and applicable design guidelines, does not seek any Variances or exceptions from the Planning Code, and strives for consistency with the Residential Design Guidelines (RDGs);
- complies with Senate Bill 330 unit replacement requirements for protected units;
- the project sponsor needs to have owned the property for five years if the site contains two or more Dwelling Units, or for at least one year if the site contains one of fewer Dwelling Units. A single-family home containing an Unauthorized Dwelling Unit is subject to the one-year requirement;
- the project does not propose the demolition of any of the following:
 - three or more Dwelling Units that are or were:
 - subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income within the past five years,
 - subject to limits on rent increases under the Residential Rent Stabilization and Arbitration Ordinance within the past five years, or
 - rented by lower or very low-income households within the past five years;
 - a Dwelling Unit occupied by a tenant at the time of application;
 - a Dwelling Unit where a tenant has been evicted under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) no-fault evictions within the past five years or a Dwelling Unit that has been vacated within the past five years pursuant to a Buyout Agreement; and
- the project sponsor has conducted one Pre-Application Meeting prior to filing a development application.

The Ordinance also includes other controls for these projects:

- the height limit shall be 40 feet, notwithstanding Section 261(b), and shall comply with the height limits at the front of the property per Section 261(c);
- for Single-Lot projects proposing a detached rear yard unit:
 - the detached rear yard units would require a four-foot setback from the rear and side property lines and be no greater than 20 feet tall as measured from grade;
 - open space requirements for each unit on the property shall be at least 100 square feet for private, and 133 square feet if common;
 - for the rear yard units and units in the primary building that achieve their only Code-complying exposure from the rear yard, the Dwelling Unit exposure shall face onto an open space that is no less than 25 feet and such open area is not required to expand in every horizontal dimension at each subsequent floor;

- for Lot-Mergers projects: the minimum densities shall be at least six units for a two-lot merger and at least nine units for a three-lot merger;
 - open space requirements for each unit on the property shall be at least 100 square feet for private, and 133 square feet if common;
- the required rear yard shall be 30%, or 15 feet, whichever is greater (except when proposing a detached rear yard unit, in which case a minimum of 25 feet separation would be required); and
- Dwelling Units built over the base density limit would be subject to price and eviction controls under the Rent Ordinance (except Affordable Units provided through the Inclusionary Affordable Housing Program).

The Department shall include an update on the location and number of the units resulting from this SUD within the Housing Inventory Report. Additionally, the Department shall prepare a report containing recommendations to this SUD, including recommendations on the boundaries, prior to December 31, 2030, which is the conclusion of the current Housing Element Cycle.

The Way It Would Be under this Ordinance:

Proposed Densities for Corner Lots Different than the SUD:

- Single-Lot Development Project: The construction, including the alteration of an existing structure, of at least five and no more than six dwelling units on a single lot, inclusive of any existing dwelling units on the site. No units may be proposed in the rear yard.
- Lot-Merger Development Project in RH-1 Districts. A merger of up to three lots in RH-1, RH-1(D), or RH-1(S) districts and the construction of at least 10 units but no more than 12 units on a two-lot merger or at least 15 units but no more than 18 dwelling units on a three-lot merger.
- Group Housing Development Projects would not be permitted.

Eligibility Criteria Different than the SUD:

- The minimum bedroom requirements would not apply.

Other Controls Different than the SUD:

- the height limit shall be 65 feet;
- the required rear yard shall be 25%, or 15 feet, whichever is greater; and
- open space requirements for each unit on the property shall be at least 100 square feet for private, and 133 square feet if common.

Note: Corner Lots can still propose projects complying with the rest of the SUD. The major development difference is that those would be subject to the 40-foot height limit instead of 65 feet under this Corner Lot provision.

Additional Clarifications Impacting Entire SUD:

The Way It Would Be under the Family Housing Opportunity SUD effective October 15, 2023:	The Way It Would Be under this Ordinance:
Lot merger provisions are silent on mergers resulting on through lots.	Lot mergers would not be allowed if they result in a combined Lot with both its front and rear property lines along a Street, Alleys, or a Street and an Alley i.e. not resulting in a through lot. The only exception is if one of the lots to be merged is already a through lot.
When a rear yard unit is proposed, there must be a minimum separation of 25 feet building the two building facades.	The Ordinance would explicitly note this 25-foot separation is for the facades of the rear yard unit and primary building that face onto each other. This separation would be measured from the greatest depth of the rear façade for the primary building and the front façade of the rear yard unit that is closest to the rear yard. Additionally, the open area shall comply with the requirements of Section 135(a)-(c).
Rear yard units and units in the primary building achieving their only Code-complying exposure from the rear yard shall face onto an open space that is no less than 25 feet and such open area is not required to expand in every horizontal dimension at each subsequent floor.	The Ordinance would clarify that the open area that the units face onto shall be unobstructed except for fire escapes not projecting more than necessary for safety, and in no case more than four feet six inches; chimneys; and those obstructions permitted in Sections 136(c)(14), (15), (16), (19), (20), and (26).

Background

The City recently passed legislation (Four-plex Program) allowing increased density of up to four Dwelling Units per lot, and up to six Dwelling Units per lot in Corner Lots, in all RH zoning districts;¹ however, this Ordinance kept in place all existing procedural requirements, such as neighborhood notification (311 Notification) and Conditional Use requirements for demolishing existing housing (Planning Code Section 317). The process requirements help make housing construction less feasible by increasing time and costs associated with the project. This Ordinance seeks to eliminate these constraints by expanding on the forthcoming Family Housing Opportunity SUD to streamline qualifying housing projects seeking such density limit exceptions. The proposed Ordinance also expands on the density limit exception by allowing a greater height limit on Corner Lots.

Family Housing Opportunity SUD

This proposed Ordinance is a duplicate file permitting additional density and increased height limits for eligible Corner Lots.

Supervisor Melgar introduced the Family Housing Opportunity SUD under Board File 230026, which will become effective October 15, 2023. The SUD boundaries would be generally coterminous with the areas designated as

¹ [Ordinance 210-22, Board File No. 210866](#)

high-resource and highest-resource neighborhoods in the “Well-Resourced Neighborhoods Map” of the 2023-2031 Housing Element (see Exhibit C). Eligible projects are exempt from CUAs per Section 303 and 317, except if the project demolishes any units subject to the price controls under the Rent Ordinance or a CUA is required per Sections 249.77 or 249.92. Additionally, eligible projects are exempt from the neighborhood notification and public-initiated Discretionary Review (DR) procedures in Section 311, except if the project demolishes any units subject to the price controls under the Rent Ordinance. All projects would be required to record a NSR describing the approved uses, restrictions, and development controls. Such NSR would need to be signed by the City and recorded against the property prior to building permit issuance.

This proposed Ordinance is a duplicate file permitting additional density and increased height limits for eligible Corner Lots. While this path has overlapping eligibility criterion, there are some minor differences as described above. Both Ordinances still have the goals of streamlining review of eligible projects and revised design controls for eligible projects within the SUD.

Competing Ordinances

Mayoral Executive Directive 23-01 centered on the goal of “Housing for All” and called on all City agencies to create clear action plans to implement the 2022 Housing Element. Specifically, the mayor sought ways to eliminate procedures to streamline housing construction. As part of this effort, Mayor Breed introduced separate legislation under Board File 230446 to reduce housing constraints and eliminate procedural barriers. The mayor’s Ordinance goes beyond the scope of Supervisor Melgar’s Ordinance and includes changes like standardizing rear yard requirements and setting minimum lot size and lot frontage for the entire city; however, there are significant overlaps between the two Ordinances.

Within that overlap, there are three main differences between Supervisor Melgar’s Ordinance and the mayor’s Ordinance. The first is that Supervisor Melgar’s Ordinance creates an SUD based on the Well-Resourced Neighborhoods within which projects are exempt from procedural requirements if they meet the eligibility requirements. The mayor’s Ordinance also creates an SUD but bases it off the Priority Equity Geographies and uses it to preserve existing review procedures within that area; moreover, both Ordinances seek to increase development within Well-Resourced Neighborhoods. The second main difference is that Supervisor Melgar’s Ordinance applies only to RH zoning district within the proposed SUD, while the mayor’s process changes are not limited to RH zoning districts. The third main difference is that Supervisor Melgar’s Ordinance seeks to replicate the density bonus provisions in the recently passed Four-plex Ordinance to create process improvements for those projects. The mayor’s Ordinance does not increase density, but instead relies on existing density, the framework of the existing Four-plex Ordinance, and anticipated zoning changes from the Housing Element implementation process. The Mayor’s Ordinance appeared at the Land Use and Transportation Committee hearing on September 18, 2023 and is scheduled to return to Committee on October 2, 2023.

Issues and Considerations

Housing Affordability Crisis

San Francisco has faced housing affordability challenges for decades including prices and rents that have increased to be among the highest in the nation. Most lower income renters struggle to afford their rent and homeownership is out of reach to all but those with the highest incomes or wealth. Over 85,000 renters and

39,000 owners spend more than 30% of income on housing and are considered cost burdened.^{2, 3} The most recent Point-in-Time (PIT) Count in 2022 found 7,754 people experiencing homelessness, more than 4,000 of whom are unsheltered.⁴ This was a slight decrease compared to the 2019 PIT Count, partially due to the mayor's Homelessness Recovery Plan; however, housing for all is still an issue, nonetheless.

Households of many types face housing challenges; however, the most heavily impacted households are people living alone, who make up most severely burdened renters (spending 50% or more on rent) and families with children. This latter group faces elevated rates of cost burden and makes up nearly half of overcrowded households despite being just 18% of all households. People impacted by lack of housing options are extremely diverse. They include seniors on fixed incomes, people with physical and mental disabilities who want to live independently, college students, young adults trying to move out of their parents' homes, low- and moderate-income workers, middle-income homebuyers, families with children including single parents, and extended families with multiple generations living together.

People of color in San Francisco have substantially lower incomes than White residents and less housing access due to discriminatory policies. Today, Black, American Indian, and Latino residents have lower rates of home ownership than average, higher rates of cost burden, and experience homelessness at disproportionate rates. Asian residents also have higher cost burdens and, along with Latino residents, face higher rates of housing overcrowding than average.

Development Controls

The proposed Ordinance does not bypass design review and the RDGs would still apply to the extent compliance with the guidelines is feasible; however, to further achieve streamlining benefits, the City needs to move away from subjective design review (such as the RDGs) and instead review housing projects against objective design standards. The Department is currently working on objective design standards in conjunction with the rezoning effort to implement the Housing Element. Once adopted, this could further expedite review of all housing projects.

Specifically, these objective design standards would include requirements for tall corner buildings to step down as they get closer to the rest of the block. This would ensure that there is a prominent corner building that still responds to the adjacent buildings with shorter height limits.

Corner Lots

Corner buildings should maintain a contiguous block face and respond to both sides of the street.

Corner buildings play a stronger role in defining the character of the neighborhood than other buildings along the block face. They can act as informal entryways to the street, setting the tone for the streetscape that follows. Corner buildings must recognize their prominent location by responding to buildings on both sides of the street.

² [Housing Needs Assessment and Assessment of Fair Housing, Housing Element 2022 Update, page 68](#)

³ HUD defines cost-burdened families as those “who pay more than 30% of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Severe rent burden is defined as paying more than 50% of one's income on rent.

⁴ [2022 Homeless Count and Survey Comprehensive Report, page 19](#)

This is particularly true for taller buildings that would be proposed under this Ordinance. These projects should create a strong, contiguous, block face as seen in Figure 1.



Figure 1: Example corner building.

The example in Figure 1 showcases a corner building wrapping around the corner and keeps the development pattern of both streets. Additionally, Figure 1 includes fenestration on both streets to make each side feel like a “front” façade. The RDGs also call for higher building height at corner buildings, where appropriate, to add emphasis on the corner. The additional height limit proposed under the Ordinance aligns with this guideline. The draft objective design standards also include a “stepping down” requirement to respond to the shorter, adjacent buildings. This is important when proposed Corner Lot projects under this provision could potentially be over 20 feet taller than the directly adjacent neighbors.

Lot Mergers

The proposed Ordinance includes a new clarification for Lot Mergers:

A project may not propose a lot merger that would result in a lot having both its front and its rear lot line along Streets, Alleys, or a Street and an Alley (“through lot”), unless at least one of the lots that will be merged is a through lot.

The Ordinance does include one exception that mergers involving existing through lots would still be allowed. This amendment applies to the entire SUD, not just Corner Lots, and the Department believes this change would help retain the existing block face pattern. Without such restriction, a lot merger proposed under this SUD could conceivably create a through lot, which then impacts the development pattern. For example, if a lot merger creates a new through lot, the building depth could interfere with the mid-block open space if it provides a required rear yard and other setbacks.

This is illustrated in Figure 2 on the next page which features a potential three-lot merger is outlined in red, with the potential buildable area shaded in yellow. In this illustration, a proposed development may encroach into the mid-block open space while still meeting the required rear yard. The Planning Code typically allows separate buildings at both frontages within a through lot to be in keeping with the street frontage; however, the proposed Ordinance does not allow rear yard units within a lot merger development project. The concern of impacts to the mid-block open space and impacts to the neighborhood block face is addressed through the proposed Ordinance.



Figure 2: Example three-lot merger.

Group Housing

As drafted, the Corner Lot provision does not permit a Group Housing project on a Corner Lot pursuing the 65-foot height exception. Group Housing would be permitted within the rest of the SUD, including in a corner building proposed up to 40 feet tall.

Communal Facilities

The revised definition of GH under Board File 211299 requires minimum amounts of communal space. Group Housing projects generally provide smaller private bedrooms in exchange for more shared facilities and amenities. This is largely achieved by shifting the private amenities normally associated with regular Dwelling Units (such as kitchens and living rooms) to communal facilities shared by all residents. Common space generally includes all the interior areas that cater to communal living, including but not limited to kitchens, lounges, entertainment rooms, fitness rooms, laundry facilities, and shared bathrooms. These definition revisions make Group Housing more livable and desirable than fully-studio buildings that would not be required to provide the same amenities. Without adequate common space amenities in a 100% studio building, tenants are likely to spend less time there.

General Plan Compliance

The proposed Ordinance aligns with the Housing Element’s goal of providing a diverse stock of housing to meet existing and future residents’ needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Additionally, the Planning Department’s recommendation modification related to permitting Group Housing under this Corner Lot provision promotes Policy 34 which encourages co-housing to supports ways for households to share space,

resources, and responsibilities. Collectively, this Ordinance supports the Housing Element’s goal of “housing for all”.

Racial and Social Equity Analysis

This analysis builds on the efforts to review Supervisor Mandelman’s recent legislation to create the four-unit density exception for Residential Districts. That analysis found that the most likely existing housing typology to be affected by the legislation was small, single-family homes. This was because demolition of multi-unit buildings to increase the existing density by a few units was not financially feasible. This proposed Ordinance alleviates some of those financial constraints by allowing qualifying housing projects as of right, instead of requiring additional CUA entitlements.

Reduce Potential Vulnerability of Single-Family Homeowners

Despite high home prices, 50% of single-family homes are owned by moderate- or low-income owners. Single-family homes have much lower turnover than multi-family ownership units or rental units. 46% of single-family homes have been occupied for 20 years or more and 70% occupied for 10 years or more. Length of ownership may explain why so many single-family homes have owners with low and moderate incomes even though current housing prices are unaffordable. These households may have purchased a house when prices were lower, inherited a home, or their income may have been higher when they purchased the property (*i.e.*, *retirees*).⁵

Over 39,000 owners report facing cost burdens, comprising about 30% of all owners. A little less than half of burdened owners experience severe burdens, paying more than 50% of income in housing costs (over 19,000 owners).⁶ Middle income owners are more likely to be cost burdened than renters but more than 80% of severely burdened owners are lower income. People of color are disproportionately impacted by owner cost burden, likely due to disproportionately lower incomes. Black or African American owners, as well as Hispanic or Latino, Native Hawaiian or Pacific Islander, and Asian owners, experience elevated rates of owner cost burden. While rents have dropped, the single-family home market has been highly active. Prices have only gone up in the past couple of years indicating that the pressures that might encourage these homeowners to sell their properties is powerfully in action *now*. Changing density limits is unlikely to make a significant difference in the choices these families currently face.

Aging In Place

Asian and Hispanic households are typically more likely than White households to opt into multi-generational living. The proposed density limit exceptions are especially appealing for multi-generational families looking to live collectively under one roof but still maintain their own independence by having distinct Dwelling Units. This also provides additional opportunities for seniors to age in place by relocating to a new unit on the ground floor or even a detached unit in the rear yard.

The Lot-Merger projects is envisioned to provide homeowners with limited liquid savings to be able to pool their resources together and increase housing opportunities and communal amenities on site. This requires a convergence of financial mechanisms, potential public-private partnerships, and interested property owners or available lots adjacent to each other to be able to pursue such lot mergers. If achieved, this increases the

⁵ [Housing Needs Assessment and Assessment of Fair Housing, Housing Element 2022 Update, page 37](#)

⁶ [Housing Needs Assessment and Assessment of Fair Housing, Housing Element 2022 Update, page 73](#)

flexibility for the building configurations and unit types within a proposed housing project. This could also help families increase their equity in the long run, further cementing or enhancing their ability to age in place.

Making Well-Resourced Neighborhoods More Inclusive

The proposed Ordinance concentrates on increasing housing production within Well-Resourced Neighborhoods. Traditionally, low-income households are limited in their housing choices, often only able to rent or purchase in neighborhoods with fewer resources. The proposed Ordinance aligns with the Housing Element goal to open wealthy, predominantly white, and well-resourced neighborhoods to all communities of color and low-income households. This initiative seeks to provide access to high-quality neighborhood resources that foster positive economic and health outcomes.

Group Housing

Group Housing residents tend to be people who are looking for non-traditional housing. In its earlier days, Group Housing often provided housing for single or migrant workers, with buildings often segregated by sex. It was also a way for new immigrants to move to a city and find affordable housing until they could afford more permanent accommodations. Today, Group Housing offers more and different housing opportunities and caters to people who are unable or not interested in living in a traditional house or apartment. Newer Group Housing residents may include students or those starting a new job in San Francisco. Regardless of the situation, the City still needs to accommodate all types of residents and Group Housing is part of the solution. As proposed, the Ordinance prohibits Group Housing from Corner Lot projects proposed up to 65 feet. Proposed Group Housing projects on Corner Lots would still be permitted following the primary SUD regulations which is limited to up to 40 feet. This additional 25 feet in height could yield greater numbers of Group Housing bedrooms if the Ordinance were amended.

Implementation

The Family Housing Opportunity SUD, which would be effective mid-October, eliminates procedural barriers and streamlines review for qualifying projects. The Department has determined that the implementation impacts of this proposed Ordinance are the same as the original SUD. These efforts (re-listed below for transparency) are already under way:

- Create a new Family Housing Opportunity SUD Informational and Supplemental Application Packet;
- Require applications to submit the above Supplemental Application prior to submitting a Lot Line Adjustment (LLA) application to Public Works;
- Create a Regulatory Agreement template to designate rent-controlled units; and
- Create a new NSR template outlining the approved uses, restrictions, and development controls.

To reiterate from the last report, the items described above will take lead time at the front end and should not increase staff review time or costs. These efforts will be beneficial for the applicants as they will better understand upfront the new options available to them.

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. Permit density exception limits up to one Dwelling Unit per 1,000 square feet of lot area.
2. Revise the required rear yard requirements to allow for this Corner Lot provision to shift the rear yard to the interior corner of the lot and require projects to "step down" to adjacent buildings.
3. Allow lot mergers in all RH Zoning Districts.
4. Permit Group Housing for Corner Lot projects pursuing this new path.

Basis for Recommendation

The Department supports the proposed Ordinance because it supports the Housing Element's goals of increasing housing production and diversifying the housing stock, particularly within the Well-Resourced Neighborhoods. This Ordinance also supports the Mayoral Executive Directive's goal of "Housing for All". However, the Department believes the Ordinance would be more effective with the following modifications:

Recommendation 1: Permit density exception limits up to one Dwelling Unit per 1,000 square feet of lot area.

When Board File 230026 was duplicated, the increased density exception (one unit per 1,000 square feet of lot area) was applied only to non-Corner Lots. Once effective, the Family Housing Opportunity SUD would accommodate large non-Corner Lots allowing them to build more than four units pending the lot area. However, Corner Lots would be restricted to up to four units only. This means that a Corner Lot project could potentially build more units under the standard SUD provisions with the 40-foot height limit. However, the project would be limited to only six units within a 65-foot height limit under this Corner Lot provision. This does not make sense because we should maximize density more, especially for the taller Corner Lot buildings.

Recommendation 2: Revise the required rear yard requirements to allow for this Corner Lot provision to shift the rear yard to the interior corner of the lot and require projects to "step down" to adjacent buildings.

Under the proposed Ordinance, Corner Lot projects under this provision have a required rear yard of 25% of the lot depth, or 15 feet, whichever is greater. Additionally, the required rear yard of Corner Lots can be reduced to match the depth of the adjacent property. The proposed Ordinance should provide more flexibility for these projects to be able to shift the rear yard to the interior corner of the property and maintain a strong block face. This is an exception currently permitted under HOME-SF projects and often a requested incentive or concession for State Density Bonus projects. This was also proposed in the Mayor's Housing Constraints Reduction Ordinance under Board File 230446 to better maintain the neighborhood development pattern, and it should be replicated under this Ordinance. This is especially important when considering the increased height limit for these Corner Lot projects, and the juxtaposition of that taller building next to a required rear yard along one of the street frontages.

Additionally, these Corner Lot projects should step down the farther into the block the building massing is. This will be required under the forthcoming objective design standards and should be implemented for these

projects now. This maintains a prominent corner building while still ensuring better compatibility with the directly adjacent neighbors that have a lower height limit.

Recommendation 3: Allow lot mergers in all RH Zoning Districts.

The Family Housing Opportunity SUD would only allow lot mergers for RH-1, RH-(D), and RH-1(S) zoned, allowing up to eight units for a two-lot merger and up to 12 units for a three-lot merger. The Department is concerned that a property with an underlying zoning district of RH-1 would be able to build a higher density than that of RH-2 and RH-3 (lots shaded in yellow in Exhibit C). This is fundamentally inconsistent with the way the different classes in the RH districts works and should be reconsidered. Additionally, Exhibit C shows that the RH-1 lots shaded in green comprise approximately 50% of eligible parcels within the SUD. This distribution of RH-1 zoned parcels may also result in greater densities in certain pockets of the SUD when all parcels should benefit from this lot merger provision.

The original intent was to limit lot mergers to RH-1 lots so that three homeowners could pool together their resources and erect a new building that could meet their needs, without displacing any tenants. Board File 230026 was recently amended to include more tenant protections. For example, a project proposing to demolish any rent-controlled units would still be subject to a CUA and neighborhood notification. Additionally, projects cannot propose the demolition of a Dwelling Unit occupied by a tenant at the time of the application. Therefore, multi-family buildings on RH-2 or RH-3 lots would still have strong tenant protections in place that were not previously accounted for when limiting the lot merger path to just RH-1 districts. RH-2 and RH-3 should be eligible for lot mergers too to allow for the increased housing capacity like RH-1 lots.

Recommendation 4: Permit Group Housing for Corner Lot projects pursuing this new path.

As drafted, this Corner Lot provision would not permit Group Housing up to 65' in height; however, Group Housing project could still be proposed on a Corner Lot up to 40 feet in height under the existing SUD requirements. This additional 25 feet in height could yield greater numbers of Group Housing bedrooms if the Ordinance incorporated this recommended modification. Further, because the proposed corner lot provision does not include a minimum bedroom requirement, the proposed changes could result in a 65-foot tall, 100% studio building. While the Department does not object to this type of project as it provides more housing choices in our well-resourced neighborhoods, a Group Housing project could provide the same amount of density at a lower cost to tenants while providing more communal amenities for a more livable environment. Expanding the corner lot program to group housing would provide more housing choices for San Franciscans, as is called for in the General Plan and supported by the racial and social equity analysis.

One of the key differences that distinguishes Group Housing from a Dwelling Unit is that Group Housing focuses on shared amenities and communal living. Group Housing usually does not involve a family, but rather individuals seeking a non-traditional form of housing. A person or household may be living in Group Housing for a wide variety of reasons. Some reasons may include, but are not limited to, the following:

- residents have created or joined existing co-living or co-housing communities based on shared values or goals such as a commune or nursery,
- individuals are seeking housing to establish social connections and fight isolation,
- for an opportunity for multiple households to pool and share resources and responsibilities,
- it may be the only affordable housing choice for some households, or
- as a temporary housing solution for newcomers, temporary workers, or as housing for institutions.

Regardless of the reason, Group Housing offers a viable housing option other than a traditional house or apartment. This should not be excluded from the Corner Lot provision. Larger Group Housing projects should be encouraged rather than 100% studio buildings.

The Supervisor expressed concerns that allowing Group Housing would produce student dormitories. However, dormitories would be required to go through the Institutional Master Plan (IMP) process and include other reviews and requirements from there.

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 were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.

Public Comment

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

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 230808
- Exhibit C: Family Housing Opportunity SUD boundaries (SUD effective October 15, 2023)



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: October 5, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Case Number: 2023-006326PCAMAP [Board File No. 230808]
Initiated by: Supervisor Engardio / Introduced July 17, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND 1) THE PLANNING CODE TO CREATE THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; 2) THE PLANNING CODE TO AUTHORIZE THE GREATER OF UP TO FOUR UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON INDIVIDUAL LOTS IN THE RH (RESIDENTIAL, HOUSE) DISTRICT, UP TO SIX DWELLING UNITS ON INDIVIDUAL CORNER LOTS IN THE RH DISTRICT, THE GREATER OF UP TO 12 UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON THREE MERGED LOTS AND THE GREATER OF UP TO EIGHT UNITS OR ONE UNIT PER 1,000 SQUARE FEET OF LOT AREA ON TWO MERGED LOTS IN RH-1 (RESIDENTIAL, HOUSE: ONE FAMILY) DISTRICTS, UP TO 18 UNITS ON CORNER LOTS RESULTING FROM THREE LOT MERGERS IN RH-1 DISTRICTS, UP TO 12 UNITS ON CORNER LOTS RESULTING FROM TWO LOT MERGERS IN RH-1 DISTRICTS, AND GROUP HOUSING IN RH-1 DISTRICTS FOR ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT; 3) THE PLANNING CODE TO EXEMPT ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT FROM CERTAIN HEIGHT, OPEN SPACE, DWELLING UNIT EXPOSURE, AND REAR-YARD REQUIREMENTS, CONDITIONAL USE AUTHORIZATIONS, AND NEIGHBORHOOD NOTIFICATION REQUIREMENTS; 4) THE SUBDIVISION CODE TO AUTHORIZE ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT TO QUALIFY FOR CONDOMINIUM CONVERSION OR A CONDOMINIUM MAP THAT INCLUDES THE EXISTING DWELLING UNITS AND THE NEW DWELLING UNITS THAT CONSTITUTE THE PROJECT; 5) THE ADMINISTRATIVE CODE TO REQUIRE NEW DWELLING OR GROUP HOUSING UNITS CONSTRUCTED PURSUANT TO THE DENSITY LIMIT EXCEPTION TO BE SUBJECT TO THE RENT INCREASE LIMITATIONS OF THE RENT ORDINANCE; 6) THE ZONING MAP TO SHOW THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; AND AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN,

AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on July 17, 2023 Supervisor Engardio introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 230808, which amend 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize the greater of up to four units or one unit per 1,000 square feet of lot area on individual lots in the RH (Residential, House) District, up to six dwelling units on individual Corner Lots in the RH District, the greater of up to 12 units or one unit per 1,000 square feet of lot area on three merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18 units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) the Zoning Map to show the Family Housing Opportunity Special Use District;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 5, 2023; and,

WHEREAS, the proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022; 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 **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Permit density exception limits up to one Dwelling Unit per 1,000 square feet of lot area.
2. Revise the required rear yard requirements to allow for this Corner Lot provision to shift the rear yard

to the interior corner of the lot and require projects to “step down” to adjacent buildings.

3. Allow lot mergers in all RH Zoning Districts.
4. Permit Group Housing for Corner Lot projects pursuing this new path.

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 proposed Ordinance will streamline review of qualifying housing projects.

The proposed Ordinance focuses on increasing housing production in the Well-Resourced neighborhoods.

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.A

Ensure housing stability and healthy homes.

OBJECTIVE 3.B

Create a sense of belonging for all communities of color within well-resourced neighborhoods through expanded housing choice.

OBJECTIVE 4.A

Substantially expand the amount of permanently affordable housing for extremely low- to moderate-income households.

OBJECTIVE 4.B

Expand small and mid-rise multi-family housing production to serve our workforce, prioritizing middle-income households.

OBJECTIVE 4.C

Diversify housing types for all cultures, family structures, and abilities.

POLICY 19

Enable low and moderate-income households, particularly American Indian, Black, and other people of color, to live and prosper in Well-resourced Neighborhoods by increasing the number of permanently affordable housing units in those neighborhoods.

POLICY 20

Increase mid-rise and small multi-family housing types by adopting zoning changes or density bonus programs in Well-resourced Neighborhoods and adjacent lower-density areas near transit, including along SFMTA Rapid Network33 and other transit.

POLICY 25

Reduce governmental constraints on development in Well-resourced Neighborhoods to enable small and mid-rise multi-family buildings providing improved housing choice and affordability.

POLICY 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

POLICY 32

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

POLICY 33

Prevent the outmigration of families with children and support the needs of families to grow.

POLICY 34

Encourage co-housing to support ways for households to share space, resources, and responsibilities, especially to reinforce supportive relationships within and across communities and generations.

The proposed Ordinance aligns with the Housing Element's goal of providing a diverse stock of housing to meet existing and future residents' needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Additionally, the Planning Department's recommendation modification related to permitting Group Housing under this Corner Lot provision promotes Policy 34 which encourages co-housing to supports ways for households to share space, resources, and responsibilities. Collectively, this Ordinance supports the Housing Element's goal of "housing for all".

Planning Code Section 101 Findings

The proposed amendments to the Planning Code and Zoning Map 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 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 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 October 5, 2023.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: October 5, 2023

[Planning, Subdivision, and Administrative Codes and Zoning Map - Family Housing Opportunity Special Use District]

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3 **Ordinance amending 1) the Planning Code to create the Family Housing Opportunity**
4 **Special Use District; 2) the Planning Code to authorize the greater of up to four units or**
5 **one unit per 1,000 square feet of lot area on individual lots in the RH (Residential,**
6 **House) District, up to six dwelling units on individual Corner Lots in the RH District, the**
7 **greater of up to ~~twelve~~12 units or one unit per 1,000 square feet of lot area on three**
8 **merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot**
9 **area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18**
10 **units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units**
11 **on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in**
12 **RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to**
13 **exempt eligible projects in the Special Use District from certain height, open space,**
14 **dwelling unit exposure, and rear-yard setback requirements, conditional use**
15 **authorizations, and neighborhood notification requirements; 4) amending the**
16 **Subdivision Code to authorize eligible projects in the Special Use District to qualify for**
17 **condominium conversion or a condominium map that includes the existing dwelling**
18 **units and the new dwelling units that constitute the project; 5) amending the**
19 **Administrative Code to require new dwelling or group housing units constructed**
20 **pursuant to the density limit exception to be subject to the rent increase limitations of**
21 **the Rent Ordinance; 6) amending the Zoning Map to show the Family Housing**
22 **Opportunity Special Use District; and affirming the Planning Department’s**
23 **determination under the California Environmental Quality Act, and making findings of**
24 **consistency with the General Plan, and the eight priority policies of Planning Code,**

1 **Section 101.1, and findings of public necessity, convenience, and welfare under**
2 **Planning Code, Section 302.**

3 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
4 **Additions to Codes** are in *single-underline italics Times New Roman font*.
5 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
6 **Board amendment additions** are in double-underlined Arial font.
7 **Board amendment deletions** are in ~~strikethrough Arial font~~.
8 **Asterisks (* * * *)** indicate the omission of unchanged Code
9 subsections or parts of tables.

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

10 Section 1. CEQA and Land Use Findings.

11 (a) The Planning Department has determined that the actions contemplated in this
12 ordinance comply with the California Environmental Quality Act (California Public Resources
13 Code Section 21000 *et seq.*). Said determination is on file with the Clerk of the Board of
14 Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this
15 determination.

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

21 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
22 amendments will serve the public necessity, convenience, and welfare for the reasons set
23 forth in Planning Commission Resolution No. _____, and the Board adopts such
24 reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
25 Supervisors in File No. _____ and is incorporated herein by reference.

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Section 2. General Findings.

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

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

(c) According to the Planning Department’s 2020 Housing Inventory, the cost of housing in San Francisco has increased dramatically since the Great Recession of 2008-2009, with the median sale price for a two-bedroom house more than tripling from 2011 to 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone, even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to \$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.

(d) These housing cost trends come after decades of underproduction of housing in the Bay Area. The City’s Chief Economist has estimated that approximately 5,000 new market-rate housing units per year would be required to keep housing prices in San Francisco constant with the general rate of inflation. To this end, the City’s COVID-19 Economic Recovery Task Force included a recommendation in its October 2020 report to support

1 construction of small multifamily buildings in low density areas to support “missing middle”
2 housing opportunities.

3 (e) Moreover, San Francisco will be challenged to meet increased Regional Housing
4 Needs Allocation (“RHNA”) goals in the 2023-2031 Housing Element cycle, which total 82,069
5 units over eight years, more than 2.5 times the goal of the previous eight-year cycle. At the
6 same time, relatively new State laws like Senate Bill 35 (2017) would limit San Francisco’s
7 local zoning control and discretion if the City does not meet these RHNA housing production
8 goals.

9 (f) San Francisco’s new housing production in recent years has been heavily
10 concentrated in the eastern and southeastern parts of the City, with 90% of all new housing
11 produced in just ten eastside and central neighborhoods, according to the 2019 Housing
12 Affordability Strategies Report. These neighborhoods are home to many of the City’s most
13 established communities of color and communities most vulnerable to displacement
14 pressures.

15 (g) The California Fair Housing Task Force annually updates the Tax Credit Allocation
16 Committee/Department of Housing and Community Development Opportunity Map
17 (“TCAC/HCD Opportunity Map”). The TCAC/HCD Opportunity Map identifies high-resource
18 and highest-resource areas in the state whose concentration of resources have been shown
19 to support positive economic, educational, and health outcomes for low-income families —
20 particularly long-term outcomes for children. The ~~2020~~2021 TCAC/HCD Opportunity Map is
21 the basis for the Well-Resourced Neighborhoods Map in the 2023-2031 Housing Element, on
22 file with the Clerk of the Board of Supervisors in File No. 230001. The Well-Resourced
23 Neighborhoods Map is also on file with the Clerk of the Board of Supervisors in File No.
24 ~~_____~~230026 and is incorporated herein by reference.

1 (h) Since 2005, just 10% of all new housing in San Francisco and 10% of new
2 affordable housing in San Francisco has been built in high- and highest-resource
3 neighborhoods, though these areas cover nearly 52% of the residential land in the city. In
4 these high-resource neighborhoods, 65% of the land is limited to one or two units. Permitting
5 additional units in high-resource areas will increase the supply of available housing, including
6 the supply of modestly-sized family units that are more affordable than large, single-family
7 homes.

8 (i) While recent legislation has authorized multi-family homes in these neighborhoods,
9 additional procedural requirements may render them too expensive to deliver. Streamlining
10 and simplifying permit processes will help provide more equitable access to the application
11 process and improve certainty of development outcomes for small multifamily buildings in
12 high- and highest-resource neighborhoods.

13 (j) This ordinance creates the Family Housing Opportunity Special Use District (SUD),
14 whose boundaries are generally coterminous with the Well-Resourced Neighborhoods Map in
15 the 2023-2031 Housing Element. This legislation expands upon and complements recently
16 enacted state legislation, such as SB 9, that aims to promote multifamily housing development
17 in single-family neighborhoods. To this end, the legislation provides project sponsors
18 flexibility to choose from a menu of incentives to fit their project needs – be it relief from
19 procedural requirements like conditional use authorizations, neighborhood notification, and
20 public-initiated discretionary review, relief from development standards like density, or a
21 combination of the two.

22 (k) The Family Housing Opportunity SUD permits development of the greater of up to
23 four units or one unit per 1,000 square feet of lot area on an individual parcel in an RH District,
24 provided that the proposed project complies with the heights and bulk specified in the City's
25 Zoning Maps (Height & Bulk Maps HT01 through HT14), in addition to other eligibility criteria

1 detailed in this ordinance. The SUD would also permit up to six units on a Corner Lot in an
2 RH District, subject to certain eligibility criteria. The SUD also permits up to one Group
3 Housing ~~unit~~bedroom per 415 square feet of lot area in RH-1, RH-1(D), and RH-1(S) districts,
4 with the exception of certain projects on Corner Lots. In those same districts, the SUD
5 permits the greater of up to 12 units or one unit per 1,000 square feet of lot area if the lot is the
6 result of a merger of three lots, or the greater of eight units or one unit per 1,000 square feet
7 of lot area if the lot is the result of a merger of two lots. If the resulting lot is a Corner Lot, the
8 SUD permits up to 18 units for a three-lot merger and up to 12 units for a two-lot merger. This
9 ordinance also streamlines approval by exempting eligible projects from conditional use
10 authorization and neighborhood notification requirements and public-initiated discretionary
11 review hearings in Planning Code Section 311.

12 (l) All parcels affected by this ordinance are considered urban infill sites under
13 California Government Code Section 65913(e)(3). This Board therefore declares that this
14 ordinance is enacted pursuant to California Government Code Section 65913(e)(3).

15 (m) This Board finds that this ordinance is consistent with San Francisco's obligation to
16 affirmatively further fair housing pursuant to California Government Code Section 8899.50, by
17 increasing density for projects that enter into regulatory agreements with the City
18 acknowledging that, in consideration for the density exceptions, the new units shall be subject
19 to local rent control notwithstanding the Costa-Hawkins Rental Housing Act (California Civil
20 Code Section 1954.50 *et seq.*). Increasing density in this manner meaningfully addresses
21 significant disparities in housing needs and access to opportunity. Additionally, this ordinance
22 streamlines the approval process to promote certainty in development outcomes in high- and
23 highest-resource neighborhoods.

24 (n) This Board finds that it is in the public interest to encourage the production of a
25 variety of unit types, sizes, and tenure to accommodate people in different living situations,

1 including a mix of smaller units that can help young adults secure housing and seniors to
2 downsize, and larger units that can help growing or multi-generational families stay
3 adequately housed.

4 (o) This Board recognizes that additional development opportunities may lead to
5 speculative real estate investments that may seek to displace current residents, demolish
6 existing housing stock, build new units, and quickly sell those units. To discourage such
7 speculation, demolition of existing units, and displacement of current residents, this ordinance
8 makes the benefit of the streamlining and development incentives available only to persons
9 who have owned their properties for one year prior to the date of their application, including
10 the ownership duration of their Eligible Predecessor, as defined herein, subject to exceptions
11 for multiple ownership structures and vacant buildings described further in the ordinance.

12
13 Section 3. Article 2 of the Planning Code is hereby amended by adding Section
14 249.94, to read as follows:

15
16 **SEC. 249.94. FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT.**

17 *(a) Purpose. To incentivize the development of multifamily housing in the City’s well-*
18 *resourced neighborhoods, a special use district entitled “Family Housing Opportunity Special Use*
19 *District” is hereby established.*

20 *(b) Boundaries. The boundaries of the Family Housing Opportunity Special Use District are*
21 *shown on Special Use District Maps Sheets SU 1, SU 2, SU 3, SU 4, SU 5, SU 6, SU 7, SU 11, SU 12,*
22 *and SU 13. These boundaries consist generally of the areas designated as high-resource and highest-*
23 *resource on the Well-Resourced Neighborhoods Map of the 2023-2031 Housing Element.*

24 *(c) Eligibility. An eligible project under this Section 249.94 shall be a project that complies*
25 *with all the following criteria:*

1 (1) is located in an RH District in the Family Housing Opportunity Special Use

2 District;

3 (2) is not seeking or receiving approval under the provisions of Planning Code Sections
4 206.3, 206.5, or 206.6;

5 (3) is not located on a parcel resulting from a lot split under California Government
6 Code Section 66411.7;

7 (4) proposes any of the following project types:

8 (A) **Single-Lot Development Project.** The construction on a single lot,
9 including through the alteration of an existing structure, of at least two dwelling units and no more
10 than the maximum number of four dwelling units on a single lot prescribed in subsection
11 (d)(1)(A) of this Section 249.94, inclusive of any existing dwelling units on the site. For a project
12 proposing four dwelling units, the fourth dwelling unit shall be constructed in the rear yard pursuant to
13 subsection (d)(3) of this Section 249.94. For a project proposing fewer than four dwelling units, up to
14 one unit may be located in the rear yard pursuant to subsection (d)(3) of this Section 249.94.

15 (B) **Lot-Merger Development Project in RH-1 Districts.** A merger of up to
16 three lots in RH-1, RH-1(D), or RH-1(S) districts and the construction on the resulting lot of at least
17 nine dwelling units and no more than the maximum number of 42 dwelling units prescribed in
18 subsection (d)(1)(B) of this Section 249.94 for a three-lot merger project, or at least six dwelling
19 units and no more than the maximum number of eight dwelling units prescribed in subsection
20 (d)(1)(B) of this Section 249.94 for a two-lot merger project. A project proposing a lot merger shall
21 not be eligible to construct a rear-yard unit pursuant to subsection (d)(3) of this Section 249.94. A
22 project may not propose a lot merger that would result in a lot having both its front and its rear
23 lot line along Streets, Alleys, or a Street and an Alley ("through lot"), unless at least one of the
24 lots that will be merged is a through lot.

1 (C) Group Housing Development Project. A single-lot project pursuant to
2 subsection (c)(4)(A) of this Section 249.94 and a lot-merger project pursuant to subsection (c)(4)(B) of
3 this Section 249.94 may also propose the construction of Group Housing up to the density limits
4 prescribed in subsection (d)(1)(C) of this Section 249.94 or currently otherwise permitted under the
5 Planning Code, whichever is greater. A project shall not propose both dwelling units and Group
6 Housing bedrooms. Projects proposing Group Housing unitsbedrooms shall not be eligible for
7 condominium subdivision, including but not limited to conversion pursuant to Subdivision Code Section
8 1396.7;

9 (5) contains the following bedroom configurations:

10 (A) for single-lot projects under subsection (c)(4)(A) of this Section
11 249.94, at least two dwelling units with two or more bedrooms;

12 (B) for two-lot merger projects under subsection (c)(4)(B) of this Section
13 249.94, at least two dwelling units with two bedrooms, or at least one dwelling unit with three
14 bedrooms;

15 (C) for three-lot merger projects under subsection (c)(4)(B) of this
16 Section 249.94, at least three dwelling units with two bedrooms, or at least two dwelling units
17 with three bedrooms.

18 (D) The requirements of this subsection (c)(5) may be satisfied by
19 existing dwelling units retained on site. This provision subsection (c)(5) does not apply to
20 projects where all of the units qualify as Group Housing projects or to certain Corner Lot
21 projects, as detailed in subsection (d)(7) of this Section 249.94;

22 (6) includes more dwelling units than are existing on the site at the time of application.

23 For the purposes of this subsection (c)(6), an Unauthorized Unit, as that term is defined in
24 Planning Code Section 317, shall not be considered an existing dwelling unit. In the case of

1 Group Housing projects utilizing this Section 249.94 shall provide more bedrooms than are existing on
2 the site at the time of application;

3 (7) does not propose the demolition of a building that is:

4 (A) ~~listed as a Contributor to~~ located in an Article 10 Historic District;

5 (B) listed as a Landmark under Article 10;

6 (C) located in an Article 11 Conservation District, where the building has a
7 rating of Category I, II, III or IV;

8 (D) listed in or determined eligible for listing in the California Register of
9 Historical Resources individually and/or as a contributor to a historic district; or,

10 (E) listed in or determined eligible for listing in the National Register of
11 Historic Places individually and/or as a contributor to a historic district;

12 (8) complies with the Planning Code and any applicable design guidelines, including
13 but not limited to the provisions of this Section 249.94. Notwithstanding the previous sentence, an
14 eligible project shall strive for consistency with the Residential Design Guidelines to the extent
15 feasible;

16 (9) complies with the requirements of Section 66300(d) of the California Government
17 Code, as may be amended from time to time and as are in effect at the time a complete project
18 application is submitted, except as otherwise specified herein, including but not limited to
19 requirements to replace all protected units and to offer existing occupants of any protected units that
20 are lower income households relocation benefits and a right of first refusal for a comparable unit, as
21 those terms are defined therein. Notwithstanding the foregoing sentence, if California
22 Government Code Section 66300 becomes inoperative, the project shall comply with the last
23 operative version of Section 66300 before it became inoperative. This subsection (c)(9) does
24 not modify or supersede any other City requirements related to relocation, including but not
25 limited to the requirements of Chapter 37 of the Administrative Code; and

1 (10) demonstrates that the project sponsor has owned the subject lot for a minimum of
2 one year prior to the time of the submittal of their application, subject to the following:

3 (A) **Eligible Predecessor.** A property owner who has inherited the subject lot,
4 including any inheritance in or through a trust, from a blood, adoptive, or step family relationship,
5 specifically from either (i) a grandparent, parent, sibling, child, or grandchild, or (ii) the spouse or
6 registered domestic partner of such relations, or (iii) the property owner’s spouse or registered
7 domestic partner (each an “Eligible Predecessor”), may add an Eligible Predecessor’s duration of
8 ownership of the subject lot to the property owner’s duration of ownership of the same lot.

9 (B) **Multiple Ownership.** Whenever property proposed for development is
10 jointly owned, owned as common property or is otherwise subject to multiple ownership, the durational
11 requirements of this subsection (c)(10) must be satisfied by: (i) the majority ownership, whether
12 represented by stock, membership interest, partnership interest, co-tenancy interest, or otherwise, in
13 the case of projects proposed under subsection (c)(4)(A); or (ii) the majority ownership of each lot to
14 be merged, whether represented by stock, membership interest, partnership interest, co-tenancy
15 interest, or otherwise, in the case of projects proposed under subsection (c)(4)(B).

16 (C) **Vacant or Abandoned Property.** The requirement in this subsection (c)(10)
17 that the project sponsor has owned the subject lot for a minimum of one year prior to the time of the
18 submittal of their application shall not apply if the property has been vacant for one or more years at
19 the time of application, or if the property has been registered as a vacant or abandoned building
20 pursuant to Building Code Section 103A.4 et seq.; and

21 (11) does not propose the demolition of:

22 (A) **three or more dwelling units that are or were:**

23 (i) **subject to a recorded covenant, ordinance, or law that restricts**
24 **rents to levels affordable to persons and families of lower or very low income within the past**
25 **five years; or**

1 (ii) subject to limits on rent increases under the Residential Rent
2 Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) within the past
3 five years; or

4 (iii) rented by lower or very low income households within the past
5 five years; or

6 (B) a dwelling unit occupied by a tenant at the time of application; or

7 (C) a dwelling unit from which a tenant has been evicted under
8 Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) within the past five years or a
9 dwelling unit that has been vacated within the past five years pursuant to a Buyout
10 Agreement, as defined in Administrative Code Section 37.9E, as it may be amended from
11 time to time.

12 (D) For the purposes of this subsection (c)(11) of Section 249.94, "lower
13 or very low income households" shall have the same meaning as in Government Code
14 Section 66300.

15 *(d) Other Controls.*

16 *(1) Density Exceptions. Projects that meet the eligibility criteria in subsection (c) of*
17 *this Section 249.94 are exempt from residential density limits, calculation of which shall not include*
18 *any Accessory Dwelling Units permitted under Section 207, as follows:*

19 *(A) Single-Lot Density Exception. For projects eligible under subsection*
20 *(c)(4)(A), the greater of up to four dwelling units per lot or one dwelling unit per 1,000 square feet*
21 *of lot area are allowable. Projects on a single Corner Lot may propose up to six dwelling*
22 *units;*

23 *(B) Lot-Merger Density Exception. For projects eligible under subsection*
24 *(c)(4)(B), the greater of up to twelve dwelling units per lot or one dwelling unit per 1,000 square*
25 *feet of lot area are allowable, if the lot is the result of a merger of three lots, or the greater of up to*

1 eight dwelling units per lot or one dwelling unit per 1,000 square feet of lot area are allowable, if
2 the lot is the result of a merger of two lots; Projects on a resulting Corner Lot may propose up to
3 18 dwelling units for a three-lot merger project, or up to 12 dwelling units for a two-lot merger
4 project.

5 (C) Group Housing Density Exception. For both Single-Lot and Lot-Merger
6 Development Projects under subsection (c)(4)(A) or (B), up to one Group Housing unit/bedroom per
7 415 square feet of lot area is allowable in RH-1, RH-1(D), and RH-1(S) districts.

8 (2) Height. Notwithstanding any other provision of this Code, including but not limited
9 to Section 261(b), the height limit for a project that meets the eligibility criteria in subsection (c) of this
10 Section 249.94 shall be 40 feet, if 40 feet is authorized by the Height Map of the Zoning Map.

11 Notwithstanding the foregoing sentence, a project shall comply with the requirements of
12 Section 261(c).

13 (3) Construction of Rear-Yard Unit. Construction of a rear-yard unit shall be a
14 permitted obstruction in the required rear yard under Section 136(c), provided that the project
15 complies with governed by the following standards:

16 (A) The subject parcel must be at least 2,400 square feet;

17 (B) The rear-yard unit shall be located at least four feet from the side and rear
18 lot lines and shall not share structural walls with any other structure on the lot;

19 (C) Compliance with minimum rear-yard requirements shall not be
20 required, except that a minimum 25 feet separation of unobstructed open area shall be provided
21 between the facades of the rear-yard building and the primary building that face each other. Such
22 open area shall comply with the requirements of Section 135(a)-(c);

23 (D) For the rear-yard unit and units in the primary building that obtain
24 their only Code-complying exposure from the rear yard, the dwelling unit exposure
25 requirements of Section 140(a)(2) may be satisfied through qualifying windows facing an unobstructed

1 open area that is no less than 25 feet in every horizontal dimension, and such open area is not required
2 to expand in every horizontal dimension at each subsequent floors. Such open area shall be
3 unobstructed except for fire escapes not projecting more than necessary for safety, and in no
4 case more than four feet six inches; chimneys; and those obstructions permitted in Sections
5 136(c)(14), (15), (16), (19), (20), and (26):

6 (E) The rear-yard building height shall be limited to 20 feet measured from
7 existing grade at any given point to either i) the highest point of a finished roof, in the case of a flat
8 roof, or ii) the average height of a pitched roof or stepped roof, or similarly sculptured roof form. The
9 rear-yard building shall not be eligible for any height exemptions in subsection (d)(2) of this Section
10 249.94 or in Section 260(b); and

11 (F) Each dwelling unit or group housing bedroom shall have at least 100
12 square feet of usable open space if private, and/or 133 square feet if common.

13 (G) For the purposes of this subsection (d)(3), the unobstructed open
14 area shall be measured from the greatest depth of the rear façade for the primary building and
15 the front façade of the rear-yard building that is closest to the rear yard.

16 (4) **Rear-Yard Setback Requirements.** For projects that do not construct a rear-
17 yard unit pursuant to subsection (d)(3) of this Section 249.94, the The basic rear yard
18 setback requirement shall be equal to 30% of the total depth of the lot on which the building is
19 situated, but in no case less than 15 feet.

20 (5) **Open Space Requirements for Lot-Merger Projects.** For projects eligible under
21 subsection (c)(4)(B) of this Section 249.94, each dwelling unit shall have at least 100 square feet of
22 usable open space if private, and/or 133 square feet if common.

23 (6) **Minimum Density Requirement on Merged Lots.** For lots merged pursuant to
24 subsection (c)(4)(B) of this Section 249.94, any development on the resulting lot shall be subject to the
25 following minimum densities:

1 (A) six units per lot, if the lot results from a two-lot merger; or

2 (B) nine units per lot, if the lot results from a three-lot merger.

3 **(7) Additional Requirements for Certain Corner Lot Projects.** For projects

4 on Corner Lots that propose at least five units under subsection (c)(4)(A) of this Section

5 249.94, or at least 15 units for a three-lot merger or at least 10 units for a two-lot merger

6 under subsection (c)(4)(B), the following requirements shall apply:

7 (A) The height limit shall be 65 feet, notwithstanding any provision to the

8 contrary in the Height Map of the Zoning Map and notwithstanding subsection (d)(2) of this

9 Section 249.94. Compliance with Section 261(c) shall not be required;

10 (B) The basic rear yard requirement shall be equal to 25% of the total

11 depth of the lot on which the building is situated, but in no case less than 15 feet;

12 (C) Each dwelling unit shall have at least 100 square feet of usable open

13 space if private, and or 133 square feet if common;

14 (D) Group Housing shall not be permitted;

15 (E) The minimum bedroom requirements in subsection (c)(5) of this

16 Section 249.94 shall not apply; and

17 (F) No units may be located in the rear yard pursuant to subsection (d)(3)

18 of this Section 249.94.

19 **(e) Applicability of Rent Ordinance; Regulatory Agreements.**

20 (1) Sponsors of projects utilizing any of the density exceptions above the base

21 density up to the limits in subsection (d)(1) of this Section 249.94 shall enter into a regulatory

22 agreement with the City subjecting the new units created pursuant to such density exception, except for

23 any required Affordable Units as defined in Planning Code Section 401, to the Residential Rent

24 Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code), as a condition of

25 approval of the density exception ("Regulatory Agreement").

1 (2) The property owner and the Planning Director, or the Director's designee, on
2 behalf of the City, will execute the Regulatory Agreement, which is subject to review and approval by
3 the City Attorney's Office. The Regulatory Agreement shall be executed prior to the City's issuance of
4 the First Construction Document for the project, as defined in Section 107 A.13.1 of the Building Code.
5 Following execution of the Regulatory Agreement by all parties and approval by the City Attorney, the
6 Regulatory Agreement or a memorandum thereof shall be recorded in the title records in the Office of
7 the Assessor-Recorder against the property and shall be binding on all future owners and successors in
8 interest.

9 (3) At a minimum, the Regulatory Agreement shall contain the following:

10 (A) A description of the total number of units approved, including the number of
11 units subject to the Rent Stabilization and Arbitration Ordinance and other restricted units, if any, and
12 the location, square footage of dwelling units, and number of bedrooms in each unit;

13 (B) A statement that the new units created pursuant to the density exception are
14 not subject to the Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50 et seq.).
15 Further because under Section 1954.52(b), the property owner has entered into and agreed to the
16 terms of the agreement with the City in consideration for an exception from residential density limits,
17 or other direct financial contribution or other forms of assistance specified in California Government
18 Code Section 65915 et seq.;

19 (C) A description of the residential density exception or other direct financial
20 contribution or forms of assistance provided to the property owner; and

21 (D) A description of the remedies for breach of the agreement and other
22 provisions to ensure implementation and compliance with the agreement.

23 (f) **Review and Approvals.** Notwithstanding any other provision of this Code and irrespective
24 of whether a project is utilizing a density exception pursuant to subsection (d)(1) of this Section 249.94,

1 for any project that meets the eligibility criteria in subsection (c) of this Section 249.94 the following
2 shall apply:

3 (1) No conditional use authorization shall be required, including but not limited to the
4 requirements of Sections 303 and 317 of this Code, unless a project would demolish two units that
5 are subject to limits on rent increases under the Residential Rent Stabilization and Arbitration
6 Ordinance (Chapter 37 of the Administrative Code):

7 (2) Compliance with Section 311 of this Code shall not be required; and

8 (3) A Notice of Special Restrictions (“NSR”) shall be recorded on the title of any
9 property receiving approval under this Section 249.94. The NSR shall:

10 (A) Describe the uses, restrictions, and development controls approved under
11 Planning Code Section 249.94, including but not limited to the minimum density restrictions set forth in
12 subsection (d)(6);

13 (B) State that the NSR runs with the land and is binding on all future owners and
14 successors in interest;

15 (C) Provide the Planning Department with the ability to enforce the provisions
16 of this Section 249.94;

17 (D) Describe any other conditions that the Planning Director or Planning
18 Commission deems appropriate to ensure compliance with this Section 249.94; and

19 (E) Be signed by the City and recorded prior to issuance of the building permit
20 for the project receiving approval under this Section 249.94.

21 (g) **Review of Program.** The Planning Department shall include the location and number of
22 units of projects using this Section 249.94 in the Housing Inventory Report. Prior to December 31,
23 2030, the Planning Department shall prepare a report containing recommendations for modifications
24 to this Section 249.94, including modifications to the boundaries described in subsection (b), to further
25 the goals of the City’s Seventh Housing Element Cycle.

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Section 4. Pursuant to Sections 106 and 302(c) of the Planning Code, Sheets SU 1, SU 2, SU 3, SU 4, SU 5, SU 6, SU 7, SU 11, SU 12, and SU 13 of the Zoning Map of the City and County of San Francisco are hereby amended, as follows:

Description of Property	Special Use District Hereby Approved
All parcels within the westernmost boundary of the Great Highway; the northernmost boundary of the City; and the area bounded by Leavenworth between Jefferson and North Point; Columbus between North Point and Chestnut; Chestnut between Taylor and Montgomery; Montgomery between Chestnut and Greenwich; Greenwich between Montgomery and Sansome; Sansome between Greenwich and Vallejo; Vallejo between Sansome and Kearny; Kearny between Vallejo and Filbert; Filbert between Kearny and Columbus; Columbus between Filbert and Greenwich; Mason between Greenwich and Green; Green between Mason and Leavenworth; Leavenworth between Green and Washington; Washington between	Family Housing Opportunity Special Use District

1 Leavenworth and Powell; Powell between
2 Washington and California; California
3 between Powell and Leavenworth;
4 Leavenworth between California and Bush;
5 Bush between Leavenworth and Van Ness;
6 Van Ness between Bush and California;
7 California between Van Ness and Steiner;
8 Steiner between California and Sutter; Sutter
9 between Steiner and Gough; Gough
10 between Sutter and Geary; Geary between
11 Gough and Baker; St. Joseph's Avenue
12 between Geary and Turk; Turk between St.
13 Joseph's Avenue and Scott; Scott between
14 Turk and McAllister; McAllister between
15 Scott and Steiner; Steiner between
16 McAllister and Fulton; Fulton between
17 Steiner and Laguna; Laguna between Fulton
18 and Oak; Oak between Laguna and
19 Fillmore; Fillmore between Oak and Page;
20 Page between Fillmore and Webster;
21 Webster between Page and Haight; Haight
22 between Webster and Laguna; Laguna
23 between Haight and Market; Market between
24 Laguna and Castro; Castro between Market
25 and 21st Street; 21st Street between Castro

1 and Dolores; Dolores between 21st Street
2 and Cesar Chavez; Cesar Chavez between
3 Dolores and Noe; Noe between Cesar
4 Chavez and Laidley; Harry Street Stairs
5 between Laidley and Beacon; Beacon
6 between Harry Street Stairs and Miguel;
7 Miguel between Beacon and Bemis; Bemis
8 between Miguel and Castro; Sussex
9 between Castro and Diamond; Diamond
10 between Sussex and Surrey; Surrey
11 between Diamond and Bosworth; Bosworth
12 between Surrey and San Jose; San Jose
13 between Bosworth and Ocean; Ocean
14 between San Jose and Howth; Howth
15 between Ocean and Mt. Vernon; Mt. Vernon
16 between Howth and Harrold; Grafton
17 between Harold and Capitol; Capitol
18 between Grafton and Lakeview; Lakeview
19 between Capitol and Ashton; Ashton
20 between Lakeview and Holloway; Holloway
21 between Ashton and Junipero Serra;
22 Junipero Serra between Holloway and 19th
23 Avenue; 19th Avenue between Junipero
24 Serra and Eucalyptus; Eucalyptus between
25 19th Avenue and Middlefield; Middlefield

<p>1 between Eucalyptus and Lake Merced 2 Boulevard; Lake Merced Boulevard between 3 Middlefield and Skyline Boulevard; Skyline 4 between Lake Merced Boulevard and Sloat; 5 Sloat between Skyline and the Great 6 Highway.</p>	
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8
9 Section 5. Article 9 of the Subdivision Code is hereby amended by amending Sections
10 1359, 1396.4,1396.5 and adding Section 1396.7, to read as follows:

11
12 **SEC. 1359. PARCEL MAP.**

13 * * * *

14 (c) In the case of Conversions where a Tentative Map is not required, the
15 requirements of Section 1314 and the requirements of Article 9 on Conversions shall apply,
16 provided that hearings as provided in Sections 1313 and 1332 shall not be required, and
17 provided further that Article 9 shall not be applied to two-unit buildings where both units are
18 owner-occupied for one year prior to the application for Conversion. This exemption for
19 owner-occupied two-unit buildings shall not apply to units legalized pursuant to Section 207.3
20 of the Planning Code *or units constructed pursuant to Section 249.94 of the Planning Code.*

21 * * * *

22
23 **SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED**
24 **CONVERSION PROGRAM.**

1 (a) Findings. The findings of Planning Code Section 415.1 concerning the
2 City's inclusionary affordable housing program are incorporated herein by reference and
3 support the basis for charging the fee set forth herein as it relates to the conversion of
4 dwelling units into condominiums.

5 (b) Any building may be exempted from the annual lottery provisions of Section
6 1396 if the building owners for said building comply with either: (1) Section 1396.3(g)(1) and
7 all the requirements of this Section 1396.4; ~~or~~ (2) all the requirements of Section 1396.6; or
8 (3) all the requirements of Section 1396.7. Notwithstanding the foregoing sentence, no property or
9 applicant subject to any of the prohibitions on conversions set forth in Section 1396.2, in
10 particular a property with the eviction(s) set forth in Section 1396.2(b), is eligible for the
11 Expedited Conversion program under this Section 1396.4. Eligible buildings as set forth in this
12 subsection (b) may exercise their option to participate in this program according to the
13 following requirements:

14 * * * *

15
16 **SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF**
17 **REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS.**

18 * * * *

19 (c) Except as otherwise authorized under Section 1396.6 or Section 1396.7, the
20 Department shall not accept an application for the conversion of residential units under
21 Section 1396 nor conduct a lottery under this Article prior to January 1, 2024. Thereafter, the
22 lottery shall resume upon the earlier of the following: (1) the first February following the
23 Mayor's Office of Housing and Community Development report pursuant to subsection (b)
24 showing that the total number of Conversion Replacement Units produced in the City of San
25 Francisco exceeded the total number of units converted as identified in the Department's

1 report prepared pursuant to Subsection (a); or (2) completion of the “Maximum Suspension
2 Period” as defined below.

3 * * * *

4
5 **SEC. 1396.7. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS**
6 **CONSTRUCTED PURSUANT TO PLANNING CODE SECTION 249.94.**

7 *(a) Findings. The findings of Planning Code Section 415.1 concerning the City’s inclusionary*
8 *affordable housing program are incorporated herein by reference and support the basis for charging*
9 *the fee set forth herein as it relates to the conversion of dwelling units into condominiums.*

10 *(b) Definition. “Existing Dwelling Unit” shall mean the dwelling unit in existence on a lot at*
11 *the time of the submittal of an application to construct a new dwelling unit pursuant to Planning Code*
12 *Section 249.94.*

13 *(c) Notwithstanding Section 1396.4 of this Code and Ordinance No. 117-13, a subdivider of a*
14 *one-unit building that has obtained a permit to build one or more new dwelling units pursuant to*
15 *Planning Code Section 249.94, which results in two or more dwelling units, and that has signed an*
16 *affidavit stating the subdivider’s intent to reside in one of those resulting dwelling units, or in the*
17 *Existing Dwelling Unit, for a period of three years after the approval of the Certificate of Final*
18 *Completion and Occupancy for the new dwelling units, shall (1) be exempt from the annual lottery*
19 *provisions of Section 1396 of this Code with respect to the dwelling units built as part of the Project*
20 *and (2) be eligible to submit a condominium conversion application for the Existing Dwelling Units*
21 *and/or include the Existing Dwelling Units in a condominium map application for the project approved*
22 *pursuant to Planning Code Section 249.94. Notwithstanding the foregoing sentence, no property or*
23 *applicant subject to any of the prohibitions on conversions set forth in Section 1396.2 of this Code,*
24 *including but not limited to a property with the eviction(s) set forth in Section 1396.2(b), shall be*
25 *eligible for condominium conversion under this Section 1396.7. Eligible buildings as set forth in this*

1 subsection (c) may exercise their option to participate in this program according to the following
2 requirements:

3 (1) The applicant(s) for the subject building seeking to convert dwelling units to
4 condominiums or subdivide dwelling units into condominiums under this subsection shall pay the fee
5 specified in Section 1315 of this Code.

6 (2) In addition to all other provisions of this Section 1396.7, the applicant(s) shall
7 comply with all of the following:

8 (A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,
9 1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.

10 (B) The applicant(s) must certify that within the 60 months preceding the date
11 of the subject application, no tenant resided at the property.

12 (C) The applicant(s) must certify that to the extent any tenant vacated their unit
13 after March 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did so
14 voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code
15 Sections 37.9(a)(8)-(12) and 37.9(a)(14). If a temporary eviction occurred under Sections 37.9(a)(11)
16 or 37.9(a)(14), then the applicant(s) shall certify that the original tenant reoccupied the unit after the
17 temporary eviction.

18 (3) If the Department finds that a violation of this Section 1396.7 occurred prior to
19 recordation of the final map or final parcel map, the Department shall disapprove the application or
20 subject map. If the Department finds that a violation of this Section occurred after recordation of the
21 final map or parcel map, the Department shall take such enforcement actions as are available and
22 within its authority to address the violation.

23 (4) This Section 1396.7 shall not prohibit a subdivider who has lawfully exercised the
24 subdivider's rights under Administrative Code Section 37.9(a)(13) from submitting a condominium
25 conversion application under this Section 1396.7.

1 **(d) Decisions and Hearing on the Application.**

2 (1) The applicant shall obtain a final and effective tentative map or tentative parcel
3 map approval for the condominium subdivision or parcel map within one year of paying the fee
4 specified in subsection (e) of this Section 1396.7. The Director of the Department of Public Works or
5 the Director's designee is authorized to waive the time limits set forth in this subsection (d)(1) as it
6 applies to a particular building due to extenuating or unique circumstances. Such waiver may be
7 granted only after a public hearing and in no case shall the time limit extend beyond two years after
8 submission of the application.

9 (2) No less than 20 days prior to the Department's proposed decision on a tentative
10 map or tentative parcel map, the Department shall publish the addresses of buildings being considered
11 for approval and post such information on its website. During this time, any interested party may file a
12 written objection to an application and submit information to the Department contesting the eligibility
13 of a building. In addition, the Department may elect to hold a public hearing on said tentative map or
14 tentative parcel map to consider the information presented by the public, other City department, or an
15 applicant. If the Department elects to hold such a hearing it shall post notice of such hearing and
16 provide written notice to the applicant, all tenants of such building, any member of the public who
17 submitted information to the Department, and any interested party who has requested such notice. In
18 the event that an objection to the conversion application is filed in accordance with this subsection
19 (d)(2), and based upon all the facts available to the Department, the Department shall approve,
20 conditionally approve, or disapprove an application and state the reasons in support of that decision.

21 (3) Any map application subject to a Departmental public hearing on the subdivision
22 or a subdivision appeal shall receive a six-month extension on the time limit set forth in subsection
23 (d)(1) of this Section 1396.7.

1 (e) Should the subdivision application be denied or be rejected as untimely in accordance with
2 the dates specified in subsection (d)(1) of this Section 1396.7, or should the tentative subdivision map
3 or tentative parcel map be disapproved, the City shall refund the entirety of the application fee.

4 (f) Conversion of buildings pursuant to this Section 1396.7 shall have no effect on the terms
5 and conditions applicable to such buildings under Section 1385A or 1396 of this Code.

6
7 Section 6. Chapter 37 of the Administrative Code is hereby amended by revising
8 Sections 37.2 and 37.3, to read as follows:

9
10 **SEC. 37.2. DEFINITIONS.**

11 * * * *

12 (r) **Rental Units.** All residential dwelling units in the City together with the land and
13 appurtenant buildings thereto, and all housing services, privileges, furnishings, and facilities
14 supplied in connection with the use or occupancy thereof, including garage and parking
15 facilities.

16 * * * *

17 The term “rental units” shall not include:

18 * * * *

19 (4) Except as provided in subsections (A)-(E), dwelling units whose rents are
20 controlled or regulated by any government unit, agency, or authority, excepting those
21 unsubsidized and/or unassisted units which are insured by the United States Department of
22 Housing and Urban Development; provided, however, that units in unreinforced masonry
23 buildings which have undergone seismic strengthening in accordance with Building Code
24 Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the
25

1 ordinance is not in conflict with the seismic strengthening bond program or with the program's
2 loan agreements or with any regulations promulgated thereunder;

3 * * * *

4 (E) The term "rental units" shall include any new dwelling units created
5 pursuant to the density exception set forth in Section 207(c)(8) and 249.94 of the Planning
6 Code.

7
8 **SEC. 37.3. RENT LIMITATIONS.**

9 (a) **Rent Increase Limitations for Tenants in Occupancy.** Landlords may impose
10 rent increases upon tenants in occupancy only as provided below and as provided by
11 subsections 37.3(d) and 37.3(g):

12 * * * *

13 (d) **Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).**
14 Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
15 and regardless of whether otherwise provided under Chapter 37:

16 (1) **Property Owner Rights to Establish Initial and All Subsequent Rental**
17 **Rates for Separately Alienable Parcels.**

18 (A) An owner or residential real property may establish the initial and all
19 subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any
20 other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
21 (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
22 right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or
23 unit where the preceding tenancy has been terminated by the owner by notice pursuant to
24 California Civil Code Section 1946 or has been terminated upon a change in the terms of the
25 tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent

1 increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new
2 tenancy in that dwelling or unit.

3 * * * *

4 (D) An owner’s right to establish subsequent rental rates under
5 subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
6 pursuant to the density exception_s set forth in Section_s 207(c)(8) and 249.94 of the Planning
7 Code.

8 * * * *

9
10 Section 7. The Planning Department, the Department of Public Works, and the Rent
11 Board are authorized to adopt regulations to implement this ordinance.

12
13 Section 8. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
17 additions, and Board amendment deletions in accordance with the “Note” that appears under
18 the official title of the ordinance.

19
20 Section ~~8~~9. Severability. If any section, subsection, sentence, clause, phrase, or word
21 of this ordinance, or any application thereof to any person or circumstance, is held to be
22 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
23 shall not affect the validity of the remaining portions or applications of the ordinance. The
24 Board of Supervisors hereby declares that it would have passed this ordinance and each and
25 every section, subsection, sentence, clause, phrase, and word not declared invalid or

1 unconstitutional without regard to whether any other portion of this ordinance or application
2 thereof would be subsequently declared invalid or unconstitutional.

3
4 Section ~~9~~10. No Conflict with Federal or State Law. Nothing in this ordinance shall be
5 interpreted or applied so as to create any requirement, power, or duty in conflict with any
6 federal or state law.

7
8 Section ~~40~~11. Effective Date. This ordinance shall become effective 30 days after
9 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
10 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
11 of Supervisors overrides the Mayor's veto of the ordinance.

12
13 APPROVED AS TO FORM:
14 DAVID CHIU, City Attorney

15 By: /s/ Giulia Gualco-Nelson
16 GIULIA GUALCO-NELSON
Deputy City Attorney

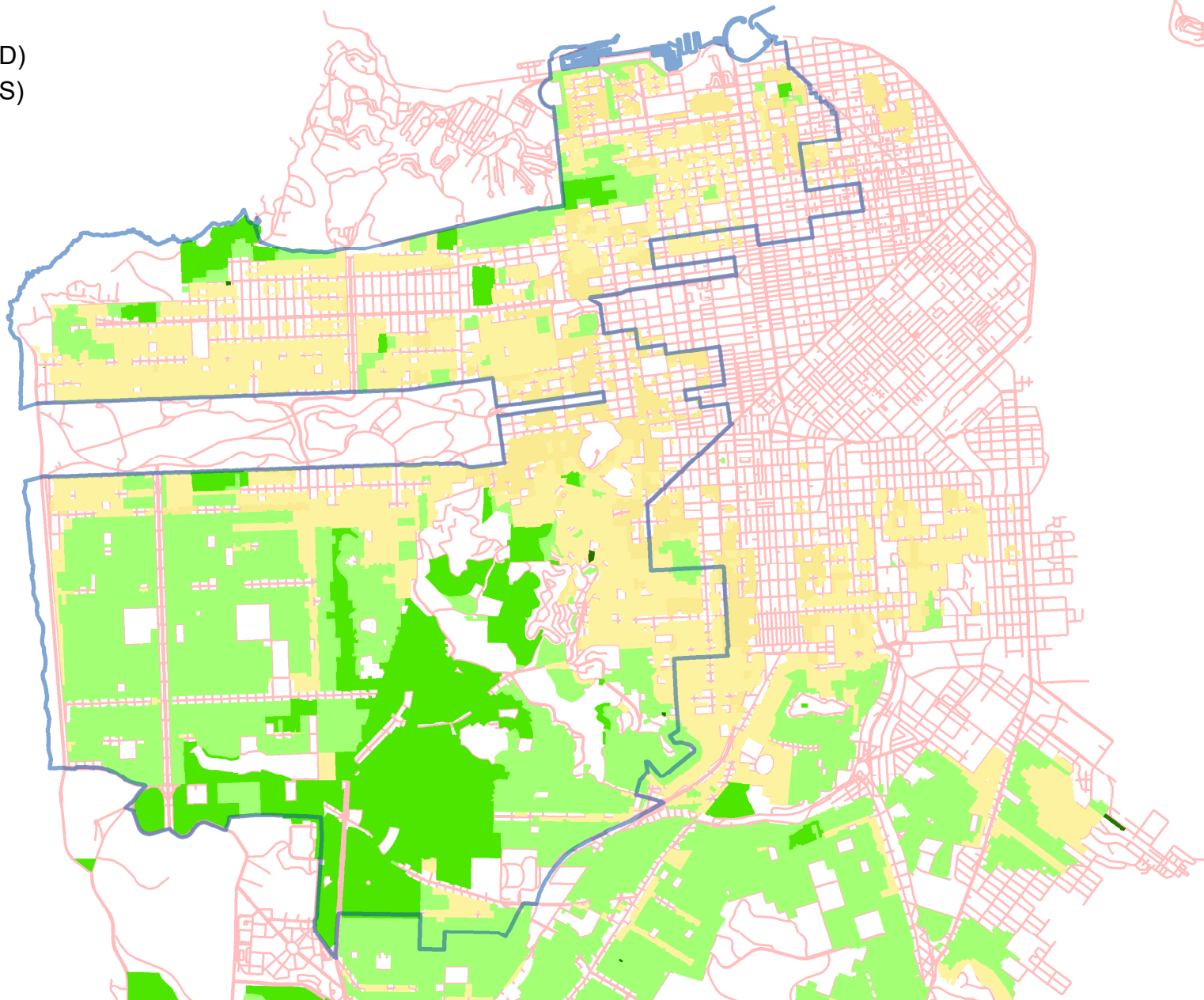
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Family Housing Opportunity SUD

Legend

- Family Housing Opportunity SUD
- RH-1
- RH-1(D)
- RH-1(S)
- RH-2
- RH-3



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June 9, 2023

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

Re: Transmittal of Planning Department Case Number 2023-000413PCAMAP
Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Board File No. 230026

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Melgar,

On June 1, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Melgar that would amend Planning Code Section 249.94. At the hearing the Planning Commission recommended approval with modification.

The Commission’s proposed modifications were as follows:

1. Amend eligibility criterion to also allow projects within the RM-1 Zoning District.
2. Amend the density exceptions for Single-Lot and Lot-Merger projects to also allow up to one unit per 1,000 square feet of lot area, whichever is greater.
3. For the Single-Lot Density Exception, allow four units to be proposed in primary structure.
4. For the Lot-Merger Density Exception, require at least one of the following:

	Two-Lot Merger	Three-Lot Merger
<i>Two-Bedroom Units</i>	Two (2)	Three (3)
<i>Three-Bedroom Units</i>	One (1)	Two (2)



PLANNING COMMISSION RESOLUTION NO. 21327

HEARING DATE: JUNE 1, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Case Number: 2023-000413PCAMAP [Board File No. 230026]
Initiated by: Supervisor Melgar / Introduced January 10, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND 1) THE PLANNING CODE TO CREATE THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; 2) THE PLANNING CODE TO AUTHORIZE UP TO FOUR UNITS ON INDIVIDUAL LOTS, UP TO TWELVE UNITS ON MERGED LOTS IN RH-1 DISTRICTS, AND GROUP HOUSING IN RH-1 DISTRICTS FOR ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT; 3) THE PLANNING CODE TO EXEMPT ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT FROM CERTAIN HEIGHT, OPEN SPACE, DWELLING UNIT EXPOSURE, AND REAR-YARD SETBACK REQUIREMENTS, CONDITIONAL USE AUTHORIZATIONS, AND NEIGHBORHOOD NOTIFICATION REQUIREMENTS; 4) THE SUBDIVISION CODE TO AUTHORIZE ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT TO QUALIFY FOR CONDOMINIUM CONVERSION OR A CONDOMINIUM MAP THAT INCLUDES THE EXISTING DWELLING UNITS AND THE NEW DWELLING UNITS THAT CONSTITUTE THE PROJECT; 5) THE ADMINISTRATIVE CODE TO REQUIRE NEW DWELLING OR GROUP HOUSING UNITS CONSTRUCTED PURSUANT TO THE DENSITY LIMIT EXCEPTION TO BE SUBJECT TO THE RENT INCREASE LIMITATIONS OF THE RENT ORDINANCE; 6) THE ZONING MAP TO SHOW THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; AND AFFIRMING THE PLANNING DEPARTMENT’S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on January 10, 2023 Supervisor Melgar introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 230026, which amend 1) the Planning Code to create the Family

Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; and 6) the Zoning Map to show the Family Housing Opportunity Special Use District (SUD);

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 1, 2023; and,

WHEREAS, the proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022; 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 **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Amend eligibility criterion to also allow projects within the RM-1 Zoning District.
2. Amend the density exceptions for Single-Lot and Lot-Merger projects to also allow up to one unit per 1,000 square feet of lot area, whichever is greater.
3. For the Single-Lot Density Exception, allow four units to be proposed in primary structure.
4. For the Lot-Merger Density Exception, require at least one of the following:

	Two-Lot Merger	Three-Lot Merger
<i>Two-Bedroom Units</i>	Two (2)	Three (3)
<i>Three-Bedroom Units</i>	One (1)	Two (2)

5. Add eligibility criteria to the SUD protecting rent-controlled buildings and prohibiting buildings with tenants and a no-fault eviction history from taking part in the proposed program.
 - (1) No more than two units subject to rent control are being demolished.
 - (2) The units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) (*aka No-Fault Evictions*) within last 5 years.

6. Clerical changes:
 - a. Revise “Group Housing unit” to state “Group Housing bedroom”.
 - b. Clarify that projects cannot propose a combination of Dwelling Units and Group Housing.
 - c. Clarify that Unauthorized Dwelling Units do not count for the purposes of calculating existing Dwelling Units on the property at the time of application.
 - d. Clarify that existing Dwelling Units qualify for the two-bedroom (and/or three-bedroom) requirement.

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 proposed Ordinance will streamline review of qualifying housing projects.

The proposed Ordinance focuses on increasing housing production in the Well-Resourced neighborhoods.

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.A

Ensure housing stability and healthy homes.

OBJECTIVE 3.B

Create a sense of belonging for all communities of color within well-resourced neighborhoods through expanded housing choice.

OBJECTIVE 4.A

Substantially expand the amount of permanently affordable housing for extremely low- to moderate-income households.

OBJECTIVE 4.B

Expand small and mid-rise multi-family housing production to serve our workforce, prioritizing middle-income households.

OBJECTIVE 4.C

Diversify housing types for all cultures, family structures, and abilities.

POLICY 19

Enable low and moderate-income households, particularly American Indian, Black, and other people of color, to live and prosper in Well-resourced Neighborhoods by increasing the number of permanently affordable housing units in those neighborhoods.

POLICY 20

Increase mid-rise and small multi-family housing types by adopting zoning changes or density bonus programs in Well-resourced Neighborhoods and adjacent lower-density areas near transit, including along SFMTA Rapid Network33 and other transit.

POLICY 25

Reduce governmental constraints on development in Well-resourced Neighborhoods to enable small and mid-rise multi-family buildings providing improved housing choice and affordability.

POLICY 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

POLICY 32

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

POLICY 33

Prevent the outmigration of families with children and support the needs of families to grow.

The proposed Ordinance aligns with the Housing Element's goal of providing a diverse stock of housing to meet existing and future residents' needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Collectively, this Ordinance supports the Housing Element's goal of "housing for all".

Planning Code Section 101 Findings

The proposed amendments to the Planning Code and Zoning Map 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 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 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 June 1, 2023.



Jonas P. Ionin
Commission Secretary

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

NOES: None

ABSENT: Ruiz

ADOPTED: June 1, 2023

5. Add eligibility criteria to the SUD protecting rent-controlled buildings and prohibiting buildings with tenants and a no-fault eviction history from taking part in the proposed program.
 - a. No more than two units subject to rent control are being demolished.
 - b. The units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) (aka No-Fault Evictions) within last 5 years.

6. Clerical changes:
 - a. Revise "Group Housing unit" to state "Group Housing bedroom".
 - b. Clarify that projects cannot propose a combination of Dwelling Units and Group Housing.
 - c. Clarify that Unauthorized Dwelling Units do not count for the purposes of calculating existing Dwelling Units on the property at the time of application.
 - d. Clarify that existing Dwelling Units qualify for the two-bedroom (and/or three-bedroom) requirement.

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: Giulia Gualco-Nelson, Deputy City Attorney
Michael Farrah, Aide to Supervisor Melgar
Erica Major, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution
Planning Department Executive Summary



EXECUTIVE SUMMARY

PLANNING CODE TEXT & ZONING MAP AMENDMENT

HEARING DATE: June 1, 2023

90-Day Deadline: August 20, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
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Staff Contact: Veronica Flores, Legislative Affairs
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Reviewed by: Aaron D Starr, Manager of Legislative Affairs
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Recommendation: Approval with Modifications

Planning Code and Zoning Map Amendment

The proposed Ordinance would amend 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; and 6) the Zoning Map to show the Family Housing Opportunity Special Use District (SUD).

The Way It Is Now:

The RH Districts are composed of five separate classes of districts, defined by the number of units permitted in each (see below). Projects trigger a Conditional Use Authorization (CUA) if the project is tantamount to demolition and neighborhood notification if the proposal involves a building expansion.

RH-1(D) Districts	1 unit max. per lot
RH-1 Districts	1 unit max. per lot or 1 unit per every 3,000sqft of lot area with a CUA, but in no case more than 3 units per lot
RH-1(S) Districts	1 unit max. per lot, though a small second unit is allowed if it is 600sqft or less, or 1 unit per every 3,000sqft of lot area with CUA, but in no case more than 3 units per lot
RH-2 Districts	2 unit max. per lot or 1 unit per every 1,500sqft of lot area with CUA;
RH-3 Districts	3 unit max. per lot, or 1 unit per every 1,000sqft of lot area with CUA

Accessory Dwelling Units (ADUs) may also be built in addition to the base density allowances in RH districts.

The Way It Would Be:

The proposed Ordinance would establish the Family Housing Opportunity SUD. The boundaries would be generally coterminous with the areas designated as high-resource and highest-resource neighborhoods in the “Well-Resourced Neighborhoods Map” of the 2023-2031 Housing Element (see Exhibit C). Eligible projects would be exempt from CUAs per Section 303, and the neighborhood notification and public-initiated Discretionary Review (DR) procedures in Section 311. All projects would be required to record a Notice of Special Restrictions (NSR) describing the approved uses, restrictions, and development controls. Such NSR would need to be signed by the City and recorded against the property prior to building permit issuance.

The Family Housing Opportunity SUD would allow projects with the following densities (exclusive of any Accessory Dwelling Units (ADUs)):

- Single-Lot Development Project: The construction, including the alteration of an existing structure, of at least two and no more than four dwelling units on a single lot, inclusive of any existing dwelling units on the site. For a project proposing four dwelling units, the fourth dwelling unit shall be constructed in the rear yard. For a project proposing fewer than four dwelling units, up to one unit may be in the rear yard.
- Lot-Merger Development Project in RH-1 Districts. A merger of up to three lots in RH-1, RH-1(D), or RH-1(S) districts and the construction of at least six units but no more than eight units on a two-lot merger or at least nine units but no more than 12 dwelling units on a three-lot merger.
- Group Housing Development Project: A Single-Lot project and a Lot-Merger project may also propose the construction of up to one Group Housing unit per 415 square feet of lot area or currently permitted under the Planning Code, whichever is greater.

To be eligible for this residential density limit exception, projects must demonstrate the following criteria:

- is located in an RH district within the Family Housing Opportunity SUD;
- not combined with the State Density Bonus or HOME-SF programs;
- not proposed on a property resulting from a lot-split under Senate Bill 9;
- contains at least two dwelling units with two or more bedrooms (not applicable to Group Housing);
- includes more dwelling units than are existing on the site at the time of application (Group Housing projects need to provide at least as many bedrooms as the project would demolish);

- does not propose the demolition of a known historic building;
- complies with Code and applicable design guidelines and strives for consistency with the Residential Design Guidelines (RDGs);
- complies with Senate Bill 330 unit replacement requirements for protected units; and
- the project sponsor needs to have owned the property for one year prior to application submittal.

The Ordinance also include other controls for these projects:

- the height limit shall be 40 feet, notwithstanding Section 261 special height requirements;
- for Single-Lot projects proposing a detached rear yard unit:
 - the detached rear yard units would require a four-foot setback from the rear and side property lines and be no greater than 20 feet tall as measured from grade;
 - open space requirements for each unit on the property shall be at least 100 square feet for private, and 133 square feet if common;
 - the units shall face onto an open space that is no less than 25 feet and such open area is not required to expand in every horizontal dimension at each subsequent floor;
- for Lot-Mergers projects: the minimum densities shall be at least six units for a two-lot merger and at least nine units for a three-lot merger;
 - open space requirements for each unit on the property shall be at least 100 square feet for private, and 133 square feet if common;
- the required rear yard shall be 30% (except when proposing a detached rear yard unit, in which case a minimum of 25 feet separation is required); and
- Dwelling Units built over the base density are subject to price controls and eviction controls under the Rent Ordinance (except Affordable Units provided through the Inclusionary Affordable Housing Program).

The Department shall include an update on the location and number of the units resulting from this SUD within the Housing Inventory Report. Additionally, the Department shall prepare a report containing recommendations to this SUD, including recommendations on the boundaries, prior to December 31, 2030 which is the conclusion of the current Housing Element Cycle.

Background

The City recently passed legislation (Four-plex Program) allowing increased density of up to four Dwelling Units per lot, and up to six Dwelling Units per lot in Corner Lots, in all RH zoning districts;¹ however, this Ordinance kept in place all existing procedural requirements, such as neighborhood notification (311 Notification) and Conditional Use requirements for demolishing existing housing (Planning Code Section 317). The process requirements help make housing construction less feasible by increasing time and costs associated with the project. This Ordinance seeks to eliminate these constraints by creating a Family Housing Opportunity SUD to streamline qualifying housing projects seeking such density limit exceptions. The proposed Ordinance also expands on the density limit exception by carving out a new Lot-Merger density exception described later in this report.

¹ [Ordinance 210-22, Board File No. 210866](#)

Competing Ordinances

Mayoral Executive Directive 23-01 centered on the goal of “Housing for All” and called on all City agencies to create clear action plans to implement the 2022 Housing Element. Specifically, the mayor sought ways to eliminate procedures to streamline housing construction. As part of this effort, Mayor Breed and Supervisor Engardio introduced separate legislation under Board File 230446 to reduce housing constraints and eliminate procedural barriers. The mayor’s Ordinance goes beyond the scope of Supervisor Melgar’s Ordinance and includes changes like standardizing rear yard requirements and setting minimum lot size and lot frontage for the entire city; however, there are significant overlaps between the two Ordinances.

Within that overlap, there are three main differences between Supervisor Melgar’s Ordinance and the mayor’s Ordinance. The first is that Supervisor Melgar’s Ordinance creates an SUD based on the Well-Resourced Neighborhoods within which projects are exempt from procedural requirements if they meet the eligibility requirements. The mayor’s Ordinance also creates an SUD but bases it off the Priority Equity Geographies and uses it to preserve existing review procedures within that area; moreover, both Ordinances seek to increase development within Well-Resourced Neighborhoods. The second main difference is that Supervisor Melgar’s Ordinance applies only to RH zoning district within the proposed SUD, while the mayor’s process changes are not limited to RH zoning districts. The third main difference is that Supervisor Melgar’s Ordinance seeks to replicate the density bonus provisions in the recently passed Four-plex Ordinance to create process improvements for those projects. The mayor’s Ordinance does not increase density, but instead relies on existing density, the framework of the existing Four-plex Ordinance, and anticipated zoning changes from the Housing Element implementation process. A comparison of the two Ordinances can be found in Exhibit D. The mayor’s Ordinance is scheduled to be heard by this commission on June 15, 2023.

Issues and Considerations

Housing Affordability Crisis

San Francisco has faced housing affordability challenges for decades including prices and rents that have increased to be among the highest in the nation. Most lower income renters struggle to afford their rent and homeownership is out of reach to all but those with the highest incomes or wealth. Over 85,000 renters and 39,000 owners spend more than 30% of income on housing and are considered cost burdened.^{2, 3} The most recent Point-in-Time (PIT) Count in 2022 found 7,754 people experiencing homelessness, more than 4,000 of whom are unsheltered.⁴ This was a slight decrease compared to the 2019 PIT Count, partially due to the mayor’s Homelessness Recovery Plan; however, housing for all is still an issue, nonetheless.

Households of many types face housing challenges; however, the most heavily impacted households are people living alone, who make up most severely burdened renters (spending 50% or more on rent) and families with children. This latter group faces elevated rates of cost burden and makes up nearly half of overcrowded households despite being just 18% of all households. People impacted by lack of housing options are extremely diverse. They include seniors on fixed incomes, people with physical and mental disabilities who want to live

² [Housing Needs Assessment and Assessment of Fair Housing, Housing Element 2022 Update, page 68](#)

³ HUD defines cost-burdened families as those “who pay more than 30% of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Severe rent burden is defined as paying more than 50% of one’s income on rent.

⁴ [2022 Homeless Count and Survey Comprehensive Report, page 19](#)

independently, college students, young adults trying to move out of their parents' homes, low- and moderate-income workers, middle-income homebuyers, families with children including single parents, and extended families with multiple generations living together.

People of color in San Francisco have substantially lower incomes than White residents and less housing access due to discriminatory policies. Today, Black, American Indian, and Latino residents have lower rates of home ownership than average, higher rates of cost burden, and experience homelessness at disproportionate rates. Asian residents also have higher cost burdens and, along with Latino residents, face higher rates of housing overcrowding than average.

Recent Development Patterns

In recent decades, housing was primarily built in nine neighborhoods located on the eastern half of the city where form-based, multi-family housing is more widely allowed. These neighborhoods include the Financial District / South Beach, South of Market, Mission Bay, Potrero Hill, Bayview Hunters Point, the Mission, Tenderloin, Hayes Valley, and Western Addition (see darker areas on map). Sixty percent (60%) of San Francisco's affordable units are in five neighborhoods on the eastern side of the city: the Tenderloin, South of Market, Western Addition, Mission, and Bayview-Hunters Point.⁵ The concentration of affordable housing in neighborhoods that are historically lower income and predominantly communities of color has helped stabilize vulnerable communities. However, it has also meant that affordable housing has been concentrated in neighborhoods that may lack access to good environmental quality, schools, job opportunities or transportation, as well as other services and amenities.



The neighborhoods where multi-family housing is allowed often have larger lots and higher permitted heights, resulting in larger housing projects. Because much of the rest of the city has far more restrictive rules on housing, few smaller projects on smaller lots are possible. The tendency toward larger projects on larger parcels limits options for adding housing, especially for smaller property owners, contractors, and builders who do not have the capital or scale to work on larger developments. Residents ultimately bear the brunt of these restrictions, finding limited available and affordable housing options, particularly in higher opportunity areas of the city.

Well-Resourced Neighborhoods

The proposed Ordinance focuses on development opportunities within Well-Resourced Neighborhoods as defined as the high- and highest-resource by the California Tax Credit Allocation Committee (TCAC). Well-Resourced Neighborhoods have a higher concentration of and greater access to parks, quality schools, better environmental conditions, and have higher median incomes. Collectively, these identified characteristics have

⁵ [Housing Needs Assessment and Assessment of Fair Housing. Housing Element 2022 Update. page 46](#)

been shown by research to support positive economic, educational, and health outcomes for low-income families – particularly long-term outcomes for children.

Despite having a higher concentration of resources, the Well-Resourced Neighborhoods have had low rates of housing production.

Since 2005, just 10% of all new housing in San Francisco and 10% of new affordable housing has been built in Well-Resourced Neighborhoods though these areas cover almost 52% of all the residential zoned land in the city.⁶ Exhibit C, which is based off the 2021 Opportunity Map, shows that the Well-Resourced Neighborhoods are mostly concentrated on the western side of the city. Well-Resourced Neighborhoods have experienced the lowest rates of new housing development over the last few decades. This may be partially due to recent rezoning in the inverse geographies since much of the eastern side of the city has established form-based zoning. Additionally, small projects have historically faced strong neighborhood opposition on the western side of the city.

The proposed Ordinance seeks to increase housing production within these Well-Resourced Neighborhoods by providing density limit exceptions as of right and adding more development opportunities through a Lot-Merger density exception. Additionally, this proposed Ordinance helps combat the housing affordability crisis by creating new rent-controlled and Affordable Units.

Eliminating Procedural Barriers for Increased Housing Production

The proposed Ordinance expands on prior legislation that created density limit exceptions throughout the city by removing development hurdles that often delay or kill housing projects, particularly on the west side. This proposed legislation removes the CUA and neighborhood notification requirements, as well as eliminates the public-initiated DR process for all qualifying projects. All these projects would need to comply with the criteria and development controls of the Family Housing Opportunity SUD to have the streamlined benefits. These streamlining benefits are available to projects not seeking a density exception. For example, if a project proposes a total of three units on an RH-3 lot, they will still receive the same streamlining benefits and development controls of the proposed Ordinance.

Development Controls

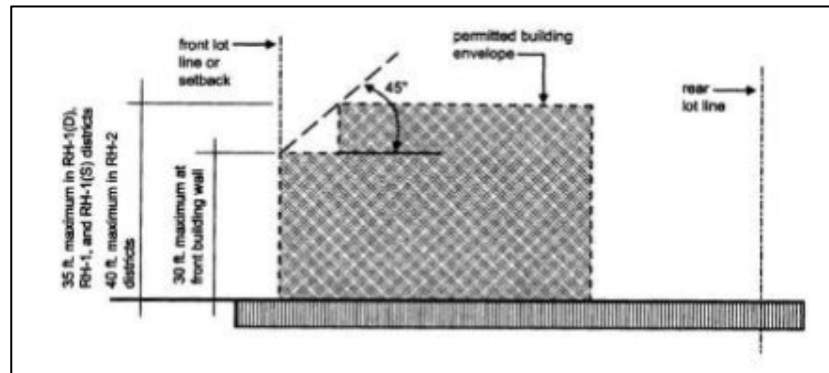
Height/Bulk Districts

Each parcel in the city has a designated Height/Bulk District outlining the maximum height for development. Section 261 includes additional controls within the RH districts including:

- no portion of a dwelling in any RH-1(D), RH-1 or RH-1(S) District shall exceed a height of 35 feet (with some exceptions due to topographical limitations of the parcel) and
- the height limit for RH-1(D), RH-1, RH-1(S) and RH-2 Districts shall be 30 feet at the front lot line, legislated setback line, or required front setback, and shall increase at an angle of 45 degrees from the horizontal toward the rear of the lot until the height limit (see Figure A).

⁶ [San Francisco Housing Element 2022 Update, page 39](#)

Figure A: Height Limits Applicable to Front Portion of the Property



[Source: San Francisco Planning Code, Section 261](#)

These additional height restrictions limit some development opportunity to build a Dwelling Unit or residential building up to 40 feet tall despite being located within a Height/Bulk District of 40-X. The proposed Ordinance seeks to alleviate some of these development constraints and make it easier to construct housing, particularly when eliminating the restrictions at the front of the property.

Design Review

The proposed Ordinance does not bypass design review and the RDGs would still apply to the extent compliance with the guidelines is feasible; however, to further achieve streamlining benefits, the city needs to move away from subjective design review (such as the RDGs) and instead review housing projects against objective design standards. The Department is currently working on objective design standards in conjunction with the rezoning effort to implement the Housing Element. Once adopted, this could further expedite review of all housing projects.

Rent Control

The Rent Ordinance provides two major types of tenant protections including 1) limits on rent increases and 2) eviction protections. The first piece limits a landlord to increasing annual rent by a certain percentage each year based on the Bay Area Consumer Price Index. It is important to note that rent control does not limit the rental price when a unit first comes onto the market or after a tenant vacates the unit. This contrasts with Inclusionary Housing where rents are limited throughout the life of the building. Even without this price cap, rent control is still highly attractive for tenants as it guarantees that the rent is only increased based on the Consumer Price Index. This helps protect against extreme or arbitrary rent increases.

The second piece related to eviction protections means a landlord can only evict a tenant based on the 16 “just causes” outlined in the Rent Ordinance. One example of a “just cause” includes nonpayment of rent or habitually late payments from a tenant, and another example includes owner move-in. These “just cause” eviction protections mean that a landlord cannot wrongfully evict a tenant based on arbitrary reasons. If there are any grievances related to these protections, a tenant can file a petition with the Rent Board. The Rent Board would then conduct an evidentiary hearing to make an official determination.

For many San Franciscans, having a rent-controlled apartment is the only way they are able move to or stay in the city. Rent-controlled units are highly sought after with only a limited stock of units based on the unit's first Certificate of Occupancy (COO). Generally, only dwelling units within a pre-1979 building or added as an ADU through the Local ADU Program are subject to rent control. In the past year, the City also passed the Four-plex program and amendments to the City's local bonus program (HOME-SF) that include provisions for new rent-controlled units. There is also the Housing Crisis Act of 2019 and Senate Bill 330 also allows a City to replace any rent-controlled units that are demolished as part of a housing development. Prior to this, replacing rent-controlled units was done only intermittently through Development Agreements limiting the number of new protected units.

As drafted, the Ordinance requires units seeking a density exception to be subject to rent control. The only exception would be for units that are required to be Affordable Units. Using the same example as described earlier, if a project proposes a total of three units on an RH-3 lot, it would not be required to provide rent-controlled units. In this scenario, the project is not seeking a density exception but is taking advantage of the proposed streamlining benefits. Under the Lot-Merger project path, the Ordinance would potentially yield larger batches of rent-controlled units (sans any required Affordable Units).

General Plan Compliance

The proposed Ordinance aligns with the Housing Element's goal of providing a diverse stock of housing to meet existing and future residents' needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Collectively, this Ordinance supports the Housing Element's goal of "housing for all".

Racial and Social Equity Analysis

This analysis builds on the efforts to review Supervisor Mandelman's recent legislation to create the four-unit density exception for Residential Districts. That analysis found that the most likely existing housing typology to be affected by the legislation was small, single-family homes. This was because demolition of multi-unit buildings to increase the existing density by a few units was not financially feasible. This proposed Ordinance alleviates some of those financial constraints by allowing qualifying housing projects as of right, instead of requiring additional CUA entitlements.

Reduce Potential Vulnerability of Single-Family Homeowners

Despite high home prices, 50% of single-family homes are owned by moderate- or low-income owners. Single-family homes have much lower turnover than multi-family ownership units or rental units. 46% of single-family homes have been occupied for 20 years or more and 70% occupied for 10 years or more. Length of ownership may explain why so many single-family homes have owners with low and moderate incomes even though

current housing prices are unaffordable. These households may have purchased a house when prices were lower, inherited a home, or their income may have been higher when they purchased the property (*i.e., retirees*).⁷

Over 39,000 owners report facing cost burdens, comprising about 30% of all owners. A little less than half of burdened owners experience severe burdens, paying more than 50% of income in housing costs (over 19,000 owners).⁸ Middle income owners are more likely to be cost burdened than renters but more than 80% of severely burdened owners are lower income. People of color are disproportionately impacted by owner cost burden, likely due to disproportionately lower incomes. Black or African American owners, as well as Hispanic or Latino, Native Hawaiian or Pacific Islander, and Asian owners, experience elevated rates of owner cost burden. While rents have dropped, the single-family home market has been highly active. Prices have only gone up in the past couple of years indicating that the pressures that might encourage these homeowners to sell their properties is powerfully in action *now*. Changing density limits is unlikely to make a significant difference in the choices these families currently face.

Aging In Place

Asian and Hispanic households are typically more likely than White households to opt into multi-generational living. The proposed density limit exceptions are especially appealing for multi-generational families looking to live collectively under one roof but still maintain their own independence by having distinct Dwelling Units. This also provides additional opportunities for seniors to age in place by relocating to a new unit on the ground floor or even a detached unit in the rear yard.

The Lot-Merger projects is envisioned to provide homeowners with limited liquid savings to be able to pool their resources together and increase housing opportunities and communal amenities on site. This requires a convergence of financial mechanisms, potential public-private partnerships, and interested property owners or available lots adjacent to each other to be able to pursue such lot mergers. If achieved, this increases the flexibility for the building configurations and unit types within a proposed housing project. This could also help families increase their equity in the long run, further cementing or enhancing their ability to age in place.

Making Well-Resourced Neighborhoods More Inclusive

The proposed Ordinance concentrates on increasing housing production within Well-Resourced Neighborhoods. Traditionally, low-income households are limited in their housing choices, often only able to rent or purchase in neighborhoods with fewer resources. The proposed Ordinance aligns with the Housing Element goal to open wealthy, predominantly white, and well-resourced neighborhoods to all communities of color and low-income households. This initiative seeks to provide access to high-quality neighborhood resources that foster positive economic and health outcomes.

Implementation

The Department has determined that this Ordinance eliminates procedural barriers and streamlines review for qualifying projects within the proposed Family Housing Opportunity SUD. Additionally, the proposed Ordinance will impact our current implementation procedures in the following ways:

⁷ [Housing Needs Assessment and Assessment of Fair Housing. Housing Element 2022 Update. page 37](#)

⁸ [Housing Needs Assessment and Assessment of Fair Housing. Housing Element 2022 Update. page 73](#)

- Create a new Family Housing Opportunity SUD Informational and Supplemental Application Packet;
- Require applications to submit the above Supplemental Application prior to submitting a Lot Line Adjustment (LLA) application to Public Works;
- Create a Regulatory Agreement template to designate rent-controlled units; and
- Create a new NSR template outlining the approved uses, restrictions, and development controls.

The items described above will take lead time at the front end and should not increase staff review time or costs. These efforts will be beneficial for the applicants as they will better understand upfront the new options available to them. Additionally, the revisions to the Regulatory Agreement designating the new rent-controlled units can also use the Below Market Rate designation process as a model. Therefore, staff does not anticipate revising the Regulatory Agreements will require a lengthy process.

Recommendation

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

1. Amend eligibility criterion to also allow projects within the RM-1 Zoning District.
2. Amend the density exceptions for Single-Lot and Lot-Merger projects to also allow up to one unit per 1,000 square feet of lot area, whichever is greater.
3. Eliminate the reference to RDGs or replace with “adopted objective design standards”.
4. Eliminate the one-year ownership requirement.
5. For the Single-Lot Density Exception, allow four units to be proposed in primary structure.
6. For the Lot-Merger Density Exception, require at least one of the following:

	Two-Lot Merger	Three-Lot Merger
<i>Two-Bedroom Units</i>	Two (2)	Three (3)
<i>Three-Bedroom Units</i>	One (1)	Two (2)

7. Add eligibility criteria to the SUD protecting rent-controlled buildings and prohibiting buildings with tenants and a no-fault eviction history from taking part in the proposed program.

(1) No more than two units subject to rent control are being demolished.

(2) The units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) (*aka No-Fault Evictions*)

within last 5 years.

8. Clerical changes:
 - a. Revise “Group Housing unit” to “Group Housing bedroom”.
 - b. Clarify that projects cannot propose a combination of Dwelling Units and Group Housing.
 - c. Clarify that Unauthorized Dwelling Units do not count for the purposes of calculating existing Dwelling Units on the property at the time of application.
 - d. Clarify that existing Dwelling Units qualify for the two-bedroom (and/or three-bedroom) requirement.

Basis for Recommendation

The Department supports the proposed Ordinance because it supports the Housing Element’s goals of increasing housing production and diversifying the housing stock, particularly within the Well-Resourced Neighborhoods. This Ordinance also supports the Mayoral Executive Directive’s goal of “Housing for All”. However, the Department believes the Ordinance would be more effective with the following modifications:

Recommendation 1: Amend eligibility criterion to also allow projects within the RM-1 Zoning District.

The RM-1 Zoning District has a mixture of Dwelling Unit types found within RH Districts, but in addition have a significant number of apartment buildings that broaden the range of unit sizes and the variety of structures. The RM-1 Zoning District permits a density of three units per lot or up to one unit per 800 square feet of lot area. A typical lot in the Sunset neighborhood, for example, has a parcel area of 2,500 square feet and would allow up to three Dwelling Units. The proposed Ordinance should be expanded to include RM-1 so that this zoning district is not less dense than what the proposed density limit exceptions would allow.

Recommendation 2: Amend the density exceptions for Single-Lot and Lot-Merger projects to also allow up to one unit per 1,000 square feet of lot area, whichever is greater.

The proposed Ordinance includes minimum densities for both Single-Lot and Lot-Merger projects but does not consider development potential on larger lots. The legislation should be revised to allow an additional density exemption of up to one unit per 1,000 square feet of lot area or the prescribed density minimum in the proposed Ordinance, whichever is greater (see examples in tables below). This 1,000 square feet threshold is modeled after the current CUA requirement for large lots on RH-3 parcels.

Single-Lot Project Example:

Lot Area in Square Feet	Density exception under proposed Ordinance	Density exception per 1,000 square feet of lot area (recommended modification)
2,500 (typical lot)	Four (4)	Three (3)
7,000	Four (4)	Seven (7)

Three-Lot Merger Project Example:

Lot Area in Square Feet	Density exception under proposed Ordinance	Density exception per 1,000 square feet of lot area (recommended modification)
7,500 (typical lots)	Twelve (12)	Eight (8)
16,000	Twelve (12)	Sixteen (16)

The greater density exception is **bolded** in each example above. This recommendation modification would allow a greater density exception as-of-right in cases of large parcels or resulting lot-mergers.

Recommendation 3: Eliminate the reference to RDGs or replace it with “adopted objective design standards”.

The Department is working on moving away from subjective design review such as the RDGs and instead review housing projects against objective design standards. The Department is currently working on objective design standards in conjunction with the rezoning effort to implement the Housing Element. Once adopted, this could further expedite review of all housing projects.

Recommendation 4: Eliminate the one-year ownership requirement.

The ownership requirement was originally included in the Four-plex program to discourage speculative projects and developers; however, it’s not clear that this stops speculative development or that the City should be discouraging people from investing in housing construction based on how long someone has owned the property. It could take up to a year for an applicant to finalize development plans, but that could also be done in a matter of months. Not allowing the applicant to submit plans when they are ready increases holding costs and ultimately the cost of housing. It also slows down the pace of housing development, and since the City needs 82,000 housing units in the next 8 years setting an arbitrary holding time is counterproductive. Eliminating the ownership requirement allows applicants to start their projects sooner and helps produce housing the housing we desperately need now. This recommendation would also align with Mayor Breed’s a streamlining legislation which eliminates the ownership requirement in the Four-plex program.

Recommendation 5: For the Single-Lot Density Exception, allow four units to be proposed in primary structure.

The current provision for Single-Lot Density Exception only allows four-unit developments to have a three-unit building at the front of the lot, and one unit in the rear yard. This requirement was initially based on the understanding that the building code necessitates an elevator in four-unit buildings. The concern was that the additional height required for an elevator posed challenges during the Supervisor’s outreach. However, there is no prohibition on installing an elevator in a one- or two-unit 40’ building, and an applicant could propose a State ADU within the front building, which may trigger the need for an elevator. Allowing the entire development to take place at the front of the lot maintains the City’s historic development pattern, which offers several environmental benefits and health benefits to residents. Additionally, constructing side yards or fire protected pathways through the front building would be necessary to accommodate development in the rear yard. Given our zero-lot line development pattern and the narrowness of our 25’ lots, developing the rear yard becomes less practical.

Recommendation 6: For the Lot-Merger Density Exception, require at least one of the following:

	Two-Lot Merger	Three-Lot Merger
--	----------------	------------------

Two-Bedroom Units	Two (2)	Three (3)
Three-Bedroom Units	One (1)	Two (2)

The minimum of two units providing at least two bedrooms makes sense for the Single-Lot development projects but should be expanded for the Lot-Merger projects. This recommendation expands the proposed two-bedroom requirement by 1) increasing the number of required two-bedroom units when three lots are merged and 2) allowing an additional option for Lot-Merger projects to comply with unit type requirements. The idea is that a Lot-Merger project will yield more units than a Single-Lot project and thus there is more flexibility in the types of units offered. The recommended amendments align with the intent of the proposed Ordinance to create family-sized Dwelling Units.

Recommendation 7: Add eligibility criteria to the SUD protecting rent-controlled buildings and prohibiting buildings with tenants and a no-fault eviction history from taking part in the proposed program.

- (1) No more than two units subject to rent control are being demolished.
- (2) The units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) (*aka No-Fault Evictions*) within last 5 years.

While Supervisor Melgar’s ordinance includes a prohibition on condo conversion for buildings that have a history of no-fault evictions, we believe that this criterion should be used to determine eligibility for the program. We also want to protect multi-unit buildings (three or more units) from being demolished to reduce the loss of existing housing stock and minimize displacement. Supervisor Melgar’s ordinance specifies that replacement, relocation and first right of refusal per SB 330 must be adhered to; however, it does not set a limit on the number of units in this category that could be demolished.

Recommendation 8: Clerical changes:

These changes are recommended to correct the nomenclature and language used within the proposed Ordinance. All changes are more clerical in nature and will not change the intent of the legislation.

Recommendation 8a: Revise “Group Housing unit” to “Group Housing bedroom”.

Group Housing is a different use than a Dwelling Unit. The correct term is “Group Housing bedroom”.

Recommendation 8b: Clarify that projects cannot propose a combination of Dwelling Units and Group Housing.

Density is calculated differently between Dwelling Units and Group Housing bedrooms. Additionally, Group Housing projects require different common space and communal kitchen requirements which should not be applied to Dwelling Units. This clarifies that the separate uses cannot be combined within the proposed SUD.

Recommendation 8c: Clarify that Unauthorized Dwelling Units do not count for the purposes of calculating existing Dwelling Units on the property at the time of application.

Unauthorized Dwelling Units should not be counted as an existing Dwelling Unit because the intent of the legislation is to increase the number of legal Dwelling Units. For example, if there is currently a single-family dwelling with an Unauthorized Dwelling Unit, the final project should include at least two Dwelling Units. This property should not need be required to propose a project with at least three Dwelling Units.

Recommendation 8d: Clarify that existing Dwelling Units qualify for the two-bedroom (and/or three-bedroom) requirement.

The Ordinance should not discount existing Dwelling Units when reviewing for the project's unit types against the eligibility criterion because not all proposed projects would be new construction. For example, if there are currently two (2) two-bedroom units at the property, the project should already meet the eligibility criterion even if they are proposing to add only one (1) new one-bedroom to the property. The eligibility criterion should review the resulting project, not just *new* Dwelling Units.

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 were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.

Public Comment

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

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 230026
- Exhibit C: Proposed Family Housing Opportunity SUD boundaries
- Exhibit D: Comparison of Melgar and the mayor's proposed Ordinances



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: June 1, 2023

Project Name: Family Housing Opportunity Special Use District; Design Controls and Review Procedures
Case Number: 2023-000413PCAMAP [Board File No. 230026]
Initiated by: Supervisor Melgar / Introduced January 10, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND 1) THE PLANNING CODE TO CREATE THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; 2) THE PLANNING CODE TO AUTHORIZE UP TO FOUR UNITS ON INDIVIDUAL LOTS, UP TO TWELVE UNITS ON MERGED LOTS IN RH-1 DISTRICTS, AND GROUP HOUSING IN RH-1 DISTRICTS FOR ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT; 3) THE PLANNING CODE TO EXEMPT ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT FROM CERTAIN HEIGHT, OPEN SPACE, DWELLING UNIT EXPOSURE, AND REAR-YARD SETBACK REQUIREMENTS, CONDITIONAL USE AUTHORIZATIONS, AND NEIGHBORHOOD NOTIFICATION REQUIREMENTS; 4) THE SUBDIVISION CODE TO AUTHORIZE ELIGIBLE PROJECTS IN THE SPECIAL USE DISTRICT TO QUALIFY FOR CONDOMINIUM CONVERSION OR A CONDOMINIUM MAP THAT INCLUDES THE EXISTING DWELLING UNITS AND THE NEW DWELLING UNITS THAT CONSTITUTE THE PROJECT; 5) THE ADMINISTRATIVE CODE TO REQUIRE NEW DWELLING OR GROUP HOUSING UNITS CONSTRUCTED PURSUANT TO THE DENSITY LIMIT EXCEPTION TO BE SUBJECT TO THE RENT INCREASE LIMITATIONS OF THE RENT ORDINANCE; 6) THE ZONING MAP TO SHOW THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; AND AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on January 10, 2023 Supervisor Melgar introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230026, which amend 1) the Planning Code to create the Family

Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; and 6) the Zoning Map to show the Family Housing Opportunity Special Use District (SUD);

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 1, 2023; and,

WHEREAS, the proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022; 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 **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Amend eligibility criterion to also allow projects within the RM-1 Zoning District.
2. Amend the density exceptions for Single-Lot and Lot-Merger projects to also allow up to one unit per

1,000 square feet of lot area, whichever is greater.

3. Eliminate the reference to RDGs *or* replace with “adopted objective design standards”.
4. Eliminate the one-year ownership requirement.
5. For the Single-Lot Density Exception, allow four units to be proposed in primary structure.
6. For the Lot-Merger Density Exception, require at least one of the following:

	Two-Lot Merger	Three-Lot Merger
<i>Two-Bedroom Units</i>	Two (2)	Three (3)
<i>Three-Bedroom Units</i>	One (1)	Two (2)

7. Add eligibility criteria to the SUD protecting rent-controlled buildings and prohibiting buildings with tenants and a no-fault eviction history from taking part in the proposed program.

(1) No more than two units subject to rent control are being demolished.

(2) The units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) (*aka No-Fault Evictions*) within last 5 years.

8. Clerical changes:
 - a. Revise “Group Housing unit” to state “Group Housing bedroom”.
 - b. Clarify that projects cannot propose a combination of Dwelling Units and Group Housing.
 - c. Clarify that Unauthorized Dwelling Units do not count for the purposes of calculating existing Dwelling Units on the property at the time of application.
 - d. Clarify that existing Dwelling Units qualify for the two-bedroom (and/or three-bedroom) requirement.

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 proposed Ordinance will streamline review of qualifying housing projects.

The proposed Ordinance focuses on increasing housing production in the Well-Resourced neighborhoods.

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.A

Ensure housing stability and healthy homes.

OBJECTIVE 3.B

Create a sense of belonging for all communities of color within well-resourced neighborhoods through expanded housing choice.

OBJECTIVE 4.A

Substantially expand the amount of permanently affordable housing for extremely low- to moderate-income households.

OBJECTIVE 4.B

Expand small and mid-rise multi-family housing production to serve our workforce, prioritizing middle-income households.

OBJECTIVE 4.C

Diversify housing types for all cultures, family structures, and abilities.

POLICY 19

Enable low and moderate-income households, particularly American Indian, Black, and other people of color, to live and prosper in Well-resourced Neighborhoods by increasing the number of permanently affordable housing units in those neighborhoods.

POLICY 20

Increase mid-rise and small multi-family housing types by adopting zoning changes or density bonus programs in Well-resourced Neighborhoods and adjacent lower-density areas near transit, including along SFMTA Rapid Network³³ and other transit.

POLICY 25

Reduce governmental constraints on development in Well-resourced Neighborhoods to enable small and mid-rise multi-family buildings providing improved housing choice and affordability.

POLICY 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

POLICY 32

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

POLICY 33

Prevent the outmigration of families with children and support the needs of families to grow.

The proposed Ordinance aligns with the Housing Element's goal of providing a diverse stock of housing to meet existing and future residents' needs. This legislation especially responds to Policy 26 by eliminating procedural barriers through new streamlining opportunities for qualifying projects within the proposed Family Housing Opportunity SUD. The proposed Ordinance also focuses development opportunities within the Well-Resourced Neighborhoods identified in San Francisco. This directly supports Policy 25 by eliminating development constraints within the Well-Resourced Neighborhoods and Policy 19 by increasing small-and mid-rise buildings within the Well-Resourced Neighborhoods or within low-density neighborhoods. Collectively, this Ordinance supports the Housing Element's goal of "housing for all".

Planning Code Section 101 Findings

The proposed amendments to the Planning Code and Zoning Map 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 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 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 June 1, 2023.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

Resolution XXXXX
June 1, 2023

Case No.2023-000413PCA2023-000413PCAMAP
Family Housing Opportunity Special Use District;
Design Controls and Review Procedures

ADOPTED: June 1, 2023

1 [Planning, Subdivision, and Administrative Codes and Zoning Map - Family Housing
2 Opportunity Special Use District]

3 **Ordinance amending 1) the Planning Code to create the Family Housing Opportunity**
4 **Special Use District; 2) the Planning Code to authorize up to four units on individual**
5 **lots, up to twelve units on merged lots in RH-1 (Residential-House, One Family)**
6 **districts, and Group Housing in RH-1 districts for eligible projects in the Special Use**
7 **District; 3) the Planning Code to exempt eligible projects in the Special Use District**
8 **from certain height, open space, dwelling unit exposure, and rear-yard setback**
9 **requirements, conditional use authorizations, and neighborhood notification**
10 **requirements; 4) amending the Subdivision Code to authorize eligible projects in the**
11 **Special Use District to qualify for condominium conversion or a condominium map that**
12 **includes the existing dwelling units and the new dwelling units that constitute the**
13 **project; 5) amending the Administrative Code to require new dwelling or group housing**
14 **units constructed pursuant to the density limit exception to be subject to the rent**
15 **increase limitations of the Rent Ordinance; 6) amending the Zoning Map to show the**
16 **Family Housing Opportunity Special Use District; and affirming the Planning**
17 **Department’s determination under the California Environmental Quality Act, and**
18 **making findings of consistency with the General Plan, and the eight priority policies of**
19 **Planning Code, Section 101.1, and findings of public necessity, convenience, and**
20 **welfare under Planning Code, Section 302.**

21 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
22 **Additions to Codes** are in *single-underline italics Times New Roman font*.
23 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
24 **Board amendment additions** are in double-underlined Arial font.
25 **Board amendment deletions** are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code
subsections or parts of tables.

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

2
3 Section 1. CEQA and Land Use Findings.

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

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

14 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
15 amendments will serve the public necessity, convenience, and welfare for the reasons set
16 forth in Planning Commission Resolution No. _____, and the Board adopts such
17 reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
18 Supervisors in File No. _____ and is incorporated herein by reference.

19
20 Section 2. General Findings.

21 (a) California faces a severe crisis of housing affordability and availability, prompting
22 the Legislature to declare, in Section 65589.5 of the Government Code, that the state has “a
23 housing supply and affordability crisis of historic proportions. The consequences of failing to
24 effectively and aggressively confront this crisis are hurting millions of Californians, robbing
25

1 future generations of a chance to call California home, stifling economic opportunities for
2 workers and businesses, worsening poverty and homelessness, and undermining the state’s
3 environmental and climate objectives.”

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

7 (c) According to the Planning Department’s 2020 Housing Inventory, the cost of
8 housing in San Francisco has increased dramatically since the Great Recession of 2008-
9 2009, with the median sale price for a two-bedroom house more than tripling from 2011 to
10 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone,
11 even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom
12 apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to
13 \$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.

14 (d) These housing cost trends come after decades of underproduction of housing in
15 the Bay Area. The City’s Chief Economist has estimated that approximately 5,000 new
16 market-rate housing units per year would be required to keep housing prices in San Francisco
17 constant with the general rate of inflation. To this end, the City’s COVID-19 Economic
18 Recovery Task Force included a recommendation in its October 2020 report to support
19 construction of small multifamily buildings in low density areas to support “missing middle”
20 housing opportunities.

21 (e) Moreover, San Francisco will be challenged to meet increased Regional Housing
22 Needs Allocation (“RHNA”) goals in the 2023-2031 Housing Element cycle, which total 82,069
23 units over eight years, more than 2.5 times the goal of the previous eight-year cycle. At the
24 same time, relatively new State laws like Senate Bill 35 (2017) would limit San Francisco’s
25

1 local zoning control and discretion if the City does not meet these RHNA housing production
2 goals.

3 (f) San Francisco’s new housing production in recent years has been heavily
4 concentrated in the eastern and southeastern parts of the City, with 90% of all new housing
5 produced in just ten eastside and central neighborhoods, according to the 2019 Housing
6 Affordability Strategies Report. These neighborhoods are home to many of the City’s most
7 established communities of color and communities most vulnerable to displacement
8 pressures.

9 (g) The California Fair Housing Task Force annually updates the Tax Credit Allocation
10 Committee/Department of Housing and Community Development Opportunity Map
11 (“TCAC/HCD Opportunity Map”). The TCAC/HCD Opportunity Map identifies high-resource
12 and highest-resource areas in the state whose concentration of resources have been shown
13 to support positive economic, educational, and health outcomes for low-income families —
14 particularly long-term outcomes for children. The 2020 TCAC/HCD Opportunity Map is the
15 basis for the Well-Resourced Neighborhoods Map in the 2023-2031 Housing Element, on file
16 with the Clerk of the Board of Supervisors in File No. 230001. The Well-Resourced
17 Neighborhoods Map is also on file with the Clerk of the Board of Supervisors in File No.
18 _____ and is incorporated herein by reference.

19 (h) Since 2005, just 10% of all new housing in San Francisco and 10% of new
20 affordable housing in San Francisco has been built in high- and highest-resource
21 neighborhoods, though these areas cover nearly 52% of the residential land in the city. In
22 these high-resource neighborhoods, 65% of the land is limited to one or two units. Permitting
23 additional units in high-resource areas will increase the supply of available housing, including
24 the supply of modestly-sized family units that are more affordable than large, single-family
25 homes.

1 (i) While recent legislation has authorized multi-family homes in these neighborhoods,
2 additional procedural requirements may render them too expensive to deliver. Streamlining
3 and simplifying permit processes will help provide more equitable access to the application
4 process and improve certainty of development outcomes for small multifamily buildings in
5 high- and highest-resource neighborhoods.

6 (j) This ordinance creates the Family Housing Opportunity Special Use District (SUD),
7 whose boundaries are generally coterminous with the Well-Resourced Neighborhoods Map in
8 the 2023-2031 Housing Element. This legislation expands upon and complements recently
9 enacted state legislation, such as SB 9, that aims to promote multifamily housing development
10 in single-family neighborhoods. To this end, the legislation provides project sponsors
11 flexibility to choose from a menu of incentives to fit their project needs – be it relief from
12 procedural requirements like conditional use authorizations, neighborhood notification, and
13 public-initiated discretionary review, relief from development standards like density, or a
14 combination of the two.

15 (k) The Family Housing Opportunity SUD permits development of up to four units on
16 an individual parcel in an RH District, provided that the proposed project complies with the
17 heights and bulk specified in the City’s Zoning Maps (Height & Bulk Maps HT01 through
18 HT14), in addition to other eligibility criteria detailed in this ordinance. The SUD also permits
19 up to one Group Housing unit per 415 square feet of lot area in RH-1, RH-1(D), and RH-1(S)
20 districts. In those same districts, the SUD permits up to 12 units if the lot is the result of a
21 merger of three lots, or eight units if the lot is the result of a merger of two lots. This
22 ordinance also streamlines approval by exempting eligible projects from conditional use
23 authorization and neighborhood notification requirements and public-initiated discretionary
24 review hearings in Planning Code Section 311.

1 (l) All parcels affected by this ordinance are considered urban infill sites under
2 California Government Code Section 65913(e)(3). This Board therefore declares that this
3 ordinance is enacted pursuant to California Government Code Section 65913(e)(3).

4 (m) This Board finds that this ordinance is consistent with San Francisco’s obligation to
5 affirmatively further fair housing pursuant to California Government Code Section 8899.50, by
6 increasing density for projects that enter into regulatory agreements with the City
7 acknowledging that, in consideration for the density exceptions, the new units shall be subject
8 to local rent control notwithstanding the Costa-Hawkins Rental Housing Act (California Civil
9 Code Section 1954.50 *et seq.*). Increasing density in this manner meaningfully addresses
10 significant disparities in housing needs and access to opportunity. Additionally, this ordinance
11 streamlines the approval process to promote certainty in development outcomes in high- and
12 highest-resource neighborhoods.

13 (n) This Board finds that it is in the public interest to encourage the production of a
14 variety of unit types, sizes, and tenure to accommodate people in different living situations,
15 including a mix of smaller units that can help young adults secure housing and seniors to
16 downsize, and larger units that can help growing or multi-generational families stay
17 adequately housed.

18 (o) This Board recognizes that additional development opportunities may lead to
19 speculative real estate investments that may seek to displace current residents, demolish
20 existing housing stock, build new units, and quickly sell those units. To discourage such
21 speculation, demolition of existing units, and displacement of current residents, this ordinance
22 makes the benefit of the streamlining and development incentives available only to persons
23 who have owned their properties for one year prior to the date of their application, including
24 the ownership duration of their Eligible Predecessor, as defined herein, subject to exceptions
25 for multiple ownership structures and vacant buildings described further in the ordinance.

1
2 Section 3. Article 2 of the Planning Code is hereby amended by adding Section
3 249.94, to read as follows:

4
5 **SEC. 249.94. FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT.**

6 (a) Purpose. To incentivize the development of multifamily housing in the City's well-
7 resourced neighborhoods, a special use district entitled "Family Housing Opportunity Special Use
8 District" is hereby established.

9 (b) Boundaries. The boundaries of the Family Housing Opportunity Special Use District are
10 shown on Special Use District Maps Sheets SU 1, SU 2, SU 3, SU 4, SU 5, SU 6, SU 7, SU 11, SU 12,
11 and SU 13. These boundaries consist generally of the areas designated as high-resource and highest-
12 resource on the Well-Resourced Neighborhoods Map of the 2023-2031 Housing Element.

13 (c) Eligibility. An eligible project under this Section 249.94 shall be a project that complies
14 with all the following criteria:

15 (1) is located in an RH District in the Family Housing Opportunity Special Use
16 District;

17 (2) is not seeking or receiving approval under the provisions of Planning Code Sections
18 206.3, 206.5, or 206.6;

19 (3) is not located on a parcel resulting from a lot split under California Government
20 Code Section 66411.7;

21 (4) proposes any of the following project types:

22 (A) Single-Lot Development Project. The construction, including through the
23 alteration of an existing structure, of at least two and no more than four dwelling units on a single lot,
24 inclusive of any existing dwelling units on the site. For a project proposing four dwelling units, the
25 fourth dwelling unit shall be constructed in the rear yard pursuant to subsection (d)(3) of this Section

1 249.94. For a project proposing fewer than four dwelling units, up to one unit may be located in the
2 rear yard pursuant to subsection (d)(3) of this Section 249.94.

3 (B) **Lot-Merger Development Project in RH-1 Districts.** A merger of up to
4 three lots in RH-1, RH-1(D), or RH-1(S) districts and the construction on the resulting lot of at least
5 nine and no more than 12 dwelling units for a three-lot merger project, or at least six and no more than
6 eight dwelling units for a two-lot merger project. A project proposing a lot merger shall not be eligible
7 to construct a rear-yard unit pursuant to subsection (d)(3) of this Section 249.94.

8 (C) **Group Housing Development Project.** A single-lot project pursuant to
9 subsection (c)(4)(A) of this Section 249.94 and a lot-merger project pursuant to subsection (c)(4)(B) of
10 this Section 249.94 may also propose the construction of Group Housing up to the density limits
11 prescribed in subsection (d)(1)(C) of this Section 249.94 or currently permitted under the Planning
12 Code, whichever is greater. Projects proposing Group Housing units shall not be eligible for
13 condominium subdivision, including but not limited to conversion pursuant to Subdivision Code Section
14 1396.7.

15 (5) contains at least two dwelling units with two or more bedrooms. This provision
16 does not apply to projects where all of the units qualify as Group Housing;

17 (6) includes more dwelling units than are existing on the site at the time of application.
18 In the case of Group Housing, projects utilizing this Section 249.94 shall provide more bedrooms than
19 are existing on the site at the time of application;

20 (7) does not propose the demolition of a building that is:

21 (A) listed as a Contributor to Article 10 Historic Districts;

22 (B) listed as a Landmark under Article 10;

23 (C) located in an Article 11 Conservation District, where the building has a
24 rating of Category I, II, III or IV

1 (D) listed in or determined eligible for listing in the California Register of
2 Historical Resources; or,

3 (E) listed in or determined eligible for listing in the National Register of
4 Historic Places;

5 (8) complies with the Planning Code and any applicable design guidelines, including
6 but not limited to the provisions of this Section 249.94. Notwithstanding the previous sentence, an
7 eligible project shall strive for consistency with the Residential Design Guidelines to the extent
8 feasible;

9 (9) complies with the requirements of Section 66300(d) of the California Government
10 Code, as may be amended from time to time, including but not limited to requirements to replace all
11 protected units and to offer existing occupants of any protected units that are lower income households
12 relocation benefits and a right of first refusal for a comparable unit, as those terms are defined therein;
13 and

14 (10) demonstrates that the project sponsor has owned the subject lot for a minimum of
15 one year prior to the time of the submittal of their application, subject to the following:

16 (A) **Eligible Predecessor.** A property owner who has inherited the subject lot,
17 including any inheritance in or through a trust, from a blood, adoptive, or step family relationship,
18 specifically from either (i) a grandparent, parent, sibling, child, or grandchild, or (ii) the spouse or
19 registered domestic partner of such relations, or (iii) the property owner's spouse or registered
20 domestic partner (each an "Eligible Predecessor"), may add an Eligible Predecessor's duration of
21 ownership of the subject lot to the property owner's duration of ownership of the same lot.

22 (B) **Multiple Ownership.** Whenever property proposed for development is
23 jointly owned, owned as common property or is otherwise subject to multiple ownership, the durational
24 requirements of this subsection (c)(10) must be satisfied by: (i) the majority ownership, whether
25 represented by stock, membership interest, partnership interest, co-tenancy interest, or otherwise, in

1 the case of projects proposed under subsection (c)(4)(A); or (ii) the majority ownership of each lot to
2 be merged, whether represented by stock, membership interest, partnership interest, co-tenancy
3 interest, or otherwise, in the case of projects proposed under subsection (c)(4)(B).

4 (C) **Vacant or Abandoned Property.** The requirement in this subsection (c)(10)
5 that the project sponsor has owned the subject lot for a minimum of one year prior to the time of the
6 submittal of their application shall not apply if the property has been vacant for one or more years at
7 the time of application, or if the property has been registered as a vacant or abandoned building
8 pursuant to Building Code Section 103A.4 et seq.

9 (d) **Other Controls.**

10 (1) **Density Exceptions.** Projects that meet the eligibility criteria in subsection (c) of
11 this Section 249.94 are exempt from residential density limits, calculation of which shall not include
12 any Accessory Dwelling Units permitted under Section 207, as follows:

13 (A) **Single-Lot Density Exception.** For projects eligible under subsection
14 (c)(4)(A), up to four dwelling units per lot are allowable;

15 (B) **Lot-Merger Density Exception.** For projects eligible under subsection
16 (c)(4)(B), up to twelve dwelling units per lot are allowable, if the lot is the result of a merger of three
17 lots, or up to eight dwelling units per lot are allowable, if the lot is the result of a merger of two lots;

18 (C) **Group Housing Density Exception.** For both Single-Lot and Lot-Merger
19 Development Projects under subsection (c)(4)(A) or (B), up to one Group Housing unit per 415 square
20 feet of lot area is allowable in RH-1, RH-1(D), and RH-1(S) districts.

21 (2) **Height.** Notwithstanding any other provision of this Code, including but not limited
22 to Section 261, the height limit for a project that meets the eligibility criteria in subsection (c) of this
23 Section 249.94 shall be 40 feet, if 40 feet is authorized by the Height Map of the Zoning Map.

24 (3) **Construction of Rear-Yard Unit.** Construction of a rear-yard unit shall be
25 governed by the following standards:

1 (A) The subject parcel must be at least 2,400 square feet;

2 (B) The rear-yard unit shall be located at least four feet from the side and rear
3 lot lines and shall not share structural walls with any other structure on the lot;

4 (C) Compliance with minimum rear-yard requirements shall not be required,
5 except that a minimum 25 feet separation shall be provided between the facades that face each other;

6 (D) The dwelling unit exposure requirements of Section 140(a)(2) may be
7 satisfied through qualifying windows facing an unobstructed open area that is no less than 25 feet in
8 every horizontal dimension, and such open area is not required to expand in every horizontal
9 dimension at each subsequent floor;

10 (E) The rear-yard building height shall be limited to 20 feet measured from
11 existing grade at any given point to either i) the highest point of a finished roof in the case of a flat roof
12 or ii) the average height of a pitched roof or stepped roof, or similarly sculptured roof form. The rear-
13 yard building shall not be eligible for any height exemptions in subsection (d)(2) of this Section 249.94
14 or in Section 260(b); and

15 (F) Each dwelling unit shall have at least 100 square feet of usable open space
16 if private, and 133 square feet if common.

17 (4) **Rear-Yard Setback Requirements.** For projects that do not construct a rear-yard
18 unit pursuant to subsection (d)(3) of this Section 249.94, the basic rear yard setback shall be equal to
19 30% of the total depth of the lot on which the building is situated, but in no case less than 15 feet.

20 (5) **Open Space Requirements for Lot-Merger Projects.** For projects eligible under
21 subsection (c)(4)(B) of this Section 249.94, each dwelling unit shall have at least 100 square feet of
22 usable open space if private, and 133 square feet if common.

23 (6) **Minimum Density Requirement on Merged Lots.** For lots merged pursuant to
24 subsection (c)(4)(B) of this Section 249.94, any development on the resulting lot shall be subject to the
25 following minimum densities:

1 (A) six units per lot, if the lot results from a two-lot merger, or

2 (B) nine units per lot, if the lot results from a three-lot merger.

3 **(e) Applicability of Rent Ordinance; Regulatory Agreements.**

4 (1) Sponsors of projects utilizing any of the density exceptions in subsection (d)(1) of
5 this Section 249.94 shall enter into a regulatory agreement with the City subjecting the new units
6 created pursuant to such density exception, except for any required Affordable Units as defined in
7 Planning Code Section 401, to the Residential Rent Stabilization and Arbitration Ordinance (Chapter
8 37 of the Administrative Code), as a condition of approval of the density exception (“Regulatory
9 Agreement”).

10 (2) The property owner and the Planning Director, or the Director’s designee, on
11 behalf of the City, will execute the Regulatory Agreement, which is subject to review and approval by
12 the City Attorney’s Office. The Regulatory Agreement shall be executed prior to the City’s issuance of
13 the First Construction Document for the project, as defined in Section 107 A.13.1 of the Building Code.
14 Following execution of the Regulatory Agreement by all parties and approval by the City Attorney, the
15 Regulatory Agreement or a memorandum thereof shall be recorded in the title records in the Office of
16 the Assessor-Recorder against the property and shall be binding on all future owners and successors in
17 interest.

18 (3) At a minimum, the Regulatory Agreement shall contain the following:

19 (A) A description of the total number of units approved, including the number of
20 units subject to the Rent Stabilization and Arbitration Ordinance and other restricted units, if any, and
21 the location, square footage of dwelling units, and number of bedrooms in each unit;

22 (B) A statement that the new units created pursuant to the density exception are
23 not subject to the Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50 et seq.)
24 because under Section 1954.52(b), the property owner has entered into and agreed to the terms of the
25 agreement with the City in consideration for an exception from residential density limits, or other

1 direct financial contribution or other forms of assistance specified in California Government Code
2 Section 65915 et seq.;

3 (C) A description of the residential density exception or other direct financial
4 contribution or forms of assistance provided to the property owner; and

5 (D) A description of the remedies for breach of the agreement and other
6 provisions to ensure implementation and compliance with the agreement.

7 (f) **Review and Approvals.** Notwithstanding any other provision of this Code and irrespective
8 of whether a project is utilizing a density exception pursuant to subsection (d)(1) of this Section 249.94,
9 for any project that meets the eligibility criteria in subsection (c) of this Section 249.94 the following
10 shall apply:

11 (1) No conditional use authorization shall be required, including but not limited to the
12 requirements of Sections 303 and 317 of this Code;

13 (2) Compliance with Section 311 of this Code shall not be required; and

14 (3) A Notice of Special Restrictions (“NSR”) shall be recorded on the title of any
15 property receiving approval under this Section 249.94. The NSR shall:

16 (A) Describe the uses, restrictions, and development controls approved under
17 Planning Code Section 249.94, including but not limited to the minimum density restrictions set forth in
18 subsection (d)(6);

19 (B) State that the NSR runs with the land and is binding on all future owners and
20 successors in interest;

21 (C) Provide the Planning Department with the ability to enforce the provisions
22 of this Section 249.94;

23 (D) Describe any other conditions that the Planning Director deems appropriate
24 to ensure compliance with this Section 249.94; and

25

1 (E) Be signed by the City and recorded prior to issuance of the building permit
2 for the project receiving approval under this Section 249.94.

3 (g) **Review of Program.** The Planning Department shall include the location and number of
4 units of projects using this Section 249.94 in the Housing Inventory Report. Prior to December 31,
5 2030, the Planning Department shall prepare a report containing recommendations for modifications
6 to this Section 249.94, including modifications to the boundaries described in subsection (b), to further
7 the goals of the City's Seventh Housing Element Cycle.

8
9 Section 4. Pursuant to Sections 106 and 302(c) of the Planning Code, Sheets SU 1,
10 SU 2, SU 3, SU 4, SU 5, SU 6, SU 7, SU 11, SU 12, and SU 13 of the Zoning Map of the City
11 and County of San Francisco are hereby amended, as follows:

Description of Property	Special Use District Hereby Approved
All parcels within the westernmost boundary of the Great Highway; the northernmost boundary of the City; and the area bounded by Leavenworth between Jefferson and North Point; Columbus between North Point and Chestnut; Chestnut between Taylor and Montgomery; Montgomery between Chestnut and Greenwich; Greenwich between Montgomery and Sansome; Sansome between Greenwich and Vallejo; Vallejo between Sansome and Kearny;	Family Housing Opportunity Special Use District

1 Kearny between Vallejo and Filbert; Filbert
2 between Kearny and Columbus; Columbus
3 between Filbert and Greenwich; Mason
4 between Greenwich and Green; Green
5 between Mason and Leavenworth;
6 Leavenworth between Green and
7 Washington; Washington between
8 Leavenworth and Powell; Powell between
9 Washington and California; California
10 between Powell and Leavenworth;
11 Leavenworth between California and Bush;
12 Bush between Leavenworth and Van Ness;
13 Van Ness between Bush and California;
14 California between Van Ness and Steiner;
15 Steiner between California and Sutter; Sutter
16 between Steiner and Gough; Gough
17 between Sutter and Geary; Geary between
18 Gough and Baker; St. Joseph's Avenue
19 between Geary and Turk; Turk between St.
20 Joseph's Avenue and Scott; Scott between
21 Turk and McAllister; McAllister between
22 Scott and Steiner; Steiner between
23 McAllister and Fulton; Fulton between
24 Steiner and Laguna; Laguna between Fulton
25 and Oak; Oak between Laguna and

1 Fillmore; Fillmore between Oak and Page;
2 Page between Fillmore and Webster;
3 Webster between Page and Haight; Haight
4 between Webster and Laguna; Laguna
5 between Haight and Market; Market between
6 Laguna and Castro; Castro between Market
7 and 21st Street; 21st Street between Castro
8 and Dolores; Dolores between 21st Street
9 and Cesar Chavez; Cesar Chavez between
10 Dolores and Noe; Noe between Cesar
11 Chavez and Laidley; Harry Street Stairs
12 between Laidley and Beacon; Beacon
13 between Harry Street Stairs and Miguel;
14 Miguel between Beacon and Bemis; Bemis
15 between Miguel and Castro; Sussex
16 between Castro and Diamond; Diamond
17 between Sussex and Surrey; Surrey
18 between Diamond and Bosworth; Bosworth
19 between Surrey and San Jose; San Jose
20 between Bosworth and Ocean; Ocean
21 between San Jose and Howth; Howth
22 between Ocean and Mt. Vernon; Mt. Vernon
23 between Howth and Harrold; Grafton
24 between Harold and Capitol; Capitol
25 between Grafton and Lakeview; Lakeview

1 between Capitol and Ashton; Ashton
2 between Lakeview and Holloway; Holloway
3 between Ashton and Junipero Serra;
4 Junipero Serra between Holloway and 19th
5 Avenue; 19th Avenue between Junipero
6 Serra and Eucalyptus; Eucalyptus between
7 19th Avenue and Middlefield; Middlefield
8 between Eucalyptus and Lake Merced
9 Boulevard; Lake Merced Boulevard between
10 Middlefield and Skyline Boulevard; Skyline
11 between Lake Merced Boulevard and Sloat;
12 Sloat between Skyline and the Great
13 Highway.
14

15
16 Section 5. Article 9 of the Subdivision Code is hereby amended by amending Sections
17 1359, 1396.4,1396.5 and adding Section 1396.7, to read as follows:

18
19 **SEC. 1359. PARCEL MAP.**

20 * * * *

21 (c) In the case of Conversions where a Tentative Map is not required, the
22 requirements of Section 1314 and the requirements of Article 9 on Conversions shall apply,
23 provided that hearings as provided in Sections 1313 and 1332 shall not be required, and
24 provided further that Article 9 shall not be applied to two-unit buildings where both units are
25 owner-occupied for one year prior to the application for Conversion. This exemption for

1 owner-occupied two-unit buildings shall not apply to units legalized pursuant to Section 207.3
2 of the Planning Code or units constructed pursuant to Section 249.94 of the Planning Code.

3 * * * *

4
5 **SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED**
6 **CONVERSION PROGRAM.**

7 (a) Findings. The findings of Planning Code Section 415.1 concerning the
8 City's inclusionary affordable housing program are incorporated herein by reference and
9 support the basis for charging the fee set forth herein as it relates to the conversion of
10 dwelling units into condominiums.

11 (b) Any building may be exempted from the annual lottery provisions of Section
12 1396 if the building owners for said building comply with either: (1) Section 1396.3(g)(1) and
13 all the requirements of this Section 1396.4; ~~or~~ (2) all the requirements of Section 1396.6; or
14 (3) all the requirements of Section 1396.7. Notwithstanding the foregoing sentence, no property or
15 applicant subject to any of the prohibitions on conversions set forth in Section 1396.2, in
16 particular a property with the eviction(s) set forth in Section 1396.2(b), is eligible for the
17 Expedited Conversion program under this Section 1396.4. Eligible buildings as set forth in this
18 subsection (b) may exercise their option to participate in this program according to the
19 following requirements:

20 * * * *

21
22 **SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF**
23 **REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS.**

24 * * * *

1 (c) Except as otherwise authorized under Section 1396.6 or Section 1396.7, the
2 Department shall not accept an application for the conversion of residential units under
3 Section 1396 nor conduct a lottery under this Article prior to January 1, 2024. Thereafter, the
4 lottery shall resume upon the earlier of the following: (1) the first February following the
5 Mayor’s Office of Housing and Community Development report pursuant to subsection (b)
6 showing that the total number of Conversion Replacement Units produced in the City of San
7 Francisco exceeded the total number of units converted as identified in the Department’s
8 report prepared pursuant to Subsection (a); or (2) completion of the “Maximum Suspension
9 Period” as defined below.

10 * * * *

11
12 **SEC. 1396.7. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS**
13 **CONSTRUCTED PURSUANT TO PLANNING CODE SECTION 249.94.**

14 (a) Findings. The findings of Planning Code Section 415.1 concerning the City’s inclusionary
15 affordable housing program are incorporated herein by reference and support the basis for charging
16 the fee set forth herein as it relates to the conversion of dwelling units into condominiums.

17 (b) Definition. “Existing Dwelling Unit” shall mean the dwelling unit in existence on a lot at
18 the time of the submittal of an application to construct a new dwelling unit pursuant to Planning Code
19 Section 249.94.

20 (c) Notwithstanding Section 1396.4 of this Code and Ordinance No. 117-13, a subdivider of a
21 one-unit building that has obtained a permit to build one or more new dwelling units pursuant to
22 Planning Code Section 249.94, which results in two or more dwelling units, and that has signed an
23 affidavit stating the subdivider’s intent to reside in one of those resulting dwelling units, or in the
24 Existing Dwelling Unit, for a period of three years after the approval of the Certificate of Final
25 Completion and Occupancy for the new dwelling units, shall (1) be exempt from the annual lottery

1 provisions of Section 1396 of this Code with respect to the dwelling units built as part of the Project
2 and (2) be eligible to submit a condominium conversion application for the Existing Dwelling Units
3 and/or include the Existing Dwelling Units in a condominium map application for the project approved
4 pursuant to Planning Code Section 249.94. Notwithstanding the foregoing sentence, no property or
5 applicant subject to any of the prohibitions on conversions set forth in Section 1396.2 of this Code,
6 including but not limited to a property with the eviction(s) set forth in Section 1396.2(b), shall be
7 eligible for condominium conversion under this Section 1396.7. Eligible buildings as set forth in this
8 subsection (c) may exercise their option to participate in this program according to the following
9 requirements:

10 (1) The applicant(s) for the subject building seeking to convert dwelling units to
11 condominiums or subdivide dwelling units into condominiums under this subsection shall pay the fee
12 specified in Section 1315 of this Code.

13 (2) In addition to all other provisions of this Section 1396.7, the applicant(s) shall
14 comply with all of the following:

15 (A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,
16 1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.

17 (B) The applicant(s) must certify that within the 60 months preceding the date
18 of the subject application, no tenant resided at the property.

19 (C) The applicant(s) must certify that to the extent any tenant vacated their unit
20 after March 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did so
21 voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code
22 Sections 37.9(a)(8)-(12) and 37.9(a)(14). If a temporary eviction occurred under Sections 37.9(a)(11)
23 or 37.9(a)(14), then the applicant(s) shall certify that the original tenant reoccupied the unit after the
24 temporary eviction.

1 (3) If the Department finds that a violation of this Section 1396.7 occurred prior to
2 recording of the final map or final parcel map, the Department shall disapprove the application or
3 subject map. If the Department finds that a violation of this Section occurred after recording of the
4 final map or parcel map, the Department shall take such enforcement actions as are available and
5 within its authority to address the violation.

6 (4) This Section 1396.7 shall not prohibit a subdivider who has lawfully exercised the
7 subdivider's rights under Administrative Code Section 37.9(a)(13) from submitting a condominium
8 conversion application under this Section 1396.7.

9 **(d) Decisions and Hearing on the Application.**

10 (1) The applicant shall obtain a final and effective tentative map or tentative parcel
11 map approval for the condominium subdivision or parcel map within one year of paying the fee
12 specified in subsection (e) of this Section 1396.7. The Director of the Department of Public Works or
13 the Director's designee is authorized to waive the time limits set forth in this subsection (d)(1) as it
14 applies to a particular building due to extenuating or unique circumstances. Such waiver may be
15 granted only after a public hearing and in no case shall the time limit extend beyond two years after
16 submission of the application.

17 (2) No less than 20 days prior to the Department's proposed decision on a tentative
18 map or tentative parcel map, the Department shall publish the addresses of buildings being considered
19 for approval and post such information on its website. During this time, any interested party may file a
20 written objection to an application and submit information to the Department contesting the eligibility
21 of a building. In addition, the Department may elect to hold a public hearing on said tentative map or
22 tentative parcel map to consider the information presented by the public, other City department, or an
23 applicant. If the Department elects to hold such a hearing it shall post notice of such hearing and
24 provide written notice to the applicant, all tenants of such building, any member of the public who
25 submitted information to the Department, and any interested party who has requested such notice. In

1 the event that an objection to the conversion application is filed in accordance with this subsection
2 (d)(2), and based upon all the facts available to the Department, the Department shall approve,
3 conditionally approve, or disapprove an application and state the reasons in support of that decision.

4 (3) Any map application subject to a Departmental public hearing on the subdivision
5 or a subdivision appeal shall receive a six-month extension on the time limit set forth in subsection
6 (d)(1) of this Section 1396.7.

7 (e) Should the subdivision application be denied or be rejected as untimely in accordance with
8 the dates specified in subsection (d)(1) of this Section 1396.7, or should the tentative subdivision map
9 or tentative parcel map be disapproved, the City shall refund the entirety of the application fee.

10 (f) Conversion of buildings pursuant to this Section 1396.7 shall have no effect on the terms
11 and conditions applicable to such buildings under Section 1385A or 1396 of this Code.

12
13 Section 6. Chapter 37 of the Administrative Code is hereby amended by revising
14 Sections 37.2 and 37.3, to read as follows:

15
16 **SEC. 37.2. DEFINITIONS.**

17 * * * *

18 (r) **Rental Units.** All residential dwelling units in the City together with the land and
19 appurtenant buildings thereto, and all housing services, privileges, furnishings, and facilities
20 supplied in connection with the use or occupancy thereof, including garage and parking
21 facilities.

22 * * * *

23 The term “rental units” shall not include:

24 * * * *

1 (4) Except as provided in subsections (A)-(E), dwelling units whose rents are
2 controlled or regulated by any government unit, agency, or authority, excepting those
3 unsubsidized and/or unassisted units which are insured by the United States Department of
4 Housing and Urban Development; provided, however, that units in unreinforced masonry
5 buildings which have undergone seismic strengthening in accordance with Building Code
6 Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the
7 ordinance is not in conflict with the seismic strengthening bond program or with the program's
8 loan agreements or with any regulations promulgated thereunder;

9 * * * *

10 (E) The term "rental units" shall include any new dwelling units created
11 pursuant to the density exception_s set forth in Section_s 207(c)(8) and 249.94 of the Planning
12 Code.

13
14 **SEC. 37.3. RENT LIMITATIONS.**

15 (a) **Rent Increase Limitations for Tenants in Occupancy.** Landlords may impose
16 rent increases upon tenants in occupancy only as provided below and as provided by
17 subsections 37.3(d) and 37.3(g):

18 * * * *

19 (d) **Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).**
20 Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
21 and regardless of whether otherwise provided under Chapter 37:

22 (1) **Property Owner Rights to Establish Initial and All Subsequent Rental**
23 **Rates for Separately Alienable Parcels.**

24 (A) An owner or residential real property may establish the initial and all
25 subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any

1 other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
2 (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
3 right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or
4 unit where the preceding tenancy has been terminated by the owner by notice pursuant to
5 California Civil Code Section 1946 or has been terminated upon a change in the terms of the
6 tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent
7 increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new
8 tenancy in that dwelling or unit.

9 * * * *

10 (D) An owner's right to establish subsequent rental rates under
11 subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
12 pursuant to the density exception_s set forth in Section_s 207(c)(8) *and 249.94* of the Planning
13 Code.

14 * * * *

15
16 Section 7. The Planning Department, the Department of Public Works, and the Rent
17 Board are authorized to adopt regulations to implement this ordinance.

18
19 Section 8. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
20 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
21 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
22 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
23 additions, and Board amendment deletions in accordance with the "Note" that appears under
24 the official title of the ordinance.

1 Section 8. Severability. If any section, subsection, sentence, clause, phrase, or word
2 of this ordinance, or any application thereof to any person or circumstance, is held to be
3 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
4 shall not affect the validity of the remaining portions or applications of the ordinance. The
5 Board of Supervisors hereby declares that it would have passed this ordinance and each and
6 every section, subsection, sentence, clause, phrase, and word not declared invalid or
7 unconstitutional without regard to whether any other portion of this ordinance or application
8 thereof would be subsequently declared invalid or unconstitutional.

9
10 Section 9. No Conflict with Federal or State Law. Nothing in this ordinance shall be
11 interpreted or applied so as to create any requirement, power, or duty in conflict with any
12 federal or state law.

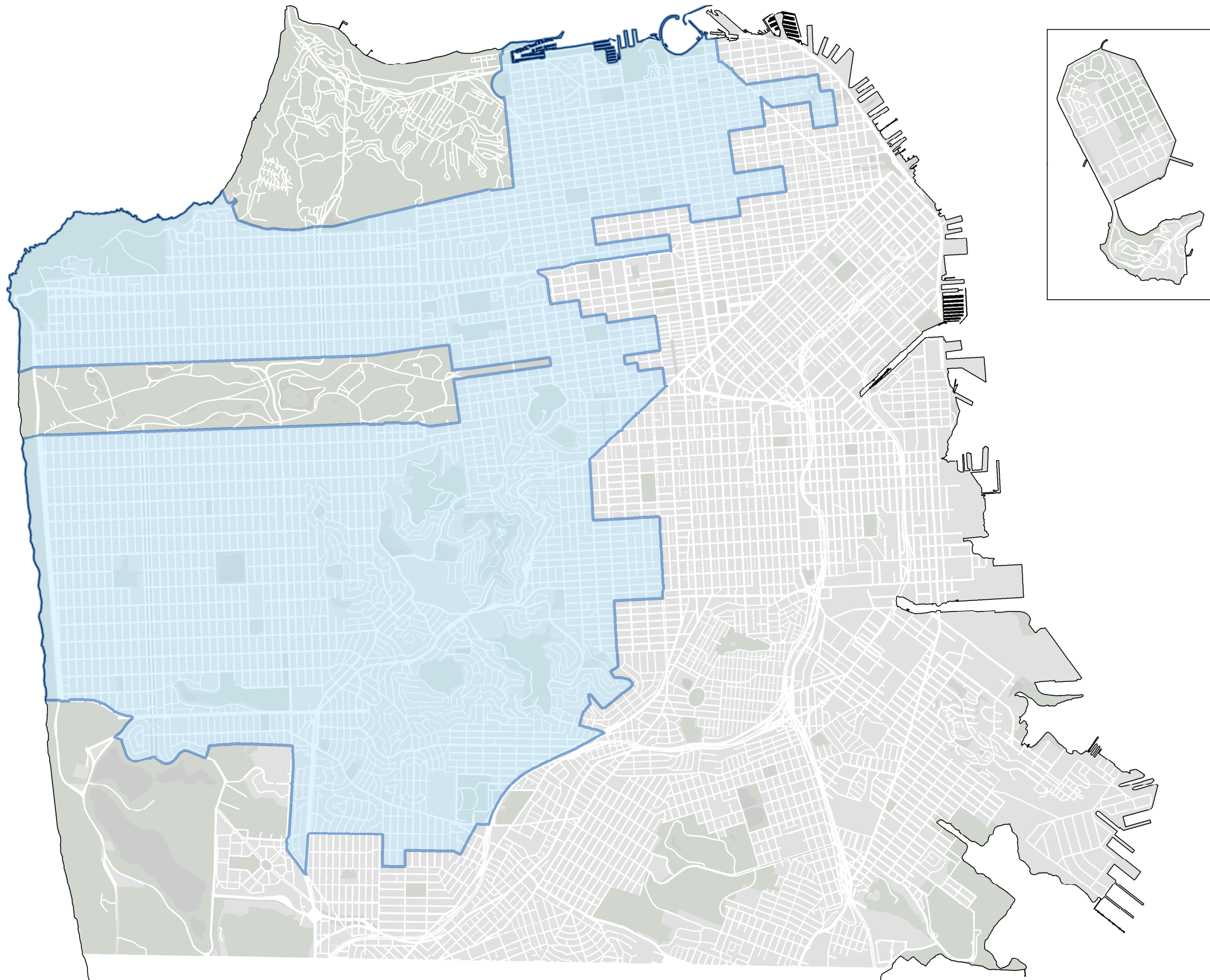
13
14 Section 10. Effective Date. This ordinance shall become effective 30 days after
15 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
16 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
17 of Supervisors overrides the Mayor's veto of the ordinance.

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

21 By: /s/ Giulia Gualco-Nelson
22 GIULIA GUALCO-NELSON
23 Deputy City Attorney

24
25 n:\legana\as2023\2300112\01675385.docx

EXHIBIT C



2010 San Francisco Census Tracts:
102, 103, 104, 109, 110, 111, 112, 126.01, 126.02, 127,
128, 129.01, 129.02, 130, 131.01, 131.02, 132, 133, 134,
135, 153, 154, 155, 156, 157, 158.02, 163, 164, 165, 166,
167, 168.01, 169, 170, 171.01, 171.02, 204.01, 204.02,
205, 211, 212, 213, 214, 216, 217, 301.01, 301.02, 302.01,
302.02, 303.01, 303.02, 304, 305, 306, 307, 308, 309, 310,
311, 312.01, 326.01, 326.02, 327, 328.01, 328.02, 329.01,
329.02, 330, 331, 351, 352.01, 352.02, 353, 354, 401, 402,
426.01, 426.02, 427, 428, 451, 452, 476, 477.01, 477.02,
478.01, 478.02, 479.01, 479.02, 9802

EXHIBIT D

	Supervisor Melgar	Mayor Breed	Analysis
SUD	Creates an SUD based on Well-Resourced Neighborhoods map.	Creates a SUD based on Priority Equity Geographies map (excluding areas that overlap with Well-Resourced Neighborhoods).	Some areas of the city aren't covered by either area, and some parts overlap. Using the Priority Equity Geographies as a basis to maintain existing 311 and 317 controls exempts slightly more neighborhoods from 311 and 317 controls, while using the Well-Resourced Neighborhoods as a basis subjects slightly fewer neighborhoods to the proposed exemptions.
Purpose of SUD	Uses the SUD to provide exemptions from 317 and 311 requirements, and additional density allowances based on specific criteria for properties within the Well-resourced Neighborhoods.	Uses the SUD to maintain existing 311 and 317 requirements for the Priority Equity Geographies.	
311 - Neighborhood Notification	Exempts projects from 311 only if the project is eligible under the criteria outlined in the SUD. (see below)	Exempts all projects from 311 notifications, unless they are located with the Priority Equity Geographies SUD.	More projects would be exempt from 311 under the mayor's ordinance, as 311 would only apply to projects within the Priority Equity Geographies. If the mayor's ordinance is adopted as is, it would negate this provision in Melgar's proposed SUD.
317-CU Requirement for Demo or Alteration	Exempts projects from 317 only if the project is eligible under the criteria outlined in the SUD. (1) is located in an RH District in the Family Housing Opportunity Special Use District; (2) is not seeking or receiving approval under HOME SF, State Density Bonus, or Affordable Housing Bonus projects. (3) is not located on lots resulting from a lot split from SB 9 (4) proposes a specific list of project types (see below). (5) contains at least two dwelling units with two or more bedrooms. <u>(6) includes more dwelling units than are existing on the site at the time of application.</u> <u>(7) does not propose the demolition of a known historic building.</u> (8) Is not seeking a variance, complies applicable design guidelines, complies with the SUD and "strives" to comply with the RDG; <u>(9) Complies with the 3 Rs in SB 330;</u> (10) The project sponsor has owned the property for at least one year.	Exempts project from 317 if they are not located with the Priority Equity Geographies and meet the following criteria: (1) The units to be demolished are not tenant occupied and are without a history of no fault evictions within the last 5 years; (2) No more than two units that are required to be replaced per subsection (5) below would be removed or demolished; <u>(3) The building proposed for demolition of a known Historic Building;</u> <u>(4) The proposed project is adding at least one more unit than would be demolished; and,</u> <u>(5) The project complies the 3 Rs in SB 330</u>	Several of Melgar criteria (1, 2, 4, 5, 10) appear to be in response to allowing increased density and mirror the four-plex legislation. Whereas the mayor's ordinance relies on the provisions already outlined in the four-plex ordinance, existing zoning and anticipated zoning changes. The mayor's ordinance does not have a one-year ownership requirement to take advantage of process improvements, and projects seeking a variance would still be able to take advantage of process relief (but would still need to be granted a variance). If the mayor's ordinance passed as is, it would negate the 317 exemption controls in Melgar's ordinance.
Additional Density	Allows additional density on lots in RH Districts that meet the criteria in the SUD. Additional density is similar to what is allowed in the Four-plex Program, but also includes merger provisions that allow additional density.	Does not provide any additional density beyond what is allowed in existing zoning or the Four-plex Program.	
Lot Size	Requires eligible projects to have a minimum lot size of 2,400 or greater in order to construct a unit in the required rear yard.	Reduces the minimum lot size city wide to 1,200 sq. ft. and minimum lot frontage to 20'	Because Melgar's SUD only sets a minimum lot size for rear yard development and the mayor's change is to minimum lot sizes city-wide, these two provisions do not conflict.

Height	Limits eligible projects to 40' in height. Also eliminates 35' height limit on residential buildings in RH-1 Districts, the reduced height limit based on topographical conditions and the required sun plane at the front of the property.	Removes the CU to exceed 40' in RH Districts.	Very few lots in RH districts exceed 40', however there are some. The mayor's ordinance removes the CU requirement for projects in RH districts above 40'. Essentially Sup. Melgar would be creating a new control in her program that would limit eligible projects to 40'. These two provisions do not conflict.
Rear Yard	Allows for a 30% rear yard for projects that are eligible under the SUD (except on single-lot developments that are proposing a rear unit in which case the project requires a separation of at least 25 feet)	Changes the rear yard to 30% in RH and RM-1 and RM-2 properties. No eligibility requirement	If the mayor's ordinance passes with this provision, the 30% rear yard requirement in Sup. Melgar's ordinance would be unnecessary; however if they both move forward there isn't a conflict.
Rear Yard Development	Allows qualifying projects to add a unit in the rear yard, with a 25-foot rear yard between buildings	Allows development in the rear yard only for through lots and corner lots.	Sup. Melgar's ordinance outlines very specific types of projects and configurations that are eligible for the streamlined review process. This includes allowing eligible projects to construct detached units in the rear yard on lots greater than or equal to 2,400 sq. ft. The mayor's ordinance relaxes some development controls more widely, like allowing buildings in the required rear yard on through and corner lots without any qualifiers; however, unlike Melgar's it would not permit units in the rear yard on interior lots. Under both programs, a detached State ADU would still be allowed regardless of the lot type. If both ordinances moved forward as is, there would not be a conflict.
Open Space	Reduces open space requirements for qualifying projects to 100 sq. ft. per unit or 133 sq. ft. if common	Does not amend useable open space requirements (excluding minimum dimensions)	Since the mayor's ordinance does not allow for increased density, it does not amend the amount of usable open space that is required per unit. Instead it relies on existing zoning controls for the district, or programs like the four-plex ordinance.
Rent Control	Requires units above the base density to be rent controlled	N/A	Since the mayor's ordinance is not providing for additional density it cannot impose rent control on units above the base density; however, projects that utilize the four plex ordinance would still have a rent control requirement.
Displacement Protections	Includes SB 330 protections for displaced tenants (the 3 Rs) as a criterion to be eligible for the program, and if the property has had a no-fault eviction the units cannot be condo converted.	Includes SB 330 protections for displaced tenants (the 3 Rs), and a prohibition on no-fault evictions within the past 5 years to qualify for exception from 317.	Sup. Melgar is creating Section 1396.7 of the Subdivision Code to prohibit condo conversions for units created by her program where there has been a no fault eviction. They mayor's ordinance makes this a criterion in order to be exempt from 317 CU requirements.
Group Housing	Permits Group Housing in the SUD at 1 room for 415 sq ft. of lot area	Amends the four-plex program to allow Group Housing at 1 room per 415 sq ft of lot area.	Both Amendments can move forward without conflict. Melgar is mirroring the densities allowed in the four-plex ordinance, so it makes sense that both programs should be amended to allow group housing at the same density.

BOARD of SUPERVISORS

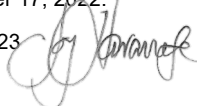


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1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: July 12, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230808
Planning, Subdivision, and Administrative Codes and Zoning Map - Family Housing Opportunity Special Use District

- California Environmental Quality Act (CEQA) Determination *(California Public Resources Code, Sections 21000 et seq.)*
 - Ordinance / Resolution
 - Ballot Measure

The proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.
09/29/2023 
- Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302
- Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)
- General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- Historic Preservation Commission
 - Landmark *(Planning Code, Section 1004.3)*
 - Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
 - Mills Act Contract *(Government Code, Section 50280)*
 - Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.

BOARD of SUPERVISORS



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San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: May 22, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230026-2
Planning, Subdivision, and Administrative Codes and Zoning Map - Family
Housing Opportunity Special Use District

- California Environmental Quality Act (CEQA) Determination *(California Public Resources Code, Sections 21000 et seq.)* The proposed amendments were covered in the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022.
- Ordinance / Resolution
- Ballot Measure
- 05/31/2023 *Joy Navarrete*
- Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
- General Plan Planning Code, Section 101.1 Planning Code, Section 302
- Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)
- General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- Historic Preservation Commission
- Landmark *(Planning Code, Section 1004.3)*
- Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
- Mills Act Contract *(Government Code, Section 50280)*
- Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.

BOARD of SUPERVISORS



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NOTICE OF PUBLIC HEARING

LAND USE AND TRANSPORTATION COMMITTEE

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee of the City and County of San Francisco will hold a public hearing to consider the following hearing matter and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: Monday, February 5, 2024

Time: 1:30 p.m.

Location: Legislative Chamber, Room 250, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco. CA 94102

Subject: File No. 230808. Ordinance amending 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize the greater of up to four units or one unit per 1,000 square feet of lot area on individual lots in the RH (Residential, House) District, up to six dwelling units on individual Corner Lots in the RH District, the greater of up to 12 units or one unit per 1,000 square feet of lot area on three merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18 units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) the Zoning Map to show the Family Housing Opportunity Special Use District; and affirming the Planning Department's determination under the California Environmental

Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be added to the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (bos@sfgov.org). Information relating to this matter is available with the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-lrc>). Agenda information relating to this matter will be available for public review on Friday, February 2, 2024.

For any questions about this hearing, please contact the Assistant Clerk for the Land Use and Transportation Committee:

John Carroll (john.carroll@sfgov.org ~ (415) 554-4445)


+ Angela Calvillo
Clerk of the Board of Supervisors
City and County of San Francisco

jec:bjj:ams

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COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE

Ad Description

JEC - LUT Hearing - February 5, 2024 - File No. 230808

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO EXAMINER. Thank you for using our newspaper. Please read this notice carefully and call us with ny corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

01/26/2024

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Publication	\$712.80
Total	\$712.80

EXM# 3777827

NOTICE OF PUBLIC HEARING BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO LAND USE AND TRANSPORTATION COMMITTEE
Monday, February 5, 2024
1:30 p.m.

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee of the City and County of San Francisco will hold a public hearing to consider the following hearing matter and said public hearing will be held as follows, at which time all interested parties may attend and be heard: File No. 230808. Ordinance amending 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize the greater of up to four units or one unit per 1,000 square feet of lot area on individual lots in the RH (Residential, House) District, up to six dwelling units on individual Corner Lots in the RH District, the greater of up to 12 units or one unit per 1,000 square feet of lot area on three merged lots and the greater of up to eight units or one unit per 1,000 square feet of lot area on two merged lots in RH-1 (Residential, House: One Family) districts, up to 18 units on Corner Lots resulting from three lot mergers in RH-1 districts, up to 12 units on Corner Lots resulting from two lot mergers in RH-1 districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard requirements, conditional use authorizations, and neighborhood notification requirements; 4) the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) the Zoning Map to show the Family Housing Opportunity Special Use District, and affirming the Planning Department's determination under the California Environmental

Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302. In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be added to the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (bos@sfgov.org). Information relating to this matter is available with the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-irc>). Agenda information relating to this matter will be available for public review on Friday, February 2, 2024. For any questions about this hearing, please contact the Assistant Clerk for the Land Use and Transportation Committee: John Carroll (john.carroll@sfgov.org - (415) 554-4445)

EXM-3777827#



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EXM#: 3777827

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of SAN FRANCISCO) ss

Notice Type: GPN - GOVT PUBLIC NOTICE

Ad Description:
JEC - LUT Hearing - February 5, 2024 - File No. 230808

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN FRANCISCO EXAMINER, a newspaper published in the English language in the city of SAN FRANCISCO, county of SAN FRANCISCO, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SAN FRANCISCO, State of California, under date 10/18/1951, Case No. 410667. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

01/26/2024

Executed on: 01/26/2024
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Handwritten signature of John Carroll

Signature



Email

NOTICE OF PUBLIC HEARING BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO LAND USE AND TRANSPORTATION COMMITTEE
Monday, February 5, 2024
1:30 p.m.

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EXM-3777827#

BOARD of SUPERVISORS



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San Francisco, CA 94102-4689
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NOTICE OF PUBLIC HEARING
LAND USE AND TRANSPORTATION COMMITTEE
BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard.

Date: June 12, 2023

Time: 1:30 p.m.

Location: **IN-PERSON MEETING INFORMATION**
Legislative Chamber, Room 250, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

REMOTE ACCESS

Watch: www.sfgovtv.org

Public Comment Call-In: <https://sfbos.org/remote-meeting-call>

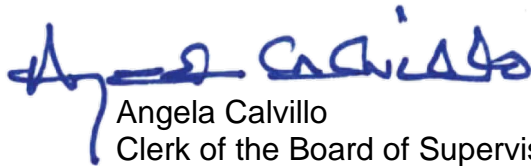
Subject: **File No. 230026.** Ordinance amending 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 (Residential-House, One Family) districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) amending the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) amending the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) amending the Zoning Map to show the Family Housing Opportunity Special Use District; and affirming the Planning Department's determination under the California Environmental Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (board.of.supervisors@sfgov.org). Information relating to this matter is available with the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-lrc>). Agenda information relating to this matter will be available for public review on Friday, June 9, 2023.

For any questions about this hearing, please contact the Assistant Clerk for the Land Use and Transportation Committee:

Erica Major (Erica.Major@sfgov.org) ~ (415) 554-4441)

Please Note: *The Department is open for business, but employees may be working from home. Please allow 24 hours for us to return your call or email.*

A handwritten signature in blue ink, appearing to read "Angela Calvillo". The signature is stylized and cursive.

Angela Calvillo
Clerk of the Board of Supervisors
City and County of San Francisco

em:bjj

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ERICA MAJOR
CCSF BD OF SUPERVISORS (OFFICIAL NOTICES)
1 DR CARLTON B GOODLETT PL #244
SAN FRANCISCO, CA 94102

COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE

Ad Description

EDM 06.12.2023 Land Use - 230026 Zoning Map (Melgar)

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO EXAMINER. Thank you for using our newspaper. Please read this notice carefully and call us with ny corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

06/02/2023

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Publication	\$447.72
Total	\$447.72

EXM# 3707554

NOTICE OF PUBLIC HEARING SAN FRANCISCO BOARD OF SUPERVISORS LAND USE AND TRANSPORTATION COMMITTEE MONDAY, JUNE 12 - 1:30 PM

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard. File No. 230026. Ordinance amending 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 (Residential House, One Family) districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) amending the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) amending the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) amending the Zoning Map to show the Family Housing Opportunity Special Use District; and affirming the Planning Department's determination under the California Environmental Quality Act, and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302. Location: IN-PERSON MEETING INFORMATION Legislative Chamber, Room 250, located at City Hall 1 Dr. Carlton B. Goodlett Place, San Francisco, CA REMOTE ACCESS Watch: www.sfgovtv.org Public Comment Call-In: https://sfbos.org/remotemeeting-call In accordance with Administrative Code,

Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (board.of.supervisors@sfgov.org). Information relating to this matter is available with the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (https://sfbos.org/legislative-research-center-irc). Agenda information relating to this matter will be available for public review on Friday, June 9, 2023. For any questions about this hearing, please contact the Assistant Clerk for the Land Use and Transportation Committee: Erica Major (Erica.Major@sfgov.org - (415) 554-4441)

EXM-3707554#



* A 0 0 0 0 0 6 3 2 4 0 0 6 *

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: July 12, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230808
Planning, Subdivision, and Administrative Codes and Zoning Map - Family Housing
Opportunity Special Use District

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure

- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302

- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: May 22, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230026-2
Planning, Subdivision, and Administrative Codes and Zoning Map - Family
Housing Opportunity Special Use District

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure

- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302

- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Youth Commission

FROM: Angela Calvillo, Clerk of the Board

DATE: May 22, 2023

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS

The Board of Supervisors has received the following, which at the request of the Youth Commission is being referred as per Charter Section 4.124 for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 230026-2

Ordinance amending 1) the Planning Code to create the Family Housing Opportunity Special Use District; 2) the Planning Code to authorize up to four units on individual lots, up to twelve units on merged lots in RH-1 (Residential-House, One Family) districts, and Group Housing in RH-1 districts for eligible projects in the Special Use District; 3) the Planning Code to exempt eligible projects in the Special Use District from certain height, open space, dwelling unit exposure, and rear-yard setback requirements, conditional use authorizations, and neighborhood notification requirements; 4) amending the Subdivision Code to authorize eligible projects in the Special Use District to qualify for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 5) amending the Administrative Code to require new dwelling or group housing units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; 6) amending the Zoning Map to show the Family Housing Opportunity Special Use District; and affirming the Planning Department's determination under the California Environmental Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Board of Supervisors
Land Use and Transportation Committee
Referral – File No. 230026

Please return this cover sheet with the Commission's response to Erica Major, Assistant Clerk, Land Use and Transportation Committee at Erica.Major@sfgov.org.

RESPONSE FROM YOUTH COMMISSION Date: _____

_____ **No Comment**

_____ **Recommendation Attached**

Chairperson, Youth Commission

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: January 17, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230026
Planning Code, Zoning Map - Family Housing Opportunity Special Use District; Design Controls and Review Procedures

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure

- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302

- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Youth Commission
FROM: Angela Calvillo, Clerk of the Board
DATE: January 24, 2023
SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS

The Board of Supervisors has received the following, which at the request of the Youth Commission is being referred as per Charter Section 4.124 for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 230026

Ordinance amending the Planning Code to create the Family Housing Opportunity Special Use District, authorize up to four dwelling units for eligible projects, exempt eligible projects from certain height restrictions, conditional use authorizations, and neighborhood notification requirements, and eliminate a Planning Commission discretionary review hearing for eligible projects upon delegation by the Planning Commission; amending the Zoning Map to show the Family Housing Opportunity Special Use District; and affirming the Planning Department’s determination under the California Environmental Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Please return this cover sheet with the Commission’s response to Erica Major, Assistant Clerk, Land Use and Transportation Committee at Erica.Major@sfgov.org.

RESPONSE FROM YOUTH COMMISSION Date: _____

No Comment

____ Recommendation Attached

Chairperson, Youth Commission

From: [Steve Ward](#)
To: [rom: aeboken](#); [Melgar, Myrna \(BOS\)](#); [MelgarStaff \(BOS\)](#); [Preston, Dean \(BOS\)](#); [PrestonStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [PeskinStaff \(BOS\)](#); [Horrell, Nate \(BOS\)](#); [Carroll, John \(BOS\)](#)
Subject: Fw: Strongly Urging Land Use and Transportation Committee to Either TABLE or OPPOSE Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808
Date: Monday, February 12, 2024 12:01:29 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

----- Forwarded Message -----

From: aeboken <aeboken@gmail.com>
To: aeboken <aeboken@gmail.com>
Sent: Monday, February 12, 2024 at 12:20:48 AM PST
Subject: FW: Strongly Urging Land Use and Transportation Committee to Either TABLE or OPPOSE Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808

Hi all,

If anyone wants to weigh in on this, please send emails on Monday February 12 before noon as the meeting starts at 1:30pm.

I'll be there in person to provide public comment.

Best,

Eileen

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: aeboken <aeboken@gmail.com>
Date: 2/12/24 12:13 AM (GMT-08:00)
To: Myrna Melgar <myrna.melgar@sfgov.org>, Myrna Melgar <melgarstaff@sfgov.org>, dean.preston@sfgov.org, prestonstaff@sfgov.org, "Aaron Peskin (BOS)" <aaron.peskin@sfgov.org>, peskinstaff@sfgov.org, Nate Horrell <nate.horrell@sfgov.org>, John Carroll <john.carroll@sfgov.org>
Subject: Strongly Urging Land Use and Transportation Committee to Either TABLE or OPPOSE Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808

TO: Land Use and Transportation Committee members

FR: Eileen Boken, President
Sunset-Parkside Education and Action Committee (SPEAK)

RE: Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use

District] File #240808

Position: TABLE or OPPOSE

This legislation has numerous flaws in both the legislation itself and in the narrative supporting it.

When this legislation was heard at the Planning Commission, Commissioner Moore described it as lot merger legislation. The title does not reflect this.

During that same Commission hearing for public comment, it was stated that this duplicated file seemed to mirror how the state legislature works. Each state legislator wants their own bill package. This is how multiple bills on the same topic are introduced in a process referred to as the buckshot approach.

After public comment had closed, Commissioner Moore cited the significant number of agenda items on legislation and urged Supervisors to work collaboratively on a single piece of legislation rather than introducing multiple pieces of legislation related to the same topic.

At a subsequent Planning Commission hearing regarding upzoning, Commissioner Diamond suggested that dense infill projects should have step downs so that they will avoid sticking out like a sore thumb.

The dense infill project in District 4 which the sponsor often cites as widely supported is the Gus's Market project at 3701 Noriega.

However, this project has no step downs. So, by Commissioner Diamond's own definition, this project sticks out like a sore thumb.

The 3701 Noriega project is entirely market rate units. It has an onsite fitness center and a rooftop gathering area. It has a high end grocery store. There is no onsite parking for either the grocery store or the residents.

The project could be seen as gentrification in an historically working class neighborhood.

The boundaries for this SUD legislation do not include neighborhoods south of Sloat Blvd even though the Sloat Blvd and Ocean Avenue blocks in District 4 have very wide streets which would allow for densification.

The only areas in this SUD legislation are north of Sloat Blvd which could be seen as a carpetbagger mentality.

The sponsor refers to the concept of Dom-i-City and cites three emails in support of the concept. However, a handful of emails does not indicate widespread support.

The Dom-i-City concept was presented at the West of Twin Peaks Central Council as well as the Coalition for San Francisco Neighborhoods. Both presentations received mixed reviews.

The sponsor has previously cited election results as proof of District 4 support for Dom-i-City. This is flawed logic as election results do not confirm acceptance.

The District 4 working class neighborhoods are unfairly disparaged as being cookie cutter row houses.

However, the Dom-i-City concept relies modular design in the same way as the single family row houses relied on modular design.

Dom-i-City projects could be seen as one more reason to disparage the Sunset and Parkside neighborhoods.

###

Sent from my Verizon, Samsung Galaxy smartphone

From: [Evan Rosen](#)
To: [Peskin, Aaron \(BOS\)](#); [Preston, Dean \(BOS\)](#); [Carroll, John \(BOS\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#)
Subject: Strongly OPPOSING File #230808 "Family and Senior Housing" SUD
Date: Monday, February 12, 2024 11:54:51 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

President Peskin, Supervisor Preston and colleagues,

The marketing handle of "Family and Senior Housing Special Use District" belies the nefarious intent of this legislation. The ordinance declares open season for unbridled demolition and development in the Sunset/Parkside and would forever disrupt life as we know it in the neighborhood. Some of the most distinctive houses that distinguish the Sunset/Parkside districts are on corner lots. The objective of the ordinance is to demolish these corner houses and replace them with box-designed multiplexes to warehouse people. Further, the objective is to merge multiple lots and disrupt tightly-knit communities of people living in houses while turning these areas into something resembling Miami Beach.

Supervisor Engardio lives in a single family house just outside the southern boundary of the SUD, while Supervisor Melgar lives in a single family house east of the SUD boundary. Accordingly, neither sponsor will be personally impacted by the SUD.

While supervisors are often inclined to defer to the district supervisor and support legislation introduced by a district supervisor impacting that supervisor's district, this unwritten code is outdated and must change! It is not reasonable for a supervisor to simply check the ordinance or, in this case, the SUD map to see if it impacts his or her district---and if it doesn't, move it forward.

Supervisors must take responsibility for their votes on legislation that impacts any district, particularly when the legislation has ramifications for the entire City and County of San Francisco.

Please vote NO.

Evan Rosen

From: [Thomas Schuttish](#)
To: [Melgar, Myrna \(BOS\)](#); [MelgarStaff \(BOS\)](#); [Preston, Dean \(BOS\)](#); [PrestonStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [PeskinStaff \(BOS\)](#); [Horrell, Nate \(BOS\)](#); [Carroll, John \(BOS\)](#)
Subject: Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808
Date: Monday, February 12, 2024 7:23:39 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Chair Melgar, President Peskin and Supervisor Preston:

Good morning.

Regarding this **Item #3** on your Agenda at the LUT today, I want to make two points for you to consider

First.

This geographic area of the City covered by this Board File #24808 has many, many blocks already proposed for "*up zoning*" at the corners along the transit corridors. This Rezoning from the Mayor's "Housing for All" initiative, will allow for greater densities and heights and has not been finalized. *And in fact the Planning Commission has delayed further Informational Hearings on the Rezoning into March and perhaps beyond.*

Please look at this interactive map put out by the Planning Department with the proposed Rezoning to understand what is being proposed at *every corner along the transit corridors in this geographic area*. It is extensive.

<https://experience.arcgis.com/experience/6e0e399f9c82456dbda233eacebc433d/>

This ongoing Rezoning process at the Planning Commission should be concluded before Board File #240808, which would up zone every corner in this geographic area, is approved.

Second.

Financial Feasibility Study on the Mayor's Rezoning from the Planning Department's Consultant have not yet been published. The Supervisors need to read and understand this study before Board File #240808 is approved just as this Feasibility Study is needed to understand the Mayor's Rezoning. The Study has been delayed since last year apparently due to incorporating all the legislation from Sacramento. **Board File #240808 should not be approved until the Supervisors and the public can read this Study.**

Thank you.
Sincerely,
Georgia Schuttish

From: [aeboken](#)
To: [Melgar, Myrna \(BOS\)](#); [MelgarStaff \(BOS\)](#); [Preston, Dean \(BOS\)](#); [PrestonStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [PeskinStaff \(BOS\)](#); [Horrell, Nate \(BOS\)](#); [Carroll, John \(BOS\)](#)
Subject: Strongly Urging Land Use and Transportation Committee to Either TABLE or OPPOSE Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808
Date: Monday, February 12, 2024 12:13:59 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

TO: Land Use and Transportation Committee members

FR: Eileen Boken, President
Sunset-Parkside Education and Action Committee (SPEAK)

RE: Agenda Item #3 [Planning Code, Zoning Map - Family and Senior Housing Opportunity Special Use District] File #240808

Position: TABLE or OPPOSE

This legislation has numerous flaws in both the legislation itself and in the narrative supporting it.

When this legislation was heard at the Planning Commission, Commissioner Moore described it as lot merger legislation. The title does not reflect this.

During that same Commission hearing for public comment, it was stated that this duplicated file seemed to mirror how the state legislature works. Each state legislator wants their own bill package. This is how multiple bills on the same topic are introduced in a process referred to as the buckshot approach.

After public comment had closed, Commissioner Moore cited the significant number of agenda items on legislation and urged Supervisors to work collaboratively on a single piece of legislation rather than introducing multiple pieces of legislation related to the same topic.

At a subsequent Planning Commission hearing regarding upzoning, Commissioner Diamond suggested that dense infill projects should have step downs so that they will avoid sticking out like a sore thumb.

The dense infill project in District 4 which the sponsor often cites as widely supported is the Gus's Market project at 3701 Noriega.

However, this project has no step downs. So, by Commissioner Diamond's own definition, this project sticks out like a sore thumb.

The 3701 Noriega project is entirely market rate units. It has an onsite fitness center and a rooftop gathering area. It has a high end grocery store. There is no onsite

parking for either the grocery store or the residents.

The project could be seen as gentrification in an historically working class neighborhood.

The boundaries for this SUD legislation do not include neighborhoods south of Sloat Blvd even though the Sloat Blvd and Ocean Avenue blocks in District 4 have very wide streets which would allow for densification.

The only areas in this SUD legislation are north of Sloat Blvd which could be seen as a carpetbagger mentality.

The sponsor refers to the concept of Dom-i-City and cites three emails in support of the concept. However, a handful of emails does not indicate widespread support.

The Dom-i-City concept was presented at the West of Twin Peaks Central Council as well as the Coalition for San Francisco Neighborhoods. Both presentations received mixed reviews.

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The District 4 working class neighborhoods are unfairly disparaged as being cookie cutter row houses.

However, the Dom-i-City concept relies modular design in the same way as the single family row houses relied on modular design.

Dom-i-City projects could be seen as one more reason to disparage the Sunset and Parkside neighborhoods.

###

Sent from my Verizon, Samsung Galaxy smartphone

From: [aeboken](#)
To: [Melgar, Myrna \(BOS\)](#); [MelgarStaff \(BOS\)](#); [Preston, Dean \(BOS\)](#); [PrestonStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [PeskinStaff \(BOS\)](#); [Carroll, John \(BOS\)](#)
Subject: Strongly urging CONTINUANCE for Land Use and Transportation Committee February 5, 2024 Meeting Agenda Item #3 [Planning, Subdivision, Administrative Codes and Zoning Map - Family Housing Opportunity Special Use District] Duplicated File #230808
Date: Monday, February 5, 2024 11:58:54 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

TO: Land Use and Transportation Committee members

FR: Eileen Boken, President
Sunset-Parkside Education and Action Committee (SPEAK)

RE: Planning, Subdivision, Administrative Codes and Zoning Map - Family Housing Opportunity Special Use District] Duplicated File #230808

Position: Strongly urging a CONTINUANCE

SPEAK is strongly urging the Committee to continue this item due to the fact that the newest feasibility study for the rezoning process has yet to be released.

The Department staff initially stated last November that this feasibility study would be released before the end of 2023 with an informational hearing at the Planning Commission in December of 2023.

The upcoming feasibility study for the rezoning process could provide information that would be pertinent to the typology of the 65 corner lots being proposed in this duplicated file.

###

Sent from my Verizon, Samsung Galaxy smartphone

From: [Thomas Schuttish](#)
To: [Major, Erica \(BOS\)](#)
Subject: LUT June 12, 2024 Item No. 6 Family Housing Opportunity SUD Case Number 2023-000413PCAMAP (Board File No. 230026)
Date: Sunday, June 11, 2023 4:11:53 PM
Attachments: [#2021-012246PCA.pdf](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Ms. Major:

Attached are my comments (a pdf and the email below) for the LUT hearing on Monday June 12th for Board File No. 230026, Item No. 6.

This is what I sent in to the Planning Commission when this File was heard on June 1st.

Also do you think this Item will be heard as scheduled or do you think it will be continued?

Thanks much and take good care.
Sincerely,
Georgia Schuttish

Begin forwarded message:

Dear Commissioners:

Attached are the comments I submitted last year for Supervisor Safai's proposed legislation which I think are also applicable to Supervisor Melgar's legislation that will be before you on June 1, 2023. Some of the comments submitted also concern SB 9.

While her legislation is both broader and more specific than his, the points raised in the attached pdf apply. Particularly the point regarding the concern raised by Planning Department Staff about low income home owners "cashing out" under SB 9 (See page 14 of Executive Summary, October 21, 2021). There are probably many low income home owners in the Well Resourced Neighborhoods.

I also want to add a few more points:

1. If there is no 311 Notification, does that mean there will be no PreApp Notice? The PreApp Notice is linked with the 311 Notification criteria. Will the only

Notice to immediately adjacent neighbors be a form letter from DBI about a Demolition?

What if the project is a major Alteration? Without any appeal process to the Board of Appeals how will adjacent property owners have any leverage to protect their property from damage, particularly the undermining of foundations which is a real issue where there are zero lot lines. It seems like developers will have no incentive to “be kind and considerate” to the neighboring property owners.

2. **A year is too short of a time for ownership.** It is not uncommon for developers to hold onto properties for longer than that. One year will encourage and allow for speculative development. And the Staff Report's **Recommendation 4** on page 12, to eliminate the one year ownership requirement will only turbo-charge speculation by developers. [See Finding (o) on page 6 of the proposed Ordinance].

3. Finally. **According to a May 23, 2023 SF Chronicle article Supervisor Melgar and the Mayor are proposing legislation to allow for “denser housing” along many commercial corridors.** I think the general public awareness of the 2024 Housing Element is that is where — *on the commercial corridors* — development would occur on the Westside — not on the neighboring Avenues. It is highly unlikely the existing housing in St. Francis Wood or Balboa Terrace or Ingleside Terrace or West Portal or Seacliff or the Marina will be demolished to create multi-unit housing. But there are blocks and blocks of sound housing in the Richmond and the Sunset that will be vulnerable to speculation and demolition. ***The legislation proposing housing on the commercial corridors — that are also transit corridors — should be considered and approved first before transforming half the City into an SUD.***

Thank you.
Georgia Schuttish

QUESTION #1

Sometimes overlooked in all the discussions about increasing density in the RHD's is the statement on page 14 (attached) of the Staff's October 21, 2021 analysis of SB 9. This is true for this PCA as well. [How can this bad outcome be prevented?](#) Here is the statement:

"Without City investment in programs that support owner-occupied development, such as construction loans or funding prioritized for owners of color or low-income owners, the more straightforward option would be for existing owners to sell their property, or "cash out," and leave San Francisco for areas with lower home costs".

QUESTION #2

This PCA proposes getting rid of 311 Notification, Discretionary Review and Section 317. All three allow for transparency and full participation of the public whether tenants or property owners.

The published Century Urban Feasibility Studies do not explicitly analyze getting rid of these in the analyses with the Staff Reports. According to the May 6, 2022 Staff Report it states that the assumption is one year for the project to be completed. And also, that the fees will be limited to no more than \$10K. In fact in some of the emails between Staff last year, it was stated that Century Urban was reluctant to factor in ministerial review into their analysis. [Is this so?](#)

Here are some more questions:

1. *On average how much does 311 Notification cost a developer?*
2. *How many 311 Notifications lead to Discretionary Review?*
3. *How many Discretionary Reviews are withdrawn before the hearing?*
4. *How often does Discretionary Review either find or correct "errors" in a project?*
5. *What is the housing policy rationale for Section 317?*
6. *What is the intent of the conditions in Conditional Use regarding the outcome of a project?*

Attached is an article from the San Francisco Chronicle which offers conflicting statements about densification. On the one hand the problem is the physical constraints of building four units, but on the other hand, regardless of the physical limitations in designing a four-plex on the typical San Francisco lot, the real problem is too much process! [How can it be both?](#)

Also attached are annotated printouts of five multi-unit projects with entitlements that are now for sale. This illustrates the speculative fever (or commodification) in housing and the issue raised in [Question #1](#) above. Please note the asking price for these entitlements. [Is this now the market?](#) Four of the five could have been "refreshed" to provide housing these past years.

QUESTION #3

Century Urban writes that the most financially feasible outcome may be to preserve, and not demolish, an existing SFH and add a unit creating a duplex in an SB9 scenario. (Again this has ramifications for the "cashing out" issue in [Question #1](#)). See the Century Urban studies for January 31st (page 4) and May 6th (page 3) attached to the Staff Reports in the agenda packet. [Has the Commission had an update on the details of the project applications under SB 9 and should such an update also include an update on the Residential Flat Policy and any mergers of dwelling units per Section 317 \(b\) \(7\)?](#)

SB 9 does not produce below-market-rate (BMR) units, without a substantial increase in supply, it will not realistically assist moderate, low, or extremely low income households (below 120% AMI) obtain housing.

Many areas of the city with lower land values, high percentages of households of color, and/or with lower outcomes in health, wealth, and life expectancy also have high rates of owner-occupied single family housing, for example, the Bayview (73%), Visitation Valley (70%), and Outer Mission (75%). SB 9 may offer these homeowners the opportunity to add units for extended families or to generate rental income, or gain wealth through lot splits. However, there are significant hurdles to realize these gains. Acquiring financing for project development, navigating a complex permitting process, and having the resiliency to manage the significant disruption and take financial risks of construction are major barriers facing existing homeowners in communities of color and low-income communities. Without City investment in programs that support owner-occupied development, such as construction loans or funding prioritized for owners of color or low-income owners, the more straightforward option would be for existing owners to sell their property, or “cash out,” and leave San Francisco for areas with lower home costs. While the bill includes a provision that the applicant of an SB 9 lot split is required to occupy one of the housing units as their principal residence for a minimum of three years from the date of the lot split approval, it does not apply to SB 9 project without the lot split. And while selling may financially benefit an individual household, this practice has been incrementally devastating to communities of color, Cultural Districts, and areas of the city where residents have a common sense of cultural identity, and a historic and major loss to San Francisco as a whole.

Additional Considerations

Beyond the issues addressed above, there are unintended consequences for any legislation and these conditions can be difficult to study and anticipate. Some property owners or developers may use SB 9 to streamline the redevelopment of smaller, existing homes into larger, more expensive single family homes with a small additional unit that may never be rented, undermining the intent of creating more housing stock. Renters are protected by SB 9, but may be vulnerable to unscrupulous landlords due to a variety of circumstances, like being undocumented, in a dire financial state, or otherwise exploited. While the city must implement projects that meet the requirements of SB 9, and other state requirements such as SB 330, the Housing Accountability Act, and others, it may also consider allowable measures to tailor SB 9 through local implementation such as creating owner-occupied development programs that prioritize households of color and low income households, unit parity requirements that balance housing unit size, or others new programs.

SB 10 Summary

Senate Bill 10 (Wiener)⁷ authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance if the parcel is located in a transit-rich area or an urban infill site. Specifically, this bill:

⁷ The legislative history and full text of the bill is available at https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB10

San Francisco

SFCHRONICLE.COM | Sunday, February 1, 2015

unlikely housing

Zoning from page A1

2,700 square feet — which doesn't allow much room to shoehorn four units. And vacant lots are rare, as are "tear downs," small and outdated homes that don't have much value.

Sean Kieghran, president of San Francisco's Residential Builders Association, said he supports getting rid of single-family only zoning but doesn't think it will result in many new units. Kieghran said that building fourplexes requires either two staircases or a staircase and an elevator, which takes up too much of the site.

And, unless the city streamlined the process of building a fourplex on a single-family lot, builders would run into too many bureaucratic obstacles, Kieghran said. "With how long it takes to get through planning and fire and DPW and all the other red tape it's not likely we are going to see anybody building fourplexes anytime soon," he said.

Before the late 1960s, San Francisco developers regularly built two-, three-, and four-unit buildings. Stacked flats were the bread and butter of San Francisco's housing stock. But in the late 1960s and 1970s a series of laws changed that, and the majority of the city, especially the west side, was rezoned to prohibit anything but single-family homes.

One of the few architects to design fourplexes on single-family sized lots in the last few decades is Daniel Solomon, who has worked on three such projects. One of those is at 247 27th Ave., a

Effort to add housing praised, scorned

Zoning changes unlikely to end Bay Area crisis

By J.K. Dineen

The national movement to eliminate exclusionary single-family zoning is picking up steam in the Bay Area as cities explore the benefits of getting rid of a land use policy designed to keep people of color and working class families out of certain neighborhoods.

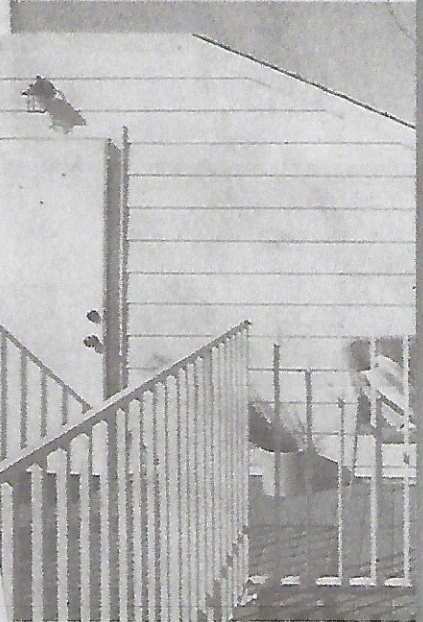
Last week, the city councils in Berkeley and South San Francisco took steps to end single-family zoning, with Berkeley promising to get rid of it within a year and South City initiating a study as part of its general plan update. After the Berkeley vote, Council Member Terry Taplin, one of the authors of the resolution, called it a "historical moment for us in Berkeley."

But while the movement to allow multifamily buildings in zones previously limited to single-family homes is being embraced as a correction of past discriminatory policies — Sacramento, Oregon and Minneapolis have passed such laws — the question of whether it will actually increase housing production is a lot more complicated, according to builders and architects.

In particular, building "fourplexes" — the four-unit building type that has been promoted as a more democratic, sustainable and affordable alternative to the single-family homes — is challenging in fully built centers such as

East Bay, there are a series of obstacles, according to Anthony, a veteran builder. Land is expensive, neighbors unreceptive to development, and current requirements — 12-foot ways, open space requirements, parking minimums — would make four units possible unless it's a large lot.

And the projects would be expensive — four units, 1,250-



One of 247 27th Ave. in San Francisco. The most single-family lots in the city are...



One of bedrooms on the third floor of 247 27th Ave. movement to end zoning for single-family is gaining steam in the Bay Area.

likely million, s, loan g it es, ce of pro- ed to a or 7

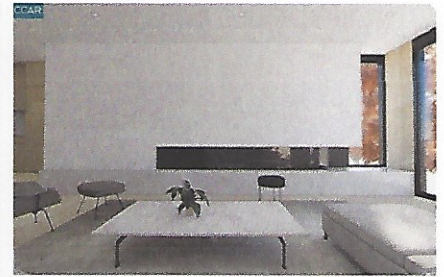
much to qualify for sub housing. To hit the middle in San Francisco units would have to be able to households make between 80% to 120% median income, which family of four is between \$102,500 and \$153,700.

Opponents to the fear that it could lead to displacement. South San Francisco Mayor Mark Addie developers could target single-family rentals to provide some of the city's affordable housing.

"I am fearful that thousands of houses to be gobbled up by developers might be

247

305 x 120
9th AVE = 3,660 sq ft



565 29th St, San Francisco, CA 94131

\$2,290,000

Buy with Redfin: \$2,284,128 >

6 Beds

5 Baths

4,270 Sq Ft



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APPROVED AS ALTERATION W/ 2ND UNIT APPLIED 5/2019 - SITE PERMIT APPVD - 12/2020 ADVERTISED AS SFH UNOCCUPIED SINCE 2018?

About This Home

Shovel Ready! Build your own dream home! Great investment opportunity! 587 29th street sold for \$6,005,000

Listed by Fiona Zhao • DRE #01996841 • HomeSmart Optima Realty, Inc Redfin last checked: 12 minutes ago | Last updated July 13, 2022

• Source: bridgeMLS, Bay East AOR, or Contra Costa AOR #41001360

Home Facts

Table with 3 columns: Status, Property Type, Year Built, Lot Size, etc.

Price Insights

Table with 3 columns: List Price, Redfin Estimate, Est. Mo. Payment, Price/Sq.Ft.

Handwritten notes: 8 hours 'PENDING' SALE 2020 - \$1.895M 'ACTUALLY' SOLD 2021 - \$1.788M LISTED 2/22 - \$2.31M REMOVED 5/22 RE-LISTED 7/22 - \$2.29M

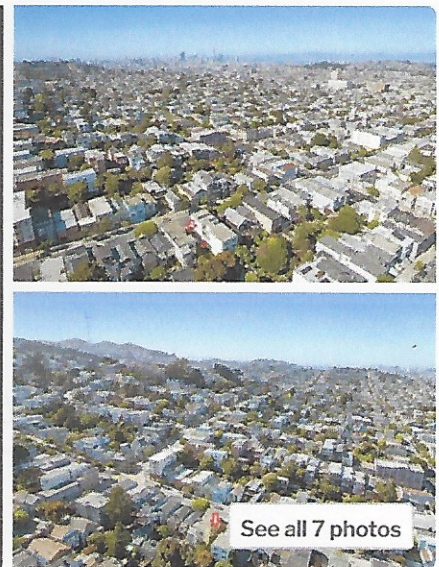
Search

Overview

Property Details

Sale & Tax History

Schools



461 29th St, San Francisco, CA 94131

\$2,669,000

Est. \$14,876/mo [Get a custom quote](#)

— Beds

— Baths

2,848

Sq Ft (Lot)



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SATURDAY 16 JUL

SUNDAY 17 JUL

MONDAY 18 JUL

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APPROVED AS CWA — 1/2020
 SITE PERMIT ISSUED — 2/2021
 OLD BUILDING DEMOLISHED — 6/2021

About This Home

Rare Fully Entitled and shovel ready development site. Build 2 brand new luxury condos and 1 ADU on a vacant view lot in desirable Noe Valley. The design includes is 2 story over garage approximately 6100 square feet with private roof deck for units 2 & 3, (2 Car Garage Parking). Unit 1 consists of 3Br + Office /2.5Ba, 1800 sq. ft. with ample outdoor space. Unit 2 consists of 2Br/2Ba, 1508 sq.ft. with private roof deck. Unit 3 consists of 3Br + Office/2.5Ba, 1458 sq. ft. with private roof deck. The property is located in the heart of Noe Valley with views of downtown San Francisco skyline and beyond, within walking distance to Noe Valley, shops, restaurants, and transportation. Plans are available upon request.

Show Less

Listed by Gary Tribulato • DRE #01220884 • Corcoran Global Living
 Listed by Gregory Tribulato • DRE #01763336 • Corcoran Global Living
 Redfin last checked: [9 minutes ago](#) | Last updated July 15, 2022

• Source: San Francisco MLS #422678386

Home Facts

Status	Active	Time on Redfin	4 hours
Property Type	Vacant Land	Community	San Francisco
Lot Size	2,848 Sq. Ft.	MLS#	422678386

SOLD 11/2017 — \$1.2M
 SOLD 12/2017 — \$1.475M
 LISTED 6/2021 — \$2.495M
 LISTED 7/2022 — \$2.669M

4234 24th Street

San Francisco, CA 94114

☆ Save

➔ Share

\$3,249,000 Price 6 Beds 4 Baths 1 1/2 Bath 5,100 Sq. Ft. \$637 per Sq. Ft.

Overview Location Property Info Property History Public Records Schools Similar Homes



LISTING UPDATED: 05/31/2022 11:52 AM

Status	Coming Soon
MLS #	422659869
Days on Compass	-
Taxes	-
HOA Fees	-
Condo/Co-op Fees	-
Compass Type	Single Family
MLS Type	Residential / Single Family Residence
Year Built	-
Lot Size	0.07 AC / 2,944 SF
County	San Francisco County

Entitled Plans for a 4-level New Construction compound in the best Noe Valley location. A flexible floor plan featuring sophisticated modern interiors, iconic hillside views, flat walk-out yard, and stately kitchens designed for indoor/outdoor entertaining. Warm natural light fills the voluminous living spaces through oversized windows, with each level enjoying access to the outdoors. Complete with an elevator, this home will provide generous possibilities to exceed the needs of individuals, couples, families, and entertainers alike. The 2nd dwelling allows for flexibility of use while providing privacy for each family member or occupant. Neighborhood staples at your doorstep include the Noe Playground with hoops and tennis, Philz Coffee, Firefly Restaurant, + Rin's Thai, along with Whole Foods and popular cafes and eateries. *Photos are architectural renderings.

CONTACT AGENT(S)

Name

Email

Phone

I would like more information about 4234 24th Street.

Send Message

Collapse ▲

UNOCCUPIED SINCE 2019?

SOLD 7/2019 — \$1.85
 APPLIED 9/2019
 CUA - 7/2021
 PERMIT ISSUED - 7/2022
 LISTED JUNE 2022 - \$3.249M

Search

Overview

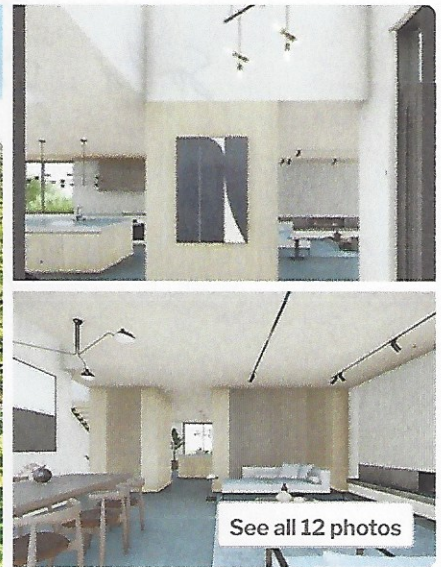
Property Details

Sale & Tax History

Schools



Street View



See all 12 photos

4250 26th St, San Francisco, CA 94131

\$3,989,000

Est. \$22,233/mo Get a custom quote

6

Beds

6.5

Baths

—

Sq Ft



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SATURDAY	SUNDAY	MONDAY
< 16	17	18 >
JUL	JUL	JUL

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PER DBI TRACKING NOT ALL DRAWINGS SUBMITTED AS OF 12/2021 UNOCCUPIED SINCE 2017?

About This Home

Nestled in the heart of San Francisco's Noe Valley is an unparalleled development opportunity. This collaborative project culminates four years of design planning, architectural development and neighborhood outreach. 4250 26th Street is a rare extra wide lot (40 feet), single family home and ADU with unobstructed panoramic views designed by award winning, EDMONDS + LEE Architects. The plans include 4 stories, 6 bedroom, 6.5 bathrooms, 2 car garage, elevator, access yard, several decks, and 6000 sq ft. All of the levels have been designed to have high ceiling heights with large rear over-sized windows. The new house and ADU has been approved by the Planning Department. 4250 26th Street is a remarkable and special building opportunity rarely found in The City. This makes 4250 26th Street a unique property that is ready to start building with a team that will support your vision. Noe Valley is one the best neighborhoods to live in. Close to Douglass Park and Downtown.

Show Less

Listed by Amy Lui • DRE #01381559 • Compass Redfin last checked: 8 minutes ago | Last updated June 14, 2022

Source: San Francisco MLS #422669251

Home Facts

Status	Active	Time on Redfin	31 days
Property Type	Single Family Residential	Year Built	1929

LISTED 5/2017 - \$1.449M
SOLD 6/2017 - \$2.3M
ORIGINAL PERMIT APPLICATION AS ALTERATION IN 2018
CHANGED APPLICATION TO DEMO - 2A APPROVED 7/2020 & DR REQUESTS
COMMISSION TOOK DR + APPROVED 7/2021
LISTED 6/2022 - \$3.989M

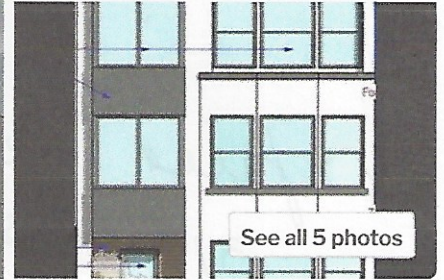
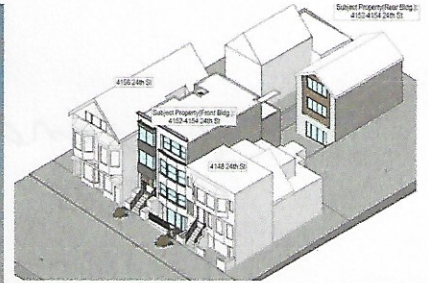
Search

Overview

Property Details

Sale & Tax History

Schools



4152 - 4154 24th St, San Francisco, CA 94114

\$3,675,000

Est. \$20,483/mo [Get a custom quote](#)

12

Beds

11.5

Baths

6,512

Sq Ft



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SUNDAY 17 JUL

MONDAY 18 JUL

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Tour via Video Chat

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Buy with a Redfin Agent and get \$9,242 back.

Ask a Question

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About This Home

EXISTING HOUSE UNOCCUPIED SINCE 2017?

Fully entitled 5 unit residential condominium project in the heart of Noe Valley. Developers dream! Permit is ready to pick up to begin work immediately. 4 units in the front building. Large cottage in the back. Back cottage is 3Bd/3.5 Bath. Front building is 3 2Bd/2Bath Units and 1 3Bd/2Bath Unit. Listed by Amir Hardy • DRE #01797731 • Compass Redfin last checked: [9 minutes ago](#) | Last updated June 30, 2022

• Source: San Francisco MLS #422645674

Home Facts

Status	Active	Time on Redfin	15 days
Property Type	Single Family Residential	Year Built	1902
Community	San Francisco	Lot Size	2,850 Sq. Ft.
MLS#	422645674		

Price Insights

List Price	\$3,675,000	Est. Mo. Payment	\$20,483
Price/Sq.Ft.	\$564		

LISTED 4/2015 — \$1.248M
 SOLD 4/2015 — \$1.95M
 APPLIED AS DEMO
 BUT WITHDRAWN
 312 ISSUED 7/18
 APPLIED AS ALTERATION 9/18
 ISSUED 10/2019
 VARIANCE APPROV BY ZA FOR
 REAR BUILDING 9/2018
 LISTED 6/30 — \$3.675M



Introduction Form

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor inquires..."
- 5. City Attorney Request
- 6. Call File No. from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: