



February 15, 2022

Ms. Angela Calvillo, Clerk  
Honorable Supervisor Peskin  
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 Numbers 2022-000674PCA and 2021-011415PCAMAP  
Group Housing Definition and Special Use District  
Board File Nos. 211299 and 211300

**Planning Commission Recommendation: Approval with Modification**

Dear Ms. Calvillo and Supervisor Peskin,

On February 10, 2022, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Peskin that would amend the Planning Code to revise the definition of Group Housing and to establish a Group Housing Special Use District. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modifications were as follows:

Board File No. 211299

1. Increase the common space requirement to 0.5 square feet of common space for every square foot of private space, instead of the proposed 0.25.
2. Require at least one kitchen within 15% of the common space, instead of the proposed 50%
3. Revise the minimum number of kitchens to be at least one communal kitchen for every 15 Group Housing rooms, instead of the proposed 20.
4. In addition to Student Housing and 100% affordable housing, also exempt units protected under Section

41.3 of the Hotel Conversion Ordinance from the common space requirements

5. Exempt those organizations like Family House from the common space requirements.
6. Allow academic institutions to provide limited cooking facilities.
7. Define metrics for communal kitchens.
8. Exclude the single-room occupancy aspect from this specific legislation with the intent to continue discussions in the future.
9. For the Department to consider establishing a Working Group to further discuss Group Housing intent, best practices, and future legislation.

Board File No. 211300

1. Revise the proposed SUD to exempt Student Housing and 100% Affordable Housing projects.
2. Exclude the single-room occupancy aspect from this specific legislation with the intent to continue discussions in the future.

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: Audrey Pearson, Deputy City Attorney  
Sunny Angulo, Aide to Supervisor Peskin  
Erica Major, Office of the Clerk of the Board

**Attachments :**

Planning Commission Resolution  
Planning Department Executive Summary



# PLANNING COMMISSION RESOLUTION NO. 21071

**HEARING DATE: FEBRUARY 10, 2022**

**Project Name:** Group Housing Definition  
**Case Number:** 2022-000674PCA [Board File No. 211299]  
**Initiated by:** Supervisor Peskin / Introduced December 14, 2021  
**Staff Contact:** Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 628-652-7525  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO REVISE THE DEFINITION OF GROUP HOUSING; 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 December 14, 2021 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 211299, which would amend the Planning Code to revise the definition of Group Housing;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on February 10, 2022; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); 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. Increase the common space requirement to 0.5 square feet of common space for every square foot of private space, instead of the proposed 0.25.
2. Require at least one kitchen within 15% of the common space, instead of the proposed 50%
3. Revise the minimum number of kitchens to be at least one communal kitchen for every 15 Group Housing rooms, instead of the proposed 20.
4. In addition to Student Housing and 100% affordable housing, also exempt units protected under Section 41.3 of the Hotel Conversion Ordinance from the common space requirements
5. Exempt those organizations like Family House from the common space requirements.
6. Allow academic institutions to provide limited cooking facilities.
7. Define metrics for communal kitchens.
8. Exclude the single-room occupancy aspect from this specific legislation with the intent to continue discussions in the future.
9. For the Department to consider establishing a Working Group to further discuss Group Housing intent, best practices, and future legislation.

## 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 support Group Housing, a much-needed housing typology to help alleviate the housing crisis in San Francisco.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

## HOUSING ELEMENT

### OBJECTIVE 1

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

#### Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

### OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

#### Policy 4.5

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

### OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

#### Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The proposed Group Housing Definition Ordinance supports Group Housing, a housing typology that offers an alternative to traditional living arrangements. There is a wide spectrum of the different types of Group Housing projects, but they all focus on communal living. The proposed Ordinance seeks to ensure Group Housing provides adequate, usable common space for its residents. Further, the proposed Ordinance aligns with the draft Housing Element 2022 Update, which recently appeared in front of Planning Commission, to encourage co-housing. Additionally, the Housing Element 2022 Update noted the importance of minimum quality of life standards for all residences, such as having adequate cooking facilities and common spaces.*

## Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve

the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on 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 February 10, 2022.



Jonas P Ionin Digitally signed by Jonas P Ionin  
Date: 2022.02.10 16:23:11 -0800

Jonas P. Ionin  
Commission Secretary

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

NOES: None

ABSENT: None

ADOPTED: February 10, 2022

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# PLANNING COMMISSION RESOLUTION NO. 21072

**HEARING DATE: FEBRUARY 10, 2022**

**Project Name:** Group Housing Special Use District  
**Case Number:** 2021-011415PCAMAP [Board File No. 211300]  
**Initiated by:** Supervisor Peskin / Introduced December 14, 2021  
**Staff Contact:** Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 628-652-7525  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO CREATE THE GROUP 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.**

WHEREAS, on December 14, 2021 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 211300, which would amend the Planning Code to create the Group Housing 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 February 10, 2022; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); 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 recommendation is as follows:

1. Revise the proposed SUD to exempt Student Housing and 100% Affordable Housing projects.
2. Exclude the single-room occupancy aspect from this specific legislation with the intent to continue discussions in the future.

## 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 responds to the overconcentration of Group Housing in the general Tenderloin and Chinatown neighborhoods.

The proposed Ordinance encourages more family-sized units within these neighborhoods.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modification is consistent with the following Objectives and Policies of the General Plan:

### HOUSING ELEMENT

#### OBJECTIVE 1

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

##### Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

#### OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The proposed SUD Ordinance responds to the overconcentration of Group Housing in the general Chinatown and Tenderloin neighborhoods. Additionally, there is a high vacancy rate within the existing Group Housing rooms within these neighborhoods suggesting the need for other housing typologies. The intent of the proposed Ordinance is to encourage more family-sized units in these neighborhoods.*

**Planning Code Section 101 Findings**

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on 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 February 10, 2022.



Jonas P Ionin Digitally signed by Jonas P Ionin  
Date: 2022.02.10 10:58:00 -0800

Jonas P. Ionin  
Commission Secretary

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

NOES: None

ABSENT: None

ADOPTED: February 10, 2022



# EXECUTIVE SUMMARY

## PLANNING CODE TEXT & ZONING MAP AMENDMENT

**HEARING DATE:** February 10, 2022

**90-Day Deadline:** March 23, 2022

**Project Name:** Group Housing Definition and Group Housing Special Use District  
**Case Number:** 2022-000674PCA and 2021-011415PCAMAP [Board File Nos. 211299 and 211300]  
**Initiated by:** Supervisor Peskin / Introduced December 14, 2021  
**Staff Contact:** Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 628-652-7525  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**Recommendation:** Approval with Modification

### Planning Code and Zoning Map Amendment

The Way It Is Now:	The Way It Would Be:
<b>Board File 211299:</b> Ordinance amending the Planning Code to revise the definition of Group Housing.	
Per Zoning Administrator interpretation, Group Housing rooms may have a limited cooking facility, which is defined as having a small counter space, a small under-counter refrigerator, a small sink, a microwave, and a small two-ring burner.	Group Housing rooms would not be allowed to have individual or limited cooking facilities.
Group Housing rooms need to be rented out for a minimum of seven days.	Group Housing rooms would need to be rented out for a minimum of 30 days.
Group Housing projects do not have a minimum square footage requirement for common space and amenities.	Group Housing projects would be required to provide 0.25 square feet of common space for every square foot of private space (including bedrooms and individual bathrooms). At least 50% of this common space would need to be devoted to a communal

	<p>kitchen, with a minimum of one kitchen for every 20 Group Housing rooms.</p> <p>The only exceptions would be for Student Housing or 100% Affordable Housing.</p>
On-site inclusionary Group Housing rooms can either be rental or ownership tenures.	On-site inclusionary Group Housing rooms would not be permitted as ownership.
<b>Board File 211300: Ordinance amending the Planning Code to create the Group Housing Special Use District.</b>	
Group Housing is Principally Permitted within the Chinatown and Tenderloin Neighborhoods.	The proposed Ordinance would establish a Group Housing Special Use District, generally comprised of the Chinatown and Tenderloin neighborhoods, which would prohibit new Group Housing rooms.

## Background

There has been an increase in the number of market-rate Group Housing projects proposed in the last several years. Planning staff began work to ensure that Group Housing projects incorporated common spaces and cooking facilities to improve livability for the future residents of these developments. In early 2019, Planning Staff was awarded a Friends of City Planning (FOCP) grant to work with California College of the Arts (CCA) to better understand how the Group Housing typology is used worldwide, and to better inform policy recommendations and Planning Code amendments related to common areas. The culminating white paper and Informational Hearing are scheduled to appear in front of Planning Commission on the same day (see Case No. 2018-014048CWP). The results of this analysis are discussed further below.

Additionally, there was a [2005 Zoning Administrator interpretation](#) which allowed Group Housing rooms to have kitchens in the form of “limited cooking facilities”. A limited cooking facility is defined as a facility with a small counter space, a small under-counter refrigerator, a small sink, a microwave, and a small two-ring burner; however, if the kitchen had an oven, it would be considered a “full cooking facility”. This interpretation was originally intended to allow limited kitchen facilities in hotel rooms to provide guests the option of making their own meals during their stay. The same logic was applied to Group Housing to provide those residents with the option of preparing their own meals. The interpretation has since been applied to new construction Group Housing projects, which created a loophole for developers to construct higher density projects with fewer Planning Code requirements for unit mix, usable open space, and exposure. Implementing this interpretation made it difficult to determine what differentiated Group Housing from a regular Dwelling Unit. Further, this interpretation strayed from the “communal” aspect of the Group Housing definition, which excludes individual cooking facilities. The proposed Ordinance seeks to clearly define and differentiate Group Housing from a regular Dwelling Unit.

## Issues and Considerations

### Group Housing and State Density Bonus Interaction

Group Housing projects may elect to take advantage of the State Density Bonus per California Government Code Section 65915. The State Density Bonus Law provides a developer with incentives/concessions and waivers from development standards. Generally, Group Housing projects are allowed a higher density than Dwelling Unit projects in areas with numerical density, and Group Housing is also permitted in areas with form-based density. The Planning Code already requires lower standards for Group Housing projects; for example, Group Housing is only required to provide 1/3 of the required usable open space compared to regular Dwelling Units. Recent Group Housing projects that have elected the State Density Bonus have waived open space and exposure requirements, effectively increasing the density even further while having reduced open space, exposure, etc. The proposed Ordinance includes the common space requirements within the definition of Group Housing, rather than a Planning Code requirement so they cannot be waived. The intent is to make Group Housing a functional housing typology complete with common space and other basic items such as usable open space. As written, all new Group Housing projects (whether new construction or the conversion of existing buildings) would need to comply with the common space requirements. This ensures that future projects provide a true communal living situation and further distinguishes Group Housing from other Dwelling Units.

### Definitions

The proposed Ordinances and staff report discuss different concepts which are sometimes interchanged for each other. This subsection clarifies the definitions and distinguishes between some of these concepts before describing other issues and considerations.

- Dwelling Unit is a type of Residential Use with a room or suite of rooms designed for a family to live in. Only one kitchen is allowed within each Dwelling Unit.
- Group Housing is a type of Residential Use focusing on shared amenities and communal spaces. These are distinct from regular Dwelling Units. Group Housing rooms currently may or may not include limited cooking facilities. If a unit is occupied by more than five unrelated individuals, then it would be considered a Group Housing use.
- Efficiency Dwelling Units with Reduced Square Footage (also known as “Efficiency Dwelling Unit”) is a Dwelling Unit with a living room of less than of 220 square feet. Every Efficiency Dwelling Unit is required to provide a separate closet, bathroom, kitchen sink, cooking facilities, and refrigeration. A maximum of 375 Efficiency Dwelling Units are permitted, with the numerical cap reassessed after the approval of 325 Efficiency Dwelling Units.
- Single-Resident Occupancy (SRO) is a residential use *characteristic*, meaning it could be either Group Housing or a Dwelling Unit. SROs are allowed a maximum occupied floor area of 350 square feet and need to meet the Housing Code's minimum floor area standards. The unit or room may have a private bathroom.

## **Group Housing: A Different Form of Housing**

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.

### Physical form

One of the primary challenges in implementing current Group Housing regulations is that Group Housing can occupy a wide variety of building types, ranging from a single-family home to a network of several buildings within a neighborhood.

Group Housing typically includes a private room and potentially private bathroom, with shared communal space in the building. This common space may include a kitchen, lounge, gym, or other gathering place. This allows individuals to have their own private space, while still having access to similar amenities found in traditional Dwelling Units. The Group Housing typology also inherently provides the opportunity for increased interaction and built-in community for its residents through the communal amenities, although the level of communal interaction also depends on the residents of the building.

### Affordability

Due to the nature of their sizing, market-rate Group Housing is generally more affordable than a market-rate Dwelling Unit and provides a more affordable option in San Francisco's expensive housing market. SRO models of Group Housing provide an additional option for low- and single-income households. Group Housing also includes congregate living, which could contribute to housing affordability by providing shared resources, such as childcare, vehicles, or meals, further reducing living expenses for residents. Additionally, Group Housing might serve as an entrée into San Francisco as a new resident decides the best location to live in, without being financially tied to a year-long contract in a traditional apartment.

Affordability restrictions generally apply to Group Housing just as they would to Dwelling Units. The Inclusionary Affordable Housing Program applies to Group Housing projects that propose 10 rooms or more. The Rent Ordinance also applies to Group Housing, and existing buildings that were constructed prior to 1979 are generally subject to rent control.

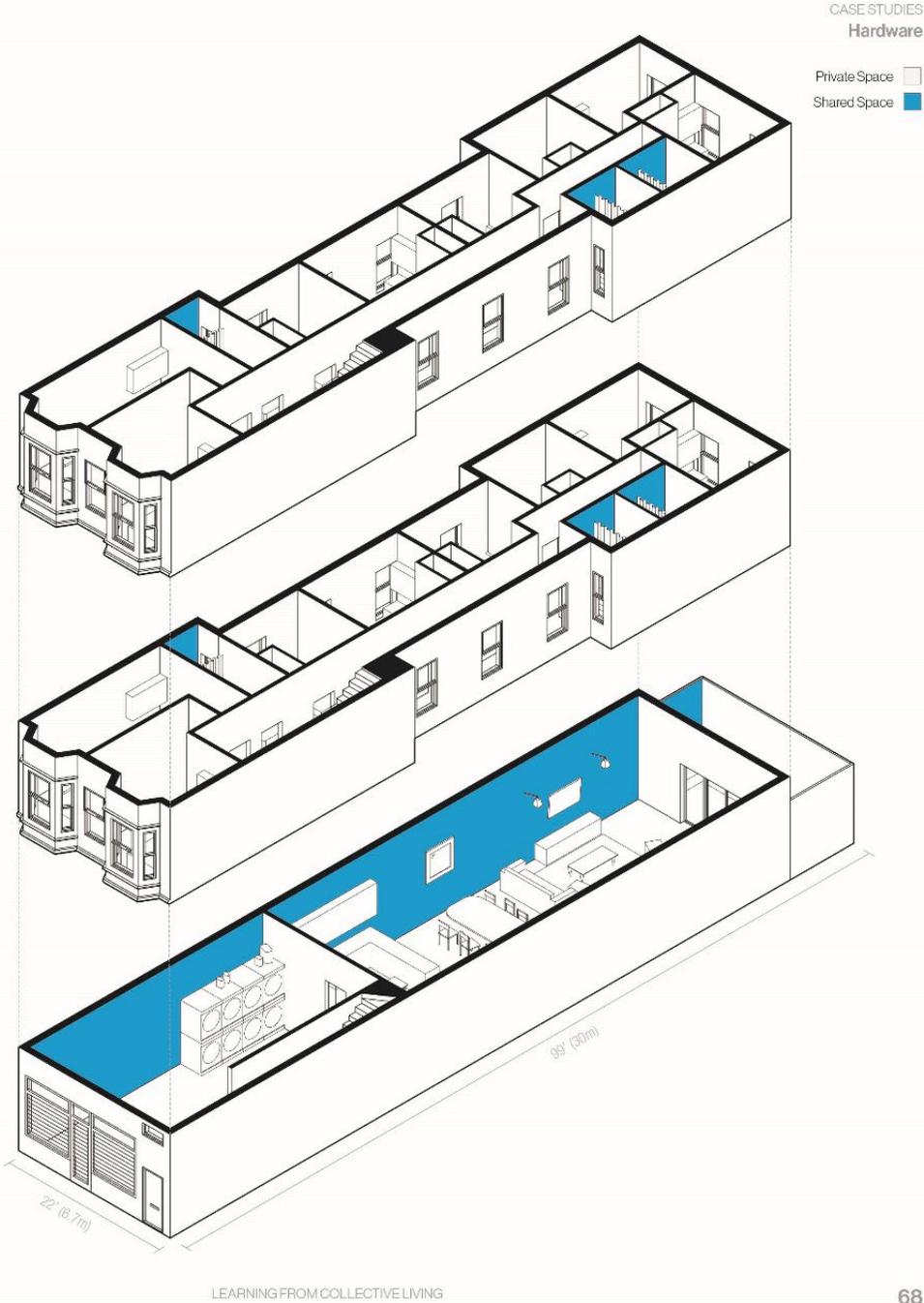


Figure A: Example of Common Space vs. Private Space<sup>1</sup>

<sup>1</sup> Source: Bhatia, Neeraj and Antje Steinmuller, “Learning from Collective Living: An Overview of How to Live Together”, White Paper (San Francisco: California College of the Arts / Urban Works Agency, 2022).

## Common Space vs. Private Space

Group Housing projects generally provide smaller private “units” or rooms 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. Figure A, which features the StarCity: Mission project located at 2072 Mission, demonstrates common spaces (highlighted in blue) being spread throughout the building for all residents to access. Common space at the ground floor provides a communal kitchen, dining, living, and laundry areas, and there are shared bathrooms serving the two upper floors. This example provides an appropriate balance of common and private space.

Additionally, Planning Code Section 135 includes separate usable open space requirements that provide outdoor open space to the residents but are not calculated towards common space for the purposes of these Ordinances. Common space does not include circulation, storage, bicycle parking, mechanical space, and other “back of house” space necessary to the operation of the building. Private space is defined as the rentable area of the units or rooms, including the living space, closets, and private bathrooms, if provided.

**Group Housing projects need to provide adequate common space for residents to use them. This is key in making sure this housing typology is successful.**

Common spaces are integral for Group Housing to function. But it’s not just the mere presence of these amenities. Other critical factors that make common space usable and desirable may include how much common space is provided, what types of common spaces are available, proximity to such common space, and how many people have access to said common space. These variables influence how much time residents spend in their private rooms versus the common space. Further, inadequate common spaces may lead to residents spending less time in the common space with other residents and instead opt to leave the premises altogether.

## Cooking Facilities

Currently, the primary physical difference between a Group Housing room and a studio Dwelling Unit are the cooking facilities. Group Housing rooms may have limited cooking facilities, while studio Dwelling Units require a full kitchen. Individual, limited cooking facilities are not a replacement for access to full kitchen facilities. Kitchens and cooking facilities are necessary for Group Housing residents to cook and prepare meals. Like common space, there are several factors which make a kitchen both usable and desirable, including the appliances provided, proximity to the kitchen, number of people served by the kitchen, and who is responsible for maintenance and cleanliness. The number of kitchens and distribution of kitchens depends on the size of the project and the configuration of the lot. Some projects may be better served with one or two large, primary kitchens while others may be better served with smaller, dispersed kitchens.

## Special Use District

The proposed Special Use District (SUD) prohibits Group Housing in the general Chinatown and Tenderloin neighborhoods. The proposed SUD boundaries are highlighted in Figure B and enlarged in Exhibit D. These

neighborhoods already have a high concentration of Group Housing, and the intent of the Ordinance is to encourage other types of housing in these neighborhoods.

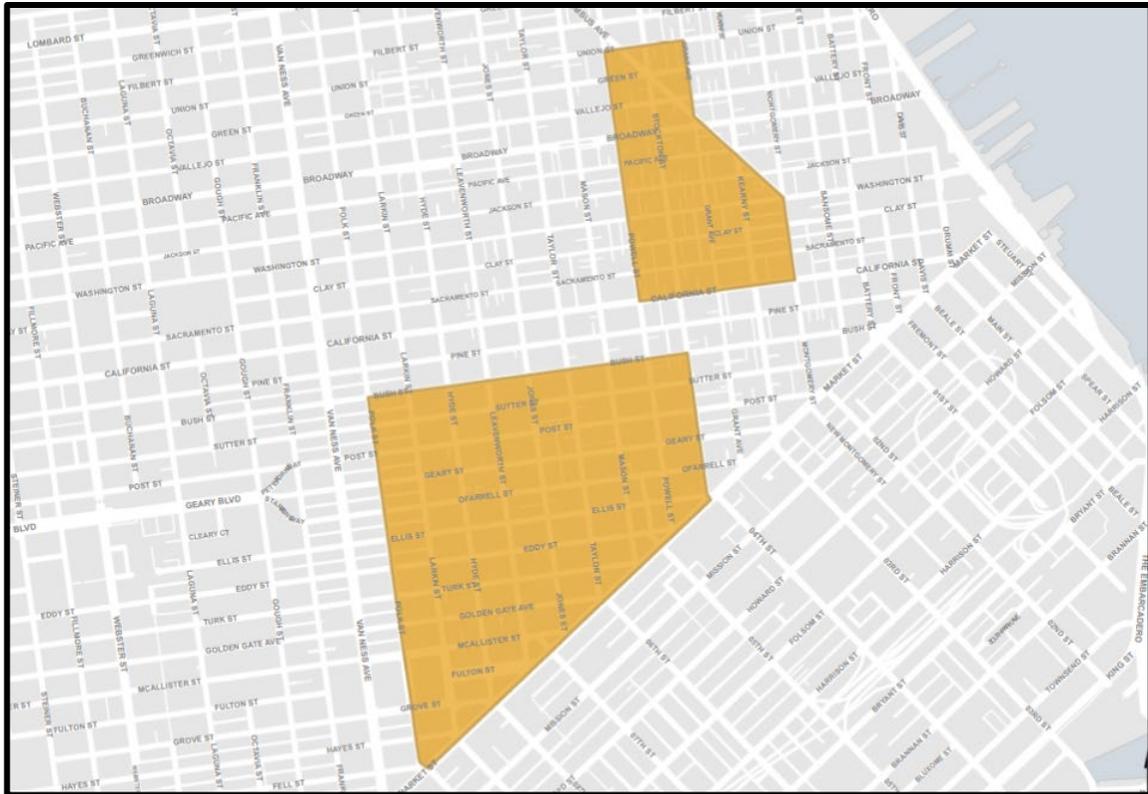


Figure B: Proposed Group Housing Special Use District (SUD) boundaries

The Department of Building Inspection conducts an [Annual Unit Usage Report \(AUUR\)](#), which includes information on Group Housing Residential Hotels administered under Chapter 41 of the Administrative Code. While the AUUR does not encompass all Group Housing rooms, it is still telling because Residential Hotels are one of the most prevalent types of Group Housing projects in San Francisco. Based on the DBI data, 7,037 (or 57%) of all Residential Hotels in San Francisco are located within the proposed SUD. This is an outstanding number considering the small geographic coverage of the proposed SUD. Of these Residential Hotels, approximately 2,102 (or 30%) are vacant. These high vacancy rates suggest that other forms of housing are preferred at this time. This is further echoed by feedback from community members on the desire for more traditional family-sized housing units.

The proposed amendments to the Group Housing definition exempt Student Housing and 100% Affordable Housing Projects from the common space and common kitchen requirements. The intent was to support these types of needed Group Housing projects by providing more flexibility. Based on conversations with Supervisor Peskin's office, the intent was also to exempt 100% Affordable Housing Projects from the SUD. However, the 100% Affordable Housing Project exemption was only included in the proposed Group Housing definition changes related to common space, but not the proposed SUD. Supervisor Peskin intends to introduce a substitute Ordinance or introduce an amendment at the Land Use and Transportation Committee hearing to this effect.

## Next Steps

Group Housing has evolved since the inception of the type of housing. The Department will continue to monitor the number and type of Group Housing projects to ensure this typology of housing is a success. The Department's collaboration with CCA and future ongoing research will help inform what other potential changes should be considered for Group Housing, if any. This Ordinance and the CCA white paper only considered interior common spaces. Staff understands that many Group Housing projects also provide outdoor gathering spaces so this may be another aspect to research further in the future.

Currently, the definition of Group Housing and Family are inextricably linked.<sup>2</sup> The proposed legislation would ensure residential habitability and access to amenities for those seeking to live communally that do not meet the nuclear and heteronormative definition of "family". More than five people living together, unrelated by blood, marriage, or adoption, constitutes Group Housing. Group Housing offers a potential solution for non-nuclear families wanting to live together. Hence, in some ways Group Housing can be considered a "family" comprised of a group of individuals (though not related through blood or marriage) choosing to live in Group Housing functioning much like traditional families. Future amendments should consider if Dwelling Unit and Group Housing definitions should reference the inclusion or exclusion of "family". The Housing Element 2022 Update, which appeared in front of Planning Commission on January 27, 2022, suggested eliminating the definition of "Group Housing" and modifying "Dwelling Unit" to include more than one Family.

Separate from Group Housing projects, there is still the opportunity to build SRO buildings. The proposed changes to the Group Housing definition does not prohibit SROs in this SUD, only Group Housing. Future research should review SROs more closely to determine if these are desirable, appropriate housing typologies within the proposed SUD, or if they should also be prohibited.

Lastly, some of the Group Housing projects the Department reviews include SRO buildings with many small units. However, Group Housing and congregate living may require different layouts or floor plan configurations than SRO buildings. One potential idea that requires further research is revising the SRO definition to be a type of Residential Use, rather than a Residential Use *characteristic*. This would prohibit SROs within Group Housing projects and eliminate some of the confusion around SROs.

## General Plan Compliance

The proposed Group Housing Definition Ordinance supports Group Housing, a housing typology that offers an alternative to traditional living arrangements. There is a wide spectrum of the different types of Group Housing projects, but they all focus on communal living. The proposed Ordinance seeks to ensure Group Housing provides adequate, usable common space for its residents. Further, the proposed Ordinance aligns with the draft Housing Element 2022 Update, which recently appeared in front of Planning Commission, to encourage co-housing. Additionally, the Housing Element 2022 Update noted the importance of minimum quality of life standards for all residences, such as having adequate cooking facilities and common spaces.

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<sup>2</sup> Planning Code Section 102 defines "Family" as "consisting of either one person, or two or more persons related by blood, marriage or adoption or by legal guardianship pursuant to court order [...] or a group of not more than five persons unrelated by blood, marriage or adoption, or such legal guardianship unless the group has the attributes of a family [...]".

The proposed SUD Ordinance responds to the overconcentration of Group Housing in the general Chinatown and Tenderloin neighborhoods. Additionally, there is a high vacancy rate within the existing Group Housing rooms within these neighborhoods suggesting the need for other housing typologies. The intent of the proposed Ordinance is to encourage more family-sized units in these neighborhoods.

### **Racial and Social Equity Analysis**

The Planning Code and Zoning Map amendments in the proposed Ordinances support the Group Housing as a different housing typology that is relevant in other parts of the country, but not yet fully realized in San Francisco. Group Housing residents tend to be people who are looking for non-traditional housing. These residents deserve fully functioning usable common space amenities and kitchens. The proposed Ordinance ensures that this housing typology works and is improved by having minimum requirements for common space. This is further needed because it is the communal aspect that distinguishes Group Housing from regular Dwelling Units. Without the common space amenities, the result is incredibly dense buildings without ample space for people. That extreme resembles a tenement, which is what this Ordinance hopes to avoid.

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 the situation, the City still needs to accommodate for all types of residents and Group Housing is part of the solution.

The Department's early work on Tenderloin Community Action Plan also supports the proposed SUD. Community members in the Tenderloin neighborhood have emphasized the need for more family-sized units of two- or three-bedrooms. These sentiments are also echoed by the general Chinatown neighborhoods. The proposed SUD responds to their concerns that there is an abundance of Group Housing in these neighborhoods which did not meet their needs. Further, based on information from DBI, there is a high vacancy rate amongst the existing Group Housing rooms within the Chinatown and Tenderloin neighborhoods. The proposed SUD responds directly to this feedback.

### **Implementation**

The Department has determined that these Ordinances will not impact our current implementation procedures.

### **Recommendation**

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

[Board File No. 211299](#)

1. Increase the common space requirement to 0.5 square feet of common space for every square foot of private space, instead of the proposed 0.25.
2. Decrease the communal kitchen requirement to be at least 15% of the common space, instead of the proposed 50%
3. Revise the minimum number of kitchens to be at least one communal kitchen for every 15 Group Housing rooms, instead of the proposed 20.

Board File No. 211300

4. Revise the proposed SUD to exempt Student Housing and 100% Affordable Housing projects.

**Basis for Recommendation**

The Department supports the overall goals of these Ordinances because they support Group Housing, and the related amendments make this a more successful housing typology. The goal is to improve livability in Group Housing projects and provide more space for residents. However, staff believes that the proposed Ordinances would benefit from the following recommended modifications:

Board File No. 211299

**Recommendation 1: Increase the common space requirement to 0.5 square feet of common space for every square foot of private space, instead of the proposed 0.25.**

Upon review of relevant case studies, CCA found that the average amount of common space was 0.67 square feet of common space for every square foot of private space, which translates to approximately 40% of the total combined square footage of common and private space. This number initially seems lofty; however, when considering that traditionally private amenities (i.e., kitchen) would be relocated to the communal areas instead, the requirement is more logical. This is possible because Group Housing rooms can be smaller since the space previously dedicated towards kitchens and limited cooking facilities would be reallocated to the communal kitchens in the common space.

As presented in the Informational Item for Case No. 2018-014048CWP, CCA has provided a quantitative analysis of various case studies, two-thirds of which are in the Bay Area, and which represent a variety of different building typologies currently used or proposed as Group Housing. CCA found that these projects provide common space at an average ratio of 0.67 square feet to every square foot of private space.

Staff analyzed numerous recent market rate group housing projects that proposed only SROs. The data shows that the 0.67 ratio CCA found through their case studies was not reflected in any of these projects. The ratio of common space provided by these projects ranged between 0.05 to 1.0 and 0.22 to 1.0. Based on this review of recent projects and considering the CCA case studies, staff recommends the common space requirement be increased to be 0.5 square feet of common space to every square foot of private space. This recommendation is in keeping the data that CCA has provided, but also provides a cushion for projects that may be more constrained.

Staff notes that the CCA case studies reviewed a wide range of types of Group Housing projects, with the majority local to the Bay Area and California. One of the white paper's findings also described that the ideal amount of common space is contingent on the type of Group Housing project. Specifically smaller Group Housing rooms (such as room without a private bathroom) rely more heavily on shared space, whereas bigger units (such as 1+ bedrooms) require less common space. As the Department continues to evaluate Group Housing projects, there could be an opportunity to create a tiered system of requirements for different types of cohousing and co-living models, and/or to separate Group Housing in congregate living from Efficiency Dwelling Units.

**Recommendation 2: Decrease the communal kitchen requirement to be at least 15% of the common space, instead of the proposed 50%.**

As written, the proposed Ordinance would also require a minimum of 50% of the common space be dedicated to the communal kitchen. Staff finds this number to be high considering there are other types of amenities that may be included in a Group Housing project, not just kitchens. This is especially important to retain as much flexibility for intentional communities in Group Housing, as common space may be dedicated to other uses that are more important or integral to the community. The 15% threshold would maintain flexibility for Group Housing projects to provide other types of programmed space, and for the overall program of the space to evolve over time.

The recommendation is to reduce the 50% requirement to 15%, and to clarify that the language is that 15% of common spaces should include at least one kitchen. This is further supported by CCA's case studies that found the Group Housing projects' communal kitchens were on average 17% of the common space.

The proposed Ordinance does not define how a communal kitchen is measured; however, Zoning Administrator recently defined a Dwelling Unit kitchen in a ["Zoning Administrator Rules, Regulations, and Interpretations" Memo to File](#) dated March 22, 2021. The interpretation defines a kitchen as a room containing the following:

- a full-size oven (gas or electric),
- a counter sink with each dimension greater than 15 inches, and
- a refrigerator/freezer of at least 12 cubic feet.

Staff notes this provision applies these kitchen measurements to Dwelling Units not Group Housing rooms. However, staff recommends using the same measurements because they have already been vetted as to what is required for a full kitchen to function. This approach also allows for consistency.

**Recommendation 3: Revise the minimum number of kitchens to be at least one communal kitchen for every 15 Group Housing rooms instead of the proposed 20.**

The proposed Ordinance would also require a minimum of one kitchen for every 20 Group Housing rooms. Considering that a kitchen has an oven, counter, and refrigerator/freezer, it would be difficult for approximately 20 people to be able to regularly use such kitchen.<sup>3</sup> After noting the average number of residents per kitchen in CCA's white paper, staff recommends this requirement to be revised to be a minimum of one kitchen for every 15 Group Housing rooms instead. This recommendation is meant to ensure the kitchens are usable and that it is realistic for the residents to use the shared amenity.

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<sup>3</sup> Some Group Housing rooms may include more than one resident, but the Ordinances and this report assume just one resident per Group Housing room since the number of residents vary project to project.

This requirement does not preclude projects from placing communal kitchens side by side. For example, if a communal kitchen had two ovens, two counter sinks, and two refrigerator/freezers of the qualifying sizes, it would be counted as two communal kitchens. These combined communal kitchens could serve up to 30 Group Housing rooms under the recommended modification. However, staff encourages projects to still spread these communal kitchens throughout the different floors of the project, rather than having only one large communal kitchen.

Board File No. 211300

**Recommendation 4: Revise the proposed SUD to exempt Student Housing and 100% Affordable Housing projects.**

The proposed amendments to the Group Housing definition exempt Student Housing and 100% Affordable Housing Projects from the common space requirements. The intent was to support these types of needed Group Housing projects by providing more flexibility. Based on conversations with Supervisor Peskin's office, the intent was also to exempt 100% Affordable Housing Projects from the proposed SUD, but not Student Housing. Staff still recommends including Student Housing as part of the SUD exemption because of the unique needs these residents pose.

## **Required Commission Action**

The proposed Ordinances are before the Commission so that it may approve it, reject it, or approve it with modifications.

## **Environmental Review**

The proposed amendments are not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because they do not result in a physical change in the environment.

## **Public Comment**

As of the date of this report, the Planning Department has received one public comment with general questions about Group Housing and the proposed Ordinances.

### **Attachments:**

- Exhibit A: Draft Planning Commission Resolutions
- Exhibit B: Board of Supervisors File No. 211299
- Exhibit C: Board of Supervisors File No. 211300
- Exhibit D: Proposed boundaries for Group Housing Special Use District
- Exhibit E: Public Comment



# PLANNING COMMISSION DRAFT RESOLUTION

**HEARING DATE: February 10, 2022**

**Project Name:** Group Housing Definition  
**Case Number:** 2022-000674PCA [Board File No. 211299]  
**Initiated by:** Supervisor Peskin / Introduced December 14, 2021  
**Staff Contact:** Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 628-652-7525  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO REVISE THE DEFINITION OF GROUP HOUSING; 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 December 14, 2021 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 211299, which would amend the Planning Code to revise the definition of Group Housing;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on February 10, 2022; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); 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. Increase the common space requirement to 0.5 square feet of common space for every square foot of private space, instead of the proposed 0.25.
2. Decrease the communal kitchen requirement to be at least 15% of the common space, instead of the proposed 50%
3. Revise the minimum number of kitchens to be at least one communal kitchen for every 15 Group Housing rooms, instead of the proposed 20.

## 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 support Group Housing, a much-needed housing typology to help alleviate the housing crisis in San Francisco.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

### HOUSING ELEMENT

#### OBJECTIVE 1

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

##### Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

#### OBJECTIVE 4

**FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.**

Policy 4.5

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

**OBJECTIVE 5**

**ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.**

Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The proposed Group Housing Definition Ordinance supports Group Housing, a housing typology that offers an alternative to traditional living arrangements. There is a wide spectrum of the different types of Group Housing projects, but they all focus on communal living. The proposed Ordinance seeks to ensure Group Housing provides adequate, usable common space for its residents. Further, the proposed Ordinance aligns with the draft Housing Element 2022 Update, which recently appeared in front of Planning Commission, to encourage co-housing. Additionally, the Housing Element 2022 Update noted the importance of minimum quality of life standards for all residences, such as having adequate cooking facilities and common spaces.*

**Planning Code Section 101 Findings**

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on 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 February 10, 2022.

Jonas P. Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 10, 2022

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# PLANNING COMMISSION DRAFT RESOLUTION

**HEARING DATE: February 10, 2022**

**Project Name:** Group Housing Special Use District  
**Case Number:** 2021-011415PCAMAP [Board File No. 211300]  
**Initiated by:** Supervisor Peskin / Introduced December 14, 2021  
**Staff Contact:** Veronica Flores, Legislative Affairs  
Veronica.Flores@sfgov.org, 628-652-7525  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO CREATE THE GROUP 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.**

WHEREAS, on December 14, 2021 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 211300, which would amend the Planning Code to create the Group Housing 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 February 10, 2022; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); 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 recommendation is as follows:

1. Revise the proposed SUD to exempt Student Housing and 100% Affordable Housing projects.

## 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 responds to the overconcentration of Group Housing in the general Tenderloin and Chinatown neighborhoods.

The proposed Ordinance encourages more family-sized units within these neighborhoods.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modification is consistent with the following Objectives and Policies of the General Plan:

### HOUSING ELEMENT

#### OBJECTIVE 1

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

##### Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

#### OBJECTIVE 5

**ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.**

##### Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The proposed SUD Ordinance responds to the overconcentration of Group Housing in the general Chinatown and Tenderloin neighborhoods. Additionally, there is a high vacancy rate within the existing Group Housing rooms within these neighborhoods suggesting the need for other housing typologies. The intent of the proposed Ordinance is to encourage more family-sized units in these neighborhoods.*

### **Planning Code Section 101 Findings**

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on 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 February 10, 2022.

Jonas P. Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 10, 2022

1 [Planning Code - Group Housing Definition]

2

3 **Ordinance amending the Planning Code to revise the definition of Group Housing;**  
 4 **affirming the Planning Department's determination under the California Environmental**  
 5 **Quality Act; and making findings of consistency with the General Plan, and the eight**  
 6 **priority policies of Planning Code, Section 101.1, and findings of public necessity,**  
 7 **convenience, and welfare under Planning Code, Section 302.**

8

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

12

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

14

15 Section 1. Environmental and Land Use Findings.

16

(a) The Planning Department has determined that the actions contemplated in this

17

ordinance comply with the California Environmental Quality Act (California Public Resources

18

Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

19

Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference. The Board affirms

20

this determination.

21

(b) On \_\_\_\_\_, the Planning Commission, in Resolution No. \_\_\_\_\_, adopted

22

findings that the actions contemplated in this ordinance are consistent, on balance, with the

23

City's General Plan and eight priority policies of Planning Code Section 101.1. The Board

24

adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the

25

Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

1 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the  
2 Planning Code amendments will serve the public necessity, convenience, and welfare for the  
3 reasons set forth in Planning Commission Resolution No. \_\_\_\_\_, and the Board  
4 incorporates such reasons herein by reference.

5  
6 Section 2. Other Findings.

7 (a) In 2005, the Zoning Administrator issued an interpretation of the Planning Code  
8 definition of Group Housing that allowed Group Housing to include limited kitchens, similar to  
9 the Planning Code definition of Dwelling Unit, which made it more difficult to distinguish  
10 between a residential Dwelling Unit and a Group Housing unit.

11 (b) The intent of a Group Housing development is to create successful communal  
12 living arrangement for permanent residents, largely achieved by shifting the private amenities  
13 required in standard Dwelling Units, such as kitchens, to communal facilities shared by all  
14 project residents, thus encouraging shared social interactions and shared stewardship of the  
15 facility.

16 (c) The Planning Department has partnered with California College of the Arts to study  
17 current Group Housing developments and analyze best practices, and has prepared  
18 recommendations on how to improve the definition of Group Housing in the Planning Code,  
19 many of which are reflected in this ordinance.

20 (d) In 2002, San Francisco adopted its first Inclusionary Housing Ordinance, which  
21 requires that projects with ten or more units designate a percentage of units on-site as  
22 “affordable for purchase...and rent” by moderate, low, and very low-income households, with  
23 the stated goal of addressing San Francisco’s affordable housing crisis. On-site affordable  
24 units capture the social benefits of integrated below-market and market rate housing. The  
25 Inclusionary Housing Ordinance was subsequently updated in 2016 and 2017.

1 (e) In 2002, the Planning Department reported that between 1992 and 2002 only  
2 “3,1991 units of low and very low-income housing were built in San Francisco out of a total  
3 need of 15,103 units for the same period.” This effort has not improved in the last two  
4 decades. The Planning Department’s April 2021 Housing Balance Report shows that very-low  
5 income units (including units for extremely low-income residents eligible for homeless  
6 subsidies) and low-income units made up only 19% of net new units constructed between the  
7 first quarter of 2011 through the fourth quarter of 2020. These numbers pale in comparison to  
8 the need for such housing. The Association of Bay Area Governments’ 2023-2031 Draft  
9 Regional Housing Needs Assessment identifies San Francisco’s need for 114,442 units of  
10 very-low income housing, or 25.9% of total housing need, and 65,892 units of low-income  
11 housing, or 14.9% of total housing need. Together, San Francisco’s Regional Housing Needs  
12 Assessment HNA calls for over 40% of all units as below market rate units.

13 (f) Group Housing developments, while designed for permanent residents, are  
14 nonetheless tailored to residents who are in a transitional stage in their lives, either as a  
15 function of their employment situation or their student status. The smaller floor plans and  
16 scaled-back private amenities of individual units are marketed to and designed for residents  
17 who are primarily seeking to rent a unit, and not residents who seek to purchase a unit.

18 (g) Group Housing ownership units run the risk of becoming unregulated corporate  
19 rentals or second and third homes for San Francisco or non-San Francisco residents, which  
20 contravenes the intended social benefits and shared investment needed to ensure a  
21 successful Group Housing project.

22 (h) In 2017, the Board of Supervisors updated the Hotel Conversion Ordinance,  
23 Administrative Code Chapter 41, to clarify that residential hotels are intended for permanent  
24 residents, and that any stay under 32 days would be considered a tourist or transient use and  
25 not a residential use, and conformed the Hotel Conversion Ordinance to other sections of the

1 Administrative Code related to short-term rentals. The Hotel Conversion Ordinance updates  
2 also reflect an updated definition of “protected tenants” in Chapter 37 of the Administrative  
3 Code, the San Francisco Residential Rent Stabilization and Arbitration Ordinance. This  
4 legislation conforms the definition of Group Housing with the term of stay for residential hotels,  
5 a type of use included in the definition of Group Housing.

6  
7 Section 3. The Planning Code is hereby amended by revising Sections 102 and 415.2,  
8 to read as follows:

9  
10 **SEC. 102 DEFINITIONS.**

11 \* \* \* \*

12 **Group Housing.** A Residential Use that provides lodging or both meals and lodging,  
13 without individual or limited cooking facilities or kitchens, by prearrangement for 30 days a week  
14 or more at a time and intended as Long-Term Housing, in a space not defined by this Code as a  
15 Dwelling Unit ~~dwelling unit~~. Except for Group Housing that also qualifies as Student Housing as  
16 defined in this Section 102 or 100% Affordable Housing as defined in Planning Code Section 315, the  
17 residential square footage devoted to Group Housing shall include both common and private space in  
18 the following amounts: for every gross square foot of private space (including bedrooms and individual  
19 bathrooms), 0.25 gross square feet of common space shall be provided, with at least 50% of the  
20 common space devoted to communal kitchens with a minimum of one kitchen for every 20 Group  
21 Housing units. ~~Such group housing~~ Group Housing shall include, but not necessarily be limited to,  
22 a Residential Hotel, boardinghouse, guesthouse, rooming house, lodging house, residence  
23 club, commune, fraternity or sorority house, monastery, nunnery, convent, or ashram. It shall  
24 also include group housing affiliated with and operated by a medical or educational institution,

1 when not located on the same lot as such institution, which shall meet the applicable  
2 provisions of Section 304.5 of this Code concerning institutional master plans.

3 \* \* \* \*

4  
5 **SEC. 415.2. DEFINITIONS.**

6 See Section 401 of this Article.

7 "Owned Unit" shall mean a dwelling unit that is a condominium, stock cooperative,  
8 community apartment, or detached single family home. The owner or owners of an owned unit  
9 must occupy the unit as their primary residence. An Owned Unit shall not be Group Housing, as  
10 defined in Section 102.

11 \* \* \* \*

12  
13 Section 4. Effective Date.

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

18 //

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

7

8 APPROVED AS TO FORM:  
9 DAVID CHIU, City Attorney

10 By:                     /s/            
11           AUDREY WILLIAMS PEARSON  
          Deputy City Attorney

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1 [Planning Code, Zoning Map - Group Housing Special Use District]

2

3 **Ordinance amending the Planning Code to create the Group Housing Special Use**  
4 **District; affirming the Planning Department's determination under the California**  
5 **Environmental Quality Act; and making findings of consistency with the General Plan,**  
6 **and the eight priority policies of Planning Code, Section 101.1, and findings of public**  
7 **necessity, convenience, and welfare under Planning Code, Section 302.**

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

12

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

14

15 Section 1. Environmental and Land Use Findings.

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

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

1 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the  
2 Planning Code and Zoning Map amendments will serve the public necessity, convenience,  
3 and welfare for the reasons set forth in Planning Commission Resolution No. \_\_\_\_\_,  
4 and the Board incorporates such reasons herein by reference.

5  
6 Section 2. Other Specific Findings.

7 (a) The Group Housing Special Use District is generally comprised of overlapping  
8 areas in whole or in part of the Chinatown Community Business District, the Chinatown Visitor  
9 Retail District, the Chinatown Residential Neighborhood Commercial District, the Chinatown  
10 Transit Station Special Use District, the North Beach Neighborhood Commercial District, the  
11 North Beach Special Use District, the Nob Hill Special Use District and the North of Market  
12 Special Use District, which are described more fully in Planning Code sections 810, 811, 812,  
13 722, 780.3, 249.66, 238 and 249.5 respectively, and the Uptown Tenderloin Historic District,  
14 which is described more fully in the National Register of Historic Places as approved by the  
15 State Historical Resources Commission (together, “Greater Chinatown and Greater  
16 Tenderloin neighborhoods”). These districts all were designed with the intent of protecting and  
17 preserving, to various degrees, the established communities, including the high concentration  
18 of low-income residents of single-room occupancy (SRO) residential hotels, a type of group  
19 housing as defined in the Planning Code.

20 (b) The Greater Chinatown and Greater Tenderloin neighborhoods continue to have  
21 the highest concentration per census tract of low-income families in San Francisco, many of  
22 whom reside in overcrowded group housing projects. This concentration of existing group  
23 housing projects in the Group Housing Special Use District does not currently meet the  
24 housing needs of the population, which lacks access to and choice of housing options that  
25

1 provide adequate cooking, food preparation, and storage facilities appropriately sized for  
2 families.

3 (c) The San Francisco Human Services Agency (HSA) has documented that both  
4 the Greater Chinatown and Greater Tenderloin neighborhood residents are the most at risk for  
5 food insecurity and the most reliant on government aid for food subsidies among San  
6 Francisco residents; and that without a complete kitchen facility with adequate space to  
7 prepare, store, and cook food, residents are more likely to rely on pre-prepared meals and  
8 unhealthy snacks, furthering the income inequality and public health concerns in these  
9 neighborhoods.

10 (d) Given the lack of adequate kitchens and adequate food storage areas within  
11 new group housing projects, as well as Greater Tenderloin and Greater Chinatown residents'  
12 limited access to affordable grocery stores, and an increase in documented assaults within  
13 both neighborhoods, the Board of Supervisors finds that residents of new group housing  
14 projects would need to purchase prepared food and would be unlikely to walk or take transit to  
15 food establishments. Thus, residents are likely to rely heavily on Transportation Network  
16 Company (TNC) food delivery vehicle services (e.g., DoorDash, GrubHub, and Uber Eats  
17 deliveries) to obtain food, leading to additional congestion. As documented by the San  
18 Francisco County Transportation Authority in its 2017 "TNC's Today" Congestion Study, an  
19 increase in TNC use in turn creates more pedestrian/vehicle collisions and increased  
20 pollution; the Greater Tenderloin and Greater Chinatown neighborhood already suffers high  
21 levels of both.

22 (e) Group housing projects tend to have higher turnover of tenants given that the  
23 typology specifically caters to transient and temporary residents, as interpreted by the Zoning  
24 Administrator. Unlike family-sized dwelling units with full kitchens and storage space designed  
25

1 for permanent residents, the transient nature of group housing residents contributes to  
2 destabilization of the neighborhoods in which they are located.

3 (f) Existing group housing projects within the proposed Group Housing Special Use  
4 District have been found to have a high number of vacancies as documented by the  
5 Department of Building Inspection’s Annual Unit Usage Report (AUUR).

6 (g) The Board of Supervisors finds that because group housing is already  
7 overwhelmingly saturated within the geographic boundaries of the Group Housing Special  
8 Use District, and in the interest of promoting density and geographic equity, it is necessary  
9 and appropriate to prohibit new group housing uses within the Group Housing Special Use  
10 District to incentivize other needed housing typologies, namely affordable family-sized  
11 housing, while concurrently increasing density in other areas of the City.

12  
13 Section 3. Article 2 of the Planning Code is hereby amended by adding Section  
14 249.92, to read as follows:

15 **SEC. 249.92. GROUP HOUSING SPECIAL USE DISTRICT.**

16 (a) Purpose. To incentivize the development of affordable family-sized housing over housing  
17 without full kitchens or adequate space to prepare, store, and cook food, in areas of the City where  
18 Group Housing is already saturated, a special use district entitled the “Group Housing Special Use  
19 District” is hereby established.

20 (b) Boundaries. The boundaries of the Group Housing Special Use District are shown on  
21 Special Use District Maps SU 01 and 02, and consist of the following areas:

22 (1) The area within a perimeter established by Bush Street, Stockton Street, Market  
23 Street, and Polk Street.

24 (2) The area within a perimeter established by Union Street, Grant Avenue, Columbus  
25 Avenue, Montgomery Street, California Street, and Powell Street.

1            (c) Controls. Group Housing, as defined in Section 102, shall not be permitted in the Special  
2 Use District. All other provisions of the Planning Code shall apply.

3  
4            Section 4. The Planning Code is hereby amended by revising Special Use District Map  
5 SU01 and SU02 of the Zoning Map of the City and County of San Francisco, as follows:

6

Description of Property	Special Use District Hereby Approved
The area within a perimeter established by Bush Street, Stockton Street, Market Street, and Polk Street.	Group Housing Special Use District
The area within a perimeter established by Union Street, Grant Avenue, Columbus Avenue, Montgomery Street, California Street, and Powell Street.	Group Housing Special Use District

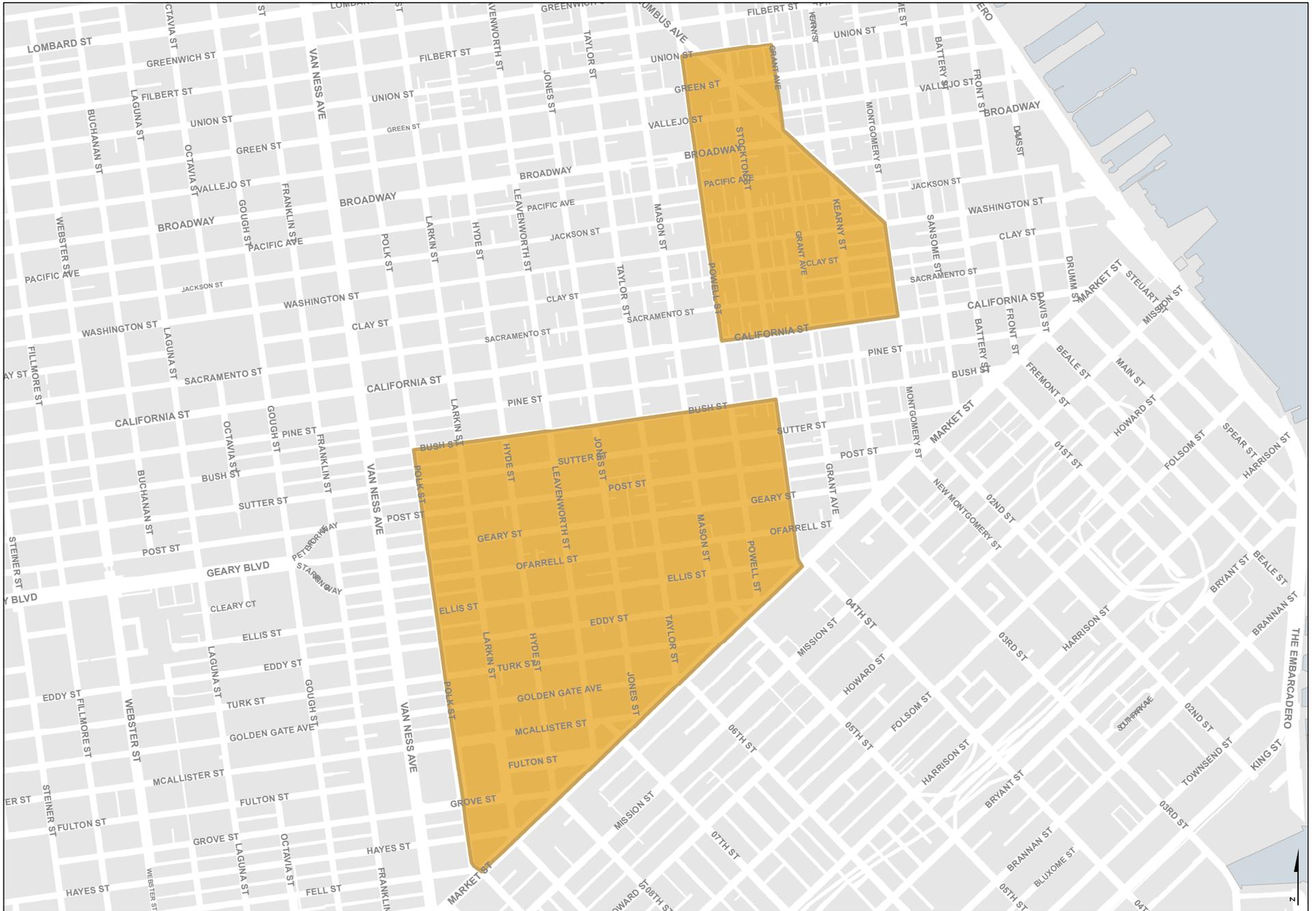
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16            Section 5. Effective and Operative Dates.

17            (a) This ordinance shall become effective 30 days after enactment. Enactment  
18 occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or  
19 does not sign the ordinance within ten days of receiving it, or the Board of Supervisors  
20 overrides the Mayor's veto of the ordinance.

21            (b) This ordinance shall become operative on the later of (1) its effective date stated  
22 in subsection (a), or (2) on the effective date of either the ordinance in Board of Supervisors  
23 File No. 210564 or the ordinance in Board of Supervisors File No. 210866. The ordinances in  
24 File Nos. 210564 and 210866 change the development standards, policies, and conditions  
25 applicable to RH-1 districts, increasing the development capacity in those districts. This



# Group Housing Special Use District - DRAFT



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**From:** [Yonathan](#)  
**To:** [Flores, Veronica \(CPC\)](#)  
**Subject:** Group Housing questions  
**Date:** Tuesday, February 1, 2022 4:45:36 PM

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Hi Veronica Flores.

Regarding Ordinance Case 2021-011415PCA-02, [Board File 211299](#), scheduled for Planning Commission [2/10/2022](#), I am curious about how this interacts with Efficiency Dwelling Units which were added as [Planning Code §318](#) in 2013 ([Ord. 242-12](#), [Board File 120996](#)) along with Building Code changes ([Ord. 235-12](#), [Board File 120996](#)).

Questions:

- Are there a lot of “Efficiency Dwelling Unit” applications? I understand that the Planning Department opposed adding a definition of Efficiency Dwelling Unit because they said as far as the Planning Code is concerned, it’s just a unit, so perhaps you don’t track them.
- Are there a lot of “Efficiency Dwelling Units with reduced square footage” applications, subject to or not subject to the 375-unit citywide limit (for non-group-housing, non-affordable units)?
- Are Efficiency Dwelling Units allowed in every use district that a regular unit is?
- Why don’t the market-rate Group Housing proposals just make Efficiency Dwelling Units? (I have a feeling I know the answer: [Planning Code §207](#) lower dwelling density limit which is less than the [§208](#) group housing limit, and [Planning Code §135](#) open space for group housing which is 1/3 the requirement for units)

Thanks.  
Yonathan Randolph