**BOARD of SUPERVISORS** 



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

July 29, 2022

File No. 220895

Lisa Gibson Environmental Review Officer Planning Department 49 South Van Ness Avenue, Suite 1400 San Francisco, CA 94103

Dear Ms. Gibson:

On July 26, 2022, Supervisor Peskin introduced the following legislation:

File No. 220895

Resolution extending and modifying interim zoning controls enacted in Resolution No. 10-21 for parcels in Residential-Commercial Combined (RC), Residential - Mixed (RM) and Residential - Transit Oriented (RTO) districts, requiring Conditional Use Authorization for certain residential developments that do not maximize the number of units allowed by applicable density restrictions; 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.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

Jui Jon Major

By: Erica Major, Assistant Clerk Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Don Lewis, Environmental Planning  [Interim Zoning Controls - Extending and Modifying Requirements for Large Residential Projects in RC, RM, and RTO Districts]

3 Resolution extending and modifying interim zoning controls enacted in Resolution No. 10-21 for parcels in Residential-Commercial Combined (RC), Residential-Mixed (RM) 4 5 and Residential-Transit Oriented (RTO) districts, requiring Conditional Use 6 Authorization for certain residential developments that do not maximize the number of 7 units allowed by applicable density restrictions; affirming the Planning Department's 8 determination under the California Environmental Quality Act; and making findings of 9 consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1. 10

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WHEREAS, Planning Code, Section 306.7, authorizes the Board of Supervisors to impose interim zoning controls to allow time for the orderly completion of a planning study and for the adoption of appropriate legislation, which are necessary to ensure that the legislative scheme that may be ultimately adopted is not undermined during the planning and legislative process by the approval or issuance of permits authorizing changes of use that could conflict with that scheme; and

WHEREAS, In recent decades, the rate of production of housing in San Francisco has
 failed to keep pace with an influx of jobs and increased demand for housing in San Francisco
 and in the broader region, which has contributed to increased unaffordability and repeat
 waves of evictions and displacement, largely to the detriment of long-term residents and
 communities and lower-income communities, in particular; and
 WHEREAS, Policymakers at the City and state level have sought to increase housing
 density across the state, including through the implementation of a Citywide Accessory

25 Dwelling Unit Program in San Francisco that applies to existing structures and to new

construction and which allows for the increased densification of residential and mixed-use
 neighborhoods and zoning districts; and

WHEREAS, While significant emphasis has been placed on increasing the capacity for increased housing density in residential and mixed use zoning districts, and to remove various substantive and procedural restrictions on the construction of affordable housing in particular, comparatively little emphasis has been placed on setting density minimums and creating disincentives for low-density projects in zoning districts that allow for greater density; and

8 WHEREAS, The construction of large residences is indicative of a market preference 9 for demonstrably unaffordable housing, even in zoning districts that permit greater capacity for 10 housing density and which tend to be characterized by higher density, more affordable, and 11 rent-stabilized housing; and

WHEREAS, The construction of large residences in zoning districts that permit greater capacity for housing density, such as Residential-Commercial Combined (RC), Residential-Mixed (RM), or Residential-Transit Oriented (RTO) districts, forgoes opportunities for more affordable housing, and frequently results in the loss or conversion of housing protected by rent stabilization provisions of the San Francisco Rent Ordinance; and

WHEREAS, Objective 2 of San Francisco's 2014 Housing Element states that
"conserving and improving the existing (housing) stock is critical to San Francisco's long term
housing strategy"; and

WHEREAS, The 2020 Housing Balance Report, produced by the Planning Department
pursuant to Section 103 of the Planning Code, indicates that for the period from 2010 Quarter
1 - 2019 Quarter 4, 7,081 units of net new affordable housing have been built in San
Francisco while 3,951 units have been removed from protected status, a ratio of just 1.79
units built for every 1 unit lost; and

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1 WHEREAS, The loss of affordable and rent controlled housing is driven in part by the 2 demolition, merger, and conversion of those homes and their replacement with market rate 3 housing and, notably, large single family homes in zoning districts that permit increased 4 capacity for housing density; and 5 WHEREAS, Planning Commission Resolution No. 20024, also known as the 6 "Residential Flat Removal Policy," defines a "Residential Flat" as a common San Francisco 7 housing typology consisting of a single dwelling unit, generally occupying an entire story 8 within a building, and having exposure onto open areas at the front and rear of the property; 9 and 10 WHEREAS, Planning Commission Resolution No. 20024 ensconces a preference for 11 the Residential Flat housing typology by subjecting any project that proposes to remove a 12 Residential Flat to mandatory discretionary review before the Planning Commission; and 13 WHEREAS, On January 22, 2021, the City adopted Resolution No. 10-21 which 14 imposed interim controls for an 18-month period to require conditional use authorization for 15 certain residential projects in RM, RC, and RTO districts that did not maximize the principally 16 permitted residential density; and, 17 WHEREAS, The circumstances that caused the Board to adopt the interim controls in 18 Resolution No. 10-21 continue to exist; and, WHEREAS, The extension of the interim controls established by this Resolution will 19 20 allow time for the orderly completion of a planning study and for the adoption of appropriate 21 legislation; and 22 WHEREAS, Planning Code, Section 306.7(h), authorizes the body that imposed the 23 interim controls to extend the interim controls up to a time period not to exceed 24 months; 24 and. 25

WHEREAS, The Board of Supervisors (Board) has considered the impact on the public
 health, safety, peace, and general welfare if these interim controls are not extended and
 modified; and

WHEREAS, The Board has determined that the public interest will best be served by
imposition and modification of these interim controls to ensure that the legislative scheme
which may be ultimately adopted is not undermined during the planning and legislative
process for permanent controls; and

8 WHEREAS, The Board makes the following findings of consistency with the Priority 9 Policies set forth in Planning Code, Section 101.1: by requiring Conditional Use authorization 10 for any residential development in an RC, RM, or RTO district that does not maximize the 11 number of units that could be constructed based on the applicable density limits, the 12 extension and modification of these interim controls advance Priority Policy 2, that existing 13 housing and neighborhood character be conserved and protected to preserve the cultural and 14 economic diversity of our neighborhoods, and these interim controls as extended and 15 modified do not conflict with the other Priority Policies of Section 101.1; and 16 WHEREAS, Unlike parcels in RC, RM, and RTO districts, parcels in RTO-M districts do 17 not have any density limit but instead density is regulated by permitted height, bulk, and other 18 standards; and WHEREAS, The Planning Department has determined that the actions contemplated in 19

this Resolution comply with the California Environmental Quality Act (California Public
Resources Code, Section 21000 et seq.); said determination is on file with the Clerk of the
Board of Supervisors in File No. \_\_\_\_\_\_ and is incorporated herein by reference; and the
Board hereby affirms this determination; now, therefore be it

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RESOLVED, That the interim controls imposed by Resolution No. 10-21 are hereby
 extended and modified as set forth herein, and shall remain in effect until January 22, 2023, or
 until the adoption of permanent legislation, whichever first occurs; and be it

FURTHER RESOLVED, That in multi-unit residential (R) districts, and in single family
home zoning districts that allow for the construction of an Accessory Dwelling Unit, the City
hereby reiterates its preference for multi-unit buildings consisting of equitably-sized
Residential Flats, as that housing typology is defined in Planning Commission Resolution No.
20024; and, be it

9 FURTHER RESOLVED, That as to the proposed new construction of a residential 10 building in RC, RM, and RTO zoning districts or as to any proposed alteration that would 11 result in the expansion of a residential building in RC, RM and RTO zoning districts, 12 Conditional Use Authorization under Planning Code, Section 303, shall be required if the 13 residential building does not maximize the principally permitted residential density, not 14 including any additional residential density permitted under state law or Planning Code 15 Sections 206 et seq, while adhering to the minimum unit size requirements set forth in 16 Planning Code Section 206.3; and, be it

FURTHER RESOLVED, That for purposes of this Resolution, RTO zoning districts
shall not include parcels zoned RTO-M; and, be it

FURTHER RESOLVED, That if existing lot conditions or form-based restrictions on development (e.g., height, bulk, rear yard requirements) are such that a proposed project cannot maximize density without seeking a variance or subdividing existing units on the lot, and while adhering to the minimum unit size requirements set forth in Planning Code, Section 206.3, Conditional Use Authorization under Planning Code, Section 303, shall not be required if a proposed project increases density on a subject lot, does not include any single unit

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1 greater than 2000 square feet in size, and would not be subject to Conditional Use

Authorization under any other provision of the Planning Code; and, be it

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FURTHER RESOLVED, That Conditional Use Authorization shall not be required for expansions of existing residential buildings in RC, RM, and RTO districts, wherein the proposed expansion is 25% or less of the existing residential building, provided that the proposed expansion (1) does not increase the size of any unit that is already larger than 2000 square feet in size; (2) does not create any new unit that is greater than 2000 square feet in

size; and (3) does not cause an existing unit that is less than 2000 square feet in size to be
larger than 2000 square feet in size; and, be it

FURTHER RESOLVED, That Conditional Use Authorization shall not be required for expansions of existing residential buildings in RC, RM, and RTO districts, wherein the proposed expansion is to a building of two or more units, no resulting individual unit would be greater than 3000 square feet, and no resulting individual unit would be less than 50% of the size of the largest unit in the building; and, be it

FURTHER RESOLVED, That the Planning Department shall continue its study of the
 contemplated zoning proposal and propose permanent legislation to address the issues
 posed by large residential development that does not maximize the allowable density; and, be
 it

FURTHER RESOLVED, That these interim controls shall apply to all applications for
 residential development where a final site or building permit has not been issued as of the
 effective date of this Resolution extending the interim controls adopted in Resolution 10-21, to
 the extent allowed by law; and, be it
 FURTHER RESOLVED, That for projects scheduled for a hearing at the Planning

24 Commission under a Discretionary Review as of the effective date of this Resolution

extending the interim controls adopted in Resolution No. 10-21, the Planning Department is

1	requested to ex	pedite the p	processing and	l calendaring	of any	y required	Conditional Use
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2	authorization	under these	controls;	and, be it
-	addition		001101010,	

- 4 for until January 22, 2023, or until the adoption of permanent legislation that addresses
- 5 substantially the same issues, whichever first occurs; and, be it
- 6 FURTHER RESOLVED, That the Planning Department shall provide reports to the
- 7 Board pursuant to Planning Code, Section 306.7(i).
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- 9 APPROVED AS TO FORM: DAVID CHIU, City Attorney
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- 11 By: /s/\_ AUDREY PEARSON 12 Deputy City Attorney 13 n:\legana\as2020\2100201\01616737.docx 14 15 16 17 18 19 20 21 22 23 24 25

## **Introduction Form**

By a Member of the Board of Supervisors or Mayor

Time stamp or meeting date

I hereby submit the following item for introduction (select only one):

[1] I. Fan metamore to Committee (An Ondinance Desclution Mation on Charten Amondment)
<ul> <li>✓ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).</li> <li>✓ 2. Description of the second s</li></ul>
2. Request for next printed agenda Without Reference to Committee.
3. Request for hearing on a subject matter at Committee.
4. Request for letter beginning :"Supervisor       inquiries"
5. City Attorney Request.
6. Call File No. from Committee.
7. Budget Analyst request (attached written motion).
8. Substitute Legislation File No.
9. Reactivate File No.
10. Topic submitted for Mayoral Appearance before the BOS on
Please check the appropriate boxes. The proposed legislation should be forwarded to the following:
Planning Commission Building Inspection Commission
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.
Sponsor(s):
Supervisor Peskin
Subject:
[Interim Zoning Controls - Extending and Modifying Requirements for Large Residential Projects in RC, RM, and RTO Districts]
The text is listed:
Resolution extending and modifying interim zoning controls enacted in Resolution No. 10-21 for parcels in Residential-Commercial Combined (RC), Residential - Mixed (RM) and Residential - Transit Oriented (RTO) districts, requiring Conditional Use Authorization for certain residential developments that do not maximize the number of units allowed by applicable density restrictions; 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.

Signature of Sponsoring Supervisor: //AP//