FILE NO. 200142

1	Planning Code - Conditional Use Authorizations for Demonstrably Unaffordable Housing]	
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3	Ordinance amending the Planning Code to require Conditional Use authorization for	
4	applications to demolish a Single-Family Residential Building on a site zoned as RH-	1
5	or RH-1(D), when the building is demonstrably not affordable or financially accessible	е
6	nousing; affirming the Planning Department's determination under the California	
7	Environmental Quality Act; making findings of consistency with the General Plan, an	d
8	he eight priority policies of Planning Code, Section 101.1; and adopting findings of	
9	oublic convenience, necessity, 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 <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .	
12	Board amendment additions are in <u>double-underlined Arial font</u> . Board amendment deletions are in strikethrough Arial font.	
13	Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.	
14	Be it ordained by the People of the City and County of San Francisco:	
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16	Section 1. Findings.	
17	(a) The Planning Department has determined that the actions contemplated in thi	c
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19	ordinance comply with the California Environmental Quality Act (California Public Resource	S
20	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of	
21	Supervisors in File No. 200142 and is incorporated herein by reference. The Board affirms	
22	his determination.	
23	(b) On April 23, 2020, the Planning Commission, in Resolution No. 20689, adopted	эd
23	indings that the actions contemplated in this ordinance are consistent, on balance, with the	
25	City's General Plan and eight priority policies of Planning Code Section 101.1. The Board	
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1	adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
2	Board of Supervisors in File No. 200142, and is incorporated herein by reference.
3	(c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
4	amendment will serve the public necessity, convenience, and welfare for the reasons set forth
5	in Planning Commission Resolution No. 20689, and the Board incorporates such reasons
6	herein by reference. A copy of said Resolution is on file with the Board of Supervisors in File
7	No. 200142.
8	
9	Section 2. Article 3 of the Planning Code is hereby amended by revising Section 317
10	to read as follows:
11	
12	SEC. 317. LOSS OF RESIDENTIAL AND UNAUTHORIZED UNITS THROUGH
13	DEMOLITION, MERGER, AND CONVERSION.
14	* * * *
15	(c) Applicability; Exemptions.
16	(1) Any application for a permit that would result in the Removal of one or more
17	Residential Units or Unauthorized Units is required to obtain Conditional Use authorization.
18	For Unauthorized Units, this Conditional Use authorization will not be required for Removal if
19	the Zoning Administrator has determined in writing that the unit cannot be legalized under any
20	applicable provision of this Code. The application for a replacement building or alteration
21	permit shall also be subject to Conditional Use requirements.
22	* * * *
23	(5) The Demolition of a Single-Family Residential Building that meets the
24	requirements of Subsection (d)(3) below may be approved by the Department without requiring a
25	Conditional Use authorization.

1	(5) The Demolition of a Single-Family Residential Building that meets the
2	requirements of Subsection (d)(3) below may be approved by the Department without
3	requiring a Conditional Use authorization.
4	(6) Exception for Certain Permits Filed Before February 11, 2020. An
5	application to demolish a Single-Family Residential Building on a site in a RH-1 or RH-1(D)
6	District that is demonstrably not affordable or financially accessible housing, meaning housing
7	that has a value greater than 80% than the combined land and structure values of single-
8	family homes in San Francisco as determined by a credible appraisal made within six months
9	of the application to demolish, is exempt from the Conditional Use authorization requirement
10	of Subsection (c)(1), provided that a complete Development Application was submitted prior to
11	<u>February 11, 2020.</u>
12	(d) Demolition.
13	* * * *
14	(3) An application to demolish a Single-Family Residential Building on a site in a
15	RH-1 or RH-1(D) District that is demonstrably not affordable or financially accessible housing is
16	exempt from the Conditional Use authorization requirement of Subsection (c)(1). Specific numerical
17	criteria for such analyses shall be adopted by the Planning Commission in the Code Implementation
18	Document, in accordance with this Section 317, and shall be adjusted periodically by the Zoning
19	Administrator based on established economic real estate and construction indicators.
20	(A) The Planning Commission shall determine a level of affordability or
21	financial accessibility, such that Single-Family Residential Buildings on sites in RH-1 and RH-1(D)
22	Districts that are demonstrably not affordable or financially accessible, that is, housing that has a
23	value greater than at least 80% of the combined land and structure values of single-family homes in
24	San Francisco as determined by a credible appraisal, made within six months of the application to
25	demolish, are not subject to a Conditional Use hearing. The demolition and replacement building

1 *applications shall undergo notification as required by other sections of this Code. The Planning*

- 2 *Commission, in the Code Implementation Document, may increase the numerical criterion in this*
- 3 Subsection by up to 10% of its value should it deem that adjustment is necessary to implement the intent
- 4 *of this Section 317, to conserve existing housing and preserve affordable housing.*
- (B) The Planning Commission, in the Code Implementation 5 6 Document, shall adopt criteria and procedures for determining the soundness of a structure 7 proposed for demolition, where "soundness" is an economic measure of the feasibility of 8 upgrading a residence that is deficient with respect to habitability and Housing Code 9 requirements, due to its original construction. The "soundness factor" for a structure shall be the ratio of a construction upgrade cost (i.e., an estimate of the cost to repair specific 10 habitability deficiencies) to the replacement cost (i.e., an estimate of the current cost of 11 12 building a structure the same size as the existing building proposed for demolition), expressed 13 as a percentage. A building is unsound if its soundness factor exceeds 50%. A Residential 14 Building that is unsound may be approved for demolition *without requiring a Conditional Use* 15 authorization.
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Section 3. Effective Date. This ordinance shall become effective 30 days after
enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
of Supervisors overrides the Mayor's veto of the ordinance

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Section 4. Scope of 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

1	additions, and Board amendment deletions in accordance with the "Note" that appears under
2	the official title of the ordinance.
3	
4	APPROVED AS TO FORM:
5	DENNIS J. HERRERA, City Attorney
6	By: <u>/s/ Kristen A. Jensen</u> KRISTEN A. JENSEN
7	Deputy City Attorney
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