FILE NO. 200142

1	[Planning Co	ode - Conditional Use Authorizations for Demonstrably Unaffordable Housing]
2		
3	Ordinance a	amending the Planning Code to require Conditional Use authorization for
4	applications	s 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
6	housing; af	firming the Planning Department's determination under the California
7	Environmen	ntal Quality Act; making findings of consistency with the General Plan, and
8	the eight priority policies of Planning Code, Section 101.1; and adopting findings of	
9	public conv	enience, necessity, and welfare under Planning Code, Section 302.
10	NOTE	
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		<b>Asterisks (</b> * * * *) 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:	
15	Dente	Sidaned by the recipie of the only and county of carrinancised.
16	Sectio	on 1. Findings.
17	(a)	The Planning Department has determined that the actions contemplated in this
18		
19	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	
20		
21	Supervisors in File No. 200142 and is incorporated herein by reference. The Board affirms this determination.	
22		
23	(b)	On April 23, 2020, the Planning Commission, in Resolution No. 20689, adopted
24	findings that the actions contemplated in this ordinance are consistent, on balance, with the	
25	City's Generation	al Plan and eight priority policies of Planning Code Section 101.1. The Board

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) <b>Demolition.</b>
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 Document, shall adopt criteria and procedures for determining the soundness of a structure 6 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 10 the ratio of a construction upgrade cost (i.e., an estimate of the cost to repair specific 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.
- 16

\* \* \*

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

21

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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**File Number:** 200142

Date Passed: May 19, 2020

Ordinance amending the Planning Code to require conditional use authorization for applications to demolish a single-family residential building on a site zoned as RH-1 (Residential, House District, One Family) or RH-1(D) (Residential, House District, One Family-Detached), when the building is demonstrably not affordable or financially accessible housing; 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 convenience, necessity, and welfare under Planning Code, Section 302.

May 04, 2020 Land Use and Transportation Committee - DUPLICATED

May 04, 2020 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

May 04, 2020 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

May 12, 2020 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

May 19, 2020 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200142

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 5/19/2020 by the Board of Supervisors of the City and County of San Francisco.

(Angela Calvillo Clerk of the Board

London N. Breed Mayor

5 20

Date Approved