

BOARD of SUPERVISORS



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MEMORANDUM

Date: July 26, 2024
To: Planning Department/Planning Commission
From: John Carroll, Assistant Clerk, Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 240787
Planning Code, Zoning Map - Central SoMa and Transit Center District Commercial Development Requirements

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure

- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan Planning Code, Section 101.1 Planning Code, Section 302

- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

1 [Planning Code, Zoning Map - Central SoMa and Transit Center District Commercial
2 Development Requirements]

3 **Ordinance amending the Planning Code and Zoning Map to reduce commercial**
4 **development requirements in the Central SoMa Special Use District and remove the**
5 **Transit Center C-3-0(SD) Commercial Special Use District; affirming the Planning**
6 **Department's determination under the California Environmental Quality Act; making**
7 **findings of consistency with the General Plan, and the eight priority policies of**
8 **Planning Code, Section 101.1; and adopting findings of public necessity, convenience,**
9 **and welfare under Planning Code, Section 302.**

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

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

18 Section 1. Environmental and Land Use Findings.

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

24 (b) On _____, the Planning Commission, in Resolution No. _____,
25 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

1 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
2 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

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

8
9 Section 2. Articles 2 and 3 of the Planning Code are hereby amended by revising
10 Sections 249.78, 303, 309, and 329, and deleting Section 248, to read as follows:

11
12 ~~**SEC. 248. TRANSIT CENTER C-3-O(SD) COMMERCIAL SPECIAL USE DISTRICT.**~~

13 ~~*A Special Use District entitled the “Transit Center C-3-O(SD) Commercial Special Use*~~
14 ~~*District” is hereby established for a portion of the C-3-O(SD) district in the downtown area around the*~~
15 ~~*Transbay Transit Center within San Francisco, the boundaries of which are designated on Sectional*~~
16 ~~*Map SU01 of the Zoning Map of the City and County of San Francisco. The following provisions shall*~~
17 ~~*apply within the Special Use District:*~~

18 ~~*(a) Purpose. There are limited remaining development sites in the core of the downtown large*~~
19 ~~*enough to be feasibly developed with workplace-oriented uses, particularly adjacent to the region's*~~
20 ~~*premier concentration of regional and local public transit infrastructure, such as the Transbay Transit*~~
21 ~~*Center, BART, Muni Metro, and the Ferry Building. Significant areas surrounding and within walking*~~
22 ~~*distance of the downtown, including Rincon Hill and Zone 1 of the Transbay Redevelopment Area*~~
23 ~~*along Folsom Street, have been zoned and planned almost exclusively for residential neighborhoods to*~~
24 ~~*the exclusion of major commercial uses. Many academic studies have shown that locating jobs*~~
25 ~~*immediately proximate to regional transit is a greater influence on use of public transit than is*~~

1 ~~proximity of housing to regional transit, and decentralization of jobs is one of the leading factors~~
2 ~~increasing auto commuting in the Bay Area. Further, very few districts outside of the C-3 district allow~~
3 ~~high-density job uses, so it is important to ensure that the few sites large enough for high-density~~
4 ~~workplace uses in the Transit Center area are preserved primarily for that purpose.~~

5 ~~(b) **Definition of Commercial Use.** "Commercial Use" shall mean any use other than a~~
6 ~~Residential Use, as defined in Section 102 of this Code, permitted in the underlying zoning district.~~

7 ~~(c) **Controls.** All new development on lots larger than 20,000 square feet in the Special Use~~
8 ~~District shall include not less than two gross square feet of principally or conditionally permitted~~
9 ~~commercial uses for every one gross square foot of dwellings or other housing uses.~~

10 ~~(d) **Exceptions.** Exceptions to the controls in subsection (c) may be granted by the Planning~~
11 ~~Commission according to the procedures in Section 309 only if the Commission makes one of the~~
12 ~~following affirmative findings:~~

13 ~~(1) That the development consists of multiple buildings on a single lot or adjacent lots~~
14 ~~that are entitled as a single development project pursuant to Section 309, and that commercial uses~~
15 ~~account for greater than 50% of the project's aggregate total gross floor area for all buildings and~~
16 ~~where the project sponsor demonstrates that it is infeasible or impractical to construct commercial uses~~
17 ~~on the footprint of the portion of the site dedicated to dwellings and/or other housing uses due to the~~
18 ~~size and configuration of that portion of the lot; or~~

19 ~~(2) That the footprint of the portion of the site dedicated to dwellings and/or other~~
20 ~~housing uses is less than 15,000 square feet and the lot contains existing buildings which are to be~~
21 ~~retained; or~~

22 ~~(3) That the downtown commercial vacancy rate is persistently high and the project~~
23 ~~would fulfill its inclusionary requirement pursuant to Planning Code Section 415 through 100% on-site~~
24 ~~or off-site units within the C-3 District.~~

1 **SEC. 249.78. CENTRAL SOMA SPECIAL USE DISTRICT.**

2 (a) **Purpose.** ~~In order to~~ TO implement the goals, objectives, and policies of the
3 Central SoMa Plan (Ordinance No. 280-18, on file with the Clerk of the Board of Supervisors
4 in File No. 180185), the Central SoMa Special Use District (SUD) is hereby established.

5 (b) **Geography.** The SUD is within the South of Market (SoMa) neighborhood, and
6 its boundaries generally run from 2nd Street to the east to 6th Street to the west, and from
7 Townsend Street to the south to an irregular border that generally follows Folsom, Howard,
8 and Stevenson Streets to the north, as more specifically shown on Sectional Maps 1SU and
9 8SU of the Zoning Map.

10 (c) **Land Use Controls.**

11 * * * *

12 ~~(6) Use on Large Development Sites.~~

13 ~~—(A) Applicability. South of Harrison Street on sites larger than 40,000 square feet that~~
14 ~~entail new construction or an addition of 100,000 square feet or more.~~

15 ~~—(B) Requirement. At least two-thirds of the Gross Floor Area of all building area below~~
16 ~~160 feet in height shall be non-residential.~~

17 ~~(76) Single Room Occupancy.~~ Single Room Occupancy units that are Dwelling
18 Units are Not Permitted in the Central SoMa SUD except in buildings that consist of 100%
19 affordable units. For the purposes of this subsection ~~(c)(76)~~, “affordable units” shall mean units
20 rented, leased, or sold at rates or prices affordable to a household whose income is no
21 greater than 80% of the median income for households in San Francisco (“Lower Income
22 Households”), as determined by Title 25 of the California Code of Regulations Sections 6928
23 and 6932 and implemented by the Mayor’s Office of Housing and Community Development.

24 ~~(87) Group Housing.~~ Group Housing uses are Not Permitted in the Central SoMa
25 SUD except Group Housing uses that are also defined as Student Housing, Senior Housing,

1 or Residential Care Facility, are designated for persons with disabilities, are designated for
2 Transition Age Youth as defined by the Mayor’s Office of Housing and & Community
3 Development, or are contained in buildings that consist of 100% affordable units. For the
4 purposes of this subsection (c)(7&8), “affordable units” shall mean units rented, leased, or sold
5 at rates or prices affordable to a household whose income is no greater than 80% of the
6 median income for households in San Francisco (“Lower Income Households”), as
7 determined by Title 25 of the California Code of Regulations Sections 6928 and 6932 and
8 implemented by the Mayor’s Office of Housing and Community Development.

9 * * * *

10
11 **SEC. 303. CONDITIONAL USES.**

12 (a) **General.** The Planning Commission shall hear and make determinations regarding
13 applications for the authorization of Conditional Uses in the specific situations in which such
14 authorization is provided for elsewhere in this Code. The procedures for Conditional Uses
15 shall be as specified in this Section 303 and in Sections 306 through 306.6, except that
16 Planned Unit Developments shall in addition be subject to Section 304, and Hospitals and
17 Post-Secondary Educational Institutions shall in addition be subject to the Institutional Master
18 Plan requirements of Section 304.5.

19 * * * *

20 (g) **Hotels and Motels.** With respect to applications for development of tourist hotels
21 and motels, the Planning Commission shall consider, in addition to the criteria set forth in
22 §subsections (c) and (d) above:

- 23 (1) The impact of the employees of the hotel or motel on the demand in the City
24 for housing, public transit, child-care, and other social services. To the extent relevant, the
25

1 Commission shall also consider the seasonal and part-time nature of employment in the hotel
2 or motel;

3 (2) The measures that will be taken by the project sponsor to employ residents
4 of San Francisco in order to minimize increased demand for regional transportation; and

5 (3) The market demand for a hotel or motel of the type proposed; and

6 ~~(4) In the Transit Center C-3-O(SD) Commercial Special Use District, the opportunity~~
7 ~~for commercial growth in the Special Use District and whether the proposed hotel, considered with~~
8 ~~other hotels and non-commercial uses approved or proposed for major development sites in the Special~~
9 ~~Use District since its adoption would substantially reduce the capacity to accommodate dense, transit-~~
10 ~~oriented job growth in the District.~~

11 * * * *

12

13 **SEC. 309. PERMIT REVIEW IN C-3 DISTRICTS.**

14 The provisions and procedures set forth in this Section 309 shall govern the review of
15 project authorization and building and site permit applications for (1) the construction or
16 substantial alteration of structures in C-3 Districts, (2) the granting of exceptions to certain
17 requirements of this Code where the provisions of this Section are invoked, and (3) the
18 approval of open space and streetscape requirements of the Planning Code. When any action
19 authorized by this Section is taken, any determination with respect to the proposed project
20 required or authorized pursuant to CEQA may also be considered. This Section shall not
21 require additional review in connection with a site or building permit application if review
22 hereunder was completed with respect to the same proposed structure or alteration in
23 connection with a project authorization application pursuant to Section 322.

24 (a) **Exceptions.** Exceptions to the following provisions of this Code may be granted
25 as provided in the code sections referred to below:

1 * * * *

2 ~~(8) Exceptions to the use requirements in the C-3-O(SD) Commercial Special Use~~
3 ~~Subdistrict in Section 248;~~

4 (98) Exceptions to the height limits for buildings taller than 550 feet in height in
5 the S-2 Bulk District for allowance of non-occupied architectural, screening, and rooftop
6 elements that meet the criteria of Section 260(b)(1)(M);

7 ~~(109)~~ Exceptions to the volumetric limitations for roof enclosures and screens
8 as prescribed in Section 260(b)(1)(F). For existing buildings, exceptions to the volumetric
9 limitations for roof enclosures and screens shall be granted only if all rooftop equipment that is
10 unused or permanently out of operation is removed from the building;

11 ~~(110)~~ Exceptions to the height limits for vertical extensions as permitted in
12 Section 260(b)(1)(G) and for upper tower extensions as permitted in Section 263.9;

13 ~~(121)~~ Exceptions to the height limits in the 80-130F and 80-130X Height and
14 Bulk Districts as permitted in Section 263.8 and in the 200-400S Height and Bulk District as
15 permitted in Section 263.10;

16 ~~(132)~~ Exceptions to the bulk requirements as permitted in Sections 270 and
17 272.;

18 ~~(143)~~ Exceptions to the exposure requirements as permitted in Section 140.;

19 ~~(154)~~ Exceptions to the usable open space requirements of Section 135.;

20 ~~(165)~~ Exceptions to the Micro-Retail requirements as permitted in Section
21 249.33.;

22 ~~(176)~~ Exceptions to the height and bulk limits for parcels within the Van Ness &
23 Market Residential Special Use District as defined by Section 270(f)(2). In considering such
24 exceptions, the Planning Commission shall consider the extent to which the project achieves
25 the following: (A) sculpts the building massing to achieve an elegant and creative tower form

1 that enhances the skyline; (B) reduces or minimizes potential impacts on winds and shadows;
2 (C) provides ground floor uses that serve a range of income levels and enrich the social
3 landscape of the area such as: Arts Activities, Child Care Facility, Community Facility, Public
4 Facility, School, Social Service, priority health service or neighborhood-serving retail; and (D)
5 maximizes housing density within the allowed envelope;

6 (187) Exceptions to the percent lot coverage requirements of Section
7 270.2(e)(6) for projects within the Van Ness & Market Residential Special Use District. The
8 Planning Commission shall only grant such exceptions if the Planning Commission finds that:
9 (A) the proposed mid-block alley and percent coverage do not negatively affect the use and
10 purpose of the alley as a means of creating a more efficient pedestrian network, as described
11 in subsections 270.2(a)-(b); and (B) the proposed percent coverage does not negatively
12 impact the quality of the mid-block alley as an area of pedestrian and retail activity and public
13 open space. An exception shall not be granted for any mid-block alley that is less than 35
14 percent open to the sky;

15 (198) Exceptions to the required minimum dwelling unit mix in Section 207.6 for
16 projects within the Van Ness & Market Residential Special Use District. In considering such
17 exceptions, the Planning Commission shall consider the following criteria:

18 (A) whether the project demonstrates a need or mission to serve unique
19 populations; or

20 (B) whether the project site or existing building(s), if any, feature
21 physical constraints that make it unreasonable to fulfill the requirements of Section 207.6 or
22 subsection 309(a)(189)(A); *and*

23 (2019) Exceptions to the permitted obstructions requirements in Section 136 for
24 projects within the Van Ness & Market Special Use District as defined by Section 270(f)(2).
25 The Planning Commission shall only grant such an exception if it finds that the proposed

1 obstructions assist the proposed development to meet the requirements of Section 148, or
2 otherwise reduce wind speeds at the ground-level or at upper level open space.

3 * * * *

4 ↻

5 (e) **Imposition of Conditions, General.** If, pursuant to the provisions of this Section
6 309, the Planning Commission determines that conditions should be imposed on the approval
7 of a building or site permit application or Section 309 application, and the applicant agrees to
8 comply, the Planning Commission may approve the application subject to those conditions,
9 and if the applicant refuses to so agree, the Planning Commission may disapprove the
10 application.

11 * * * *

12
13 **SEC. 329. LARGE PROJECT AUTHORIZATION IN EASTERN NEIGHBORHOODS MIXED**
14 **USE DISTRICTS.**

15 * * * *

16 (e) **Exceptions for Key Sites in Central SoMa.**

17 * * * *

18 (3) **Controls.** Pursuant to this Section 329(e) and the Key Site Guidelines
19 adopted as part of the Central SoMa Area Plan, the Planning Commission may grant
20 exceptions to the provisions of this Code as set forth in subsection (d) above and may also
21 grant the exceptions listed below for projects that provide qualified amenities in excess of
22 what is required by the Code.

23 * * * *

24 (B) **Exceptions.** Upon consideration of qualified amenities in excess of
25 what is required by the Code, the Planning Commission may grant one or more exceptions to

1 the following requirements: the streetwall and setback controls in Section 132.4; the building
2 separation controls in Section 132.4, including but not limited to the controls in subsection
3 132.4(d)(3)(B); the setback requirements in Section 261.1; bulk controls in Section 270(h);
4 and the lot merger restrictions in Section 249.78(d)(7).

5 In addition to these exceptions, the Planning Commission may grant one
6 or more of the following exceptions:

7 * * * *

8 (vi) On the Key Site identified in Section 329(e)(2)(H), exception
9 to the protected pedestrian-, cycling-, and transit-oriented street frontage requirements of
10 Section 155(r), the street frontage requirements in Section 145.1, the required ground floor
11 commercial uses in Section 145.4, ~~the requirement that at least two thirds of the Gross Floor Area~~
12 ~~of all building area below 160 feet be non-residential in Section 249.78(e)(6)~~, and the requirement in
13 Section 138(d)(2)(E)(i) that ground floor POPOS be open to the sky. In addition, the usable
14 open space requirement pursuant to Section 135 may be reduced to 60 square feet of usable
15 open space required for each dwelling unit if not publicly accessible.

16 * * * *

17
18 Section 3. Article 8 of the Planning Code is hereby amended by replacing all
19 references to Planning Code subsection “249.78(c)(7)” in each of the Sections, subsections,
20 and tables listed below with the term “249.78(c)(6).” If any references in the Planning Code to
21 “249.78(c)(7)” have been inadvertently omitted from the list below, the City Attorney is
22 authorized to cause such references to be changed to “249.78(c)(6).”

- 23 - Table 830
- 24 - Table 831
- 25 - Table 833

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Section 4. Article 8 of the Planning Code is hereby amended by replacing all references to Planning Code subsection “249.78(c)(8)” in each of the Sections, subsections, and tables listed below with the term “249.78(c)(7).” If any references in the Planning Code to “249.78(c)(8)” have been inadvertently omitted from the list below, the City Attorney is authorized to cause such references to be changed to “249.78(c)(7).”

- Table 830
- Table 831
- Table 833
- Table 839

Section 5. Zoning Map. The Planning Code is hereby amended by revising Special Use District Map SU01 of the Zoning Map of the City and County of San Francisco to delete the Transit Center C-3-O(SD) Commercial Special Use District.

Section 6. 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.

Section 7. Scope of Ordinance. Except as stated in Sections 3 and 4 of this ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board

1 amendment deletions in accordance with the "Note" that appears under the official title of the
2 ordinance.

3

4 APPROVED AS TO FORM:
5 DAVID CHIU, City Attorney

6 By: /s/ Peter R. Miljanich
7 PETER MILJANICH
8 Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code, Zoning Map - Central SoMa and Transit Center District Commercial Development Requirements]

Ordinance amending the Planning Code and Zoning Map to reduce commercial development requirements in the Central SoMa Special Use District and remove the Transit Center C-3-0(SD) Commercial Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Central SoMa Special Use District, set forth in Planning Code Section 249.78, provides development controls for the central portion of the South of Market (SoMa) neighborhood. These controls include a requirement that for development projects in the Special Use District south of Harrison Street on sites larger than 40,000 square feet that entail new construction or addition of 100,000 square feet or more, at least two-thirds of the Gross Floor Area of all building area below 160 feet in height shall be non-residential.

The Transit Center C-3-O(SD) Commercial Special Use District, set forth in Planning Code Section 248 and shown on Special Use District Map SU01 of the Zoning Map, provides development controls for a portion of the C-3-O(SD) Zoning District in the downtown area around the Transbay Transit Center. This Special Use District's primary control is a requirement that all new development on lots larger than 20,000 square feet in the Special Use District shall include not less than two gross square feet of principally or conditionally permitted commercial uses for every one gross square foot of dwellings or other housing uses.

Amendments to Current Law

This ordinance would remove the requirement that certain development projects in the Central SoMa Special Use District must provide at least two-thirds of the Gross Floor Area of all building area below 160 feet in height for non-residential uses.

This ordinance would remove the Transit Center C-3-O(SD) Commercial Special Use District from the Planning Code and Zoning Map in its entirety, including the requirement that certain development projects shall include not less than two gross square feet of principally or conditionally permitted commercial uses for every one gross square foot of dwellings or other housing uses.

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