

# LAND USE AND TRANSPORTATION COMMITTEE CITY AND COUNTY OF SAN FRANCISCO MEETING MINUTES

Monday, April 25, 2022 - 1:30 PM

Regular Meeting

## IN-PERSON MEETING

City Hall, Legislative Chamber, Room 250

*(remote access provided)*

*(remote public comment provided via teleconference)*

[www.sfgovtv.org](http://www.sfgovtv.org)

Special Meeting

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Members: Myrna Melgar, Dean Preston, Aaron Peskin

Clerk: Erica Major (415) 554-4441 ~ [erica.major@sfgov.org](mailto:erica.major@sfgov.org)

Angela Calvillo, Clerk of the Board

## BOARD COMMITTEES

### Committee Membership

#### **Budget and Appropriations Committee**

Supervisors Ronen, Safai, Mar, Chan, Walton

#### **Budget and Finance Committee**

Supervisors Ronen, Safai, Mar

#### **Government Audit and Oversight Committee**

Supervisors Preston, Chan, Mandelman

#### **Land Use and Transportation Committee**

Supervisors Melgar, Preston, Peskin

#### **Public Safety and Neighborhood Services Committee**

Supervisors Mar, Stefani, Haney

#### **Rules Committee**

Supervisors Peskin, Mandelman, Chan

#### **Youth, Young Adult, and Families Committee**

Supervisors Ronen, Safai, Melgar

### Meeting Days

Wednesday

1:30 PM

Wednesday

10:00 AM

1st and 3rd Thursday

10:00 AM

Monday

1:30 PM

2nd and 4th Thursday

10:00 AM

Monday

10:00 AM

2nd Friday

10:00 AM

First-named Supervisor is Chair, Second-named Supervisor is Vice-Chair of the Committee.

**Members Present:** Myrna Melgar, Dean Preston, and Aaron Peskin

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*The Land Use and Transportation Committee met in regular session, in-person with remote access and public comment via telephone, on Monday, April 25, 2022, with Chair Myrna Melgar presiding. Chair Melgar called the meeting to order at 1:39 p.m.*

## **Remote Access to Information and Participation**

*The Board of Supervisors and its committees will convene hybrid meetings that will allow in-person attendance, remote access, and public comment via teleconference. Visit the SFGovTV website at ([www.sfgovtv.org](http://www.sfgovtv.org)) to stream the live meetings and watch meetings on demand or watch live meetings on San Francisco Cable Channels 26, 78 or 99 (depending on your provider). Members of the public may provide public comment in-person at the above noticed location or remotely via teleconference (detailed instructions available at: <https://sfbos.org/remote-meeting-call>). Individuals who wish to share documents during a hearing must provide them to the Clerk 48 hours in advance ([Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org)); equipment is not available to share hard copy documents received in-person.*

*Members of the public attending in-person may be required to wear masks or adhere to current orders, please visit [https://sfbos.org/in\\_person\\_meeting\\_guidelines](https://sfbos.org/in_person_meeting_guidelines) for the current guidelines.*

*Members of the public may also submit their comments by email to: [Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org); all comments received will be made a part of the official record. Regularly scheduled Land Use and Transportation Committee Meetings begin at 1:30 p.m. every Monday of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.*

## **ROLL CALL AND ANNOUNCEMENTS**

*On the call of the roll, Chair Melgar, Vice Chair Safai, and Member Peskin were noted present. A quorum was present.*

## **AGENDA CHANGES**

*There were no agenda changes.*

## **COMMUNICATIONS**

*Brent Jalipa, Assistant Clerk, instructed members of the public, when general public comment is called, to contribute live comments for up to two minutes in-person or by dialing the provided telephone number. In-person public comment will be taken before remote public comment is called. Those who are providing public comment remotely must dial \* 3 to be added to the remote queue to speak. Written comments may be submitted through email [Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.*

## REGULAR AGENDA

### **220363 [Hearing - Intermediate Length Occupancy Program Updates]**

**Sponsor: Peskin**

Hearing to receive updates on enforcement, implementation and economic impact of the City's Intermediate Length Occupancy program, created by Ordinance No. 078-20, on file with the Clerk of the Board in File No. 191075; and requesting the Office of the Controller, Rent Board, and Planning Department to report.

*Heard in Committee. Speakers: Ted Egan (Office of the Controller); Anne Pearson (Office of the City Attorney); Corey Teague (Planning Department); Joey Koomas (Rent Board); presented information and answered questions raised throughout the discussion. Joseph Smooke (People Power Media); Anastasia Yovanopolous; Nick Estrada (Corporate Housing Providers Association); Zach Weisenberger (Young Community Developers); Theresa Flandrich (North Beach Tenants Association); spoke on various concerns relating to the hearing matter.*

**Member Peskin moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:**

Ayes: 3 - Melgar, Preston, Peskin

*Supervisor Mandelman was noted present at 2:37 p.m.*

### **220264 [Planning Code - Adult Sex Venues]**

**Sponsors: Mandelman; Haney and Melgar**

Ordinance amending the Planning Code to define Adult Sex Venue and principally permit, conditionally permit, or prohibit Adult Sex Venues in Commercial; Residential-Commercial; Production, Distribution and Repair (PDR); Neighborhood Commercial; Neighborhood Commercial Transit; and Mixed Use Districts; to prohibit Adult Sex Venues as an accessory use; to prohibit Adult Businesses in the Chinatown Community Business District; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Heard in Committee. Speaker: Supervisor Rafael Mandelman (Board of Supervisors); presented information and answered questions raised throughout the discussion.*

*Supervisor Melgar requested to be added as a co-sponsor.*

**Vice Chair Preston moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Melgar, Preston, Peskin

**SPECIAL MEETING OF THE BOARD OF SUPERVISORS**

Supervisor Mar was noted present at 2:51 p.m. and Supervisor Safai was noted present at 2:53 p.m.; thereby constituting a quorum of the Board of Supervisors. A special meeting of the Board of Supervisors was convened at 2:53 p.m.; although, the meeting was conducted in all respects as a committee meeting for items on the agenda and any substantive decisions constitute a recommendation of the committee and not action taken by the board.

Present: Supervisors Melgar, Preston, Peskin, Mandelman, Mar, and Safai

Chair Melgar requested File Nos. 210866, 211202, and 211234 be called together.

**210866 [Planning, Administrative, Subdivision Codes - Density Exception in Residential Districts]**

**Sponsors: Mandelman; Melgar**

Ordinance amending the Planning Code to rezone all Residential, One Family (RH-1) zoning districts, except for Residential One Family, Detached (RH-1(D)) districts, to Residential, Two Family (RH-2) zoning districts; to rezone the RH-1(D) districts to a new class of residential district called Residential, Two Family, Detached (RH-2(D)) districts; and to provide a density limit exception to permit up to four dwelling units per lot, and up to six dwelling units per lot in Corner Lots, in all RH (Residential, House) zoning districts, subject to certain requirements, including among others the replacement of protected units; amending the Administrative Code to require new dwelling units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; amending the Subdivision Code to authorize a subdivider that is constructing new dwelling units pursuant to the density exception to submit an application for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Heard in Committee. Speakers: Supervisors Rafael Mandelman, Gordon Mar, and Ahsha Safai (Board of Supervisors); Anne Pearson and Kristen Jensen (Office of the City Attorney); Audrey Merlone and James Pappas (Planning Department); presented information and answered questions raised throughout the discussion. Corey Smith (San Francisco Housing Action Coalition); Eileen Boken (Coalition for San Francisco Neighborhoods); Ozzy Rohm (San Francisco Land Use Coalition); George Wooding; Zach Weisenberger (Young Community Developers); Charlie Sciammas (People Organizing to Demand Environmental and Economic Rights); Peter Papadopolous (Mission Economic Development Agency); Robert Fruchtman; Georgia Schuttish; Joseph Smooke (Westside Community Coalition); Joe DiMento; Austin Rosso; spoke on various concerns relating to the hearing matter.*

**Chair Melgar requested this matter to be DUPLICATED twice.**

*See Duplicated File Nos. 220446 and 220447.*

**Chair Melgar moved that this Ordinance be CONTINUED to the Land Use and Transportation Committee meeting of May 9, 2022. The motion carried by the following vote:**

Ayes: 3 - Melgar, Preston, Peskin

**220446 [Planning, Administrative, Subdivision Codes; Zoning Map - Density Exception in Residential Districts]**

**Sponsors: Mandelman; Haney**

Ordinance amending the Planning Code to rezone all Residential, One Family (RH-1) zoning districts, except for Residential One Family, Detached (RH-1(D)) districts, to Residential, Two Family (RH-2) zoning districts; to rezone the RH-1(D) districts to a new class of residential district called Residential, Two Family, Detached (RH-2(D)) districts; and to provide a density limit exception to permit up to four dwelling units per lot, and up to six dwelling units per lot in Corner Lots, in all RH (Residential, House) zoning districts, subject to certain requirements, including among others the replacement of protected units; amending the Administrative Code to require new dwelling units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; amending the Subdivision Code to authorize a subdivider that is constructing new dwelling units pursuant to the density exception to submit an application for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Duplicated from File No. 210866.*

Vice Chair Preston moved that this Ordinance be **AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE**, on Page 6, Lines 7-8, by adding '(p) This Board recognizes that additional development opportunities may lead to speculative real estate investments that may seek to maximize profits by displacing current residents, demolishing existing housing stock, building new units, and quickly selling those units. To prevent such speculation, demolition of existing units, and displacement of current residents, this ordinance makes the benefit of the density exception available only to persons who have owned their properties for five years, prior to the date of their application to obtain the exception.'; and on Page 7, Lines 13-16, by adding '(B) Eligibility. To receive the density exception authorized under this subsection (c)(8), property owners must demonstrate that they have owned the lot for which they are seeking the density exception for a minimum of five years prior to the time of the submittal of their application.'. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

Chair Melgar moved that this Ordinance be **CONTINUED AS AMENDED** to the Land Use and Transportation Committee meeting of May 9, 2022. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

**220447 [Planning, Administrative, Subdivision Codes; Zoning Map - Density Exception in Residential Districts]**

**Sponsors: Mandelman; Haney**

Ordinance amending the Planning Code to rezone all Residential, One Family (RH-1) zoning districts, except for Residential One Family, Detached (RH-1(D)) districts, to Residential, Two Family (RH-2) zoning districts; to rezone the RH-1(D) districts to a new class of residential district called Residential, Two Family, Detached (RH-2(D)) districts; and to provide a density limit exception to permit up to four dwelling units per lot, and up to six dwelling units per lot in Corner Lots, in all RH (Residential, House) zoning districts, subject to certain requirements, including among others the replacement of protected units; amending the Administrative Code to require new dwelling units constructed pursuant to the density limit exception to be subject to the rent increase limitations of the Rent Ordinance; amending the Subdivision Code to authorize a subdivider that is constructing new dwelling units pursuant to the density exception to submit an application for condominium conversion or a condominium map that includes the existing dwelling units and the new dwelling units that constitute the project; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Duplicated from File No. 210866.*

Vice Chair Preston moved that this Ordinance be **AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE**, on Page 3, Lines 14-22, by striking 'These housing cost trends come after decades of underproduction of housing in San Francisco, with only 600 net new units on average added per year from 1960 to 1990, compared with 37,000 per year in the Bay Area as a whole, and fewer than 1,000 net new units on average per year in San Francisco in the 1990s, before increasing to an average of roughly 2,500 per year from 2000 to 2019, according to the Planning Department's 2019 Housing Affordability Strategies Report. (e) The City's Chief Economist has estimated that approximately 5,000 new market-rate housing units per year would be required to keep housing prices in San Francisco constant with inflation generally, rather than greatly exceeding general rates of inflation. (f)'; on Page 5, Lines 20-22, by adding 'Furthermore, by prohibiting short-term rentals, the ordinance preserves these rent-controlled units for stable residential uses, helping alleviate the dire need for housing at affordable prices in San Francisco.'; on Page 6, Line 19, through Page 7, Line 6, to read 'Section 3. Article 2 of the Planning Code is hereby amended by revising Sections 102, 207, and 209.1, to read as follows: **SEC. 102. DEFINITIONS. Dwelling Unit, Bonus. A Bonus Dwelling Unit is any Dwelling Unit that is not an Accessory Dwelling Unit and which is permitted to be constructed in an RH District, contingent upon compliance with Section 207(c)(8), in excess of the number of units otherwise permitted by right in the applicable RH District as set forth in Table 209.1. For example, a property owner with a lot in an RH-2 District is permitted to construct two units per lot, according to Table 209.1. If the property owner elects to comply with Section 207(c)(8) and is thereby authorized to construct four units, the two units authorized under Section 207(c)(8) in excess of the two units permitted under the RH-2 column of Table 209.1 shall be deemed Bonus Dwelling Units. Each Bonus Dwelling Unit shall be subject to the requirements of Planning Code Section 207(c)(8) and Administrative Code Sections 37.2 and 37.3.**'; on Page 8, Lines 8-16, to read '(D) Unit Replacement Requirements. Projects utilizing the density exception of this subsection (c)(8) shall comply with the requirements of Section 66300(d) of the California Government Code, as such requirements are defined therein and as may be amended from time to time, including but not limited to requirements to produce at least as many dwelling units as the projects would demolish; to replace all protected units with deed restricted affordable units, subject to any applicable limitations under state law; and to offer existing occupants of any protected units that are lower income households relocation benefits and a right of first refusal for a comparable unit, available in the new housing development at an affordable rent or cost, as those terms are defined therein.'; on Page 8, Line 21, to replace 'new units' with 'Project's Bonus Dwelling Units'; Page 9, Lines 4-5, to add '(iii) a statement of the limitations on sales prices, rental rates, and rental rate increases applicable to Bonus Dwelling Units; and (iv) after 'property owner'; on Page 16, Line 16, through Page 11, Line 11, by adding '(F) Minimum Unit Sizes. Bonus Dwelling Units shall have no fewer than two bedrooms. The minimum square footage of living space shall satisfy the requirements for two, three, or

four-bedroom units, as may be applicable, as set forth by the California Tax Credit Allocation Committee as of May 16, 2017. The minimum square footage of living space shall be 450 square feet for any two-bedroom units, 900 square feet for any three-bedroom units, and 1,100 square feet for any four-bedroom units. At least one of the dwelling units resulting from the density exception shall have two or more bedrooms or shall have a square footage equal to no less than 1/3 of the floor area of the largest unit on the lot. (G) Prohibition of Short-Term Residential Rentals. Bonus Dwelling Units shall not be used for Short-Term Residential Rentals under Chapter 41A of the Administrative Code. A Notice of Special Restrictions memorializing these restrictions shall be recorded to the title records in the Office of the Assessor-Recorder against the subject property and shall be binding on all future owners and successors in interest. (H) Owner Occupancy. To receive the density exception authorized under this subsection (c)(8), the property owner must sign an affidavit stating that they intend to occupy one of the units as their primary residence for at least five years after receiving the Certificate of Completion. (I) SALES OF BONUS DWELLING UNITS. Any Bonus Dwelling Unit that is offered for sale shall be offered at a sales price that does not exceed the maximum sales price determined by the Mayor's Office of Housing and Community Development ("MOHCD") to be affordable for a buyer at 100% of the median income for San Francisco as published annually by MOHCD and derived in part from income limits and area median income published by the United States Department of Housing and Urban Development for the County of San Francisco ("AMI"). The maximum sales price shall be determined using an affordable sales price methodology established and approved by MOHCD. MOHCD may adjust the AMI and maximum sales price based on a household size appropriate for the Bonus Dwelling Unit and number of bedrooms. The owner of the Bonus Dwelling Unit shall obtain MOHCD's approval of the maximum sales price prior to any marketing or sale of a Bonus Dwelling Unit. The requirements and limitations in this Section 207(c)(8)(I) shall apply to any Bonus Dwelling Unit while the building containing such a Bonus Dwelling Unit remains in existence in or upon the subject property, notwithstanding any modifications to such a building. These requirements and limitations shall be memorialized in a notice or declaration of special restrictions that is recorded to the title records in the Office of the Assessor-Recorder for the real property containing the Bonus Dwelling Unit. (J) Annual Report on Racial Equity and Language Access Goals. To help the City evaluate whether the implementation of Section 207(c)(8) comports with the City's racial equity and language access goals, each year the Planning Department shall prepare a report on the characteristics and demographics of the applicants to and participants in this program ("Equity Report") and the Equity Report shall be included and identified in the annual Housing Inventory Report. The Planning Department shall prepare the report utilizing data that has been provided by program participants voluntarily and anonymously, and separate from the submittal of an application for a density exception. An applicant's decision to provide or decline to provide the information requested by the Planning Department in order to prepare the report shall have no bearing on the applicant's receipt of a density exception.'; on Page 20, Lines 10-12, to read '(E) The term "rental units" shall include any Bonus Dwelling Units, as defined in Section 102 of the Planning Code, created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.'; on Page 20, Line 17, by adding '37.3(h), and 37.3(i)' after '37.3(g)'; on Page 21, Lines 10-12, to read '(D) An owner's right to establish subsequent rental rates under subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a Bonus Dwelling Unit created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code.'; on Page 22, Lines 4-17, by adding '(h) Limitations on Rental Rates and Rental Rate Increases of Bonus Dwelling Units. Each Bonus Dwelling Unit created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code shall comply with the requirements below: (1) Each unit shall be offered at an initial base rent determined by the Mayor's Office of Housing and Community Development ("MOHCD") to be affordable for households earning 100% of Area Median Income ("AMI"), as set forth in the table titled "Maximum Monthly Rent By Unit Type," as filed with MOHCD annually for the Inclusionary Housing Program and available for viewing on the MOHCD website. (2) After the establishment of the initial base rent, the owner of a Bonus Dwelling Unit may impose rent increases upon a tenant in occupancy only as provided in Section 37.3(a). (i) Bonus Dwelling Unit Registry. The Rent Board shall maintain a list of addresses of Bonus Dwelling Units, and Principally Permitted units that were built as part of the same project, that is published on its website, and shall update the list annually.'; on Page 24, Line 20, by replacing 'dwelling units' with 'Bonus Dwelling Units'; and to make other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

Chair Melgar moved that this Ordinance be CONTINUED AS AMENDED to the Land Use and Transportation Committee meeting of May 9, 2022. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

**211202 [Planning, Administrative Codes - Dwelling Unit Density Exception in Residential Districts and Rent Control of Bonus Dwelling Units]**

**Sponsor: Melgar**

Ordinance amending the Planning Code to provide a density limit exception for Lots in all RH (Residential, House) zoning districts to permit additional units ("Bonus Dwelling Units"), up to four total dwelling units per lot exclusive of accessory dwelling units, and to require that if such Bonus Dwelling Units are ever sold, the sales prices would not exceed an amount determined to be affordable at 100% of area median income; amending the Administrative Code to limit initial rental rates and rent increases for Bonus Dwelling Units; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Heard in Committee. Speakers: Supervisors Rafael Mandelman, Gordon Mar, and Ahsha Safai (Board of Supervisors); Anne Pearson and Kristen Jensen (Office of the City Attorney); Audrey Merlone and James Pappas (Planning Department); presented information and answered questions raised throughout the discussion. Corey Smith (San Francisco Housing Action Coalition); Eileen Boken (Coalition for San Francisco Neighborhoods); Ozzy Rohm (San Francisco Land Use Coalition); George Wooding; Zach Weisenberger (Young Community Developers); Charlie Sciammas (People Organizing to Demand Environmental and Economic Rights); Peter Papadopolous (Mission Economic Development Agency); Robert Fruchtman; Georgia Schuttish; Joseph Smooke (Westside Community Coalition); Joe DiMento; Austin Rosso; spoke on various concerns relating to the hearing matter.*

Chair Melgar moved that this Ordinance be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin



**211234 [Planning Code - Single, Two and Three-Family Home Bonus Program]**

**Sponsor: Safai**

Ordinance amending the Planning Code to create a density bonus program in RH-1 (Residential, House, One-Family), RH-2 (Residential, House, Two-Family), and RH-3 (Residential, House, Three-Family) zoning districts; 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, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

*Heard in Committee. Speakers: Supervisors Rafael Mandelman, Gordon Mar, and Ahsha Safai (Board of Supervisors); Anne Pearson and Kristen Jensen (Office of the City Attorney); Audrey Merlone and James Pappas (Planning Department); presented information and answered questions raised throughout the discussion. Corey Smith (San Francisco Housing Action Coalition); Eileen Boken (Coalition for San Francisco Neighborhoods); Ozzy Rohm (San Francisco Land Use Coalition); George Wooding; Zach Weisenberger (Young Community Developers); Charlie Sciammas (People Organizing to Demand Environmental and Economic Rights); Peter Papadopolous (Mission Economic Development Agency); Robert Fruchtman; Georgia Schuttish; Joseph Smooke (Westside Community Coalition); Joe DiMento; Austin Rosso; spoke on various concerns relating to the hearing matter.*

**Chair Melgar moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 1, Line 22, through Page 3, Line 4, to read '(b) The Board of Supervisors finds 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 for the following reasons. The ordinance is consistent with Housing Element Objective 1, Policy 1.6, Objective 4, Policy 4.6, and Objective 5, Policies 5.2 and 5.4, because the ordinance will allow areas of the City that have been restricted to single-family zoning for decades to add modest density to their neighborhoods, thereby providing a larger range of housing choices for current and future residents. The range of housing units in size, type, and affordability will assist current residents with being able to stay within their existing community, even if their housing needs change. This ordinance will also open opportunities for new residents to move into neighborhoods that are currently unavailable to them due to the lack of housing options for those who cannot realistically afford to buy or rent a single-family home in San Francisco. The ordinance is also consistent with Objective 10, Policy 10.2, because it will promote modest density increases across RH districts in the City through the addition of residential units and ADU's. The proposed ordinance additionally ensures that such modest density increases are approved quickly and administratively, which will aid in reaching its housing goals. The Board further finds that the ordinance is consistent with Planning Code section 101.1, in that it 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; would not have a negative effect on housing or neighborhood character because any increase in housing would be modest and in keeping with neighborhood character and the majority of the Residential Design Guidelines; would not have an adverse effect on the City's supply of affordable housing, and would increase the supply of affordable housing either through on-site units or by payment of an affordable housing fee; would not result in commuter traffic impeding MUNI transit or result in overburdened streets or neighborhood parking; would not cause displacement of the City's industrial or service sectors as the ordinance would only be applicable in residential zones; would not have an adverse effect on the City's preparedness against injury and loss of life in an earthquake; would protect landmarks and historic buildings by requiring such buildings to continue to need conditional use authorization to take advantage of the program; and would not impact parks and open space or their access to sunlight and vistas.'; on Page 3, Lines 5-7, to read '(c) Pursuant to Planning Code Section 302, the Board of Supervisors find that this ordinance will serve the public necessity, convenience, and welfare for the same reasons as set forth above, and for the reasons set forth in Section 2 of this ordinance.'; by adding 'RH-1 (S)' after 'RH-1' throughout the legislation; on Page 4, Lines 24-25, by adding 'by requiring on-site affordable units or by payment of an inclusionary fee' after 'households'; on Page 5, Lines 7-10, to read '(a) Purpose. The propose of the Affordable Housing Incentive Program is to facilitate the construction of housing projects with up to four units, or up to six units on Corner Lots, in single, two, and three-family home districts if at least one**

of the units is affordable to moderate-income families or by payment of an Inclusionary Housing Fee.'; on Page 6, Lines 13-19, by adding 'In the alternative, the Affordable Housing Incentive Program project may pay an Affordable Housing Fee equivalent to the fee per square foot multiplied by the average size of all units in the project, but no greater than 740 square feet. Notwithstanding any other provision of this Code or the Building Code regarding the timing of fee payments, such fee shall be due and payable to the Development Fee Collection Unit and the Department of Building Inspection at the time of, and in no event later than, issuance of a first construction document as defined in Section 410 of this Code and Section 107A 13.1 of the Building Code.' after 'herein.'; on Page 7, Lines 1-5, to read '(1) Density. An Affordable Housing Incentive Program project may include up to four units on lots that are Interior Lots, or six units on lots that are Corner Lots. In addition, an Affordable Housing Incentive Program project may include one accessory dwelling unit per development. Except as provided in this subsection (e)(1), no other exceptions to dwelling unit density shall be allowed.'; on Page 8, Lines 3-5, to read '(f) Regulatory Agreements. Recipients of development bonuses under the Affordable Housing Incentive Program projects that have elected to provide an affordable unit or units on-site under subsection (d)(1) shall enter into a Regulatory Agreement with the City.'; on Page 9, Lines 4-11, to read '(h) Review and Approval. Notwithstanding any other provision of this Code, building permit applications to construct an Affordable Housing Incentive Program project pursuant to this Section 206.10 shall not be subject to (1) the notification or review requirements of Section 311; or (2) the conditional use requirements of Section 317 unless such project requires the demolition, removal, or conversion of a residential unit in a designated state or national landmark, or designated City landmark, or a contributory building in a designated historic district under Article 10 or this Code, or a Significant Building designated Category I or II as provided in Article 11 of this Code.'; and to make other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

Chair Melgar moved that this Ordinance be CONTINUED TO CALL OF THE CHAIR AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Melgar, Preston, Peskin

## ADJOURNMENT

*There being no further business, the Land Use and Transportation Committee adjourned at the hour of 5:07 p.m.*

*N.B. The Minutes of this meeting set forth all actions taken by the Land Use and Transportation Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.*

*Approved by the Board of Supervisors on June 7, 2022.*

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Angela Calvillo, Clerk of the Board