1	[Planning, <u>Admi</u> Districts]	nistrative, Subdivision Codes; Zoning Map - Density Exception in Residential					
2	Ordinance ame	ending the Planning Code to rezone all Residential, One Family (RH-1)					
3	zoning districts	s, <u>except for Residential. One Family, Detached (RH-1(D)) districts,</u> to					
4	Residential, Tw	o Family (RH-2) zoning districts <u>; to rezone the RH-1(D) districts to a new</u>					
5	class of reside	ntial district called Residential, Two Family, Detached (RH-2(D)) districts;					
6	and to provide	a density limit exception to permit up to four dwelling units per lot, and					
7	up to six dwelli	ing units per lot in Corner Lots, in all RH (Residential, House) zoning					
8 9	districts, subject to certain requirements, including among others the replacement of						
9 10	protected units	; amending the Administrative Code to require new dwelling units					
10	constructed pu	irsuant to the density limit exception to be subject to the rent increase					
12	limitations of the Rent Ordinance; amending the Subdivision Code to authorize a						
12	subdivider that is constructing new dwelling units pursuant to the density exception to						
13	submit an appl	ication for condominium conversion or a condominium map that					
14	includes the ex	tisting dwelling unit s and the new dwelling units that constitute the					
16	project; affirmi	ng the Planning Department's determination under the California					
17	Environmental	Quality Act; and making findings of consistency with the General Plan					
18	and the eight p	riority policies of Planning Code, Section 101.1, and findings of public					
19	necessity, conv	venience, and welfare under Planning Code, Section 302.					
20	NOTE:	Unchanged Code text and uncodified text are in plain Arial font.					
21		Additions to Codes are in <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in strikethrough italics Times New Roman font.					
22		Board amendment additions are in <u>double-underlined Arial font</u> . Board amendment deletions are in strikethrough Arial font.					
23		Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.					
24							
25	Be it orda	ained by the People of the City and County of San Francisco:					

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Section 1. CEQA and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this
ordinance comply with the California Environmental Quality Act (California Public Resources
Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
Supervisors in File No. 220446 and is incorporated herein by reference. The Board affirms
this determination.

(b) On November 18, 2021, the Planning Commission, in Resolution No. 21031,
adopted findings that the actions contemplated in this ordinance are consistent, on balance,
with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
the Board of Supervisors in File No. 220446, and is incorporated herein by reference.

- (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
 amendments will serve the public necessity, convenience, and welfare for the reasons set
 forth in Planning Commission Resolution No. 21031, and the Board adopts such reasons as
 its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File
 No. 220446 and is incorporated herein by reference.
- 17
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Section 2. Background and Findings.

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

(b) This crisis of housing affordability and availability is particularly severe in San
 Francisco. It is characterized by dramatic increases in rent and home sale prices over recent
 years and historic rates of underproduction of new housing units across income levels,
 particularly in the City's western neighborhoods and RH (Residential, House) zoning districts.

(c) According to the Planning Department's 2020 Housing Inventory, the cost of
housing in San Francisco has increased dramatically since the Great Recession of 20082009, with the median sale price for a two-bedroom house more than tripling from 2011 to
2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone,
even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom
apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to
\$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.

(d) These housing cost trends come after decades of underproduction of housing in
San Francisco, with only 600 net new units on average added per year from 1960 to 1990,
compared with 37,000 per year in the Bay Area as a whole, and fewer than 1,000 net new
units on average per year in San Francisco in the 1990s, before increasing to an average of
roughly 2,500 per year from 2000 to 2019, according to the Planning Department's 2019
Housing Affordability Strategies Report.

(e) The City's Chief Economist has estimated that approximately 5,000 new market rate housing units per year would be required to keep housing prices in San Francisco
 constant with inflation generally, rather than greatly exceeding general rates of inflation.

(f) Moreover, San Francisco will be challenged to meet increased Regional Housing
Needs Allocation ("RHNA") goals in the upcoming 2023-2031 Housing Element cycle, which
total 72,000 units over eight years, more than 2.5 times the goal of the previous eight-year
cycle. At the same time, relatively new State laws like Senate Bill 35 (2017) would limit San

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Francisco's local zoning control and discretion if the City does not meet these RHNA housing
 production goals.

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

9 (h) Roughly 60% of San Francisco's developable land area is in the RH (Residential,
10 House) zoning districts, concentrated primarily on the City's west side, with 38% of the City's
11 developable land area zoned exclusively for single-family homes in RH-1 (Residential, House,
12 One Family) and RH-1(D) (Residential, House, One Family, Detached Dwellings) zoning
13 districts. In spite of the expansive geographic coverage of RH zoning districts throughout the
14 City, only 10% of the total new housing units in 2020 were built in these districts.

(i) Neighborhoods zoned for RH encompass a wide variety of housing and building
typologies, with a distinct historic pattern of taller, higher-density buildings often located on
corner lots throughout residential neighborhoods in the City, which predate the advent of RH
zoning, in the 1970s.

(j) The City's COVID-19 Economic Recovery Task Force included a recommendation
 in its October 2020 report to support construction of small multifamily buildings in low density
 areas to support "missing middle" housing opportunities.

(k) This ordinance allows the development of up to four units, and up to six units in
Corner Lots, in all RH districts throughout the City (as shown on the Zoning Maps ZN 01
through ZN 14), at the heights currently specified in the City's Zoning Maps (Height Maps HT
01 through HT 14). All parcels affected by this ordinance are considered urban infill sites

under California Government Code Section 65913.5(e)(3). This Board therefore declares that
 this ordinance is enacted pursuant to California Government Code Section 65913.5.

- (I) This Board acknowledges that new housing developments approved under this
 ordinance will be subject to the requirements of California Government Code Section
 66300(d), such as the obligation to replace all existing or demolished protected units and
 protections for existing occupants, including, for lower income occupants of protected units,
 relocation benefits and a right of first refusal for a comparable unit available in the new
 housing development at an affordable rent or cost, as provided by state law.
- 9 (m) This Board finds that this ordinance is consistent with San Francisco's obligation to affirmatively further fair housing pursuant to California Government Code Section 8899.50, by 10 increasing density in a manner that meaningfully addresses significant disparities in housing 11 12 needs and access to opportunity. The ordinance achieves the increase in density by 13 increasing the principally permitted residential density in areas subject to historically exclusionary density limits-, by providing an additional density exception for projects that 14 comply with the requirements of Section 66300(d) of the California Government Code and 15 enter into regulatory agreements with the City acknowledging that, in consideration for the 16 17 density exception, the new units shall be subject to local rent control notwithstanding the 18 Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et seq.). (n) This Board finds that it is in the public interest to encourage the production of a 19 20 variety of unit types and sizes to accommodate people in different types of living conditions. 21 including a mix of smaller units that can help young adults secure housing or seniors to downsize, and larger units that can help growing or multi-generational families stay 22 23 adequately housed. (o) This Board finds that it is in the public interest to support San Francisco 24 homeowners in developing their properties while continuing to reside on the property as a key 25

1 means of building intergenerational wealth, particularly for first-generation or historically 2 marginalized homeowners. Because the regulatory and development process, combined with 3 escalating home prices and construction costs, presents specific challenges to homeowners distinct from those faced by development and construction professionals, this ordinance 4 applies certain provisions to property owners who intend to continue residing on the property 5 6 after construction. 7 (p) This Board recognizes that additional development opportunities may lead to 8 speculative real estate investments that may seek to maximize profits by displacing current residents, demolishing existing housing stock, building new units, and guickly selling those 9 units. To prevent such speculation, demolition of existing units, and displacement of current 10 residents, this ordinance makes the benefit of the density exception available only to persons 11 12 who have owned their properties for five years, prior to the date of their application to obtain 13 the exception. (pg) This ordinance allows for a density exception where the project does not cause a 14 substantial adverse change in the significance of an historic resource, as defined. This Board 15 recognizes that prior to submitting a development application, property owners may apply to 16 the Planning Department for a pre-application Historic Resource Assessment to determine 17 18 whether a historic resource is present on the lot. To support homeowners in using this density exception to develop their properties, this ordinance waives permit fees for the Historic 19 20 Resource Assessment under certain conditions. 21 22 23 Section 3. Article 2 of the Planning Code is hereby amended by revising Sections 207 and 209.1, to read as follows: 24

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1	SEC. 207. DWELLING UNIT DENSITY LIMITS.
2	* * * *
3	(c) Exceptions to Dwelling Unit Density Limits. An exception to the calculations
4	under this Section 207 shall be made in the following circumstances:
5	* * * *
6	(8) Residential Density Exception in RH Districts.
7	(A) Density Exception. Projects located in RH Districts that are not seeking or
8	receiving a density bonus under the provisions of Planning Code Sections 206.5 or 206.6 shall receive
9	an exception from residential density limits for up to four dwelling units per lot, excluding Corner Lots,
10	or up to six dwelling units per lot in Corner Lots, not inclusive of any Accessory Dwelling Units as
11	permitted under this Section 207, provided that the dwelling units meet the requirements set forth in
12	this subsection (c)(8).
13	(B) Eligibility. To receive the density exception authorized under this
14	subsection (c)(8), property owners must demonstrate that they have owned the lot for which
15	they are seeking the density exception for a minimum of five years prior to the time of the
16	submittal of their application.
17	(BC) Eligibility of Historic Resources. To receive the density exception
18	authorized under this subsection (c)(8), a project must demonstrate to the satisfaction of the
19	Environmental Review Officer that it does not cause a substantial adverse change in the significance of
20	an historic resource as defined by California Code of Regulations, Title 14, Section 15064.5, as may be
21	amended from time to time. Permit fees for pre-application Historic Resource Assessments shall
22	be waived for property owners who apply to obtain a density exception under this subsection
23	(c)(8), if they sign an affidavit stating their intent to reside on the property for a period of three
24	years after the issuance of the Certificate of Final Completion and Occupancy for the new
25	dwelling units. Permit fees for Historic Resource Determinations shall not be waived.

1	(<u>CD</u>) Applicable Standards. Projects utilizing the density exception of this
2	subsection (c)(8) and that provide at least four dwelling units shall be subject to a minimum Rear Yard
3	requirement of the greater of 30% of lot depth or 15 feet. All other building standards shall apply in
4	accordance with the applicable zoning district as set forth in Section 209.1.
5	(<u>ĐE</u>) Unit Replacement Requirements. Projects utilizing the density exception
6	of this subsection (c)(8) shall comply with the requirements of Section 66300(d) of the California
7	Government Code, as may be amended from time to time, including but not limited to requirements to
8	produce at least as many dwelling units as the projects would demolish; to replace all protected units;
9	and to offer existing occupants of any protected units that are lower income households relocation
10	benefits and a right of first refusal for a comparable unit, as those terms are defined therein.
11	(EF) Applicability of Rent Ordinance; Regulatory Agreements.
12	Project sponsors of projects utilizing the density exception of this subsection (c)(8) shall enter
13	into a regulatory agreement with the City, as a condition of approval of the density exception
14	("Regulatory Agreement"). At a minimum, the Regulatory Agreement shall contain the
15	following: (i) a statement that the new units created pursuant to the density exception are not
16	subject to the Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et
17	seq.) because, under Section 1954.52(b), the property owner has entered into and agreed to
18	the terms of this agreement with the City in consideration of an exception from residential
19	density limits of up to four dwelling units per lot, or up to six units per lot in Corner Lots, or
20	other direct financial contribution or other form of assistance specified in California
21	Government Code Sections 65915 et seq.; (ii) a description of the exception of residential
22	density or other direct financial contribution or form of assistance provided to the property
23	owner; and (iii) a description of the remedies for breach of the agreement and other provisions
24	to ensure implementation and compliance with the agreement. The property owner and the
25	Planning Director (or the Director's designee), on behalf of the City, will execute the

1	Regulatory Agreement, which shall be reviewed and approved by the City Attorney's Office.
2	The Regulatory Agreement shall be executed prior to the City's issuance of the First
3	Construction Document for the project, as defined in Section 107A.13.1 of the San Francisco
4	Building Code. Following execution of the Regulatory Agreement by all parties and approval
5	by the City Attorney, the Regulatory Agreement or a memorandum thereof shall be recorded
6	to the title records in the Office of the Assessor-Recorder against the property and shall be
7	binding on all future owners and successors in interest.
8	(FG) Unit Sizes. At least one of the dwelling units resulting from the
9	density exception shall have two or more bedrooms or shall have a square footage equal to
10	no less than 1/3 of the floor area of the largest unit on the lot.
11	
12	
13	SEC. 209.1. RH (RESIDENTIAL, HOUSE) DISTRICTS.
14	These Districts are intended to recognize, protect, conserve, and enhance areas
15	characterized by dwellings in the form of houses and small multi-family buildings, usually with
16	one, two, or three units with separate entrances, and limited scale in terms of building width
17	and height, and characterized by rear yards and a pattern of mid-block open spaces. Such areas
18	tend to have similarity of building styles and predominantly contain large units suitable for
19	family occupancy, considerable open space, and limited nonresidential uses. The RH
20	Districts are composed of <i>five separate</i> two three classes of districts, as follows:
21	RH-1(D) Districts: One-Family (Detached Dwellings). These Districts are characterized by lots
22	of greater width and area than in other parts of the City, and by single-family houses with side yards.
23	The structures are relatively large, but rarely exceed 35 feet in height. Ground level open space and
24	landscaping at the front and rear are usually abundant. Much of the development has been in sizable
25	tracts with similarities of building style and narrow streets following the contours of hills. In some

cases private covenants have controlled the nature of development and helped to maintain the street areas.

3 RH-1 Districts: One-Family. These Districts are occupied almost entirely by single-family houses on lots 25 feet in width, without side yards. Floor sizes and building styles vary, but tend to be 4 uniform within tracts developed in distinct time periods. Though built on separate lots, the structures 5 6 have the appearance of small-scale row housing, rarely exceeding 35 feet in height. Front setbacks are 7 common, and ground level open space is generous. In most cases the single-family character of these 8 Districts has been maintained for a considerable time. 9 RH-1(S) Districts: One-Family with Minor Second Unit. These Districts are similar in character to RH-1 Districts, except that a small second dwelling unit has been installed in many 10 structures, usually by conversion of a ground-story space formerly part of the main unit or devoted to 11 12 storage. The second unit remains subordinate to the owner's unit, and may house one or two persons 13 related to the owner or be rented to others. Despite these conversions, the structures retain the 14 appearance of single-family dwellings. RH-2 (D) Districts: Two-Family (Detached Dwellings). These Districts are 15 characterized by lots of greater width and area than in other parts of the City, and by one or 16 two houses with side vards. The structures are relatively large, but rarely exceed 35 feet in 17 18 height. Ground level open space and landscaping at the front and rear are usually abundant. Much of the development has been in sizable tracts with similarities of building style and 19 narrow streets following the contours of hills. In some cases, private covenants have 20 21 controlled the nature of development and helped to maintain the street areas. **RH-2 Districts: Two-Family.** These Districts are devoted to one-family and two-family 22 23 houses, with the latter commonly consisting of two large flats, one occupied by the owner and 24 the other available for rental. Structures are finely scaled and usually do not exceed 25 feet in width or 40 feet in height. Building styles are often more varied than in *historically* single-family 25

areas, but certain streets and tracts are quite uniform. Considerable ground-level open space
is available, and it frequently is private for each unit. The Districts may have easy access to
shopping facilities and transit lines. <u>In</u> some cases, Group Housing and institutions are found
in these areas, although nonresidential uses tend to be quite limited.

5 **RH-3 Districts: Three-Family.** These Districts have many similarities to RH-2 6 Districts, but structures with three units are common in addition to one-family and two-family 7 houses. The predominant form is large flats rather than apartments, with lots 25 feet wide, a 8 fine or moderate scale, and separate entrances for each unit. Building styles tend to be varied 9 but complementary to one another. Outdoor space is available at ground level, and also on 10 decks and balconies for individual units. Nonresidential uses are more common in these areas 11 than in RH-2 Districts.

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Table 209.1 ZONING CONTROL TABLE FOR RH DISTRICTS

14								
15 16	Zoning Category	§ Referen ces	RH- 1(D)	RH-1	RH-1(S)	<u>RH-2(D)</u>	RH-2	RH-3
-	BUILDING STANDA	RDS						
17	Massing and Setbac	ks						
18			No por	tion of	a	No portion of a	No portion of a	
19			- ·				Dwelling may be taller than	Varies,
20		,	with uses other than			Structures with		but
21	Height and Bulk	261,	constru	ngs ma ucted te) the	<u>Dwellings may be</u>		40 feet.
22	Limits	261.1,270, 271. See	-		0	constructed to the prescribed height	than Dwellings may be	Height sculpting
23		also Height	feet. P	0	l-the	limit, which is generally 40 feet.	constructed to the prescribed	on Alleys
24		District	decrea	sed or	increased	Per § 261 the	height limit.	261.1.
25		Maps.	based . the lot.			<u>height limit may be</u> decreased or	Per § 261 the height limit	

					· · · · · · · · · · · · · · · · · · ·					
1					decreased					
2					based on the					
3					slope of the lot.					
4		§§ 130,		Required. Based on average of adjacent properties or if subject property has a Legislated Setback. When front setback is based on						
5		131, 132			quired setback be greater					
6			45% of lot depth or							
7	Rear Yard <u>(10)</u>	§§ 130,	30% of lot depth, but in no case less than 15		average of adjacent neighbors. If averaged,					
8		134	feet.		no less than 25% or 15 feet, whichever is greater.					
9			Dequined for late 28	Required for lots 28						
10	Side Yard		feet and wider Width	<u>feet and wider.</u> Width of side	Not Required.					
11		133	of side setback depends on width of lot.	setback depends on width of lot.	Not Required.					
12			Subject to the Residential Design Guidelines. Other design							
13	Residential Design Guidelines	§ 311	guidelines that have been approved by the Planning Commission may also apply.							
14	Street Frontage and	Public Real	m							
	Front Setback		Required. At least 50%	% of Front Setback s	hall be permeable so as					
	Landscaping and Permeability	§ 132	to increase storm wate	er infiltration and 20%	6 of Front Setback shall					
	Requirements		be unpaved and devo	ted to plant material.						
	Streetscape and Pedestrian									
	Improvements (Street Trees)	§ 138.1	Required.							
	Street Frontage	§ 144			ments apply to Limited					
21	Requirements	3 1 1 1	Commercial Uses, as	specified in § 186.						
22	Street Frontage, Parking and Loading	§ 155(r)	155(r) As specified in § 155(r)							
	Access Restrictions									
23	Miscellaneous									
24	Large Project Review	§ 253	C required for projects over 40 feet in height.							
25			-							

1	Planned Unit	§ 304	e	e	e	<u>C</u>	С	С
0	Development							
2	¥	§ 136.1	P (1)	<u>P(1)</u>	P(1)	<u>P(1)</u>	P (1)	P (1)
3		§ 136.1	NP · · · · · · · · ·	NP	₩₽	<u>NP</u>	NP	NP
4		•	As permitted by Section	on § 606				
	RESIDENTIAL STAI		ND USES					
5	Development Standa	ards						
6					At least 300			
7					soo square			
8					feet for the first			
9					unit			
10					and 100 for the	<u>At least</u>		
11				300	minor second	200		At least 100
12			At least 300 square feet	square feet if	unit if	eet if	125 square	square
	Usable Open Space			private,	and 400	<u>private,</u>		feet if private,
14	[Per Dwelling Unit]	136	square feet if common	sauaro	canara	auaro		and 133
				feet ij common	the first		if common.	feet if
15					unit and 133			common.
16					square			
17					feet for the			
18					second unit if			
19					unu y commo			
20					n.			
21	Parking Requirements	§§ 151, 161	None required. Maxim	ium perr	nitted pe	r § 151.		
22	Residential Conversion,		C for Removal of one	or more	Residen	tial Linit	e or l loouth	orized
23	Demolition, or	§ 317	Units.		ILESIUEII			011260
24	Merger							
	Use Characteristics							
25								

					1			
	Intermediate Length Occupancy	§§102, 202.10	P(9)	P(9)	P(9)	<u>P(9)</u>	P(9)	P(9)
2	Single Room Occupancy	§ 102	₽	P	₽	<u>P</u>	Р	Р
3	Student Housing	§ 102	P	P	₽	<u>P</u>	Р	Р
4	Residential Uses	3						
5					P up to			
6					two units			
7					per lot, i f the			
8				one unit per lot.	second			
9				C up to	600 sq.			P up to
10			One unit per lot.	one unit per	ft. or less. C	P up to two units per lot.	P up to two units per lot. C up to one unit per 1,500 square feet of lot area.	three units per
11	Residential Density,	§ <u>§ 102,</u> 207		square feet of lot area,	-			lot. C up to one
12	Dwelling Units (6) <u>(11)</u>				per			unit per
13	(0)(11)				3,000 square			
14				more	f eet of lot			
15				three	area,			
16				-	with no more			
10				L.	than			
					three units			
18					per lot.			
19			P up to twice the num principal use in the dis		-		•	
20	Senior Housing	§§ 102,	202.2(f)(1).			•	·	-
21	Comor riodollig	• • •	C up to twice the num		•			
22			principal use in the dis 202.2(f)(1) except for			• •		-
23							•	C, up to
	Residential Density,	§ 208	NP	NP	NP	<u>NP</u>		one bedroom
24	Group Housing	5					for every	for every
25							415 square	275

1 2							feet of lot area.	square feet of lot area.
3	Homeless Shelter	§§ 102, 208	NP	NP	₩₽	<u>NP</u>	С	С
4	NON-RESIDENTIAL	STANDAR	DS AND USES					
5	Development Standa	ards						-
6 7	Floor Area Ratio	§§ 102, 123, 124	1.8 to 1	1.8 to 1	1.8 to 1	<u>1.8 to 1</u>	1.8 to 1	1.8 to 1
8	Off-Street Parking	§§ 150, 151, 161	None required. Maxim	um perr	nitted p	er § 151.		
9 10	Limited Commercial Uses	§§ 186, 186.3	Continuing nonconform requirements of § 186 conditionally permitted	. Limited	d Comm	ercial Us	ses may be	
11	Agricultural Use Cate	egory						
12	Agricultural Uses <u>*</u>	§§ 102, 202.2(c)	e	¢	¢	<u>C</u>	С	С
13	Agriculture, Industrial	§§ 102, 202.2(c)	NP	NP	₩₽	<u>NP</u>	NP	NP
14 15	Agriculture, Neighborhood	§§ 102, 202.2(c)	P	₽	₽	<u>P</u>	Р	Р
-	Automotive Use Cate	egory	•					
16	Automotive Uses <u>*</u>	§ 102	NP	₩₽	₩₽	<u>NP</u>	NP	NP
	Parking Garage, Private	§ 102	C	£	£	<u>C</u>	С	С
18	Parking Lot, Private	§ 102	e	e	e	<u>C</u>	С	С
19 20	Parking Lot, Public	§§ 102, 142, 156	NP	NP	₩₽	<u>NP</u>	NP (8)	NP
	Entertainment, Arts a	and Recreat	ion Use Category					
21 22	Entertainment, Arts and Recreation Uses <u>*</u>	§ 102	₩₽	NP	₩₽	<u>NP</u>	NP	NP
23 24	Open Recreation Area	§ 102	e	e	e	<u>C</u>	С	С
	Passive Outdoor Recreation	§ 102	Р	₽	₽	<u>P</u>	Р	Р

1	Industrial Use Category							
0	Industrial Uses <u>*</u>	§ 102	NP	₩₽	₩₽	NP	NP	NP
2	Institutional Use Cate	egory						
3	Institutional Uses <u>*</u>	§ 102	NP	₩₽	₩₽	NP	NP	NP
4	Child Care Facility	§ 102	₽	₽	₽	<u>P</u>	Р	Р
5	Community Facility	§ 102	C	C	e	<u>C</u>	С	С
	Hospital	§ 102	e	e	e	<u>C</u>	С	С
6 7	Post-Secondary Ed. Institution	§ 102	e	E	e	<u>C</u>	С	С
-	Public Facilities	§ 102	₽	₽	₽	P	Р	Р
8	Religious Institution	§ 102	e	e	e	<u>C</u>	С	С
U	Residential Care Facility	§ 102	₽	₽	₽	<u>P</u>	Р	Р
10	School	§ 102	e	e	C	<u>C</u>	С	С
11	Sales and Service Ca	ategory						
12	Retail Sales and Service Uses <u>*</u>	§ 102	NP	₩₽	₩₽	<u>NP</u>	NP	NP
13	Hotel	§ 102	NP	NP	₩₽	<u>NP</u>	C (4)	C (4)
14	Mortuary	§ 102	C (5)	C (5)	C (5)	<u>C (5)</u>	C (5)	C (5)
15	Non-Retail Sales and Service <u>*</u>	§ 102	NP	₩₽	₩₽	<u>NP</u>	NP	NP
16	Utility and Infrastruct	ure Use Cat	egory					
17	Utility and Infrastructure <u>*</u>	§ 102	NP	NP	NP	<u>NP</u>	NP	NP
18	Internet Service	§ 102	e	e	ϵ	<u>C</u>	С	С
19	Exchange							
20		§ 102	e	e	C	<u>C</u>	С	С
20 21	Wireless Telecommunications Services Facility	§ 102	C or P (7)	C or P (7)	C or P (7)	<u>C or P</u> <u>(7)</u>	C or P (7)	C or P (7)
22								

22

* Not listed below.

* * * *

23

24

25

1		of Section 207(c)(8) and that provide at least four ear Yard requirement of 30% of lot depth, but in no case
2	less than 15 feet. (11) P for up to four dwelling units per lot.	excluding Corner Lots, and P for up to six dwelling units
3	in Corner Lots, pursuant to Section 207(c)(8).	xetuaing Comer Lois, and 1 for up to six awetting units
4		
5	Section 4. The Planning Code is he	ereby amended by revising Sheets ZN01, ZN02,
6	ZN03, ZN04, ZN05, ZN06, ZN07, ZN08, Z	N09, ZN10, ZN11, ZN12, and ZN13 of the Zoning
7	Map of the City and County of San Francis	co, as follows:
8		
9	Zoning Districts to be Superseded	Zoning Districts Hereby Approved
10		
11	RH-1(D); RH-1; RH-1(S)	RH-2
12	<u>RH-1(D)</u>	<u>RH-2(D)</u>
13		
14	Section 5. Chapter 37 of the Admin	istrative 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 dw	velling units in the City and County of San Francisco
20	together with the land and appurtenant bui	ldings thereto, and all housing services, privileges,
21	furnishings, and facilities supplied in conne	ection with the use or occupancy thereof, including
22	garage and parking facilities.	
23	* * * *	
24	The term "rental units" shall not	include:
25	* * * *	

1	(4) Except as provided in subsections (A)-(<u>DE</u>), dwelling units whose rents are
2	controlled or regulated by any government unit, agency, or authority, excepting those
3	unsubsidized and/or unassisted units which are insured by the United States Department of
4	Housing and Urban Development; provided, however, that units in unreinforced masonry
5	buildings which have undergone seismic strengthening in accordance with Building Code
6	Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the
7	ordinance is not in conflict with the seismic strengthening bond program or with the program's
8	loan agreements or with any regulations promulgated thereunder;
9	* * * *
10	(E) The term "rental units" shall include any new dwelling units created
11	pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.
12	
13	
14	SEC. 37.3. RENT LIMITATIONS.
15	(a) Rent Increase Limitations for Tenants in Occupancy. Landlords may impose rent
16	increases upon tenants in occupancy only as provided below and as provided by subsections
17	37.3(d) and 37.3(g):
18	* * * *
19	(d) Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).
20	Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
21	and regardless of whether otherwise provided under Chapter 37:
22	(1) Property Owner Rights to Establish Initial and All Subsequent Rental
23	Rates for Separately Alienable Parcels.
24	(A) An owner or residential real property may establish the initial and all
25	subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any

1	other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
2	(d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
3	right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or
4	unit where the preceding tenancy has been terminated by the owner by notice pursuant to
5	California Civil Code Section 1946 or has been terminated upon a change in the terms of the
6	tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent
7	increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new
8	tenancy in that dwelling or unit.
9	* * * *
10	(D) An owner's right to establish subsequent rental rates under
11	subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
12	pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.
13	* * * *
14	(g) New Construction and Substantial Rehabilitation.
15	(1) An owner of a residential dwelling or unit which is newly constructed and
16	first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June
17	13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation,
18	may establish the initial and all subsequent rental rates for that dwelling or unit, except:
19	(A) where rent restrictions apply to the dwelling or unit under
20	Sections 37.3(d) or 37.3(f);
21	(B) where the dwelling or unit is a replacement unit under
22	Section 37.9A(b);
23	(C) as provided for certain categories of Accessory Dwelling Units under
24	Section 37.2(r)(4)(D); and
25	(D) as provided in a development agreement entered into by the City

1	under Administrative Code Chapter 56- <u>: and</u>
2	(E) as provided for certain categories of new dwelling units under Section
3	<u>37.2(r)(4)(E).</u>
4	
5	Section 56. Article 9 of the Subdivision Code is hereby amended by revising Sections
6	1396.2, 1396.4 and 1396.5 and adding Section 1396.6, to read as follows:
7	
8	SEC. 1396.2. PROHIBITION ON CONDOMINIUM CONVERSIONS FOR CERTAIN
9	BUILDINGS.
10	(a) Notwithstanding any provisions in this Code to the contrary, including
11	Section 1359, the Department of Public Works shall not sell residential condominium
12	conversion lottery tickets to; shall not accept a residential condominium conversion
13	subdivision application from; and shall deny a tentative subdivision or tentative parcel map for
14	residential condominium conversion submitted by the owner(s) of a building that meets all of
15	the following conditions:
16	(1) the building had two or more evictions with each eviction associated with a
17	separate unit(s);
18	(2) issuance of each eviction notice occurred on or after May 1, 2005; and,
19	(3) issuance of the eviction notice(s) occurred pursuant to San Francisco
20	Administrative Code Sections 37.9(a)(8), 37.9(a)(10), <u>or</u> 37.9(a)(11) , or 37.9(a)(13) .
21	
22	SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED CONVERSION
23	PROGRAM.
24	* * * *
25	

1 (b) Any building may be exempted from the annual lottery provisions of Section 1396 2 if the building owners for said building comply with *either*: (1) Section 1396.3 (g)(1) and all the 3 requirements of this Section 1396.4 or (2) all the requirements of Section 1396.6. 4 Notwithstanding the foregoing *sentence*, no property or applicant subject to any of the 5 prohibitions on conversions set forth in Section 1396.2, in particular a property with the 6 eviction(s) set forth in Section 1396.2 (b), is eligible for the Expedited Conversion program 7 under this Section 1396.4. Eligible buildings as set forth in this *subs*Section (b) may exercise 8 their option to participate in this program according to the following requirements: * * * * 9 SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF 10 REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS. 11 * * * * 12 13 *Except as otherwise authorized under Section 1396.6, Tt***he Department shall not accept** (C) 14 an application for the conversion of residential units under Section 1396 nor conduct a lottery 15 under this Article prior to January 1, 2024. Thereafter, the lottery shall resume upon the 16 earlier of the following: (1) the first February following the Mayor's Office of Housing and 17 <u>Community Development</u> report pursuant to $S_{\underline{s}}$ ubsection (b) showing that the total number of 18 Conversion Replacement Units produced in the City of San Francisco exceeded the total number of units converted as identified in the Department's report prepared pursuant to 19 subsection (a); or (2) completion of the "Maximum Suspension Period" as defined below. 20 * * * * 21 22 1396.6. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS THAT 23 UTILIZE THE RESIDENTIAL DENSITY EXCEPTION IN RH DISTRICTS TO CONSTRUCT NEW DWELLING UNITS PURSUANT TO PLANNING CODE SECTION 207(C)(8). 24 25

1	(a) Findings. The findings of Planning Code Section 415.1 concerning the City's inclusionary
2	affordable housing program are incorporated herein by reference and support the basis for charging
3	the fee set forth herein as it relates to the conversion of dwelling units into condominiums.
4	(b) Definition. "Existing Dwelling Unit <mark>s</mark> " shall refer to the dwelling unit <mark>s</mark> in existence on a lot
5	at the time of the submittal of an application to construct a new dwelling unit pursuant to Planning
6	Code Section $207(c)(8)$.
7	(c) Notwithstanding Section 1396.4 and Ordinance No. 117-13, the <u>a</u> subdivider of a one unit
8	building that has obtained a permit to build one or more new dwelling units by utilizing the exception
9	to residential density in RH districts set forth in Planning Code Section 207(c)(8), which results in a
10	greater number of dwelling units than the number of Existing Dwelling Units two or more
11	dwelling units, and that has signed an affidavit stating the subdivider's intent to reside in one
12	of those resulting dwelling units, or in the Existing Dwelling Unit, for a period of three years
13	after the approval of Certificate of Final Completion and Occupancy for the new dwelling units,
14	shall (1) be exempt from the annual lottery provisions of Section 1396 with respect to the dwelling units
15	built as part of the Project Units and (2) be eligible to submit a condominium conversion application
16	<u>for such the Existing Dwelling Units and/or include the Existing Dwelling Units in a condominium</u>
17	map application for the project approved pursuant to Planning Code Section 207(c)(8).
18	Notwithstanding the foregoing sentence, no property or applicant subject to any of the prohibitions on
19	conversions set forth in Section 1396.2, in particular a property with the eviction(s) set forth in Section
20	1396.2(b), shall be eligible for condominium conversion under this Section 1396.6. Eligible buildings
21	as set forth in this subsection (c) may exercise their option to participate in this program according to
22	the following requirements:
23	(1) The applicant(s) for the subject building seeking to convert dwelling units to
24	condominiums or subdivide dwelling units into condominiums under this subsection shall pay the fee
25	specified in Section 1315.

1	(2) In addition to all other provisions of this Section 1396.6, the applicant(s) comply
2	with all of the following:
3	(A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,
4	<u>1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.</u>
5	(B) The applicant(s) must certify that within the 60 months preceding the date of
6	the subject application, no tenant resided at the property.
7	(C) The applicant(s) must certify that to the extent any tenant vacated their unit
8	after March 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did so
9	voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code
10	Sections 37.9(a)(8)-(12) and 37.9(a)(14). If an eviction has taken place under Sections 37.9(a)(11) or
11	37.9(a)(14), then the applicant(s) shall certify that the original tenant reoccupied the unit after the
12	temporary eviction.
13	(3) If the Department finds that a violation of this Section 1396.6 occurred prior to
14	recordation of the final map or final parcel map, the Department shall disapprove the application or
15	subject map. If the Department finds that a violation of this Section occurred after recordation of the
16	final map or parcel map, the Department shall take such enforcement actions as are available and
17	within its authority to address the violation.
18	(4) This Section 1396.6 shall not prohibit a subdivider who has lawfully
19	exercised the subdivider's rights under Administrative Code Section 37.9(a)(13) from
20	submitting a condominium conversion application under this Section 1396.6.
21	(d) Decisions and Hearing on the Application.
22	(1) The applicant shall obtain a final and effective tentative map or tentative parcel
23	map approval for the condominium subdivision or parcel map within one year of paying the fee
24	specified in subsection (e). The Director of the Department of Public Works or the Director's designee
25	is authorized to waive the time limits set forth in this subsection $(d)(1)$ as it applies to a particular

1	building due to extenuating or unique circumstances. Such waiver may be granted only after a public
2	hearing and in no case shall the time limit extend beyond two years after submission of the application.
3	(2) No less than 20 days prior to the Department's proposed decision on a tentative
4	map or tentative parcel map, the Department shall publish the addresses of buildings being considered
5	for approval and post such information on its website. During this time, any interested party may file a
6	written objection to an application and submit information to the Department contesting the eligibility
7	of a building. In addition, the Department may elect to hold a public hearing on said tentative map or
8	tentative parcel map to consider the information presented by the public, other City department, or an
9	applicant. If the Department elects to hold such a hearing it shall post notice of such hearing and
10	provide written notice to the applicant, all tenants of such building, any member of the public who
11	submitted information to the Department, and any interested party who has requested such notice. In
12	the event that an objection to the conversion application is filed in accordance with this subsection
13	(d)(2), and based upon all the facts available to the Department, the Department shall approve,
14	conditionally approve, or disapprove an application and state the reasons in support of that decision.
15	(3) Any map application subject to a Departmental public hearing on the subdivision
16	or a subdivision appeal shall have the time limit set forth in subsection (d)(1) extended for another six
17	months.
18	(e) Should the subdivision application be denied or be rejected as untimely in accordance with
19	the dates specified in subsection (d)(1), or the tentative subdivision map or tentative parcel map
20	disapproved, the City shall refund the entirety of the application fee.
21	(f) Conversion of buildings pursuant to this Section 1396.6 shall have no effect on the terms
22	and conditions applicable to such buildings under Section 1341A , 1385A , or 1396 of this Code.
23	
24	Section 67. The Planning Department, the Rent Board, and the Department of Public
25	Works are authorized to adopt regulations to implement this ordinance. <u>The Planning</u>

1	Department shall create a report summarizing all applicable design standards in residential
2	districts in the City, and submit such report to the Board for its consideration within six months
3	from the effective date of this ordinance.
4	
5	Section 78. Conforming Amendments in the Municipal Code.
6	(a) This ordinance abolishes RH-1, RH-1(D), and RH-1(S) districts. To conform the
7	Municipal Code to these districts having been abolished, the City Attorney shall cause all
8	references to RH-1, RH-1(D), and RH-1(S) in the Municipal Code to be removed and replaced
9	with a reference to RH-2, and all references to RH-1(D) to be replaced with RH-2(D);
10	provided, however, that where the Municipal Code references one or more of the three
11	abolished districts <u>RH-1 or RH-1(S) districts</u> along with a reference to RH-2, the City Attorney
12	shall cause the reference to the abolished district or districts to be removed from the Municipal
13	Code, with the reference to RH-2 retained.
14	(b) The City Attorney shall provide written notice to the Clerk of the Board of
15	Supervisors of the changes to the Municipal Code resulting from the implementation of
16	subsection (a). The Clerk shall place the City Attorney's notice in Board File No. 210866, the
17	file for the ordinance abolishing the RH-1, RH-1(D), and RH-1(S) districts.
18	(c) Any reference in the Municipal Code to RH-1, RH-1(D), or RH-1(S) districts that
19	might remain, for example, due to inadvertence or delay in implementing subsection (a), or for
20	any other reason, shall not be understood to contradict or be in conflict with this ordinance's
21	abolition of said districts.
22	
23	Section 89. No Conflict with Federal or State Law. Nothing in this ordinance shall be
24	interpreted or applied so as to create any requirement, power, or duty in conflict with any
25	federal or state law.

Supervisor Mandelman; Melgar **BOARD OF SUPERVISORS**

2 Section 910. Severability. If any section, subsection, sentence, clause, phrase, or 3 word of this ordinance, or any application thereof to any person or circumstance, is held to be 4 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision 5 shall not affect the validity of the remaining portions or applications of the ordinance. The 6 Board of Supervisors hereby declares that it would have passed this ordinance and each and 7 every section, subsection, sentence, clause, phrase, and word not declared invalid or 8 unconstitutional without regard to whether any other portion of this ordinance or application 9 thereof would be subsequently declared invalid or unconstitutional.

10

1

Section <u>4011</u>. Effective Date. This ordinance shall become effective 30 days after
 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
 of Supervisors overrides the Mayor's veto of the ordinance.

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1	Section 11 <u>12</u> . Scope of Ordinance. Except as stated in Sections 4 and 7 of this
2	ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those
3	words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks,
4	charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly
5	shown in this ordinance as additions, deletions, Board amendment additions, and Board
6	amendment deletions in accordance with the "Note" that appears under the official title of the
7	ordinance.
8	
9	APPROVED AS TO FORM:
10	DAVID CHIU, City Attorney
11	By: <u>/s/ Andrea Ruiz-Esquide</u>
12	ANDREA RUIZ-ESQUIDE Deputy City Attorney
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