



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Text Amendment HEARING DATE: JULY 18, 2019 90-DAY DEADLINE: SEPTEMBER 5, 2019

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Project Name: Accessory Dwelling Units In New Construction
Case Number: 2019-011895PCA [Board File No. 190590]
Initiated by: Supervisor Peskin / Introduced June 3, 2019
Staff Contact: Veronica Flores, Legislative Affairs
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Reviewed by: Aaron Starr, Manager of Legislative Affairs
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Recommendation: **Approval with Modifications**

PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code and Business and Tax Regulations Code to authorize the addition of an Accessory Dwelling Unit in the construction of a new single-family home or multi-family building; clarifying the ministerial approval process and creating an expedited Board of Appeals process for certain Accessory Dwelling Units in single-family homes meeting specific requirements; and amending the requirements of the discretionary approval process under which property owners must subject certain Accessory Dwelling Units to the Rent Ordinance

The Way It Is Now:	The Way It Would Be:
<u>Waiver ADUs under Planning Code Section 207(c)(4)</u>	
Waiver ADUs are subject to rent control if there is an existing unit on the property. For the purposes of this requirement, the existing unit on site must meet the rental unit definition in the Administrative Code.	<u>All Waiver ADUs</u> would be subject to rent control even if there is no rental unit on the property (i.e. new construction). Additionally, the existing unit would not need to meet the rental unit definition in the Administrative Code (i.e. all Waiver ADUs would be subject to rent control even if located within newer buildings not subject to rent control, or in condominium buildings).
Minor additions (such as infills built within existing built envelope + permitted obstructions per Section 136(c)(32), garage structure, dormers, etc.) are exempt from Section 311 Neighborhood Notification.	Minor additions would require Section 311 Neighborhood Notification.
ADU projects undergoing seismic retrofitting and raising the building up to three feet are exempt from Section 311 Neighborhood Notification.	ADU projects undergoing seismic retrofitting would require Section 311 Neighborhood Notification.

No Waiver ADUs under Planning Code Section 207(c)(6)

There is no size requirement for No Waiver ADUs in new construction buildings.

No Waiver ADUs in new construction single-family homes shall not be less than 50% of the proposed primary dwelling unit. The only exception would be an efficiency unit (as defined in Section 1208.4 of the San Francisco Building Code).

BACKGROUND

This Ordinance is a duplicate of Board File 181156, which focused on bringing the local ADU programs into compliance with state law and allowing ADUs in new construction buildings. The original Ordinance appeared in front of Planning Commission on March 7, 2019. The Commission voted +5 -1 (Richards against) to recommend approval of said Ordinance with staff modifications related to 1) a maximum size for No Waiver ADUs located within proposed expansions to existing single-family homes, 2) historic preservation review for No Waiver ADUs, and 3) clerical amendments.

Board File 181156 appeared in front of the Land Use and Transportation Committee Hearing on May 20, 2019. At the hearing, there were Supervisor and public comments and concerns related to tenant protections and interest in the opportunity for more rent control units. The Board File was then duplicated with this Ordinance focusing on changes specifically tied to existing buildings, as well as changes related to the discretionary approval process. Both Board Files were continued to the June 3, 2019 Land Use hearing to determine which amendments were appropriate for each respective Board File.

ISSUES AND CONSIDERATIONS

Impacts to Review Time

Small Addition Notification

This Ordinance reintroduces noticing requirements for minor additions to Waiver ADUs. Such additions include dormers, expansions under cantilevered rooms or decks, etc. Ordinance No. 195-18 (effective September 10, 2018) removed such noticing requirements because these additions were determined to be minor enough to not require notice. Examples of these minor additions include:

- infill under cantilevered rooms and decks that provide minimal impact to mid-block open space, but would vastly improve light access for the ADU
- dormers on standalone structures to improve light access and increase occupiable floor area by raising vertical clearance of a room

Removing the noticing requirement for such minor additions streamlined the review process for applicable Waiver ADUs. Reinstating noticing requirements for these minor additions will add to the permit review time and take staff time away from reviewing new ADU projects. As written, the Ordinance undoes streamlining efforts made in the past year.

30-Day Notice for No Waiver ADUs

The State Law (SB 1069), effective January 1, 2017, required jurisdictions to complete approval of Code-complying ADUs in single-family homes within 120 days. Ordinance No. 116-19 (effective July 28, 2019) introduced a new 30-day notice for all No Waiver ADUs once the application is deemed complete. This 30-

day notice would not be subject to Discretionary Review. (Previously, only No Waiver ADU projects that included building expansions required neighborhood notification.) This change was amended at the Land Use and Transportation Committee Hearing on June 3, 2019. Therefore, the Planning Commission has not had a chance to review or comment on this change.

The full impact of this new 30-day notice is unknown as there are too many variables in the review process. ADU applications may be deemed complete at either the time of submittal or during the comprehensive Roundtable review by different City agencies. If the 30-day notice is sent out at the time of submittal, the project may change because of Roundtable comments, if any, and the original plans may be inaccurate. If the 30-day notice is sent out after Roundtable review, the ADU permit may already be approved by the time the notice is sent out. Additionally, No Waiver ADUs still need to record a Notice of Special Restrictions (NSR) against the property. These NSRs are sent out once the Department's review is complete. At that point, the responsibility is on the applicant to notarize and record said NSR.

Regardless of when the new 30-day notice is sent out, additional time needs to be factored into the review process. This may affect the 120-day review timeline mandated by the Mayoral Executive Directive. Alternatively, if the permit is routed to Roundtable before the 30-day notice is sent out, the review timeframe would not be impacted; however, processing the notice requires staff time that could be used for actual permit review instead. Although the proposed 30-day notice does not provide an opportunity for Discretionary Review, it will potentially delay the review time for No Waiver ADUs. In addition to staff dedicating time to preparing these additional notices, staff will likely be burdened with questions from the public regarding the project and the process to appeal. This puts the Department in a difficult situation where staff is mandated to issue a notice, but there is no opportunity to file an official complaint with Planning. Instead, staff will have to defer to the Department of Building Inspection's appeal process, a process that is outside of Planning's jurisdiction and expertise.

Regulatory Agreements and Rent Control

Currently, property owners must enter into a Regulatory Agreement subjecting Waiver ADUs to rent control if they meet the following requirement:

- The subject lot contains a Rental Unit, as defined in the Administrative Code, at the time the ADU permit is filed

This process relies on an exception to the Costa-Hawkins Rental Housing Act, which is a state law that places limits on rent control. This exception to Costa-Hawkins allows the City to impose rent control on certain dwelling units where the property owner has agreed by contract with the City in consideration for a direct financial contribution or certain other forms of assistance. In this case, the agreement memorializes the City's granting of waivers in exchange for subjecting the ADU to rent control.

Rent control is a tool to stabilize rent and help ensure tenants are not subject to substantive rent increases lease-to-lease. However, only units located within buildings built before June 1979 are subject to rent control. By removing the requirement listed above, the Ordinance allows the City to impose rent control on a larger number of new units. This change will increase the number of affordable housing units on the market, and better serve mixed-incomes.

ADU Size Limits

State Law includes a provision on the maximum size for ADUs. The maximums are as follows:

- For attached ADUs, the ADU shall not exceed 50 percent of the proposed or existing primary dwelling living area or 1,200 square feet.
- For detached ADUs, the ADU shall not exceed 1,200 square feet.

Local agencies are not required to adopt the above square footage or size ratio limits. However, the Department is concerned about excessively sized ADUs in the No Waiver program. Under state law, the City can set its own size limits, but staff recommended adopting a limit of 1,200 square feet for No Waiver ADUs in proposed expansions in existing single-family homes. This maximum was adopted in Ordinance No. 116-19 effective July 28, 2019.

Staff does not recommend a size ratio requirement for ADUs in new construction single-family homes because of the varying contexts. For example, on a larger lot, there may be opportunity to build a larger building, which then requires a larger ADU based on this Ordinance. The Department's concern is that by requiring No Waiver ADUs in new construction single-family homes to be at least 50% of the primary unit, the ADUs could conceivably be larger and thus be unaffordable for future renters. This contradicts Objective One of the City's Housing Element which specifically cites ADUs as an effective and inexpensive way to add the housing stock.

The Ordinance encourages larger ADUs by way of the size ratio requirement. The Department recognizes the Ordinance includes the provision for efficiency units as required by Section 65852.2(c) of the California Government Code¹; however, as written the Ordinance does not safeguard against maximum unit sizes. The concern is that this would result in excessively large ADUs that will add expensive housing options to the market, rather than supplementing the housing market with more affordable options.

General Plan Compliance

The General Plan identifies ADUs as an effective and inexpensive way to increase the housing supply. The Ordinance retains existing housing units and prioritizes permanently affordable housing. Additionally, the proposed amendments would expand the ability to subject certain ADUs to rent control.

Racial and Social Equity Analysis

The Ordinance will increase the opportunities for adding rent control units to the housing stock through the Waiver ADU program. Although the ADU rent will start at today's market rate, rent increases will be limited helping residents stay in place. This is especially important in the San Francisco Bay Area where housing costs continue to rise. Further, rent control units are especially important to communities of color as they have been the most affected by displacement and could benefit the most from rent control. The Ordinance furthers racial and social equity since it expands the ability for the city to impose rent control on new units.

The proposed size requirement for No Waiver ADUs in new construction buildings may yield larger ADUs. This size requirement is not equitable because larger units are naturally more expensive. The Department recognizes that larger units may accommodate larger households, which is more prevalent in households of color; however, the concern is that the cost may still outweigh the benefits as we are striving to add more affordable housing opportunities in general. On balance, the Ordinance furthers racial and social equity as it encourages more affordable housing, as well as creates more mixed-income opportunities.

¹ A local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units. No minimum or maximum size for an accessory dwelling unit, or size based upon a percentage of the proposed or existing primary dwelling, shall be established by ordinance for either attached or detached dwellings that does not permit at least an efficiency unit to be constructed in compliance with local development standards.

Implementation

The Department has determined that this Ordinance will impact our current implementation procedures in the following ways:

- Increased review time:
 - Waiver ADUs with minor expansions would require a 30-day notice (such notice was exempted in 2018). This change would negate the previous changes made to streamline permit review timeframes.
 - No Waiver ADUs would require a 30-day notice, which requires additional staff time to prepare such notices. This also takes staff time away from actual permit review.
- There are added costs passed onto the property owner or applicant due to the additional noticing requirements.

RECOMMENDATION

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Retain the 311 Neighborhood Notification exemptions for Waiver ADUs proposing minor additions
2. Retain the 311 Neighborhood Notification exemption for ADU projects undergoing seismic retrofitting (raising building up to three feet)
3. Eliminate the square footage minimum for No Waiver ADUs in proposed new construction single-family homes
4. Eliminate the 30-day notice for No Waiver ADUs

BASIS FOR RECOMMENDATION

The Department supports the proposed Ordinance because it supports the Housing Element's goals to ensure adequate housing for current and future San Franciscans. Specifically, the Ordinance allows more opportunity to impose rent control on new units, a practice that is limited today based on current law. Further changes should be considered to ensure that ADU permit review is as streamlined as possible. This is particularly important in the No Waiver program which requires Code-complying ADUs in single-family homes be approved within 120 days. However, the Department has some concerns about additional noticing requirements and minimum size requirements in the proposed Ordinance.

Recommendation 1: Retain the 311 Neighborhood Notification exemptions for Waiver ADUs proposing minor additions.

Ordinance No. 195-18 eliminated noticing requirements for minor additions for Waiver ADUs, including dormers, expansions under cantilevered rooms or decks, etc. These minor expansions increase the opportunity and livability of ADUs, without impacting mid-block open space. Removing noticing requirements for minor additions streamlined the review process for applicable Waiver ADUs. Reinstating these noticing requirements will add to the review time and undoes streamlining efforts made in the past year.

Recommendation 2: Retain the 311 Neighborhood Notification exemptions for ADU projects undergoing seismic retrofitting (raising up to three feet)

Similar to the minor additions described above, the seismic retrofitting projects (including raising the building up to three feet to meet minimum ground floor ceiling heights) increases the opportunity and livability of ADUs, without impacting mid-block open space. The additional height increases up to three feet is minimal and would not negatively impact neighborhood character or reduce access to light and air. These projects are time sensitive due to the seismic retrofitting and any additional notice will prolong the review process. The 311 exemption should remain in place to ensure building safety, while also streamlining ADU review time.

Recommendation 3: Eliminate the square footage minimum for No Waiver ADUs in proposed new construction single-family homes

Currently, the Planning Code does not limit the size of ADUs in proposed new construction single-family homes. ADUs are traditionally more affordable by nature as these are accessory to the existing residential units. The proposed size ratio requirement on ADUs in new construction single-family homes can conceivably result in more expensive ADUs (the larger the primary unit is, the larger the ADU is). The Department's concern about the size requirement is that projects proposing a large building may result in two expensive units, rather than one primary unit and one more affordable accessory unit.

Recommendation 4: Eliminate the 30-day notice for No Waiver ADUs

The Department is mandated to approve all code-complying ADUs in single-family homes within 120-days. The new 30-day notice requires staff time to prepare and issue. This takes staff time away from actual permit review, which may make it difficult to meet the 120-day review timeline. Additionally, implementing such notice may result in inaccurate plans or delayed noticing:

- Inaccurate plans: if the application is deemed complete at the time of submittal but receives additional comments during the Roundtable review
- Delayed noticing: if the application is deemed complete after Roundtable review, then the permit may already be issued by the time the notice is sent out

The new 30-day notice for No Waiver ADUs is cumbersome and burdens staff time with additional notice preparation. Further, staff may also receive a surge of additional inquiries related to project complaints when there is no formal opportunity to file a complaint with Planning.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

ENVIRONMENTAL REVIEW

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

PUBLIC COMMENT

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 190590



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Resolution HEARING DATE JULY 18, 2019

Project Name: Accessory Dwelling Units In New Construction
Case Number: 2019-011895PCA [Board File No. 190590]
Initiated by: Supervisor Peskin / Introduced June 3, 2019
Staff Contact: Veronica Flores, Legislative Affairs
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RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND BUSINESS AND TAX REGULATIONS CODE TO AUTHORIZE THE ADDITION OF AN ACCESSORY DWELLING UNIT IN THE CONSTRUCTION OF A NEW SINGLE-FAMILY HOME OR MULTI-FAMILY BUILDING; CLARIFYING THE MINISTERIAL APPROVAL PROCESS AND CREATING AN EXPEDITED BOARD OF APPEALS PROCESS FOR CERTAIN ACCESSORY DWELLING UNITS IN SINGLE-FAMILY HOMES MEETING SPECIFIC REQUIREMENTS; AMENDING THE REQUIREMENTS OF THE DISCRETIONARY APPROVAL PROCESS UNDER WHICH PROPERTY OWNERS MUST SUBJECT CERTAIN ACCESSORY DWELLING UNITS TO THE RENT ORDINANCE; 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.

WHEREAS, on June 3, 2019 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 190590, which would amend the Planning Code and Business and Tax Regulations Code to authorize the addition of an Accessory Dwelling Unit in the construction of a new single-family home or multi-family building; clarifying the ministerial approval process and creating an expedited Board of Appeals process for certain Accessory Dwelling Units in single-family homes meeting specific requirements; amending the requirements of the discretionary approval process under which property owners must subject certain Accessory Dwelling Units to the Rent Ordinance;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on July 18, 2019; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c); 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 1650 Mission Street, Suite 400, 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.

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:

1. The Commission finds that the proposed Ordinance supports the Housing Element's goals to ensure adequate housing for current and future San Franciscans by increasing the potential for new Accessory Dwelling Units.
2. The Commission finds that the proposed Ordinance supports the Housing Element's goals to create and preserve permanently affordable housing by expanding the opportunity to impose rent control on new Accessory Dwelling Units.
3. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.4

Preserve “naturally affordable” housing types, such as smaller and older ownership units.

The Ordinance retains existing housing units and increases the opportunities for adding Accessory Dwelling Units. Additionally, the Ordinance prioritizes permanently affordable housing by increasing the opportunities to impose rent control on new Accessory Dwelling Units.

4. **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 existing 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.

5. **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 July 18, 2019.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: July 18, 2019

[Planning, Business and Tax Regulations Codes - Accessory Dwelling Units in New Construction]

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Ordinance amending the Planning Code and Business and Tax Regulations Code to authorize the addition of an Accessory Dwelling Unit in the construction of a new single-family home or multi-family building; clarifying the ministerial approval process and creating an expedited Board of Appeals process for certain Accessory Dwelling Units in single-family homes meeting specific requirements; amending the requirements of the discretionary approval process under which property owners must subject certain Accessory Dwelling Units to the Rent Ordinance; 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.

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

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

Section 1. Findings.

(a) The Planning Department has determined that the actions contemplated in this 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

1 Supervisors in File No. 190590 and is incorporated herein by reference. The Board affirms
2 this determination.

3 (b) On _____, the Planning Commission, in Resolution No. _____,
4 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
5 with the City’s General Plan and eight priority policies of Planning Code Section 101.1. The
6 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
7 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

8 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this
9 ordinance will serve the public necessity, convenience, and welfare for the reasons stated in
10 Planning Commission Resolution No. _____.

11
12 Section 2. Article 1 of the Business and Tax Regulations Code is hereby amended by
13 revising Sections 8 and 26, to read as follows:

14
15 **SEC. 8. METHOD OF APPEAL TO THE BOARD OF APPEALS.**

16 (a) Except for variance decisions and permits issued by the Entertainment
17 Commission or its Director, and as otherwise specified in this Section 8, appeals to the Board
18 of Appeals shall be taken within 15 days from the making or entry of the order or decision
19 from which the appeal is taken. Appeals of variance decisions shall be taken within 10 days.

20 (b) Appeals to the Board of Appeals of permit decisions made pursuant to Planning
21 Code Section 343 shall be taken within 10 days of the permit decision. This subsection (b)
22 shall expire on the Sunset Date of Planning Code Section 343, as defined in that Section.
23 Upon the expiration of this subsection, the City Attorney shall cause this subsection to be
24 removed from the Business and Tax Regulations Code.

1 (c) Appeals to the Board of Appeals of permit decisions made pursuant to Planning Code
2 Section 207, subsection(c)(6), shall be taken within 10 days of the permit decision.

3 (~~e~~) Appeals of actions taken by the Entertainment Commission or its Director on the
4 granting, denial, amendment, suspension, or revocation of a permit, or on denial of exceptions
5 from regulations for an Extended-Hours Premises Permit, shall be taken within 10 days from
6 the making of the decision. Nothing in this Section 8 is intended to require an appeal to the
7 Board of Appeals if any provision of Article 15, Article 15.1 (Entertainment Regulations Permit
8 and License Provisions), or Article 15.2 (Entertainment Regulations for Extended-Hours
9 Premises) of the Police Code governing these permits otherwise provides.

10 (~~e~~) Appeals shall be taken by filing a notice of appeal with the Board of Appeals and
11 paying to said Board at such time a filing fee as follows:

12 * * * *

13 (8) An exemption from paying the full fee specified in subsections (~~e~~)(1)
14 through (7) herein may be granted upon the filing under penalty of perjury of a declaration of
15 indigency on the form provided and approved by the Board. All agencies of the City and
16 County of San Francisco are exempted from these fees.

17 (9) **Additional Requirements.**

18 (A) Notice of appeal shall be in such form as may be provided by the
19 rules of the Board of Appeals.

20 (B) On the filing of any appeal, the Board of Appeals shall notify in writing
21 the department, board, commission, officer, or other person from whose action the appeal is
22 taken of such appeal. On the filing of any appeal concerning a structural addition to an
23 existing building, the Board of Appeals shall additionally notify in writing the property owners
24 of buildings immediately adjacent to the subject building.

1 (C) Except as otherwise specified in this subsection (~~de~~)(9)(C), the Board
2 of Appeals shall fix the time and place of hearing, which shall be not less than 10 nor more
3 than 45 days after the filing of said appeal, and shall act thereon not later than 60 days after
4 such filing or a reasonable time thereafter.

5 (i) In the case of a permit issued by the Entertainment
6 Commission or its Director, the Board of Appeals shall set the hearing not less than 15 days
7 after the filing of said appeal, shall act thereon not more than 30 days after such filing, and
8 shall not entertain a motion for rehearing.

9 (ii) In the case of a decision on a permit application made
10 pursuant to Planning Code Section 343, the Board of Appeals shall set the hearing not less
11 than 10 days after the filing of said appeal, shall act thereon not more than 30 days after such
12 filing, and shall not entertain a motion for rehearing. This subsection (~~de~~)(9)(C)(ii) shall expire
13 on the Sunset Date of Planning Code Section 343, as defined in that Section. Upon the
14 expiration of this subsection, the City Attorney shall cause this subsection to be removed from
15 the Business and Tax Regulations Code.

16 (iii) In the case of a decision on a permit application made pursuant to
17 Planning Code Section 207, subsection (c)(6), the Board of Appeals shall set the hearing not less than
18 10 days after the filing of said appeal, shall act thereon not more than 30 days after such filing, and
19 shall not entertain a motion for rehearing.

20 * * * *

21
22 **SEC. 26. FACTS TO BE CONSIDERED BY DEPARTMENTS.**

23 (a) Subject to subsection (b), in the granting or denying of any permit, or the revoking
24 or the refusing to revoke any permit, the granting or revoking power may take into
25 consideration the effect of the proposed business or calling upon surrounding property and

1 upon its residents, and inhabitants thereof; and in granting or denying said permit, or revoking
2 or refusing to revoke a permit, may exercise its sound discretion as to whether said permit
3 should be granted, transferred, denied, or revoked.

4 * * * *

5 (e) Notwithstanding subsection (a), the provisions of Planning Code Section 343 shall
6 govern actions taken on the granting, denial, amendment, suspension, and revocation of
7 permits regulated under that Section 343, not the standards set forth in subsection (a) of this
8 Section 26. This subsection (e) shall become operative upon receipt of preliminary approval of
9 Planning Code Section 343 by the California Department of Housing and Community
10 Development under California Government Code Section 66202. This subsection shall expire
11 by the operation of law in accordance with the provisions of Planning Code Section 343(k).
12 Upon its expiration, the City Attorney shall cause this subsection to be removed from the
13 Business and Tax Regulations Code.

14 (f) Notwithstanding subsection (a), the provisions of Planning Code Section 207, subsection
15 (c)(6), shall govern actions taken on the granting, denial, amendment, suspension, and revocation of
16 permits regulated under that subsection (c)(6), not the standards set forth in subsection (a) of this
17 Section 26.

18
19 Section 3. The Planning Code is hereby amended by revising Sections 102, 207, and
20 311 to read as follows:

21
22 **SEC. 102. DEFINITIONS.**

23 * * * *

24 **Dwelling Unit, Accessory.** Also known as a Secondary Unit or In-Law Unit, is a Dwelling Unit
25 that is constructed either entirely within the existing built envelope, the “living area” as defined

1 in State law, or the buildable area of an existing *or proposed* building in areas that allow
2 residential use; or is constructed within the existing built envelope of an existing and
3 authorized auxiliary structure on the same lot.

4 * * * *

5
6 **SEC. 207. DWELLING UNIT DENSITY LIMITS.**

7 * * * *

8 (c) **Exceptions to Dwelling Unit Density Limits.** An exception to the calculations
9 under this Section 207 shall be made in the following circumstances:

10 * * * *

11 (4) **Local Accessory Dwelling Unit Program: Accessory Dwelling Units in**
12 **Multifamily Buildings; Accessory Dwelling Units in Single-Family Homes That Do Not**
13 **Strictly Meet the Requirements in ~~S~~subsection (c)(6).**

14 (A) **Definition.** An “Accessory Dwelling Unit” (ADU) is defined in
15 Section 102.

16 (B) **Applicability.** This subsection (c)(4) shall apply to the construction
17 of Accessory Dwelling Units on all lots located within the City and County of San Francisco in
18 areas that allow residential use, except that construction of an Accessory Dwelling Unit is
19 regulated by subsection (c)(6), and not this subsection (c)(4), if all of the following
20 circumstances exist:

- 21 (i) only one ADU will be constructed;
- 22 (ii) the ADU will be located on a lot that is zoned for single-
23 family or multifamily use and contains an existing *or proposed* single-family dwelling;
- 24 (iii) the ADU *is either attached to or* will be constructed entirely
25 within the “living area” (as defined in subsection (c)(6)(B)(iii)) or the buildable area of ~~an~~ *the*

1 proposed or existing primary dwelling ~~single-family home~~, or constructed within the built envelope
2 of an existing and authorized auxiliary structure on the same lot; provided, however, that (A)
3 when a stand-alone garage, storage structure, or other auxiliary structure is being converted
4 to an ADU, an expansion to the envelope is allowed to add dormers even if the stand-alone
5 garage, storage structure, or other auxiliary structure is in the required rear yard and (B) on a
6 corner lot, a legal stand-alone nonconforming garage, storage structure, or other auxiliary
7 structure may be expanded within its existing footprint by up to one additional story in order to
8 create a consistent street wall and improve the continuity of buildings on the block.

9 (iv) the ADU will strictly meet the requirements set forth in
10 subsection (c)(6) without requiring a waiver of Code requirements pursuant to subsection
11 (c)(4)(G); and

12 (v) the permit application does not include seismic upgrade
13 work pursuant to subsection (c)(4)(F).

14 (C) **Controls on Construction.** An Accessory Dwelling Unit regulated by this
15 subsection (c)(4) is permitted to be constructed in an existing or proposed building under the
16 following conditions:

17 (i) For lots that have four existing Dwelling Units or fewer or where the
18 zoning would permit the construction of four or fewer Dwelling Units, one ADU is permitted; for lots
19 that have more than four existing Dwelling Units or are undergoing seismic retrofitting under
20 subsection (c)(4)(F) below, or where the zoning would permit the construction of more than four
21 Dwelling Units, there is no limit on the number of ADUs permitted; provided, however, that the
22 Department shall not approve an application for construction of an ADU Accessory Dwelling
23 Unit in any building regulated by this subsection (c)(4) where a tenant on the lot has been evicted
24 pursuant to Administrative Code Sections 37.9(a)(9) through (a)(12) and 37.9(a)(14) under a
25 notice of eviction served within 10 years prior to filing the application for a building permit to

1 construct the ADU or where a tenant has been evicted pursuant to Administrative Code
2 Section 37.9(a)(8) under a notice of eviction served within five years prior to filing the
3 application for a building permit to construct the ADU. This provision shall not apply if the
4 tenant was evicted under Section 37.9(a)(11) or 37.9(a)(14) and the applicant(s) either (A)
5 have certified that the original tenant reoccupied the unit after the temporary eviction or (B)
6 have submitted to the Department and to the Rent Board a declaration from the property
7 owner or the tenant certifying that the property owner notified the tenant of the tenant's right to
8 reoccupy the unit and the tenant chose not to reoccupy it.

9 (ii) Except as provided in subsections (iii) and (iv) below, an
10 Accessory Dwelling Unit shall be constructed entirely within the buildable area of an existing
11 lot, provided that the ADU does not exceed the existing height of ~~the~~ an existing building, or
12 within the built envelope of an existing and authorized stand-alone garage, storage structure,
13 or other auxiliary structure on the same lot, as the built envelope existed three years prior to
14 the time the application was filed for a building permit to construct the ADU. For purposes of
15 this provision, the "built envelope" shall include the open area under a cantilevered room or
16 room built on columns; decks, except for decks that are supported by columns or walls other
17 than the building wall to which they are attached and are multi-level or more than 10 feet
18 above grade; and lightwell infills provided that the infill will be against a blank neighboring wall
19 at the property line and not visible from any off-site location; as these spaces exist as of July
20 11, 2016.: ~~An ADU constructed entirely within the existing built envelope, as defined in this~~
21 ~~subsection (ii), along with permitted obstructions allowed in Section 136(c)(32), of an existing~~
22 ~~building or authorized auxiliary structure on the same lot, or where an existing stand-alone~~
23 ~~garage or storage structure has been expanded to add dormers, is exempt from the~~
24 ~~notification requirements of Section 311 of this Code unless the existing building or authorized~~
25 ~~auxiliary structure on the same lot is in an Article 10 or Article 11 District in which case the~~

1 ~~notification requirements will apply.~~ If an ADU will be constructed under a cantilevered room
2 or deck that encroaches into the required rear yard, a pre-application meeting between the
3 applicant and adjacent neighbors for all the proposed work is required before the application
4 may be submitted.

5 (iii) When a stand-alone garage, storage, or other auxiliary structure is
6 being converted to an ADU, an expansion to the envelope is allowed to add dormers even if
7 the stand-alone garage, storage structure, or other auxiliary structure is in the required rear
8 yard.

9 (iv) On a corner lot, a legal stand-alone nonconforming garage,
10 storage structure, or other auxiliary structure may be expanded within its existing footprint by
11 up to one additional story in order to create a consistent street wall and improve the continuity
12 of buildings on the block.

13 (v) An Accessory Dwelling Unit shall not be constructed using space
14 from an existing Dwelling Unit except that an ADU may expand into habitable space on the
15 ground or basement floors provided that it does not exceed 25% of the gross square footage
16 of such space. The Zoning Administrator may waive this 25% limitation if (a) the resulting
17 space would not be usable or would be impractical to use for other reasonable uses included
18 but not limited to storage or bicycle parking or (b) waiving the limitation would help relieve any
19 negative layout issues for the proposed ADU.

20 (vi) *An existing* building undergoing seismic retrofitting may be eligible
21 for a height increase pursuant to subsection (c)(4)(F) below.

22 (vii) Notwithstanding any other provision of this Code, an Accessory
23 Dwelling Unit authorized under this Section 207(c)(4) may not be merged with an original
24 unit(s).

1 (viii) An Accessory Dwelling Unit shall not be permitted in any building
2 in a Neighborhood Commercial District or in the Chinatown Community Business or Visitor
3 Retail Districts if it would eliminate or reduce a ground-story retail or commercial space.

4 (D) **Prohibition of Short-Term Rentals.** An Accessory Dwelling Unit shall
5 not be used for Short-Term Residential Rentals under Chapter 41A of the Administrative
6 Code, which restriction shall be recorded as a Notice of Special Restriction on the subject lot.

7 (E) **Restrictions on Subdivisions.** Notwithstanding the provisions of Article
8 9 of the Subdivision Code, a lot with an Accessory Dwelling Unit authorized under this Section
9 207(c)(4) shall not be subdivided in a manner that would allow for the ADU to be sold or
10 separately financed pursuant to any condominium plan, housing cooperative, or similar form
11 of separate ownership; provided, however, that this prohibition on separate sale or finance of
12 the ADU shall not apply to a building that (i) within three years prior to July 11, 2016 was an
13 existing condominium with no Rental Unit as defined in Section 37.2(r) of the Administrative
14 Code, and (ii) has had no evictions pursuant to Sections 37.9(a) through 37.9(a)(12) and
15 37.9(a)(14) of the Administrative Code within 10 years prior to July 11, 2016.

16 (F) **Buildings Undergoing Seismic Retrofitting.** For Accessory Dwelling
17 Units on lots with a building undergoing mandatory seismic retrofitting in compliance with
18 Chapter 4D of the Existing Building Code or voluntary seismic retrofitting in compliance with
19 the Department of Building Inspection's Administrative Bulletin 094, the following additional
20 provision applies: If allowed by the Building Code, a building in which an Accessory Dwelling
21 Unit is constructed may be raised up to three feet to create ground floor ceiling heights
22 suitable for residential use. Such a raise in height

23 (i) ~~shall be exempt from the notification requirements of Sections~~
24 ~~311 and 312 of this Code; and~~

1 (ii) ~~May~~ expand a noncomplying structure, as defined in Section
2 180(a)(2) of this Code and further regulated in Sections 172, 180, and 188, without obtaining
3 a variance for increasing the discrepancy between existing conditions on the lot and the
4 required standards of this Code.

5 (iii) ~~On~~ lots where an ADU is added in coordination with a building
6 undergoing mandatory seismic retrofitting in compliance with Chapter 4D of the Existing
7 Building Code or voluntary seismic retrofitting in compliance with the Department of Building
8 Inspection's Administrative Bulletin 094, the building and the new ADU shall maintain any
9 eligibility to enter the condo-conversion lottery and may only be subdivided if the entire
10 property is selected on the condo-conversion lottery.

11 (iv) ~~P~~Pursuant to subsection (4)(C)(i), there is no limit on the number of
12 ADUs that are permitted to be added in connection with a seismic retrofit.

13 (G) **Waiver of Code Requirements; Applicability of Rent Ordinance.**

14 Pursuant to the provisions of Section 307(l) of this Code, the Zoning Administrator may grant
15 an Accessory Dwelling Unit a complete or partial waiver of the density limits and ~~off-street~~
16 ~~parking~~, bicycle parking, rear yard, exposure, or open space standards of this Code. If the
17 Zoning Administrator grants a complete or partial waiver of the requirements of this Code ~~and~~
18 ~~the subject lot contains any Rental Units at the time an application for a building permit is filed~~
19 ~~for construction of the Accessory Dwelling Unit(s)~~, the property owner(s) shall enter into a
20 Regulatory Agreement with the City under subsection (c)(4)(H) subjecting the ADU(s) to the
21 San Francisco Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the
22 Administrative Code) as a condition of approval of the ADU(s). ~~For purposes of this~~
23 ~~requirement, Rental Units shall be as defined in Section 37.2(r) of the Administrative Code.~~

1 (H) **Regulatory Agreements.** A Regulatory Agreement required by
2 subsection (c)(4)(G) as a condition of approval of an Accessory Dwelling Unit shall contain the
3 following:

4 (i) a statement that the ADU(s) are not subject to the Costa Hawkins
5 Rental Housing Act (California Civil Code Section 1954.50) because, under Section
6 1954.52(b), the owner has entered into this agreement with the City in consideration for a
7 complete or partial waiver of the density limits, and/or ~~off-street parking~~, bicycle parking, rear
8 yard, exposure, or open space standards of this Code or other direct financial contribution or
9 other form of assistance specified in California Government Code Sections 65915 et seq.
10 (“Agreement”); and

11 (ii) a description of the complete or partial waiver of Code
12 requirements granted by the Zoning Administrator or other direct financial contribution or form
13 of assistance provided to the property owner; and

14 (iii) a description of the remedies for breach of the Agreement and
15 other provisions to ensure implementation and compliance with the Agreement.

16 (iv) The property owner and the Planning Director (or the Director’s
17 designee), on behalf of the City, will execute the Agreement, which shall be reviewed and
18 approved by the City Attorney’s Office. The Agreement shall be executed prior to the City’s
19 issuance of the First Construction Document for the project, as defined in Section ~~Section~~
20 107A.13.1 of the San Francisco Building Code.

21 (v) Following execution of the Regulatory Agreement by all parties
22 and approval by the City Attorney, the Regulatory Agreement or a memorandum thereof shall
23 be recorded against the property and shall be binding on all future owners and successors in
24 interest.
25

1 Any Regulatory Agreement entered into under this Section 207(c)(4) shall not preclude
2 a landlord from establishing the initial rental rate pursuant to Section 1954.53 of the Costa
3 Hawkins Rental Housing Act.

4 (I) **Monitoring Program.**

5 (i) **Monitoring and Enforcement of Unit Affordability.** The
6 Department shall establish a system to monitor the affordability of the Accessory Dwelling
7 Units authorized to be constructed by this subsection 207(c)(4) and shall use such data to
8 enforce the requirements of the Regulatory Agreements entered into pursuant to subsection
9 (c)(4)(H). Property owners shall provide the Department with rent information as requested by
10 the Department. The Board of Supervisors recognizes that property owners and tenants
11 generally consider rental information sensitive and do not want it publicly disclosed. The intent
12 of the Board is for the Department to obtain the information for purposes of monitoring and
13 enforcement but that its public disclosure is not linked to specific individuals or units. The
14 Department shall consult with the City Attorney's Office with respect to the legal requirements
15 to determine how best to achieve the intent of the Board.

16 (ii) **Monitoring of Prohibition on Use as Short Term Rentals.** The
17 Department shall collect data on the use of Accessory Dwelling Units authorized to be
18 constructed by this subsection (c)(4) as Short-Term Residential Rentals, as that term is
19 defined in Administrative Code Section 41A.4, and shall use such data to evaluate and
20 enforce Notices of Special Restriction pursuant to subsection 207(c)(4)(D) and the
21 requirements of Administrative Code Chapter 41A.

22 (iii) **Department Report.** The Department shall publish a report
23 annually until April 1, 2019, that describes and evaluates the types of units being developed
24 and their affordability rates, as well as their use as Short-Term Residential Rentals. The report
25 shall contain such additional information as the Director or the Board of Supervisors

1 determines would inform decision makers and the public on the effectiveness and
2 implementation of this subsection (c)(4) and include recommendations for any amendments to
3 the requirements of this Section 207(c)(4). The Department shall transmit this report to the
4 Board of Supervisors for its review and public input. In subsequent years, this information on
5 Accessory Dwelling Units shall be reported annually in the Housing Inventory.

6 * * * *

7 (6) **State Mandated Accessory Dwelling Unit Program: Accessory Dwelling Units in**
8 **Existing *or Proposed* Single-Family Homes *or in a Detached Auxiliary Structure on the Same***
9 **Lot.**

10 (A) **Applicability.** This subsection (c)(6) shall apply to the construction of
11 Accessory Dwelling Units (as defined in Section 102) in existing *or proposed* single-family
12 homes *or in a detached auxiliary structure on the same lot if the ADU ~~that~~ meets* the requirements
13 of this subsection. An ADU constructed pursuant to this subsection is considered a residential
14 use that is consistent with the General Plan and the zoning designation for the lot. Adding one
15 ADU to an existing *or proposed* single-family home *or in a detached auxiliary structure on the same*
16 *lot* does not exceed the allowable density for the lot. If construction of the ADU will not meet
17 the requirements of this subsection and the ADU cannot be constructed without a waiver of
18 Code requirements pursuant to subsection (c)(4)(G), the ADU is regulated pursuant to
19 subsection (c)(4) and not this subsection (c)(6).

20 (B) **Lots Zoned for Single-Family or Multifamily Use and Containing an**
21 **Existing or Proposed Single-Family Home; Controls on Construction.** An Accessory
22 Dwelling Unit located *in a residential zoning district on a lot that is zoned for single-family or*
23 *multifamily use and contains an existing or proposed single-family dwelling* and constructed
24 pursuant to this subsection (c)(6) shall meet all of the following:
25

1 (i) The ADU will strictly meet the requirements set forth in this
2 subsection (c)(6)(B) without requiring a waiver of Code requirements pursuant to subsection
3 (c)(4)(G).

4 (ii) The permit application does not include seismic upgrade work
5 pursuant to subsection (c)(4)(F).

6 (iii) Only one ADU will be constructed that is either attached to or will be
7 constructed entirely within the “living area” (as defined in subsection (c)(6)(B)(iii)) or within the
8 buildable area of ~~an~~ the proposed or existing primary dwelling single-family home or, except as
9 provided by subsections (c)(6)(x) and (xi) below, within the built envelope of an existing and
10 authorized auxiliary structure on the same lot. “Living area” means (as defined in Section
11 65852.2(i)(1) of the California Government Code) “the interior habitable area of a dwelling unit
12 including basements and attics, but does not include a garage or any accessory structure.”

13 (iv) ~~If contained within the existing space of a single-family residence or~~
14 ~~accessory structure, the~~ ADU must have independent exterior access from the existing or
15 proposed primary dwelling residence or existing accessory structure, and side and rear setbacks
16 sufficient for fire safety.

17 (v) ~~If construction of the ADU will have adverse impacts on~~ For
18 projects involving a property listed in the California Register of Historic Places, or a property
19 designated individually or as part of a historic or conservation district pursuant to Article 10 or
20 Article 11, the ADU shall comply with any architectural review standards adopted by the
21 Historic Preservation Commission to prevent adverse impacts to such historic resources ~~or~~
22 ~~any other known historical resource, the Department shall require modification of the~~
23 ~~proposed project to the extent necessary to prevent or mitigate such impacts. Such projects~~
24 shall not be required to obtain a Certificate of Appropriateness or a Permit to Alter.
25

1 (vi) The Department shall apply any design guidelines in the Code to
2 the proposed project and review the design of the proposed project to ensure architectural
3 compatibility with existing buildings on the subject lot.

4 (vii) No setback is required for an existing garage that is converted to
5 an ADU.

6 (viii) All applicable requirements of San Francisco's health and safety
7 codes shall apply, including but not limited to the Building and Fire Codes.

8 (ix) No parking is required for the ADU. If existing parking is
9 demolished in order to construct the ADU, only the parking space required by this Code for
10 the existing single-family home must be replaced. If replacement parking is required, it may be
11 located in any configuration on the lot including but not limited to covered, uncovered, or
12 tandem space or by the use of mechanical automobile parking lifts.

13 (x) When a stand-alone garage, storage, or other auxiliary structure is
14 being converted to an ADU, an expansion to the envelope is allowed to add dormers even if
15 the stand-alone garage, storage structure, or other auxiliary structure is in the required rear
16 yard.

17 (xi) On a corner lot, a legal stand-alone nonconforming garage,
18 storage structure, or other auxiliary structure may be expanded within its existing footprint by
19 up to one additional story in order to create a consistent street wall and improve the continuity
20 of buildings on the block.

21 (xii) When the ADU involves expansion of the built envelope of an
22 existing primary dwelling, or an expansion of the built envelope of an existing and authorized
23 stand-alone garage, storage structure, or other auxiliary structure on the same lot, or the
24 construction of a new detached auxiliary structure on the same lot, the total floor area of the
25 ADU shall not exceed 1,200 square feet.

1 (xiii) The total area of floorspace of an accessory dwelling unit
2 proposed to be constructed with a proposed single-family dwelling shall not be less than 50
3 percent of the proposed primary dwelling living area, except that an efficiency unit (as defined
4 in Section 1208.4 of the San Francisco Building Code) that meets all other requirements of
5 this subsection (c)(6) may be constructed pursuant to Section 65852.2(c) of the California
6 Government Code.

7 **(C) Permit Application Review and Approval.** *Except as authorized by*
8 *subsections (c)(6)(B)(v) and (vi),* ~~†~~ The Department shall approve an application for a permit to
9 construct an Accessory Dwelling Unit within 120 days from receipt of the complete application,
10 without modification or disapproval, if the proposed construction fully complies with the
11 requirements set forth in subsection (c)(6)(B). *No requests for discretionary review shall be*
12 *accepted by the Planning Department for permit applications meeting the requirements of this*
13 *subsection (c)(6). The Planning Commission shall not hold a public hearing for discretionary review of*
14 *permit applications meeting the requirements of this subsection (c)(6). Permit applications meeting the*
15 *requirements of this subsection (c)(6) shall not be subject to the notification or review requirements of*
16 *Section 311 of this Code.*

17 **(D) Appeal.** The procedures for appeal to the Board of Appeals of a decision by the
18 Department under this subsection (c)(6) shall be as set forth in Section 8 of the Business and Tax
19 Regulations Code.

20 **(DE) Prohibition of Short-Term Rentals.** An Accessory Dwelling Unit
21 authorized under this subsection (c)(6) shall not be used for Short-Term Residential Rentals
22 under Chapter 41A of the Administrative Code. This restriction shall be recorded as a Notice
23 of Special Restriction on the subject lot.

24 **(EF) Rental; Restrictions on Subdivisions.**

1 (i) An ADU constructed pursuant to this subsection (c)(6) may be
2 rented and is subject to all applicable provisions of the Residential Rent Stabilization and
3 Arbitration Ordinance (Chapter 37 of the Administrative Code).

4 (ii) Notwithstanding the provisions of Article 9 of the Subdivision
5 Code, a lot with an Accessory Dwelling Unit authorized under this subsection (c)(6) shall not
6 be subdivided in a manner that would allow for the ADU to be sold or separately financed
7 pursuant to any condominium plan, housing cooperative, or similar form of separate
8 ownership.

9 (~~FG~~) **Department Report.** In the report required by subsection (c)(4)(l)(iii), the
10 Department shall include a description and evaluation of the number and types of units being
11 developed pursuant to this subsection (c)(6), their affordability rates, and such other
12 information as the Director or the Board of Supervisors determines would inform decision
13 makers and the public.

14 (H) **Notification.** Upon determination that an application is in compliance with
15 the standards of subsection 207(c)(6) of the Planning Code, the Planning Department shall
16 cause a notice to be posted on the site pursuant to rules established by the Zoning
17 Administrator and shall cause a written notice describing the proposed project to be sent in
18 the manner described below. This notice shall be in addition to any notices required by the
19 Building Code and shall have a format and content determined by the Zoning Administrator.
20 This notice shall include a description of the proposal compared to any existing improvements
21 on the site with dimensions of the basic features, elevations and site plan of the proposed
22 project including the position of any adjacent buildings, exterior dimensions and finishes, and
23 a graphic reference scale, existing and proposed uses or commercial or institutional business
24 name, if known. The notice shall describe the project review process and shall set forth the
25 mailing date of the notice.

1 (i) Written notice shall be mailed to the project sponsor and tenants of
2 the subject property. Written notice shall also be mailed to tenants of the subject property in
3 unauthorized residential units.

4 (ii) The notification package for a project subject to notice under this
5 subsection 207(c)(6) shall include a written notice and reduced-size drawings of the project.
6 The written notice shall compare the proposed project to the existing conditions at the
7 development lot. Change to basic features of the project that are quantifiable shall be
8 disclosed on the written notice. The basic features of existing and proposed conditions shall
9 include, where applicable, front setback, building depth, rear yard, depth side, setbacks,
10 building height, number of stories, dwelling unit count and use of the building.

11 (iii) The written notice shall describe whether the project is a
12 demolition, new construction or alteration project. If the project is an alteration, the type of
13 alteration shall be described: horizontal, vertical, or both horizontal and vertical additions, and
14 where the alteration is located.

15 (iv) A written project description shall be part of the notice. In addition,
16 the notice shall describe the project review process, information on how to obtain additional
17 information, and the contact information of the Planning Department.

18 (v) The building permit application number(s) shall be disclosed in the
19 written notice.

20 (vi) 11x17 sized or equivalent drawings to scale shall be included with
21 the written notice. The drawings shall illustrate the existing and proposed conditions in
22 relationship to the adjacent properties. All dimensions and text throughout the drawings shall
23 be legible. The drawings shall include a site plan, floor plans, and elevations documenting
24 dimensional changes that correspond to the basic features included in the written notice. The
25 existing and proposed site plan shall illustrate the project including the full lots and structures

1 of the directly adjacent properties. The existing and proposed floor plans shall illustrate the
2 location and removal of interior and exterior walls. The use of each room shall be labeled.
3 Significant dimensions shall be provided to document the change proposed by the project.
4 The existing and proposed elevations shall document the change in building volume: height
5 and depth. Dimensional changes shall be documented, including overall building height and
6 also parapets, penthouses, and other proposed vertical and horizontal building extensions.
7 The front and rear elevations shall include the full profiles of the adjacent structures including
8 the adjacent structures' doors, windows, and general massing. Each side elevation shall
9 include the full profile of the adjacent building in the foreground of the project, and the
10 adjacent windows, lightwells and general massing shall be illustrated.

11 (vii) **Language Access.** All forms of public notice provided pursuant to
12 this subsection 207(c)(6)(H) shall comply with the requirements of the Language Access
13 Ordinance, Chapter 91 of the Administrative Code, to provide vital information about the
14 Planning Department's services or programs in the languages spoken by a Substantial
15 Number of Limited English Speaking Persons, as defined in Chapter 91. The notices required
16 by this subsection 207(c)(6)(H) shall contain the information set forth in subsection
17 207(c)(6)(h)(ii)-(v) in the languages spoken by a Substantial Number of Limited English
18 Speaking Persons, as defined in Administrative Code Chapter 91.

19 (viii) **Online Notice.** For 30 calendar days, on a publicly accessible
20 website that is maintained by the Planning Department, the Planning Department shall
21 provide a digital copy formatted to print on 11 x 17 inch paper of the posted notice, including
22 the contents set forth in subsection 207(c)(6)(h)(ii)-(v) for the application; and digital copies of
23 any architectural and/or site plans that are scaled and formatted to print on 11 x 17 inch
24 paper, are consistent with Plan Submittal Guidelines maintained and published by the
25 Planning Department, and that describe and compare, at a minimum, the existing and

1 proposed conditions at the subject property, the existing and proposed conditions in
2 relationship to adjacent properties, and that may include a site plan, floor plans, and
3 elevations documenting dimensional changes required to describe the proposal.

4
5 **SEC. 311. PERMIT REVIEW PROCEDURES**

6 (a) **Purpose.** The purpose of this Section 311 is to establish procedures for reviewing
7 building permit applications to determine compatibility of the proposal with the neighborhood
8 and for providing notice to property owners and residents on the site and neighboring the site
9 of the proposed project and to interested neighborhood organizations, so that concerns about
10 a project may be identified and resolved during the review of the permit.

11 (b) **Applicability.** Except as indicated herein, all building permit applications in
12 Residential, NC, NCT, and Eastern Neighborhoods Districts for a change of use;
13 establishment of a Micro Wireless Telecommunications Services Facility; establishment of a
14 Formula Retail Use; demolition, new construction, or alteration of buildings; and the removal
15 of an authorized or unauthorized residential unit shall be subject to the notification and review
16 procedures required by this Section 311. In addition, all building permit applications that
17 would establish Cannabis Retail or Medical Cannabis Dispensary Uses, regardless of zoning
18 district, shall be subject to the review procedures required by this Section 311.

19 Notwithstanding the foregoing or any other requirement of this Section 311, a change of use
20 to a Child Care Facility, as defined in Section 102, shall not be subject to the review
21 requirements of this Section 311. Notwithstanding the foregoing or any other requirement of this
22 Section 311, building permit applications to construct an Accessory Dwelling Unit pursuant to Section
23 207(c)(6) shall not be subject to the notification or review requirements of this Section 311.

24 * * * *

1 Section 3. Effective Date. This ordinance shall become effective 30 days after
2 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
3 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
4 of Supervisors overrides the Mayor's veto of the ordinance

5
6 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
7 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
8 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
9 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
10 additions, and Board amendment deletions in accordance with the "Note" that appears under
11 the official title of the ordinance.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15 By: _____
16 PETER R. MILJANICH
17 Deputy City Attorney

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