

BOARD of SUPERVISORS



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

---

---


## MEMORANDUM

---

---

Date: December 22, 2023

To: Joaquín Torres, Assessor-Recorder, Office of the Assessor-Recorder

From:  Angela Calvillo, Clerk of the Board, Board of Supervisors

Subject: Planning, Subdivision, and Administrative Codes and Zoning Map -  
Family Housing Opportunity Special Use District  
(File No. 230026)

---

On September 5, 2023, the Board of Supervisors finally passed Ordinance No. 195-23, sponsored by Supervisor Melgar (File No. 230026, Planning, Subdivision, and Administrative Codes and Zoning Map - Family Housing Opportunity Special Use District). The ordinance was enacted on September 15, 2023.

A copy of the Ordinance is being forwarded to you, pursuant to the Administrative Code, Section 34.1.

If you have any questions or concerns, please contact the Office of the Clerk of the Board at (415) 554-5184.

c:  
Kurt Fuchs, Office of the Assessor-Recorder  
Holly Lung, Office of the Assessor-Recorder

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 ~~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, excluding lots located in the Telegraph Hill - North Beach Residential**  
7 **Special Use District and the North Beach Special Use District, the greater of up to**  
8 **twelve units or one unit per 1,000 square feet of lot area on three merged lots and the**  
9 **greater of up to eight units or one unit per 1,000 square feet of lot area on two merged**  
10 **lots in RH-1 (Residential, House: One Family) districts, and Group Housing in RH-1**  
11 **districts for eligible projects in the Special Use District; 3) the Planning Code to exempt**  
12 **eligible projects in the Special Use District from certain height, open space, dwelling**  
13 **unit exposure, and rear-yard setback requirements, and exempt eligible projects that**  
14 **do not propose the demolition of any units subject to the rent increase limitations of**  
15 **the Rent Ordinance from conditional use authorizations, and neighborhood notification**  
16 **requirements; 4) ~~amending the~~ Subdivision Code to authorize eligible projects in the**  
17 **Special Use District to qualify for condominium conversion or a condominium map that**  
18 **includes the existing dwelling units and the new dwelling units that constitute the**  
19 **project; 5) ~~amending the~~ Administrative Code to require new dwelling or group housing**  
20 **units constructed pursuant to the density limit exception to be subject to the rent**  
21 **increase limitations of the Rent Ordinance; 6) ~~amending the~~ Zoning Map to show the**  
22 **Family Housing Opportunity Special Use District; and affirming the Planning**  
23 **Department's determination under the California Environmental Quality Act, and**  
24 **making findings of consistency with the General Plan, and the eight priority policies of**  
25

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

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

11 Section 1. CEQA and Land Use Findings.

12 (a) The Planning Department has determined that the actions contemplated in this  
13 ordinance comply with the California Environmental Quality Act (California Public Resources  
14 Code Section 21000 *et seq.*). Said determination is on file with the Clerk of the Board of  
15 Supervisors in File No. 230026 and is incorporated herein by reference. The Board affirms  
16 this determination.

17 (b) On June 1, 2023, the Planning Commission, in Resolution No. 21327, adopted  
18 findings that the actions contemplated in this ordinance are consistent, on balance, with the  
19 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board  
20 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the  
21 Board of Supervisors in File No. 230026, and is incorporated herein by reference.

22 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code  
23 amendments will serve the public necessity, convenience, and welfare for the reasons set  
24 forth in Planning Commission Resolution No. 21327, and the Board adopts such reasons as  
25 its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File  
No. 230026 and is incorporated herein by reference.

1  
2 Section 2. General Findings.

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

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

13 (c) According to the Planning Department’s 2020 Housing Inventory, the cost of  
14 housing in San Francisco has increased dramatically since the Great Recession of 2008-  
15 2009, with the median sale price for a two-bedroom house more than tripling from 2011 to  
16 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone,  
17 even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom  
18 apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to  
19 \$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.

20 (d) These housing cost trends come after decades of underproduction of housing in  
21 the Bay Area. The City’s Chief Economist has estimated that approximately 5,000 new  
22 market-rate housing units per year would be required to keep housing prices in San Francisco  
23 constant with the general rate of inflation. To this end, the City’s COVID-19 Economic  
24 Recovery Task Force included a recommendation in its October 2020 report to support  
25

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. Of those  
6 units, 46,598 units must be affordable to extremely-low, very-low, low-, and moderate-income  
7 households. At the same time, relatively new State laws like Senate Bill 35 (2017) would limit  
8 San Francisco’s local zoning control and discretion if the City does not meet these RHNA  
9 housing production goals.

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

16 (g) The California Fair Housing Task Force annually updates the Tax Credit Allocation  
17 Committee/Department of Housing and Community Development Opportunity Map  
18 (“TCAC/HCD Opportunity Map”). The TCAC/HCD Opportunity Map identifies high-resource  
19 and highest-resource areas in the state whose concentration of resources have been shown  
20 to support positive economic, educational, and health outcomes for low-income families —  
21 particularly long-term outcomes for children. The ~~2020~~2021 TCAC/HCD Opportunity Map is  
22 the basis for the Well-Resourced Neighborhoods Map in the 2023-2031 Housing Element, on  
23 file with the Clerk of the Board of Supervisors in File No. 230001. The Well-Resourced  
24 Neighborhoods Map is also on file with the Clerk of the Board of Supervisors in File No.  
25 \_\_\_\_\_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. While  
5 these land use and development patterns characterize many western neighborhoods in the  
6 City, most residential parcels in northeastern neighborhoods contain multifamily homes of two  
7 or more units. Permitting additional units in high-resource areas – where the built  
8 environment is primarily comprised of single-family homes – will increase the supply of  
9 available housing, including the supply of modestly-sized family units that are more affordable  
10 than large, single-family homes.

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

16 (j) This ordinance creates the Family Housing Opportunity Special Use District (SUD),  
17 whose boundaries are generally coterminous with the Well-Resourced Neighborhoods Map in  
18 the 2023-2031 Housing Element. This legislation expands upon and complements recently  
19 enacted state legislation, such as SB 9, that aims to promote multifamily housing development  
20 in single-family neighborhoods. To this end, the legislation provides project sponsors  
21 flexibility to choose from a menu of incentives to fit their project needs – be it relief from  
22 procedural requirements like conditional use authorizations, neighborhood notification, and  
23 public-initiated discretionary review, relief from development standards like density, or a  
24 combination of the two.  
25

1 (k) The Family Housing Opportunity SUD permits development of the greater of up to  
2 four units or one unit per 1,000 square feet of lot area on an individual parcel in an RH District,  
3 provided that the proposed project is not located in the Telegraph Hill - North Beach  
4 Residential Special Use District or the North Beach Special Use District. While the  
5 boundaries of these SUDs overlap with the boundaries of the Family Housing Opportunity  
6 SUD, these areas already contain multifamily housing on most parcels. The proposed project  
7 must also comply ~~complies~~ with the heights and bulk specified in the City's Zoning Maps  
8 (Height & Bulk Maps HT01 through HT14), in addition to other eligibility criteria detailed in this  
9 ordinance. The SUD also permits up to one Group Housing unit/bedroom per 415 square feet  
10 of lot area in RH-1, RH-1(D), and RH-1(S) districts. In those same districts, the SUD permits  
11 the greater of up to 12 units or one unit per 1,000 square feet of lot area if the lot is the result  
12 of a merger of three lots, or the greater of eight units or one unit per 1,000 square feet of lot  
13 area if the lot is the result of a merger of two lots. This ordinance also streamlines approval  
14 by exempting certain eligible projects that do not propose the demolition of rent-controlled  
15 units from conditional use authorization and neighborhood notification requirements and  
16 public-initiated discretionary review hearings in Planning Code Section 311.

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

20 (m) This Board finds that this ordinance is consistent with San Francisco's obligation  
21 to affirmatively further fair housing pursuant to California Government Code Section 8899.50,  
22 by increasing density for projects that enter into regulatory agreements with the City  
23 acknowledging that, in consideration for the density exceptions, the new units shall be subject  
24 to local rent control notwithstanding the Costa-Hawkins Rental Housing Act (California Civil  
25 Code Section 1954.50 *et seq.*). Increasing density in this manner meaningfully addresses

1 significant disparities in housing needs and access to opportunity. Additionally, this ordinance  
2 streamlines the approval process to promote certainty in development outcomes in high- and  
3 highest-resource neighborhoods.

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

9 (en) This Board recognizes that additional development opportunities may lead to  
10 speculative real estate investments that may seek to displace current residents, demolish  
11 existing housing stock, build new units, and quickly sell those units. To discourage such  
12 speculation, demolition of existing units, and displacement of current residents, particularly in  
13 existing multifamily buildings, this ordinance makes the benefit of the streamlining and  
14 development incentives available only to persons who have owned their properties for ~~one~~five  
15 years prior to the date of their application, if the project contains two or more dwelling units, or  
16 one year prior to the date of their application, if the lot contains one or fewer dwelling units or  
17 a single-family home with an Unauthorized Unit . These requirements includeing the  
18 ownership duration of theiran Eligible Predecessor, as defined herein, subject to exceptions  
19 for multiple ownership structures and vacant buildings described further in the ordinance.

20  
21 Section 3. Article 2 of the Planning Code is hereby amended by adding Section  
22 249.94, to read as follows:

23  
24 **SEC. 249.94. FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT.**



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

4           (b) Boundaries. *The boundaries of the Family Housing Opportunity Special Use District are*  
5 *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,*  
6 *and SU 13. These boundaries consist generally of the areas designated as high-resource and highest-*  
7 *resource on the Well-Resourced Neighborhoods Map of the 2023-2031 Housing Element.*

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

10           (1) is located in an RH District in the Family Housing Opportunity Special Use District,  
11 and is not located in the Telegraph Hill - North Beach Residential Special Use District (Section  
12 249.49) or the North Beach Special Use District (Section 780.3):

13           (2) is not seeking or receiving approval under the provisions of Planning Code Sections  
14 206.3, 206.5, or 206.6;

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

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

18           (A) Single-Lot Development Project. *The construction on a single lot,*  
19 *including through the alteration of an existing structure, of at least two dwelling units and no more*  
20 *than the maximum number of four dwelling units on a single lot prescribed in subsection*  
21 *(d)(1)(A) of this Section 249.94, inclusive of any existing dwelling units on the site and any*  
22 *Unauthorized Units, as defined in Section 317, occupied by a tenant at any time within the five*  
23 *years preceding application. For a project proposing four dwelling units, the fourth dwelling unit*  
24 *shall be constructed in the rear yard pursuant to subsection (d)(3) of this Section 249.94. If the*  
25 *proposed rear-yard unit does not meet the requirements of subsection (d)(3) of this Section*

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

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

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

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 the  
23 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 provision subsection (c)(5) does not apply to  
9 projects where all of the units qualify as *Group Housing projects*;

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

11 For the purposes of this subsection (c)(6), an Unauthorized Unit, as that term is defined in  
12 Planning Code Section 317, shall not be considered an existing dwelling unit. an existing  
13 dwelling unit includes an Unauthorized Unit, as defined in Planning Code Section 317, that  
14 has been occupied by a tenant at any time within the five years preceding application  
15 submittal and also includes an Accessory Dwelling Unit, as defined in Planning Code Section  
16 102. In the case of *Group Housing*, projects utilizing this Section 249.94 shall provide more  
17 bedrooms than are existing on the site at the time of application;

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

19                   *(A) listed as a Contributor to located in an Article 10 Historic Districts;*

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

21                   *(C) located in an Article 11 Conservation District, where the building has a*  
22 *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,*

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

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

17 (10) demonstrates the project sponsor certifies under penalty of perjury that at  
18 the time of the submittal of their application, the project sponsor has owned the subject lot for a  
19 minimum of ~~one~~ five years if the site contains two or more dwelling units, or a minimum of one  
20 year if the site contains one or fewer dwelling units prior to the time of the submittal of their  
21 application. Notwithstanding the foregoing sentence, a single-family home that contains an  
22 Unauthorized Unit shall be subject to the one-year requirement. This ownership requirement  
23 in this subsection (c)(10) shall be subject to the following:

24 (A) Eligible Predecessor. A property owner who has inherited the subject lot,  
25 including any inheritance in or through a trust, from a blood, adoptive, or step family relationship.

1 specifically from either (i) a grandparent, parent, sibling, child, or grandchild, or (ii) the spouse or  
2 registered domestic partner of such relations, or (iii) the property owner's spouse or registered  
3 domestic partner (each an "Eligible Predecessor"), may add an Eligible Predecessor's duration of  
4 ownership of the subject lot to the property owner's duration of ownership of the same lot.

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

12 (C) Vacant or Abandoned Property. The ownership requirement in this  
13 subsection (c)(10) that the project sponsor has owned the subject lot for a minimum of one year  
14 prior to the time of the submittal of their application shall not apply if the property has been  
15 vacant for one or more years at the time of application, or if the property has been registered as  
16 a vacant or abandoned building pursuant to Building Code Section 103A.4 et seq. for at least five  
17 years preceding the application submittal if the existing site contains two or more dwelling  
18 units, or one year preceding application submittal if the site contains one or fewer dwelling  
19 units or a single-family home containing an Unauthorized Unit.; and

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

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

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

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

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

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

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

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

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

19                   (12) the project sponsor has conducted one pre-application meeting prior to  
20 filing a development application. The Planning Department shall not accept a development  
21 application under this Section 249.94 without confirmation that the project sponsor has held at  
22 least one pre-application meeting conforming to the requirements of this subsection (c)(12)  
23 and any additional procedures established by the Planning Department. The project sponsor  
24 shall provide mailed notice of the pre-application meeting to the individuals and neighborhood  
25

1 organizations specified in Planning Code Section 333(e)(2)(A) and (C). The Planning  
2 Department shall establish additional procedures to administer this subsection (c)(12).

3 (d) Other Controls.

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

7 (A) Single-Lot Density Exception. For projects eligible under subsection  
8 (c)(4)(A), the greater of up to four dwelling units per lot or one dwelling unit per 1,000 square feet  
9 of lot area are allowable;

10 (B) Lot-Merger Density Exception. For projects eligible under subsection  
11 (c)(4)(B), the greater of up to twelve dwelling units per lot or one dwelling unit per 1,000 square  
12 feet of lot area are allowable, if the lot is the result of a merger of three lots, or the greater of up to  
13 eight dwelling units per lot or one dwelling unit per 1,000 square feet of lot area are allowable, if  
14 the lot is the result of a merger of two lots;

15 (C) Group Housing Density Exception. For both Single-Lot and Lot-Merger  
16 Development Projects under subsection (c)(4)(A) or (B), up to one Group Housing unit bedroom per  
17 415 square feet of lot area is allowable in RH-1, RH-1(D), and RII-1(S) districts.

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

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

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

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

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

5                    (D) For the rear-yard unit and units in the primary building that obtain  
6 their only Code-complying exposure from the rear yard, the dwelling unit exposure  
7 requirements of Section 140(a)(2) may be satisfied through qualifying windows facing an unobstructed  
8 open area that is no less than 25 feet in every horizontal dimension, and such open area is not required  
9 to expand in every horizontal dimension at each subsequent floors;

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  
12 roof, or ii) the average height of a pitched roof or stepped roof, or similarly sculptured roof form. The  
13 rear-yard building shall not be eligible for any height exemptions in subsection (d)(2) of this Section  
14 249.94 or in Section 260(b); and

15                   (F) Each dwelling unit or group housing bedroom shall have at least 100  
16 square feet of usable open space if private, and/or 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 requirement  
19 shall be equal to 30% of the total depth of the lot on which the building is situated, but in no case less  
20 than 15 feet.

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



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

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

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

6                   (e) Applicability of Rent Ordinance; Regulatory Agreements.

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

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

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

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

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

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

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

11 (f) Review and Approvals. Notwithstanding any other provision of this Code, the following  
12 shall apply to any project that meets the eligibility criteria in subsection (c) of this Section  
13 249.94, and irrespective of whether a project is utilizing a density exception to construct units  
14 above the applicable density limit in the RH district pursuant to subsection (d)(1) of this Section  
15 249.94, for any project that meets the eligibility criteria in subsection (c) of this Section 249.94,  
16 the following shall apply:

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

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

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

24 (2) Compliance with Section 311 of this Code shall not be required, unless a project  
25 would demolish any units that are subject to limits on rent increases under the Residential

1 Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code), in which  
2 case the requirements of Section 311 shall apply; and

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

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

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

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

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

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

16 (g) **Review of Program.** The Planning Department shall include the location and number of  
17 units of projects using this Section 249.94 in the Housing Inventory Report. Prior to December 31,  
18 2030, the Planning Department shall prepare a report containing recommendations for modifications  
19 to this Section 249.94, including modifications to the boundaries described in subsection (b), to further  
20 the goals of the City's Seventh Housing Element Cycle.

21  
22 Section 4. Pursuant to Sections 106 and 302(c) of the Planning Code, Sheets SU 1,  
23 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  
24 and County of San Francisco are hereby amended, as follows:  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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 Leavenworth and Powell; Powell between Washington and California; California between Powell and Leavenworth; Leavenworth between California and Bush; Bush between Leavenworth and Van Ness;	Family Housing Opportunity Special Use District

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

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

25

1 Sloat between Skyline and the Great  
2 Highway.

3  
4  
5 Section 5. Article 9 of the Subdivision Code is hereby amended by amending Sections  
6 1359, 1396.4, 1396.5 and adding Section 1396.7, to read as follows:

7  
8 **SEC. 1359. PARCEL MAP.**

9 \* \* \* \*

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

17 \* \* \* \*

18  
19 **SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED**  
20 **CONVERSION PROGRAM.**

21 (a) Findings. The findings of Planning Code Section 415.1 concerning the  
22 City's inclusionary affordable housing program are incorporated herein by reference and  
23 support the basis for charging the fee set forth herein as it relates to the conversion of  
24 dwelling units into condominiums.  
25

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

10 \* \* \* \*

11  
12 **SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF**  
13 **REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS.**

14 \* \* \* \*

15 (c) Except as otherwise authorized under Section 1396.6 or Section 1396.7, the  
16 Department shall not accept an application for the conversion of residential units under  
17 Section 1396 nor conduct a lottery under this Article prior to January 1, 2024. Thereafter, the  
18 lottery shall resume upon the earlier of the following: (1) the first February following the  
19 Mayor's Office of Housing and Community Development report pursuant to subsection (b)  
20 showing that the total number of Conversion Replacement Units produced in the City of San  
21 Francisco exceeded the total number of units converted as identified in the Department's  
22 report prepared pursuant to Subsection (a); or (2) completion of the "Maximum Suspension  
23 Period" as defined below.

24 \* \* \* \*



1                    **SEC. 1396.7. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS**

2                    **CONSTRUCTED PURSUANT TO PLANNING CODE SECTION 249.94.**

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

6                    (b) Definition. "Existing Dwelling Unit" shall mean the dwelling unit in existence on a lot at  
7                    the time of the submittal of an application to construct a new dwelling unit pursuant to Planning Code  
8                    Section 249.94.

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

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

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

6                   (A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,  
7 1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.

8                   (B) The applicant(s) must certify under penalty of perjury that within the 60  
9 months preceding the date of the subject application, no tenant resided at the property.

10                   (C) The applicant(s) must certify under penalty of perjury that to the extent  
11 any tenant vacated their unit after March 31, 2013, and before recordation of the final parcel or  
12 subdivision map, such tenant did so voluntarily or if an eviction or eviction notice occurred it was not  
13 pursuant to Administrative Code Sections 37.9(a)(8)-(12) and 37.9(a)(14)-(16). The applicant must  
14 also certify under penalty of perjury that to the extent any tenant vacated their unit after March  
15 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did not  
16 vacate the unit pursuant to a Buyout Agreement, pursuant to the requirements of  
17 Administrative Code Section 37.9E, as it may be amended from time to time, regardless of  
18 whether the Buyout Agreement was filed and registered with the Rent Board pursuant to  
19 Administrative Code Section 37.9E(h). If a temporary eviction occurred under Sections 37.9(a)(11)  
20 or 37.9(a)(14), then the applicant(s) shall certify under penalty of perjury that the original tenant  
21 reoccupied the unit after the temporary eviction.

22                   (3) If the Department finds that a violation of this Section 1396.7 occurred prior to  
23 recordation of the final map or final parcel map, the Department shall disapprove the application or  
24 subject map. If the Department finds that a violation of this Section occurred after recordation of the  
25

1 final map or parcel map, the Department shall take such enforcement actions as are available and  
2 within its authority to address the violation.

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

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

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

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

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

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

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

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

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

16  
17 **SEC. 37.2. DEFINITIONS.**

18 \* \* \* \*

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

23 \* \* \* \*

24 The term "rental units" shall not include:

25 \* \* \* \*

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 (D) The term "rental units" shall include (i) Accessory Dwelling Units  
11 constructed pursuant to Section 207(c)(4) of the Planning Code and that have received a  
12 complete or partial waiver of the density limits and the parking, rear yard, exposure, or open  
13 space standards from the Zoning Administrator pursuant to Planning Code Section 307(l);  
14 ~~and~~ (ii) New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85; (iii)  
15 new dwelling units created pursuant to the density exception set forth in Section 207(c)(8) of  
16 the Planning Code; (iv) new dwelling units created pursuant to the HOME-SF Program set  
17 forth in Section 206.3(c)(1)(B) of the Planning Code; and (v) new dwelling units created  
18 pursuant to the density exception set forth in Section 249.94(d)(1) of the Planning Code.

19 ~~(E) The term "rental units" shall include any new dwelling units created~~  
20 ~~pursuant to the density exceptions set forth in Sections 207(c)(8) and 249.94 of the Planning~~  
21 ~~Code.~~

22 (E) The term "rental units" shall include any new dwelling units created  
23 pursuant to the HOME-SF Program set forth in Section 206.3(c)(1)(B) of the Planning Code.

24 \* \* \* \*

1           **SEC. 37.3. RENT LIMITATIONS.**

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

5           \* \* \* \*

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

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

11                   (A) An owner or residential real property may establish the initial and all  
12 subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any  
13 other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),  
14 (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's  
15 right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or  
16 unit where the preceding tenancy has been terminated by the owner by notice pursuant to  
17 California Civil Code Section 1946 or has been terminated upon a change in the terms of the  
18 tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent  
19 increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new  
20 tenancy in that dwelling or unit.

21           \* \* \* \*

22                   (D) An owner's right to establish subsequent rental rates under  
23 subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created  
24 pursuant to the Code provisions specified in Section 37.2(r)(4)(D), ~~density exceptions set forth~~  
25 ~~in Sections 207(c)(8) and 249.94 of the Planning Code.~~

1           \* \* \* \*

2           **(g) New Construction and Substantial Rehabilitation.**

3                   (1) An owner of a residential dwelling or unit which is newly constructed and  
4 first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June  
5 13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation,  
6 may establish the initial and all subsequent rental rates for that dwelling or unit, except:

7                           (A) where rent restrictions apply to the dwelling or unit under Sections  
8 37.3(d) or 37.3(f);

9                           (B) where the dwelling or unit is a replacement unit under Section  
10 37.9A(b);

11                           (C) as provided for certain categories of units~~Accessory Dwelling Units~~  
12 ~~and New Unit(s)~~ under Section 37.2(r)(4)(D); and

13                           (D) as provided in a development agreement entered into by the City  
14 under Administrative Code Chapter 56; and

15                           ~~(E) as provided for certain categories of new dwelling units under Section~~  
16 ~~37.2(r)(4)(E).~~

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

20  
21           Section 8. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
22 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
23 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
24 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
25

1 additions, and Board amendment deletions in accordance with the "Note" that appears under  
2 the official title of the ordinance.

3  
4 Section ~~8~~9. Severability. If any section, subsection, sentence, clause, phrase, or word  
5 of this ordinance, or any application thereof to any person or circumstance, is held to be  
6 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
7 shall not affect the validity of the remaining portions or applications of the ordinance. The  
8 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
9 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
10 unconstitutional without regard to whether any other portion of this ordinance or application  
11 thereof would be subsequently declared invalid or unconstitutional.

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

16  
17 Section ~~10~~11. Effective Date. This ordinance shall become effective 30 days after  
18 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
19 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
20 of Supervisors overrides the Mayor's veto of the ordinance.

21 APPROVED AS TO FORM:  
22 DAVID CHIU, City Attorney

23 By: /s/Giulia Gualco-Nelson  
24 GIULIA GUALCO-NELSON  
25 Deputy City Attorney

n:\legana\as2023\2300112\01692861.docx





**City and County of San Francisco**  
**Tails**  
**Ordinance**

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

**File Number:** 230026

**Date Passed:** September 05, 2023

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 in the RH (Residential, House) District, excluding lots located in the Telegraph Hill - North Beach Residential Special Use District and the North Beach Special Use District, the greater of up to twelve 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, 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, and exempt eligible projects that do not propose the demolition of any units subject to the rent increase limitations of the Rent Ordinance from 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.

June 12, 2023 Land Use and Transportation Committee - CONTINUED

July 10, 2023 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 10, 2023 Land Use and Transportation Committee - DUPLICATED AS AMENDED

July 10, 2023 Land Use and Transportation Committee - CONTINUED AS AMENDED

July 17, 2023 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

July 17, 2023 Land Use and Transportation Committee - CONTINUED AS AMENDED

July 24, 2023 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 24, 2023 Land Use and Transportation Committee - RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

July 25, 2023 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

September 05, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230026

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/5/2023 by the Board of Supervisors of the City and County of San Francisco.



**f** Angela Calvillo  
Clerk of the Board



London N. Breed  
Mayor

9/15/23

Date Approved