AMENDED IN BOARD 6/28/2022

ORDINANCE NO. FILE NO. 220446

[Planning, <u>Administrative</u> , Subdivision Codes; Zoning Map - Density Exception in Residential Districts]
Ordinance amending the Planning Code to rezone all Residential, One Family (RH-1)
zoning districts, except for Residential. One Family, Detached (RH-1(D)) districts, to
Residential, Two Family (RH-2) zoning districts; to rezone the RH-1(D) districts to a new
class of residential district called Residential, Two Family, Detached (RH-2(D)) districts;
and to provide a density limit exception to permit up to four dwelling units per lot, and
up to six dwelling units per lot in Corner Lots, in all RH (Residential, House) zoning
districts, subject to certain requirements, including among others the replacement of
protected units; amending the Administrative Code to require new dwelling units
constructed pursuant to the density limit exception to be subject to the rent increase
<u>limitations of the Rent Ordinance;</u> amending the Subdivision Code to authorize a
subdivider that is constructing new dwelling units pursuant to the density exception to
submit an application for condominium conversion or a condominium map that
includes the existing dwelling units and the new dwelling units that constitute the
project; 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.
NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

(a) California faces a severe crisis of housing affordability and availability, prompting

future generations of a chance to call California home, stifling economic opportunities for

Section 2. Background and Findings.

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

- (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 2008-2009, with the median sale price for a two-bedroom house more than tripling from 2011 to 2021, from \$493,000 to \$1,580,000. This includes a 9% increase from 2019 to 2020 alone, even in the face of the COVID-19 pandemic. The median rental price for a two-bedroom apartment saw similar although slightly smaller increases, nearly doubling from \$2,570 to \$4,500 per month, from 2011 to 2019, before declining in 2020 due to the pandemic.
- (d) These housing cost trends come after decades of underproduction of housing in 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 marketrate 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 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.
 - (h) Roughly 60% of San Francisco's developable land area is in the RH (Residential, House) zoning districts, concentrated primarily on the City's west side, with 38% of the City's developable land area zoned exclusively for single-family homes in RH-1 (Residential, House, One Family) and RH-1(D) (Residential, House, One Family, Detached Dwellings) zoning districts. In spite of the expansive geographic coverage of RH zoning districts throughout the 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.
- (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 increasing density in a manner that meaningfully addresses significant disparities in housing needs and access to opportunity. The ordinance achieves the increase in density by increasing the principally permitted residential density in areas subject to historically exclusionary density limits-, by providing an additional density exception for projects that comply with the requirements of Section 66300(d) of the California Government Code and enter into regulatory agreements with the City acknowledging that, in consideration for the density exception, the new units shall be subject to local rent control notwithstanding the 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 variety of unit types and sizes to accommodate people in different types of living conditions, 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 adequately housed.

1	(o) This Board finds that it is in the public interest to support San Francisco
2	homeowners in developing their properties while continuing to reside on the property as a key
3	means of building intergenerational wealth, particularly for first-generation or historically
4	marginalized homeowners. Because the regulatory and development process, combined with
5	escalating home prices and construction costs, presents specific challenges to homeowners
6	distinct from those faced by development and construction professionals, this ordinance
7	applies certain provisions to property owners who intend to continue residing on the property
8	after construction.
9	(p) This Board recognizes that additional development opportunities may lead to
10	speculative real estate investments that may seek to maximize profits by displacing current
11	residents, demolishing existing housing stock, building new units, and quickly selling those
12	units. To discourage prevent such speculation, demolition of existing units, and displacement
13	of current residents, this ordinance makes the benefit of the density exception available only
14	to persons who have owned their properties for five years prior to the date of their application
15	to obtain the exception, including the ownership duration of their Eligible Predecessor, as
16	defined herein person or entity from whom they may have inherited the lot.
17	(q) This Board recognizes the importance of facilitating opportunities for
18	intergenerational transfer of wealth among members of a family through property ownership.
19	Therefore, property owners who have inherited their property may be deemed eligible to seek
20	a density exception by applying the duration of ownership of their Eligible Predecessor person
21	or entity from whom they inherited the lot to their own duration of ownership, for the purposes
22	of satisfying this ordinance's ownership requirement.
23	(pqr) This ordinance allows for a density exception where the project does not cause a
24	substantial adverse change in the significance of an historic resource, as defined. This Board

recognizes that prior to submitting a development application, property owners may apply to

1	the Planning Department for a pre-application Historic Resource Assessment to determine
2	whether a historic resource is present on the lot. To support homeowners in using this density
3	exception to develop their properties, this ordinance waives permit fees for the Historic
4	Resource Assessment under certain conditions.
5	
6	Section 3. Article 2 of the Planning Code is hereby amended by revising Sections 207
7	and 209.1, to read as follows:
8	
9	SEC. 207. DWELLING UNIT DENSITY LIMITS.
10	* * * *
11	(c) Exceptions to Dwelling Unit Density Limits. An exception to the calculations
12	under this Section 207 shall be made in the following circumstances:
13	* * *
14	(8) Residential Density Exception in RH Districts.
15	(A) Density Exception. Projects located in RH Districts that are not seeking or
16	receiving a density bonus under the provisions of Planning Code Sections 206.5 or 206.6 shall receive
17	an exception from residential density limits for up to four dwelling units per lot, excluding Corner Lots
18	or up to six dwelling units per lot in Corner Lots, not inclusive of any Accessory Dwelling Units as
19	permitted under this Section 207, provided that the dwelling units meet the requirements set forth in
20	this subsection (c)(8).
21	(B) Eligibility. To receive the density exception authorized under this
22	subsection (c)(8), property owners must demonstrate that they have owned the lot for which
23	they are seeking the density exception for a minimum of five years prior to the time of the
24	submittal of their application. For the purposes of establishing eligibility to receive a density
25	exception according to this subsection (8)(B), a property owner who has inherited the subject

1	lot, including any inheritance in or through a trust, from a blood, adoptive, or step family
2	relationship, specifically from a grandparent, parent, sibling, child, or grandchild, or the spouse
3	or registered domestic partner of such relations, or the property owner's spouse or registered
4	domestic partner (each an "Eligible Predecessor"), may add an Eligible Predecessor's
5	duration of ownership of the subject lot to the property owner's duration of ownership of the
6	same lot.may add to their duration of ownership the duration of ownership of the person or
7	entity from whom they inherited the lot.
8	(BC) Eligibility of Historic Resources. To receive the density exception
9	authorized under this subsection (c)(8), a project must demonstrate to the satisfaction of the
10	Environmental Review Officer that it does not cause a substantial adverse change in the significance of
11	an historic resource as defined by California Code of Regulations, Title 14, Section 15064.5, as may be
12	amended from time to time. Permit fees for pre-application Historic Resource Assessments shall
13	be waived for property owners who apply to obtain a density exception under this subsection
14	(c)(8), if they sign an affidavit stating their intent to reside on the property for a period of three
15	years after the issuance of the Certificate of Final Completion and Occupancy for the new
16	dwelling units. Permit fees for Historic Resource Determinations shall not be waived.
17	(GD) Applicable Standards. Projects utilizing the density exception of this
18	subsection (c)(8) and that provide at least four dwelling units shall be subject to a minimum Rear Yard
19	requirement of the greater of 30% of lot depth or 15 feet. All other building standards shall apply in
20	accordance with the applicable zoning district as set forth in Section 209.1.
21	(Đ <u>E</u>) Unit Replacement Requirements. Projects utilizing the density exception
22	of this subsection (c)(8) shall comply with the requirements of Section 66300(d) of the California
23	Government Code, as may be amended from time to time, including but not limited to requirements to
24	produce at least as many dwelling units as the projects would demolish; to replace all protected units;
25	

1	and to offer existing occupants of any protected units that are lower income households relocation
2	benefits and a right of first refusal for a comparable unit, as those terms are defined therein.
3	(EF) Applicability of Rent Ordinance; Regulatory Agreements.
4	Project sponsors of projects utilizing the density exception of this subsection (c)(8) shall enter
5	into a regulatory agreement with the City, subjecting the new units created pursuant to the
6	exception to the San Francisco Residential Rent Stabilization and Arbitration Ordinance
7	(Chapter 37 of the Administrative Code), as a condition of approval of the density exception
8	("Regulatory Agreement"). At a minimum, the Regulatory Agreement shall contain the
9	following: (i) a statement that the new units created pursuant to the density exception are not
10	subject to the Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et
11	seq.) because, under Section 1954.52(b), the property owner has entered into and agreed to
12	the terms of this agreement with the City in consideration of an exception from residential
13	density limits of up to four dwelling units per lot, or up to six units per lot in Corner Lots, or
14	other direct financial contribution or other form of assistance specified in California
15	Government Code Sections 65915 et seq.; (ii) a description of the exception of residential
16	density or other direct financial contribution or form of assistance provided to the property
17	owner; and (iii) a description of the remedies for breach of the agreement and other provisions
18	to ensure implementation and compliance with the agreement. The property owner and the
19	Planning Director (or the Director's designee), on behalf of the City, will execute the
20	Regulatory Agreement, which shall be reviewed and approved by the City Attorney's Office.
21	The Regulatory Agreement shall be executed prior to the City's issuance of the First
22	Construction Document for the project, as defined in Section 107A.13.1 of the San Francisco
23	Building Code. Following execution of the Regulatory Agreement by all parties and approval
24	by the City Attorney, the Regulatory Agreement or a memorandum thereof shall be recorded
25	

1	to the title records in the Office of the Assessor-Recorder against the property and shall be
2	binding on all future owners and successors in interest.
3	(FG) Unit Sizes. At least one of the dwelling units resulting from the
4	density exception shall have two or more bedrooms or shall have a square footage equal to
5	no less than 1/3 of the floor area of the largest unit on the lot.
6	(H) Annual Report on Housing Affordability, Racial Equity, and
7	Language Access Goals. To help the City evaluate whether the implementation of Section
8	207(c)(8) comports with the City's housing affordability, racial equity, and language access
9	goals, each year the Planning Department, in consultation with other City departments
10	including the Department of Building Inspection, the Rent Board, and the Office of the
11	Assessor-Recorder, shall prepare a report addressing the characteristics and demographics
12	of the applicants to and participants in this program; the number of units permitted and
13	constructed through this program; the geographic distribution, affordability, and construction
14	costs of those units; and the number of tenants that vacated or were evicted from properties
15	as a result of the permitting or construction of units through this program ("Affordability and
16	Equity Report"). The Affordability and Equity Report shall be included and identified in the
17	annual Housing Inventory Report. The Planning Department shall prepare the report utilizing
18	applicant data that has been provided by program applicants voluntarily and anonymously,
19	and separate from the submittal of an application for a density exception. An applicant's
20	decision to provide or decline to provide the information requested by the Planning
21	Department in order to prepare the report shall have no bearing on the applicant's receipt of a
22	density exception.
23	
24	SEC. 209.1. RH (RESIDENTIAL, HOUSE) DISTRICTS.

These Districts are intended to recognize, protect, conserve, and enhance areas characterized by dwellings in the form of houses <u>and small multi-family buildings</u>, usually with one, two, or three units with separate entrances, and limited scale in terms of building width and height, <u>and characterized by rear yards and a pattern of mid-block open spaces</u>. Such areas tend to have similarity of building styles and predominantly contain large units suitable for family occupancy, considerable open space, and limited nonresidential uses. The RH Districts are composed of <u>five separate</u> two three classes of districts, as follows:

RH-1(D) Districts: One-Family (Detached Dwellings). These Districts are characterized by lots of greater width and area than in other parts of the City, and by single-family houses with side yards. The structures are relatively large, but rarely exceed 35 feet in 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 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.

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 uniform within tracts developed in distinct time periods. Though built on separate lots, the structures have the appearance of small-scale row housing, rarely exceeding 35 feet in height. Front setbacks are common, and ground level open space is generous. In most cases the single-family character of these Districts has been maintained for a considerable time.

RH-I(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 structures, usually by conversion of a ground-story space formerly part of the main unit or devoted to storage. The second unit remains subordinate to the owner's unit, and may house one or two persons

related to the owner or be rented to others. Despite these conversions, the structures retain the appearance of single-family dwellings.

RH-2 (D) Districts: Two-Family (Detached Dwellings). These Districts are characterized by lots of greater width and area than in other parts of the City, and by one or two houses with side yards. The structures are relatively large, but rarely exceed 35 feet in 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 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.

RH-2 Districts: Two-Family. These Districts are devoted to one-family and two-family houses, with the latter commonly consisting of two large flats, one occupied by the owner and 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 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. In some cases, Group Housing and institutions are found in these areas, although nonresidential uses tend to be quite limited.

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

Table 209.1 ZONING CONTROL TABLE FOR RH DISTRICTS

2								
3	Zoning Category	§ Referen ces	RH- 1(D)	RH-1	<i>RH-1(S)</i>	<u>RH-2(D)</u>	RH-2	RH-3
	BUILDING STANDA	RDS						
5	Massing and Setbacl	KS						
6							No portion of a	
7						<u>ino portion di a</u>	Dwelling may be taller than	
8		§§ 102,	_	tion of ng may	-a - be taller	Dwelling may be	40 feet	
9			than 3:		Structures	Structures with	Structures with uses other	hut
10	Llaight and Dulle	253, 260, 261 ,		ngs ma ucted to	•	Dwellings may be	than Dwellings may be	
11	li imite		, <i>prescribed height limit</i> , which is generally 40 nt <i>feet. Per § 261 the</i>			prescribed height	height limit.	Height sculpting on Alleys
12		also Height			l the	generally 40 feet.		
13		District Maps.	height limit may be decreased or increased based on the slope of the lot.			height limit may he	height limit may be decreased	per § 261.1.
14						decreased or		
15						the slope of the lot	based on the slope of the	
16							lot.	
17		§§ 130,				verage of adjacent pated Setback. When		
18	Front Setback	131, 132	adjace	•	perties, ir	no case shall the re		
19							45% of lot dept	
20	Rear Yard <u>(10)</u>	§§ 130,				30% of lot depth, but in no case less	average of adja	
21	<u> /</u>	134	feet.			than 15 feet.	no less than 25% or 15 feet, whichever is greater.	
222324	Side Yard	§§ 130, 133	feet an of side		r. Width k depends	Required for lots 28 feet and wider.		3 33333
25]			on wath or lot.		

Supervisors Mandelman; Melgar BOARD OF SUPERVISORS

	Residential Design Guidelines									
3	Street Frontage and	Public Realı	m							
	Front Setback Landscaping and		Required. At least 50% of Front Setback shall be permeable so as							
_	Permeability Requirements	_		e unpaved and devoted to plant material.						
	Streetscape and Pedestrian Improvements (Street Trees)	§ 138.1	Required.							
	Street Frontage Requirements	§ 144	144 applies generally. Additional requirements apply to Limited Commercial Uses, as specified in § 186.							
10	Street Frontage, Parking and Loading Access Restrictions	§ 155(r)	As specified in § 155(As specified in § 155(r)						
12	Miscellaneous									
	Large Project Review	§ 253	C required for projects	over 40) feet in	height.				
14	Planned Unit Development	§ 304	ϵ	ϵ	ϵ	<u>C</u>	С	С		
15	Awning	§ 136.1	P (1)	P (1)	P (1)	<u>P(1)</u>	P (1)	P (1)		
16	Canopy or Marquee	§ 136.1	NP	NP	NP	<u>NP</u>	NP	NP		
17	<u> </u>	§ 606	As permitted by Section	on § 606)					
	RESIDENTIAL STAP		ND USES							
18	Development Standa	rds								
19					At least 300	At least				
20				<i>300</i>		<u>300</u>		At least 100		
21			At least 300 sauare feet	feet if	the first	feet if	125 square feet if	square feet if		
//	Usable Open Space [Per Dwelling Unit]	§§ 135, 136	if private, and 400	private, and 400	unit and 100	<u>orivate,</u> and 400	private,	private,		
23				-	l l	square foot if	square feet	•		
24				common	second	commo	if common.	feet if common.		
25				•	unit if private,	<u>n.</u>				

					1.400				
1					and 400 square				
2					feet for				
3					the first unit				
					and 133				
4					square				
5					feet for the				
6					second				
7					unit if commo				
					n.				
8	Parking	§§ 151,	None required. Maxim	um narr	mitted n	or & 151			
	Requirements	161	None required. Maxim	um pen	писеч р	<u> </u>	•		
1()	Residential Conversion,		C for Removal of one	or more	Rasida	ntial I Init	te or l Inquith	orized	
	Demolition, or	§ 317	Units.	oi illore	Neside	ritiai Oriit	is of Offaulti	Onzeu	
	Merger								
12	Use Characteristics								
	Intermediate Length		P(9)	P(9)	P(9)	<u>P(9)</u>	P(9)	P(9)	
1/	Occupancy	202.10	. ,				, ,		
	Single Room Occupancy	§ 102	P	P	<u>P</u>	<u>P</u>	Р	Р	
. •		§ 102	P	<u>P</u>	₽	<u>P</u>	Р	Р	
16	Residential Uses	<u> - </u>					l		
17				P up to	P up to				
18				r up to one unit	two wits				
19				per lot.	unus per lot,			P up to	
				one unit	if the		P up to two	three units per	
20	Residential Density,			per	second unit is		units per	lot. C up	
7)4		§ <u>§ 102,</u> 207	One unit per lot.		600 sq.	11 \/// \	one unit	to one unit per	
22	(6) <u>(11)</u>			fact of	ft. or less C	ner lot	per 1,500	1,000	
23				lot area,	less. C up to		M M 2142	square	
				more	one unit			feet of lot area.	
24				than	per 3,000				
25				three	s,vvv square				
		<u>ı</u>					I		

1				units per lot.	feet of lot			
2				per ioi.	area,			
3					with no more			
					than			
4					three units			
5					per lot.			
6			P up to twice the number		_		•	
7	Caniar Hausing	§§ 102,	principal use in the dis 202.2(f)(1).	strict and	ıneeun	ig all trie	requiremen	is or 8
8	Senior Housing	202.2(f)	C up to twice the num					
9			principal use in the dis 202.2(f)(1) except for					
10							C, up to	C, up to
11							one	one bedroom
	Residential Density,	§ 208	NP	NP	NP		bedroom for every	for every
	Group Housing						415 square	275 square
13							feet of lot area.	feet of lot area.
14		SS 100						aica.
15		§§ 102, 208	NP	₩₽	₩₽	<u>NP</u>	С	С
16	NON-RESIDENTIAL	STANDAR	DS AND USES					
17	Development Standa	ards						
18	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
1920	Off-Street Parking	§§ 150, 151, 161	None required. Maximum permitted per § 151.					
21		§§ 186, 186.3	Continuing nonconforming uses are permitted, subject to the requirements of § 186. Limited Commercial Uses may be					
22			conditionally permitted	in histo	oric build	lings sub	ject to § 180	0.3.
23	Agricultural Use Cate	§§ 102,						
24		99 102, 202.2(c)	ϵ	ϵ	ϵ	<u>C</u>	С	С
25	•	§§ 102, 202.2(c)	N₽	N₽	N₽	<u>NP</u>	NP	NP

1	Agriculture, Neighborhood	§§ 102, 202.2(c)	₽	₽	₽	<u>P</u>	Р	Р		
2	Automotive Use Category									
3	Automotive Uses <u>*</u>	§ 102	NP	NP	₩₽	<u>NP</u>	NP	NP		
4	Parking Garage, Private	§ 102	ϵ	ϵ	ϵ	<u>(C</u>	O	С		
5	Parking Lot, Private	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
6	Parking Lot, Public	§§ 102, 142, 156	NP	₩	₩	<u>NP</u>	NP (8)	NP		
7	Entertainment, Arts a	and Recreati	on Use Category							
8 9	Entertainment, Arts and Recreation Uses*	§ 102	NP	NP	NP	<u>NP</u>	NP	NP		
10	Open Recreation Area	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
11 12	Passive Outdoor Recreation	§ 102	₽	₽	₽	<u>P</u>	Р	Р		
12	Industrial Use Category									
13	Industrial Uses <u>*</u>	§ 102	NP	₩₽	₩₽	<u>NP</u>	NP	NP		
14	Institutional Use Cate	egory								
15	Institutional Uses <u>*</u>	§ 102	NP	₩₽	₩₽	<u>NP</u>	NP	NP		
	Child Care Facility	§ 102	P	P	P	<u>P</u>	Р	Р		
16	Community Facility	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
17	Hospital	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
18	Post-Secondary Ed. Institution	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
19	Public Facilities	§ 102	P	₽	₽	P	Р	Р		
20	Religious Institution	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
21	Residential Care Facility	§ 102	₽	₽	₽	<u> </u>	Р	Р		
22	School	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С		
23	Sales and Service C	ategory								
24	Retail Sales and Service Uses <u>*</u>	§ 102	NP	NP	₩₽	<u>NP</u>	NP	NP		
25	Hotel	§ 102	NP	₩₽	₩₽	<u>NP</u>	C (4)	C (4)		

1	Mortuary	§ 102	C (5)	C (5)	C (5)	<u>C (5)</u>	C (5)	C (5)
	Non-Retail Sales and Service <u>*</u>	§ 102	NP	NP	NP	<u>NP</u>	NP	NP
3	Utility and Infrastruct	ure Use Cat	egory					
4	Utility and Infrastructure <u>*</u>	§ 102	NP	NP	NP	<u>NP</u>	NP	NP
	Internet Service Exchange	§ 102	€	ϵ	ϵ	<u>C</u>	С	С
6	Utility Installation	§ 102	ϵ	ϵ	ϵ	<u>C</u>	С	С
	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)

* Not listed below.

* * * *

12 (10) Projects utilizing the density exception of Section 207(c)(8) and that provide at least four dwelling units shall be subject to a minimum Rear Yard requirement of 30% of lot depth, but in no case 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 in Corner Lots, pursuant to Section 207(c)(8).

Section 4. The Planning Code is hereby amended by revising Sheets ZN01, ZN02, ZN03, ZN04, ZN05, ZN06, ZN07, ZN08, ZN09, ZN10, ZN11, ZN12, and ZN13 of the Zoning Map of the City and County of San Francisco, as follows:

Zoning Districts to be Superseded	Zoning Districts Hereby Approved
RH-1(D); RH-1; RH-1(S)	RH-2
<u>RH-1(D)</u>	RH-2(D)

1	Section 5. Chapter 37 of tThe Administrative Code is hereby amended by revising
2	Sections 10E.4, 37.2, and 37.3, to read as follows:
3	
4	SEC. 10E.4. HOUSING ELEMENT PRODUCTION REPORTS AND HEARINGS.
5	* * * *
6	(b) Planning Department Reports.
7	* * * *
8	
9	(3) Annual Housing Inventory Reports. The Planning Department shall
10	publish an annual Housing Inventory on April 1st of each year that contains at a minimum:
11	(A) an evaluation of how residential projects entitled or at any
12	other stage of the housing production process during the preceding calendar year contribute
13	to the City's quantified regional housing needs allocation for different household income levels
14	as determined in the General Plan's Housing Element, and including data on households
15	earning approximately 120% to 150% of area median income based on sponsors' disclosure
16	of unit pricing for market rate housing proposals and other available data; senior housing
17	units; and the number of efficiency, studio, one bedroom, two bedroom and three bedroom
18	and above units (when the ability to collect this data exists)-:
19	(B) how residential projects in the housing production process met
20	inclusionary housing requirements as on-site below-market-rate (BMR) units, off-site BMR
21	units, or payment of an in-lieu fee, including data tracking revenue generated from the
22	Affordable Housing Fee under Planning Code Section 415 et seq.; and
23	(C) the number of residential projects at any stage of the housing
24	production process during the preceding calendar year within the City's Planning Districts and
25	Plan Areas for different housing income levels as determined in the General Plan's Housing

1	Element, and including data on households earning approximately 120% to 150% of area
2	median income based on sponsors' disclosure of unit pricing for market rate housing
3	proposals and other available data; senior housing units; and the number of efficiency, studio,
4	one bedroom, two bedroom and three bedroom and above units (when the ability to collect
5	this data exists)- <u>: and</u>
6	(D) the contents of the Affordability and Equity Report as defined in Planning
7	Code Section 207(c)(8).
8	
9	SEC. 37.2. DEFINITIONS.
10	* * * *
11	(r) Rental Units. All residential dwelling units in the City and County of San Francisco
12	together with the land and appurtenant buildings thereto, and all housing services, privileges,
13	furnishings, and facilities supplied in connection with the use or occupancy thereof, including
14	garage and parking facilities.
15	* * * *
16	The term "rental units" shall not include:
17	* * * *
18	(4) Except as provided in subsections (A)- (\underline{DE}) , dwelling units whose rents are
19	controlled or regulated by any government unit, agency, or authority, excepting those
20	unsubsidized and/or unassisted units which are insured by the United States Department of
21	Housing and Urban Development; provided, however, that units in unreinforced masonry
22	buildings which have undergone seismic strengthening in accordance with Building Code
23	Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the

ordinance is not in conflict with the seismic strengthening bond program or with the program's

loan agreements or with any regulations promulgated thereunder;

24

1	* * *
2	(E) The term "rental units" shall include any new dwelling units created
3	pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.
4	
5	
6	SEC. 37.3. RENT LIMITATIONS.
7	(a) Rent Increase Limitations for Tenants in Occupancy. Landlords may impose rent
8	increases upon tenants in occupancy only as provided below and as provided by subsections
9	37.3(d) and 37.3(g):
10	* * * *
11	(d) Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).
12	Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.
13	and regardless of whether otherwise provided under Chapter 37:
14	(1) Property Owner Rights to Establish Initial and All Subsequent Rental
15	Rates for Separately Alienable Parcels.
16	(A) An owner or residential real property may establish the initial and al
17	subsequent rental rates for a dwelling or a unit which is alienable separate from the title to an
18	other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
19	(d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's

right to establish subsequent rental rates under this paragraph shall not apply to a dwelling or

California Civil Code Section 1946 or has been terminated upon a change in the terms of the

increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new

unit where the preceding tenancy has been terminated by the owner by notice pursuant to

tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent

tenancy in that dwelling or unit.

20

21

22

23

24

1	* * *
2	(D) An owner's right to establish subsequent rental rates under
3	subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
4	pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.
5	* * * *
6	(g) New Construction and Substantial Rehabilitation.
7	(1) An owner of a residential dwelling or unit which is newly constructed and
8	first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June
9	13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation,
10	may establish the initial and all subsequent rental rates for that dwelling or unit, except:
11	(A) where rent restrictions apply to the dwelling or unit under
12	Sections 37.3(d) or 37.3(f);
13	(B) where the dwelling or unit is a replacement unit under
14	Section 37.9A(b);
15	(C) as provided for certain categories of Accessory Dwelling Units under
16	Section 37.2(r)(4)(D); and
17	(D) as provided in a development agreement entered into by the City
18	under Administrative Code Chapter 56-: and
19	(E) as provided for certain categories of new dwelling units under Section
20	37.2(r)(4)(E).
21	
22	Section 56. Article 9 of the Subdivision Code is hereby amended by revising Sections
23	1396.2, 1396.4 and 1396.5 and adding Section 1396.6, to read as follows:
24	
25	

SEC. 1396.2. PROHIBITION ON CONDOMINIUM CONVERSIONS FOR CERTAIN BUILDINGS.

- (a) Notwithstanding any provisions in this Code to the contrary, including Section 1359, the Department of Public Works shall not sell residential condominium conversion lottery tickets to; shall not accept a residential condominium conversion subdivision application from; and shall deny a tentative subdivision or tentative parcel map for residential condominium conversion submitted by the owner(s) of a building that meets all of the following conditions:
- (1) the building had two or more evictions with each eviction associated with a separate unit(s);
 - (2) issuance of each eviction notice occurred on or after May 1, 2005; and,
- (3) issuance of the eviction notice(s) occurred pursuant to San Francisco Administrative Code Sections 37.9(a)(8), 37.9(a)(10), or 37.9(a)(11), or 37.9(a)(13).

SEC. 1396.4. CONDOMINIUM CONVERSION FEE AND EXPEDITED CONVERSION PROGRAM.

17 ****

(b) Any building may be exempted from the annual lottery provisions of Section 1396 if the building owners for said building comply with *either: (1)* Section 1396.3 (g)(1) and all the requirements of this Section 1396.4 *or (2) all the requirements of Section 1396.6*.

Notwithstanding the foregoing *sentence*, no property or applicant subject to any of the prohibition on conversions set forth in Section 1396.2, in particular a property with the eviction(s) set forth in Section 1396.2 (b), is eligible for the Expedited Conversion program under this Section 1396.4. Eligible buildings as set forth in this *subs* Section (b) may exercise their option to participate in this program according to the following requirements:

* * * * 1 SEC. 1396.5. SUSPENSION OF THE LOTTERY PENDING PRODUCTION OF 2 3 REPLACEMENT UNITS FOR EXPEDITED CONVERSION UNITS. * * * * 4 5 (c) Except as otherwise authorized under Section 1396.6, 4the Department shall not accept 6 an application for the conversion of residential units under Section 1396 nor conduct a lottery 7 under this Article prior to January 1, 2024. Thereafter, the lottery shall resume upon the 8 earlier of the following: (1) the first February following the Mayor's Office of Housing and 9 Community Development report pursuant to Ssubsection (b) showing that the total number of Conversion Replacement Units produced in the City of San Francisco exceeded the total 10 number of units converted as identified in the Department's report prepared pursuant to 11 12 subsection (a); or (2) completion of the "Maximum Suspension Period" as defined below. 13 14 1396.6. CONDOMINIUM CONVERSION ASSOCIATED WITH PROJECTS THAT 15 UTILIZE THE RESIDENTIAL DENSITY EXCEPTION IN RH DISTRICTS TO CONSTRUCT 16 NEW DWELLING UNITS PURSUANT TO PLANNING CODE SECTION 207(C)(8). 17 (a) Findings. The findings of Planning Code Section 415.1 concerning the City's inclusionary 18 affordable housing program are incorporated herein by reference and support the basis for charging 19 the fee set forth herein as it relates to the conversion of dwelling units into condominiums. 20 (b) Definition. "Existing Dwelling Units" shall refer to the dwelling units in existence on a lot at the time of the submittal of an application to construct a new dwelling unit pursuant to Planning 21 22 Code Section 207(c)(8). 23 (c) Notwithstanding Section 1396.4 and Ordinance No. 117-13, the a subdivider of a one unit building that has obtained a permit to build one or more new dwelling units by utilizing the exception 24

to residential density in RH districts set forth in Planning Code Section 207(c)(8), which results in Ξ

1	greater number of dwelling units than the number of Existing Dwelling Units two or more
2	dwelling units, and that has signed an affidavit stating the subdivider's intent to reside in one
3	of those resulting dwelling units, or in the Existing Dwelling Unit, for a period of three years
4	after the approval of Certificate of Final Completion and Occupancy for the new dwelling units,
5	shall (1) be exempt from the annual lottery provisions of Section 1396 with respect to the dwelling units
6	built as part of the Project Units and (2) be eligible to submit a condominium conversion application
7	for such the Existing Dwelling Units and/or include the Existing Dwelling Units in a condominium
8	map application for the project approved pursuant to Planning Code Section 207(c)(8).
9	Notwithstanding the foregoing sentence, no property or applicant subject to any of the prohibitions on
10	conversions set forth in Section 1396.2, in particular a property with the eviction(s) set forth in Section
11	1396.2(b), shall be eligible for condominium conversion under this Section 1396.6. Eligible buildings
12	as set forth in this subsection (c) may exercise their option to participate in this program according to
13	the following requirements:
14	(1) The applicant(s) for the subject building seeking to convert dwelling units to
15	condominiums or subdivide dwelling units into condominiums under this subsection shall pay the fee
16	specified in Section 1315.
17	(2) In addition to all other provisions of this Section 1396.6, the applicant(s) comply
18	with all of the following:
19	(A) The requirements of Subdivision Code Article 9, Sections 1381, 1382, 1383,
20	1386, 1387, 1388, 1389, 1390, 1391(a) and (b), 1392, 1393, 1394, and 1395.
21	(B) The applicant(s) must certify that within the 60 months preceding the date of
22	the subject application, no tenant resided at the property.
23	(C) The applicant(s) must certify that to the extent any tenant vacated their unit
24	after March 31, 2013, and before recordation of the final parcel or subdivision map, such tenant did so
25	voluntarily or if an eviction or eviction notice occurred it was not pursuant to Administrative Code

1	Sections 37.9(a)(8)- (12) and 37.9(a)(14). If an eviction has taken place under Sections 37.9(a)(11) or
2	37.9(a)(14), then the applicant(s) shall certify that the original tenant reoccupied the unit after the
3	temporary eviction.
4	(3) If the Department finds that a violation of this Section 1396.6 occurred prior to
5	recordation of the final map or final parcel map, the Department shall disapprove the application or
6	subject map. If the Department finds that a violation of this Section occurred after recordation of the
7	final map or parcel map, the Department shall take such enforcement actions as are available and
8	within its authority to address the violation.
9	(4) This Section 1396.6 shall not prohibit a subdivider who has lawfully
10	exercised the subdivider's rights under Administrative Code Section 37.9(a)(13) from
11	submitting a condominium conversion application under this Section 1396.6.
12	(d) Decisions and Hearing on the Application.
13	(1) The applicant shall obtain a final and effective tentative map or tentative parcel
14	map approval for the condominium subdivision or parcel map within one year of paying the fee
15	specified in subsection (e). The Director of the Department of Public Works or the Director's designee
16	is authorized to waive the time limits set forth in this subsection $(d)(1)$ as it applies to a particular
17	building due to extenuating or unique circumstances. Such waiver may be granted only after a public
18	hearing and in no case shall the time limit extend beyond two years after submission of the application.
19	(2) No less than 20 days prior to the Department's proposed decision on a tentative
20	map or tentative parcel map, the Department shall publish the addresses of buildings being considered
21	for approval and post such information on its website. During this time, any interested party may file a
22	written objection to an application and submit information to the Department contesting the eligibility
23	of a building. In addition, the Department may elect to hold a public hearing on said tentative map or
24	tentative parcel map to consider the information presented by the public, other City department, or an
25	applicant. If the Department elects to hold such a hearing it shall post notice of such hearing and

1	provide written notice to the applicant, all tenants of such building, any member of the public who
2	submitted information to the Department, and any interested party who has requested such notice. In
3	the event that an objection to the conversion application is filed in accordance with this subsection
4	(d)(2), and based upon all the facts available to the Department, the Department shall approve,
5	conditionally approve, or disapprove an application and state the reasons in support of that decision.
6	(3) Any map application subject to a Departmental public hearing on the subdivision
7	or a subdivision appeal shall have the time limit set forth in subsection $(d)(1)$ extended for another six
8	months.
9	(e) Should the subdivision application be denied or be rejected as untimely in accordance with
10	the dates specified in subsection $(d)(1)$, or the tentative subdivision map or tentative parcel map
11	disapproved, the City shall refund the entirety of the application fee.
12	(f) Conversion of buildings pursuant to this Section 1396.6 shall have no effect on the terms
13	and conditions applicable to such buildings under Section 1341A, 1385A, or 1396 of this Code.
14	
15	Section 67. The Planning Department, the Rent Board, and the Department of Public
16	Works are authorized to adopt regulations to implement this ordinance. The Planning
17	Department shall create a report summarizing all applicable design standards in residential
18	districts in the City, and submit such report to the Board for its consideration within six months
19	from the effective date of this ordinance.
20	
21	Section 78. Conforming Amendments in the Municipal Code.
22	(a) This ordinance abolishes RH-1, RH-1(D), and RH-1(S) districts. To conform the
23	Municipal Code to these districts having been abolished, the City Attorney shall cause all
24	references to RH-1, RH-1(D), and RH-1(S) in the Municipal Code to be removed and replaced
25	with a reference to RH-2, and all references to RH-1(D) to be replaced with RH-2(D);

- provided, however, that where the Municipal Code references one or more of the three abolished districts RH-1 or RH-1(S) districts along with a reference to RH-2, the City Attorney shall cause the reference to the abolished district or districts to be removed from the Municipal Code, with the reference to RH-2 retained.
 - (b) The City Attorney shall provide written notice to the Clerk of the Board of Supervisors of the changes to the Municipal Code resulting from the implementation of subsection (a). The Clerk shall place the City Attorney's notice in Board File No. 210866, the file for the ordinance abolishing the RH-1, RH-1(D), and RH-1(S) districts.
 - (c) Any reference in the Municipal Code to RH-1, RH-1(D), or RH-1(S) districts that might remain, for example, due to inadvertence or delay in implementing subsection (a), or for any other reason, shall not be understood to contradict or be in conflict with this ordinance's abolition of said districts.

Section 89. No Conflict with Federal or State Law. Nothing in this ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

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

1	
2	Section 4011. Effective Date. This ordinance shall become effective 30 days after
3	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
4	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
5	of Supervisors overrides the Mayor's veto of the ordinance.
6	
7	Section 4412. Scope of Ordinance. Except as stated in Sections 4 and 7 of this
8	ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those
9	words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks,
10	charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly
11	shown in this ordinance as additions, deletions, Board amendment additions, and Board
12	amendment deletions in accordance with the "Note" that appears under the official title of the
13	ordinance.
14	
15	APPROVED AS TO FORM:
16	DAVID CHIU, City Attorney
17	By: /s/ Andrea Ruiz-Esquide
18	ANDREA RUIZ-ESQUIDE Deputy City Attorney
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