

PLANNING COMMISSION RESOLUTION NO. 21454

HEARING DATE: November 30, 2023

Project Name: Constraints Reduction (AKA Housing Production- Duplicated File)

Case Number: 2023-010508PCA [Board File No. 231142]

Initiated by: Mayor Breed, Duplicated for Supervisor Mandelman's proposed amendments.

Introduced October 30, 2023

Staff Contact: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ENCOURAGE HOUSING PRODUCTION BY (1) EXEMPTING, UNDER CERTAIN CONDITIONS, SPECIFIED HOUSING PROJECTS FROM THE NOTICE AND REVIEW PROCEDURES OF SECTION 311 AND THE CONDITIONAL USE REQUIREMENT OF SECTION 317, IN AREAS OUTSIDE OF PRIORITY EQUITY GEOGRAPHIES, WHICH ARE IDENTIFIED IN THE HOUSING ELEMENT AS AREAS OR NEIGHBORHOODS WITH A HIGH DENSITY OF VULNERABLE POPULATIONS, AND AREAS OUTSIDE RH (RESIDENTIAL HOUSE) DISTRICTS WITHIN THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; (2) REMOVING THE CONDITIONAL USE REQUIREMENT FOR SEVERAL TYPES OF HOUSING PROJECTS, INCLUDING HOUSING DEVELOPMENTS ON LARGE LOTS IN AREAS OUTSIDE THE PRIORITY EQUITY GEOGRAPHIES SPECIAL USE DISTRICT, PROJECTS TO BUILD TO THE ALLOWABLE HEIGHT LIMIT, PROJECTS THAT BUILD ADDITIONAL UNITS IN LOWER DENSITY ZONING DISTRICTS, AND SENIOR HOUSING PROJECTS THAT SEEK TO OBTAIN DOUBLE DENSITY, SUBJECT TO CERTAIN EXCEPTIONS IN RH DISTRICTS IN THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; (3) AMENDING REAR YARD, FRONT SETBACK, LOT FRONTAGE, MINIMUM LOT SIZE, AND RESIDENTIAL OPEN SPACE REQUIREMENTS IN SPECIFIED DISTRICTS, SUBJECT TO CERTAIN EXCEPTIONS IN RH DISTRICTS IN THE FAMILY HOUSING OPPORTUNITY SPECIAL USE DISTRICT; (4) ALLOWING ADDITIONAL USES ON THE GROUND FLOOR IN RESIDENTIAL BUILDINGS, HOMELESS SHELTERS, AND GROUP HOUSING IN RESIDENTIAL DISTRICTS, AND ADMINISTRATIVE REVIEW OF REASONABLE ACCOMMODATIONS; (5) EXPANDING THE ELIGIBILITY FOR THE HOUSING OPPORTUNITIES MEAN EQUITY - SAN FRANCISCO (HOME - SF) PROGRAM AND DENSITY EXCEPTIONS IN RESIDENTIAL DISTRICTS; (6) EXEMPTING CERTAIN AFFORDABLE HOUSING PROJECTS FROM CERTAIN DEVELOPMENT FEES; (7) AUTHORIZING THE PLANNING DIRECTOR TO APPROVE STATE DENSITY BONUS PROJECTS, SUBJECT TO DELEGATION FROM THE PLANNING COMMISSION; (8) SUNSETTING THE CONDITIONAL USE REQUIREMENTS ESTABLISHED BY THE CORONA HEIGHTS LARGE RESIDENCE AND THE CENTRAL NEIGHBORHOODS LARGE RESIDENCE SPECIAL USE DISTRICTS AT THE END OF 2024, AND THEREAFTER LIMITING THE SIZE OF ANY DWELLING UNITS RESULTING FROM RESIDENTIAL DEVELOPMENT IN THOSE SPECIAL USE DISTRICTS TO 3,000 SQUARE FEET OF GROSS FLOOR AREA; AND (9) MAKING CONFORMING AMENDMENTS TO OTHER SECTIONS OF THE PLANNING CODE; AMENDING THE

ZONING MAP TO CREATE THE PRIORITY EQUITY GEOGRAPHIES SPECIAL USE DISTRICT; AMENDING THE SUBDIVISION CODE TO UPDATE THE CONDOMINIUM CONVERSION REQUIREMENTS FOR PROJECTS UTILIZING RESIDENTIAL DENSITY EXCEPTIONS IN RH DISTRICTS; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING PUBLIC NECESSITY, CONVENIENCE, AND WELFARE FINDINGS UNDER PLANNING CODE, SECTION 302, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1.

WHEREAS, on April 18, 2023, Mayor Breed introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230446, which would amend the Planning Code to encourage housing production by 1) exempting, under certain conditions, specified housing projects from the notice and review procedures of Section 311 and the Conditional Use requirement of Section 317, in areas outside of Priority Equity Geographies, which are identified in the Housing Element as areas or neighborhoods with a high density of vulnerable populations, and areas outside RH (Residential House) Districts within the Family Housing Opportunity Special Use District; 2) removing the Conditional Use requirement for several types of housing projects, including housing developments on large lots in areas outside the Priority Equity Geographies Special Use District, projects to build to the allowable height limit, projects that build additional units in lower density zoning districts, and senior housing projects that seek to obtain double density, subject to certain exceptions in RH Districts in the Family Housing Opportunity Special Use District; 3) amending rear yard, front setback, lot frontage, minimum lot size, and residential open space requirements in specified districts, subject to certain exceptions in RH Districts in the Family Housing Opportunity Special Use District; 4) allowing additional uses on the ground floor in residential buildings, homeless shelters, and group housing in residential districts, and administrative review of reasonable accommodations; 5) expanding the eligibility for the Housing Opportunities Mean Equity - San Francisco (HOME - SF) program and density exceptions in residential districts; 6) exempting certain affordable housing projects from certain development fees; 7) authorizing the Planning Director to approve State Density Bonus projects, subject to delegation from the Planning Commission; and 8) making conforming amendments to other sections of the Planning Code; amending the Zoning Map to create the Priority Equity Geographies Special Use District; amending the Subdivision Code to update the condominium conversion requirements for projects utilizing residential density exceptions in RH Districts;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 29, 2023 and made a recommendation of Approval with Modifications under Resolution 21342; and,

WHEREAS, the Boards Land Use and Transportation Committee (hereinafter "Committee") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 30, 2023, and duplicated Board File 230446 to create Board File 231142; and,

WHEREAS, at the Committee's October 30, 2023, hearing, the Committee amended Board File 231142, which was then referred by the Clerk of the Board to the Commission for a public hearing; and, WHEREAS, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance under Board File 231142 on November 30, 2023; and,

WHEREAS, the proposed Ordinance has been given CEQA clearance under the San Francisco Housing Element 2022 Update Environmental Impact Report (EIR) certified on November 17, 2022; and,



WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed recommendation(s) is/are as follows:

- 1. Change the maximum building size from 3,000 sq. ft. to 3,500 sq. ft. in both SUDs.
- 2. Allow a 20% increase in both SUDs.
- 3. Amend Planning Code Section 311 so that the word "building permit" is replaced with "planning entitlement."
- 4. For proposed expansions allowed under the 20% increase, add a 5-year lookback on building permits to avoid serial permitting. All residential expansions during that five-year period should count toward the 20% limit.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

The Commission supports the overall goals of this Ordinance because it removes a subjective conditional use requirement and replaces it with an objective code standard. Removing the subjective process will make housing approvals more consistent and reduce the time it takes to approve these projects.

The Commission finds that the maximum unit size should be adjusted up and that each SUD should allow for small additions, even if the unit currently exceeds the maximum unit size.

General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT



OBJECTIVE 4.A

SUBSTANTIALLY EXPAND THE AMOUNT OF PERMANENTLY AFFORDABLE HOUSING FOR EXTREMELY LOW- TO MODERATE-INCOME HOUSEHOLDS.

OBJECTIVE 4.B

EXPAND SMALL AND MID-RISE MULTI-FAMILY HOUSING PRODUCTION TO SERVE OUR WORKFORCE, PRIORITIZING MIDDLE-INCOME HOUSEHOLDS.

Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

Implementing Programs

- 8.4.5 Eliminate Commission hearings on any code-complying project in the Well Resourced Neighborhoods subject to the Housing Accountability Act by July 31, 2023 until January 31, 2027.
- 8.3.9 Eliminate the use of "neighborhood character" and/or "neighborhood compatibility" terminology in case report findings towards approvals.
- 8.4.19 Whenever Planning Code amendments or revisions are proposed, advocate for ensure and promote simpler or an overall reduction of rules that affect housing approvals to reduce the specific or institutional knowledge needed by City staff, applicants, and members of the public to increase accessibility.

The proposed Ordinance will remove Commission hearings for Code-complying projects in Well-resourced Neighborhoods, eliminate the use or neighborhood compatibility as a criterion for approval in the two subject SUDs, and create simpler code requirements that are easier to understand and implement.

Planning Code Section 101 Findings

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

- 1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
 - The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.
- 2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;



The proposed Ordinance would not have a negative effect on housing or neighborhood character.

- 3. That the City's supply of affordable housing be preserved and enhanced;
 - The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.
- 4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;
 - The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.
- 5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;
 - The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.
- 6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
 - The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.
- 7. That the landmarks and historic buildings be preserved;
 - The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.
- 8. That our parks and open space and their access to sunlight and vistas be protected from development;
 - The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.



I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 30, 2023.

Jonas P. Ionin

Commission Secretary

AYES: Braun, Diamond, Koppel, and Tanner

NOES: Imperial and Ruiz

ABSENT: Moore

ADOPTED: November 30, 2023

