



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Proposed Planning Code Amendments: Student Housing

HEARING DATE: NOVEMBER 10, 2011

Date: November 3, 2011
Case No.: **2011.0206T**
Project Address: **Planning Code Amendments: Student Housing**
Initiated by: John Rahaim, Director of Planning
Staff Contact: Sophie Hayward – (415) 558-6372
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Reviewed by: AnMarie Rodgers, Manager, Legislative Affairs
Anmarie.rodgers@sfgov.org
Recommendation: **Approval**

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PLANNING CODE AMENDMENT

On October 27, 2011 the Commission initiated amendments to the Planning Code controls for Student Housing. At that hearing and pursuant to Planning Code Section 306.3, the Planning Commission authorized the Department to prepare for a hearing to consider the Planning Code amendments contained in the draft Ordinance.

The proposed Ordinance would amend the Planning Code (herein after "Code") to achieve the following: 1) encourage the production of new Student Housing; 2) protect the existing housing stock; 3) create a definition of Student Housing that may be used throughout the Planning Code; and 4) make additional modifications to the Planning Code for consistency and clarity.

The proposed Code amendment creates a definition of Student Housing that is based on occupancy and ownership and/or control. With the adoption of the proposed Ordinance, Student Housing would take the form of dwelling units (as defined in Code Section 102.6), Group Housing (as defined in Code Section 209.2), or Single Room Occupancy (SRO) units (as defined in Code Section 890.88), and must be owned, operated, or otherwise controlled by an accredited post-secondary Educational Institution. Additional Code changes have been included in the proposed Ordinance in order to encourage the production of new Student Housing while protecting San Francisco's existing housing stock.

The proposed substantive Code amendments include:

- Adding a new Code Section 102.36 to define Student Housing, applicable citywide.
- Amending Section 401 to delete the existing definition of Student Housing which only applies to the Eastern Neighborhood Mixed-Use Districts. This definition would be replaced with a reference to the new definition, which would apply city-wide;
- Amending Section 317 to prohibit the conversion of residential units to Student Housing;
- Amending Section 135 to adjust the open space requirements for small dwelling units that measure less than 350 square feet plus a bathroom;

- Amending Section 207.6 to exempt Student Housing from the unit mix requirements in RTO, NCT, DTR, and Eastern Neighborhood Mixed Use Districts;
- Amending Section 307 to establish a procedure for the conversion of Student Housing to any form of residential units that are not considered Student Housing, provided that all aspects of the Planning Code have been met or appropriately modified;
- Amending Section 312 to require neighborhood notification for a change of use to Group Housing within Neighborhood Commercial districts.

The Way It Is Now:

The proposed Ordinance amends five existing Sections of the Planning Code (hereafter referred to as "Code"). Below is a concise summary of the pertinent components of the Sections proposed for amendment.

- There currently exist two relevant definitions in the Code:
 - **Student Housing in Eastern Neighborhood Mixed-Use Districts.** This definition, located in Planning Code Section 401, identifies Student Housing as a "building where 100 percent of the residential uses are affiliated with and operated by an accredited post-secondary educational institution. Typically, Student Housing is for rent, not for sale. This housing shall provide lodging or both meals and lodging, by prearrangement for one week or more at a time. This definition only applies in the Eastern Neighborhoods Mixed Use Districts." This definition only applies to a limited area of the City's zoning districts, and does not apply citywide.
 - **Qualified Student Housing.** This definition, also located in Planning Code Section 401, defines Qualified Student Housing as, "housing or Group Housing (measured either by units or beds) or accessory living space within a non-residential space, either owned by a Qualified Educational Institution or controlled by a Qualified Educational Institution through a long-term master lease for a period of at least 20 years in which at least thirty percent (30%) of such beds are occupied by Qualified Students. The Qualified Student Housing may be on the site of the Institution or at another location in the City and County of San Francisco." This definition relates to income level of the occupants and the ownership of the housing for the purposes of an exemption from the inclusionary housing fee, but does not define the form of Student Housing or where it is permitted.
- Code Section 317, which addresses the loss of dwelling units through demolition, merger, or conversion, does not specifically address the loss of residential dwellings through the conversion from housing to Student Housing.
- Code Section 135 outlines the requirements for usable open space for dwelling units and Group Housing. Section 135(d)(2) identifies a reduced requirement for usable open space for use by each bedroom in both Group Housing and SRO units, which is one-third that of required for a dwelling unit.
- Code Section 207.6 defines minimum dwelling unit mixes in certain zoning districts, in order to ensure an adequate supply of family sized units, which include at least two bedrooms. Section 207.6(b)(3) does not apply to buildings for which 100 percent of the uses are Group Housing, dwelling units which are provided at below market rates, Single Room Occupancy Units, or

Student Housing pursuant to the existing definition located in Section 401 (which applies only to mixed-use districts within the Eastern Neighborhoods.

- Code Section 312(c) defines the circumstances in Neighborhood Commercial (NC) districts in which changes of use require neighborhood notification. Currently, a change of use to Group Housing from any other use does not trigger neighborhood notice.

The Way It Would Be:

The proposed Ordinance would amend the following Sections within the Code:

- New Code Section 102.36 would create a citywide land-use definition of Student Housing. This new definition would reflect the variety of Student Housing types that are anticipated. The definition would be based on the occupancy as well as the ownership or control of the space. Student Housing would take the form of a dwelling unit, Group Housing, or an SRO that is occupied by students of an accredited post-secondary educational institution. In addition, the housing must be owned or otherwise controlled by the educational institution.
- Conversions from any existing form of housing to Student Housing would be prohibited with proposed amendments to Code Section 317.
- Conversions from Student Housing to any form of residential use permitted in the underlying zoning district would be approvable by the Zoning Administrator, provided that all Planning Code Requirements have been met or appropriately modified. This is reflected in the proposed addition of Code Section 307(j).
- Student Housing would be exempt, as are Group Housing, SROs, and dwellings offered at Below Market Rate, from the unit mix requirement within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use Districts. If at any point the housing no longer qualifies as Student Housing (as would be defined in new Section 102.36), the exemption from the unit mix requirement would no longer be applicable, and modifications to the unit mix may be required. This is reflected in the proposed amendment to Section 207.7(B)(3).
- Dwelling units that are less than 350 square feet plus a bathroom – including those that are considered Student Housing – would have the same reduced open space requirement (one-third that of dwelling units) as Group Housing and SROs, with the proposed amendment to Section 135(d)(2).
- A change of use to Group Housing within an NC district would require neighborhood notification pursuant to Section 312.
- Qualified Student Housing, as defined in Planning Code Section 401, may consist of all or part of a building, with the proposed modification to the definitions in Section 401.

REQUIRED COMMISSION ACTIONS

The proposed Ordinance is before the Commission so that it may approve or disapprove the proposed Planning Code Amendments.

RECOMMENDATION

The Department recommends that the Commission recommend *approval* of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

BASIS FOR RECOMMENDATION

In December, 2010, Ordinance Number 321-10 was passed providing an Affordable Housing Program exemption for Qualified Student Housing.¹ When the Planning Commission considered this Ordinance, introduced by Supervisor Dufty, it recognized both the need for additional Student Housing and for protections for existing forms of housing from conversion to Student Housing. The Commission directed Department Staff to further consider these issues. The proposed Ordinance is the result of the Department's work with stake holders that include other City departments, community groups, developers, and elected officials.

The goal of the proposed Ordinance is to encourage the production of new Student Housing while protecting the City's existing housing stock. Of primary concern is to prohibit the conversion from any form of housing to Student Housing. The Department also prepared for a future potential in the event that approved Student Housing units would seek to convert to standard housing. The recommended process would allow this conversion provided that the requirements for standard housing have been met. These requirements include applicable open space standards, unit mix requirements, as well as affordable housing requirements.

New Varieties in the Form of Student Housing

The new definition of Student Housing is intended to acknowledge the different forms that new Student Housing may take. Educational institutions and investors alike are reporting changes in the form of today's Student Housing. Gone are the days of only traditional dormitory housing. Today's students benefit from a variety of forms of Student Housing, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to Group Housing models.

Preserving the Existing Housing Stock

The Department is recommending that conversions from any form of housing to Student Housing be prohibited. This prohibition is intended as a clear protection for the City's existing housing stock, including Group Housing and SROs that often provide housing for low income residents. The Department is also recommending several specific incentives to encourage the production of new Student Housing through new construction that more than offset the prohibition to convert housing to Student Housing.

Encouraging the Production of New Student Housing

Incentives to construct new Student Housing include an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use districts. These neighborhoods are transit rich, and can support small units intended to house students who may attend any of the area educational institutions. In addition, the Department recommends that the open space requirements for very small dwelling units – less than 350 square feet plus a bathroom – be reduced to 1/3 the basic requirement of

¹ Ordinance No. 321-10 (Board File 101095) amends Section 415 of the Code to provide an exemption from Inclusionary Housing fees for "Qualified Student Housing," which is defined as housing that is owned or controlled through a long-term lease in which a minimum of 30% of beds are occupied by students who are eligible to receive need-based financial aid, including but not limited to Pell Grants, Perkins Loans, Stafford Subsidized Loans, or other grants or loans.

dwelling units, which is consistent with the way that open space for Group Housing and SROs is provided.

Finally, the Department has outlined a streamlined process by which Student Housing may be converted to housing through review by the Zoning Administrator. Conversions from Student Housing to housing may be approved provided that all Code requirements for the underlying district are met or modified through appropriately modified through the Variance process.

The proposal for a new definition of Student Housing, with the associated amendments, described above complements the existing incentive that exempts "Qualified Student Housing" from Inclusionary Housing requirements. The existing exemption sets a fairly low bar for housing to be considered "Qualified Student Housing," such that almost any student can be considered a "Qualified Student." In order to avoid paying the Inclusionary Housing fees, 30 percent of the students in the housing need only qualify for any loan or grant, including (but not limited to) Pell Grants, Stafford Subsidized Loans, or Perkins Loans. Almost any Student Housing may qualify for the exemption from inclusionary housing fees. It is important to note that the proposed Ordinance provides incentives such as reduced open space requirements and an exemption from the unit mix requirements in specific areas that are in addition to the existing exemption from paying inclusionary housing fees. For this reason, the Department does not feel that there exists sufficient reason to also allow additional square footage above that permitted by the base floor area ratio limits in the C-3 districts, as has been suggested by members of the Housing Action Coalition (HAC), in their June 10, 2011 memo (attached).

Adding New Noticing Procedures

The proposed change to the neighborhood notification process is intended correct an inconsistency in the Code. Currently, while the addition of a dwelling unit within an NC District would require neighborhood notification, the addition of, or conversion to, Group Housing would not. This inconsistency is addressed in the proposed Ordinance, and would apply to Student Housing as well as any form of Group Housing.

In sum, the Department feels that the proposed Ordinance provides additional incentives to create new Student Housing, particularly in transit-rich neighborhoods such as the RTO, NCT, DTR, and Eastern Neighborhoods Mixed-Use Districts. While these incentives are important and the need for new Student Housing is real, the Department also feels that the proposed Ordinance adds needed protection for the existing housing stock, particularly for types such as Group Housing and SROs that often provide housing for low-income residents.

ENVIRONMENTAL REVIEW

The proposal to amend the Planning Code would result in no physical impact on the environment. The proposed amendment is exempt from environmental review under Section 15060(c)(2) of the CEQA Guidelines.

PUBLIC COMMENT

As of the date of this report, the Planning Department has two letters from the Housing Action Coalition (HAC) regarding this legislation. The letters are attached.

RECOMMENDATION: Recommendation of Approval
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- Exhibit A: Draft Planning Commission Resolution: Recommending Approval of Amendments to the Planning Code
- Exhibit B: Draft Ordinance Adding a Definition for Student Housing and Associated Amendments
- Exhibit C: Two memos from the Housing Action Coalition (HAC), dated March 23, 2011 and June 10, 2011



SAN FRANCISCO PLANNING DEPARTMENT

Draft Planning Commission Resolution

HEARING DATE: NOVEMBER 10, 2011

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Date: October 20, 2011
Case No.: **2011.0206T**
Project Address: **Planning Code Amendments: Student Housing**
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Staff Contact: Sophie Hayward – (415) 558-6372
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Reviewed by: AnMarie Rodgers, Manager, Legislative Affairs
Anmarie.rodgers@sfgov.org
Recommendation: **Recommend Approval**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ADD A NEW SECTION 102.36 TO CREATE A DEFINITION OF STUDENT HOUSING, TO AMEND SECTION 135(D)(2) TO ADJUST THE MINIMUM OPEN SPACE REQUIREMENTS FOR DWELLING UNITS THAT DO NOT EXCEED 350 SQUARE FEET PLUS A BATHROOM, TO AMEND SECTION 207(B)(3) TO EXEMPT STUDENT HOUSING FROM THE UNIT MIX REQUIREMENT IN RTO, NCT, DTR, AND EASTERN NEIGHBORHOOD MIXED-USE DISTRICTS, TO AMEND SECTION 307 TO PERMIT THE CONVERSION OF STUDENT HOUSING TO RESIDENTIAL USES THAT DO NOT QUALIFY AS STUDENT HOUSING, TO AMEND SECTION 312 TO REQUIRE NOTICE FOR A CHANGE OF USE TO GROUP HOUSING IN NC DISTRICTS, TO AMEND SECTION 317 TO PROHIBIT THE CONVERSION OF RESIDENTIAL USES TO STUDENT HOUSING, AND TO AMEND SECTION 401 TO MAKE CONFORMING AMENDMENTS AND TO MODIFY THE DEFINITION OF QUALIFIED STUDENT HOUSING.

PREAMBLE

WHEREAS, the existing Code does not include a clear definition of Student Housing based on occupancy and ownership or control that is applicable citywide; and

WHEREAS, the Code sections controlling loss of dwelling units do not specifically address the conversion from housing to Student Housing; and

WHEREAS, the Code does not provide a clear process for converting Student Housing to housing; and

WHEREAS, the open space requirements for dwelling units that are smaller than 350 square feet plus a bathroom may be greater than the actual need; and

WHEREAS, the dwelling unit mix requirement within the RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use Districts may not facilitate the production of new Student Housing; and

WHEREAS, no neighborhood notification is currently required for the addition of new Group Housing within the NC Districts, which appears to be inconsistent with other noticing requirements within the NC Districts; and

WHEREAS, the proposed legislation is intended to resolve the aforementioned issues; and

Whereas, on November 10, 2011, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance; and

Whereas, pursuant to Planning Code Section 306.3 the Planning Commission adopted Resolution No. 18477 initiating amendments to the Planning Code on October 27, 2011; and

Whereas, the 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 the applicant, Department staff, and other interested parties; and

Whereas, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c)(2); and

Whereas, the 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 Commission has reviewed the proposed Ordinance.

MOVED, that the Commission hereby *adopts* this Resolution to recommend approval of the draft Ordinance to the Board of Supervisors; and

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 Ordinance will encourage the production of new student housing while protecting the City's existing housing stock by prohibiting the conversion from any form of housing to student housing, and by providing incentives for the construction of new student housing;
2. The new definition of student housing acknowledges the different forms that new student housing may take, such as very small efficiency dwellings with individual kitchens and bathrooms in addition to group housing;
3. The Ordinance provides incentives to construct new student housing such as an exemption from the unit mix requirements within RTO, NCT, DTR, and Eastern Neighborhood Mixed-Use

districts, a reduction in the open space requirements for very small dwelling units, and a streamlined process by which student housing may be converted to standard housing.

4. **General Plan Compliance.** This Resolution is consistent with the following Objectives and Policies of the General Plan:

I. HOUSING ELEMENT

OBJECTIVE 1

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

POLICY 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.9

Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The proposed Ordinance recognizes the need for new student housing, and is intended to encourage the production of new student housing while protecting the City's existing housing stock. The proposed Ordinance will provide incentives for providing new student housing in transit-rich neighborhoods such as RTO, NCT, DTR, and Eastern Neighborhoods Mixed-Use Districts. In addition, the proposed Ordinance recognizes that the City's existing housing stock, particularly forms such as Group Housing and SROs that often provide housing for low-income residents, need protection from conversion to student housing.

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

The proposed Ordinance would protect the existing housing stock from conversion from standard housing to student housing.

5. This Resolution is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:
- A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced.
 - B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.
 - C) The City's supply of affordable housing will be preserved and enhanced.
 - D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking.
 - E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced.
 - F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.
 - G) That landmark and historic buildings will be preserved.
 - H) Parks and open space and their access to sunlight and vistas will be protected from development.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on November 10, 2011.

Linda Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: November 10, 2011

1 [Planning Code – Creating a New Definition of Student Housing.]

2
 3 **Ordinance amending the San Francisco Planning Code by 1) adding a new Section**
 4 **102.36, to create a definition of Student Housing; 2) amending Section 135(d)(2), to**
 5 **adjust the minimum open space requirements for dwelling units that do not exceed 350**
 6 **square feet, plus a bathroom; 3) amending Section 207(b)(3), to exempt Student**
 7 **Housing from the unit mix requirement in RTO, NCT, DTR and Eastern Neighborhoods**
 8 **Mixed Used Districts; 4) amending Section 307, to permit the conversion of Student**
 9 **Housing into residential uses, when certain conditions are met; 5) amending Section**
 10 **312, to require notice for a change of use to Group Housing; 6) amending Section 317,**
 11 **to prohibit the conversion of residential units into Student Housing; and 7) amending**
 12 **Section 401, to make conforming amendments and amend the definition of Qualified**
 13 **Student Housing; and making findings, including environmental findings and findings**
 14 **of consistency with the priority policies of Planning Code Section 101.1 and the**
 15 **General Plan.**

16 NOTE: Additions are *single-underline italics Times New Roman*;
 17 deletions are ~~*strike-through italics Times New Roman*~~.
 18 Board amendment additions are double-underlined;
 Board amendment deletions are ~~strikethrough normal~~.

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

20 Section 1. Findings. The Board of Supervisors of the City and County of San
 21 Francisco hereby finds and determines that:

22 (a) The Planning Department has determined that the actions contemplated in this
 23 Ordinance are in compliance with the California Environmental Quality Act (California Public
 24 Resources Code sections 21000 et seq.) Said determination is on file with the Clerk of the
 25

1 Board of Supervisors in File No. _____ and is incorporated herein by
2 reference.

3 (b) On _____, 2011, the Planning Commission, in Resolution
4 No. _____ approved and recommended for adoption by the Board of Supervisors
5 this legislation and adopted findings that it is consistent, on balance, with the City's General
6 Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these
7 findings as its own. A copy of said Resolution is on file with the Clerk of the Board of
8 Supervisors in File No. _____, and is incorporated by reference herein.

9 (c) Pursuant to Planning Code Section 302, this Board of Supervisors finds that this
10 legislation will serve the public necessity, convenience, and welfare for the reasons set forth in
11 Planning Commission Resolution No. _____, and incorporates such reasons by
12 reference herein.

13 Section 2. The San Francisco Planning Code is hereby amended by adding Section
14 102.36, to read as follows:

15 **SEC. 102.36. STUDENT HOUSING.**

16 *Student Housing is a living space for students of accredited post-secondary Educational*
17 *Institutions that may take the form of dwelling units, group housing, or a SRO. The use of Student*
18 *Housing is permitted where the form of housing is permitted in the underlying Zoning District in which*
19 *it is located. Student Housing must be owned, operated or otherwise controlled by an accredited post-*
20 *secondary Educational Institution, as defined in Section 209.3(i) of this Code.*

21 Section 3. The San Francisco Planning Code is hereby amended by amending Section
22 135(d)(2), to read as follows:

23 **SEC. 135. USABLE OPEN SPACE FOR DWELLING UNITS AND GROUP**
24 **HOUSING, R, NC, MIXED USE, C, AND M DISTRICTS.**

1 (d)(2) For group housing structures, ~~and~~ SRO units, and dwelling units that measure less
2 than 350 square feet plus a bathroom, the minimum amount of usable open space provided for
3 use by each bedroom shall be 1/3 the amount required for a dwelling unit as specified in
4 Paragraph (d)(1) above. For purposes of these calculations, the number of bedrooms on a lot
5 shall in no case be considered to be less than one bedroom for each two beds. Where the
6 actual number of beds exceeds an average of two beds for each bedroom, each two beds
7 shall be considered equivalent to one bedroom.

8 Section 4. The San Francisco Planning Code is hereby amended by amending Section
9 207.6(b)(3), to read as follows:

10 **SEC. 207.6. REQUIRED MINIMUM DWELLING UNIT MIX IN RTO, NCT, DTR, AND**
11 **EASTERN NEIGHBORHOODS MIXED USE DISTRICTS.**

12 (3) This Section does not apply to buildings for which 100 percent of the residential
13 uses are: group housing, dwelling units which are provided at below market rates pursuant to
14 Section 326.3(h)(2)(B) of this Code, Single Room Occupancy Units, ~~s~~Student ~~H~~Housing (as
15 defined in Sec. ~~315.1.38-106.36~~), or housing specifically and permanently designated for
16 seniors or persons with physical disabilities.

17 Section 5. The San Francisco Planning Code is hereby amended by adding Section
18 307(j), to read as follows:

19 **SEC. 307. OTHER POWERS AND DUTIES OF THE ZONING ADMINISTRATOR.**

20 (j) Conversion from Student Housing to Non-Student Residential Use. If a residential
21 project no longer qualifies as Student Housing as defined in Planning Code Section 102.36, the Zoning
22 Administrator may allow the conversion of the Student Housing to any permitted residential use in the
23 zoning district in which the Student Housing is located upon determination that the converted Student
24 Housing has complied with any applicable Inclusionary Affordable Housing Requirements as outlined
25

1 in Planning Code Section 415.3(c)(5)(C)(iii), and that all other Planning Code requirements applicable
2 to that residential use have been met or modified through appropriate procedures.

3 Section 6. The San Francisco Planning Code is hereby amended by amending
4 Section 312(c), to read as follows:

5 **SEC. 312. PERMIT REVIEW PROCEDURES FOR ALL NC AND EASTERN**
6 **NEIGHBORHOODS MIXED USE DISTRICTS.**

7 (c) Changes of Use. In NC Districts, all building permit applications for a change of
8 use to a bar, as defined in Section 790.22, a liquor store, as defined in Section 790.55, a
9 walkup facility, as defined in Section 790.140, other large institutions, as defined in Section
10 790.50, other small institutions, as defined in Section 790.51, a full-service restaurant, as
11 defined in Section 790.92, a large fast food restaurant, as defined in Section 790.90, a small
12 self-service restaurant, as defined in Section 790.91, a self-service specialty food use, as
13 defined in Section 790.93, a massage establishment, as defined in Section 790.60, an
14 outdoor activity, as defined in Section 790.70, an adult or other entertainment use, as defined
15 in Sections 790.36 and 790.38, ~~or~~ a fringe financial service use, as defined in Section
16 790.111, or Group Housing as defined in Section 790.88(b) shall be subject to the provisions of
17 Subsection 312(d). In all Eastern Neighborhoods Mixed Use Districts all building permit
18 applications for a change of use from any one land use category to another land use category
19 shall be subject to the provisions of Subsection 312(d). In addition, any accessory massage
20 use in the Ocean Avenue Neighborhood Commercial Transit District shall be subject to the
21 provisions of Subsection 312(d).

22 For the purposes of this Subsection, "land use category" shall mean those categories
23 used to organize the individual land uses which appear in the use tables in Article 8,
24 immediately preceding a group of individual land uses, and include the following: residential
25 use, institutional use, retail sales and service use, assembly, recreation and entertainment

1 use, office use, motor vehicle services use, industrial home and business service use, or other
2 use.

3 Section 7. The San Francisco Planning Code is hereby amended by amending Section
4 317, subsections (b)(1) and (f)(1), to read as follows:

5 **SEC. 317. LOSS OF DWELLING UNITS THROUGH MERGER, CONVERSION, AND**
6 **DEMOLITION.**

7 (b)(1) "Conversion of Residential Unit" shall mean the removal of cooking facilities in a
8 Residential Unit or the change of occupancy (as defined and regulated by the Building Code),
9 or the change of use (as defined and regulated by the Planning Code), of any Residential Unit
10 to a non-residential use. The change of occupancy from a dwelling unit, group housing, or SRO to
11 Student Housing is also considered a conversion of a residential unit.

12 (f) Loss of Residential Units Through Conversion.

13 (1) Conversion of Residential Units not otherwise subject to Conditional Use
14 authorization by this Code, shall be prohibited, unless the Planning Commission approves the
15 building permit application at a Mandatory Discretionary Review hearing. The conversion of
16 residential uses to Student Housing is prohibited.

17 Section 8. The San Francisco Planning Code is hereby amended by amending the
18 definitions of "Qualified Student Housing Project" and "Student Housing" in Section 401, to
19 read as follows:

20 **SEC. 401. DEFINITIONS.**

21 "Qualified Student Housing Project" shall mean any Student Housing project that
22 contains housing for Qualified Students and which may also contain housing for persons who
23 are enrolled students but not Qualified Students, created either through new construction or
24 conversion of an existing building or space. A Qualified Student Housing Project may consist of
25 all or part of a building.

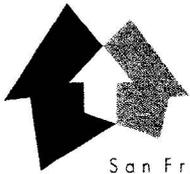
1 "Student ~~h~~Housing." ~~A building where 100 percent of the residential uses are affiliated with~~
2 ~~and operated by an accredited post-secondary educational institution. Typically, student housing is for~~
3 ~~rent, not for sale. This housing shall provide lodging or both meals and lodging, by prearrangement for~~
4 ~~one week or more at a time. This definition only applies in the Eastern Neighborhoods Mixed Use~~
5 ~~Districts. As defined in Planning Code Section 102.36.~~

6 Section 9. Effective Date. This ordinance shall become effective 30 days from the
7 date of passage.

8 Section 10. In enacting this Ordinance, the Board intends to amend only those words,
9 phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams,
10 or any other constituent parts of the Planning Code that are explicitly shown in this legislation
11 as additions, deletions, Board amendment additions, and Board amendment deletions in
12 accordance to the "Note" that appears under the official title of this legislation. This Ordinance
13 shall not be construed to effectuate any unintended amendments. Any additions or deletions
14 not explicitly shown as described above, omissions, or other technical and non-substantive
15 differences between this Ordinance and the Planning Code that are contained in this
16 legislation are purely accidental and shall not effectuate an amendment to the Planning Code.
17 The Board hereby authorizes the City Attorney, in consultation with the Clerk and other
18 affected City departments, to make those necessary adjustments to the published Planning
19 Code, including non-substantive changes such as renumbering or relettering, to ensure that
20 the published version of the Planning Code is consistent with the laws that this Board enacts.

21
22 APPROVED AS TO FORM:
23 DENNIS J. HERRERA, City Attorney

24 By: 
25 ANDREA RUIZ-ESQUIDE
Deputy City Attorney



San Francisco
HOUSING
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March 23, 2011

Mr. John Rahaim, Director
SF Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

**Ref: Student Housing - Trailing Legislation
Proposed Changes to the Planning Code and Building Code**

Dear Director Rahaim:

On behalf of the San Francisco Housing Action Coalition (SFHAC), we are pleased to submit our proposal regarding suggested changes to the Planning Code that could form the basis for a successful ordinance to enhance production of student housing in our City.

As we discussed with your staff and the Planning Commission in December 2010, the ordinance amending the applicability of the Inclusionary Housing Ordinance to student housing was just the first step. All parties understood that trailing legislation would be required to complete the job to further encourage the development of new student housing in San Francisco.

As input to your department for the trailing legislation to the recently adopted student housing legislation, SFHAC offers the following comments and recommendations:

1. Creating a separate land use category called “student housing” is not needed to assure compliance with the inclusionary housing requirements.

In the memo of November 4, 2010 the Planning Department indicated the need to create a definition of student housing be added to the use tables so “the City can better track student housing projects that did not pay Inclusionary housing fees and could ensure that only the “student housing” use portion of the project would be exempted from Inclusionary fees.” That is no longer necessary given the amendments added by the Board of Supervisors requiring more detailed annual reporting requirements and monitoring by the Mayor’s Office of Housing (MOH) and the requirement that “The Qualified Educational Institution must file a statement with the Department if it intends to terminate the Qualified Student



Housing Project at least 60 days before it terminates such uses (“statement of termination”).” (Planning Code Section 415.3(c)(4)).

Creating a separate "student housing" use category is unnecessary and would overlap with existing land use categories under the Planning Code. Off-campus student housing that is owned by or leased to educational institutions would fall under one of the following existing land use categories: Dwellings, Group Housing or SRO units.

It should be noted that the definition of a "Qualified Student Housing Project" for purposes of Planning Code Section 415 relies on already-existing land use categories. The revised section 401(a) defines "Qualified Student Housing Project" as "any housing project that contains housing for Qualified Students and which may also contain housing for persons who are enrolled students but not Qualified Students, created either through new construction or conversion of an existing building or space."

Section 401 (a) defines a "housing project" as "any development which has residential units as defined in the Planning Code, including but not limited to, dwellings, group housing, independent living units and other forms of development which are intended to provide long-term housing to individuals and households." Those types of development make no distinction regarding the student or non-student status of the occupants.

We believe it is important to have student housing built under the rules for existing residential uses rather than as a new use called "student housing." Then, if at some future time the project no longer qualifies as a Qualified Student Housing Project, the future occupancy would not be limited to students. While SFHAC's goal is to encourage new student housing, the reality is that prudent lenders typically will not finance the structure if there is a question as to how the property could be used if the economics of the student market no longer support this use. Given the current political uncertainty regarding future funding of educational institutions and the whole question of student loans, it is possible that at some time in the future an institution may not be able to continue to support a long-term lease with the requisite number of income-qualified students. In that case, the building owner or lender should, by providing the requisite notice to the Planning Department and MOH and, by paying the inclusionary *in lieu* fees or designating the requisite BMR units, as required by Planning Code Section 415.3(c)(4), be able to rent to non-students without having to go through a separate permitting process to convert to a non-student permitted residential use.

2. Are there any changes in the code rules relating to dwellings, group housing or SROs needed to facilitate construction of housing for students?

The districts where we think it will be most likely to get a sufficient number of units appropriate for student occupancy are in districts that have density limits based on building form rather than unit count and no minimum parking requirements. These districts include the DTR, RTO, RTO-M, NCT-3, South of Market and Eastern Neighborhood Mixed Use, C-3, (Note that there is a density limit in the C-3 districts that can be modified with a CU) and North-of-Market SUD districts. Districts outside the higher density districts in the eastern part of the City have density limits and parking requirements that are unlikely to be modified to make it more feasible to build housing for students.

While existing zoning rules for residential uses in these districts are for the most part sufficient where there might be educational institutional interest in building or leasing units for its students, we suggest the following modifications to the Planning Code to encourage the production of student housing:

a. Modifications are needed regarding permitted uses in certain zoning districts

We anticipate that many student housing units will be smaller "efficiency" units with an individual cooking facility and bathroom and will thus fall under the definition of a SRO unit under Planning Code Section 890.88:

"Single Room Occupancy (SRO) Unit. A dwelling unit or group housing room consisting of no more than one occupied room with a maximum gross floor area of 350 square feet and meeting the Housing Code's minimum floor area standards. The unit may have a bathroom in addition to the occupied room. As a dwelling unit, it would have a cooking facility and bathroom. As a group housing room, it would share a kitchen with one or more other single room occupancy unit/s in the same building and may also share a bathroom. A single room occupancy building (or "SRO" building) is one that contains only SRO units and non nonaccessory living space." (*Emphasis added*).

The problem is that SRO units are only permitted in the South-of-Market (Note: SLI is for low-income SRO units only) and the MUG, MUR and MUO Eastern Neighborhood Mixed Use Districts. It would be very advantageous to permit smaller dwelling units in the DTR, RTO, RTO-M, NCT-3, Eastern Neighborhood Mixed Use UMU district, C-3, and North-of-Market SUD districts as well, for the reasons provided above. We recommend that the Planning Code be amended to include SRO units as a principally permitted use in those districts or to create a new use category called "Efficiency Dwelling Unit" or "SRO/Efficiency Dwelling Unit" which would be principally permitted in those districts. If a new use category is created, it should be clear from the definition that an individual cooking facility is permitted in the units.

SRO units have a reduced usable open space requirement under the Planning Code that we think is appropriate for smaller student housing units. Specifically, Section 135 (d)(2) allows group housing and SRO units to have one-third the

amount of usable open space otherwise required for a dwelling unit. Thus, if a new "Efficiency Dwelling Unit" use category is created, Section 135(d)(2) will need to be amended so that the reduced open space requirement for smaller units also applies to those units.

b. Modifications are needed in the unit mix requirement for the RTO, NCT, and Eastern Neighborhoods Mixed Use Districts

Planning Code Sec. 207.6 provides in part:

"(a) Purpose. In order to foster flexible and creative infill development while maintaining the character of the district, dwelling unit density is not controlled by lot area in RTO, NCT, and Eastern Neighborhoods Mixed Use Districts but rather by the physical constraints of this Code (such as height, bulk, setbacks, open space, and dwelling unit exposure). However, to ensure an adequate supply of family-sized units in existing and new housing stock, new residential construction must include a minimum percentage of units of at least 2 bedrooms.

(b) Applicability.

(1) This section shall apply in RTO, NCT, DTR and Eastern Neighborhood Mixed Use Districts

(2) This Section shall apply to all applications for building permits and/or Planning Commission entitlements that propose the creation of five or more dwelling units.

(3) This Section does not apply to buildings for which 100 percent of the residential uses are: group housing, dwelling units which are provided at below market rates pursuant to Section 326.3(h)(2)(B) of this Code, Single Room Occupancy Units, student housing (as defined in Sec. 315.1.38), or housing specifically and permanently designated for seniors or persons with physical disabilities."

The following sentence should be added at the end of (3): "This Section also does not apply to units in a Qualified Student Housing Project as defined in Section 401 and regulated in Section 415.3, which may be all or a portion of the units in a residential development." Including this provision is important in order to encourage the production of all types of student housing, including one-bedroom units that are more than 350 square feet and thus would not qualify as an SRO. This sentence is also important in order to make it feasible to lease some, but not all of the floors in a larger structure as student housing, and might be a desirable option when building or financing it.

Further, for the reasons provided below, the words "student housing (as defined in 315.1(38))" should be stricken in Section (3).

c. The Student Housing use category in the Eastern Neighborhood Mixed Use Districts should be eliminated.

In the Eastern Neighborhood Mixed Use Districts “student housing” is a separate use category and is permitted only as a conditional use. The development of new student housing should be encouraged and requiring conditional use authorization will likely discourage such development in the Eastern Neighborhoods Mixed Use Districts. We understand that conditional use authorization was likely required as a result of concern about the expansion of the Academy of Art University (AAU). However slowly, AAU is developing an institutional master plan and bringing its properties into code compliance. Therefore, it would be desirable to create a means for AAU and other universities to meet the need for housing its students in new construction rather than using the City’s existing housing stock. Dwelling Units, Group Housing and SROs are all principally permitted uses in the Eastern Neighborhoods Mixed Use Districts (with the exception of SRO units in the UMU district) and, for the reasons noted above, we think it is important that student housing be built under those existing residential use categories. Thus, we recommend that there should not be a separate “student housing” use category and that the Planning Code be amended accordingly.

3. Conversion of existing non-residential buildings to student housing should be permitted without the need for a conditional use permit.

First, restricting such conversions would require a separate “student housing” use category that we object to for the reasons provided above. Second, existing residential uses are already protected under the Planning Code. In order to qualify for an exemption from the Inclusionary Housing requirements, a student housing project cannot convert an existing residential building to student housing (see Planning Code Section 415.3(c)(4)). Since a purpose of the student housing legislation is to reduce the number of students occupying San Francisco’s existing rental housing stock, it is logical to limit the conversion of existing housing. That rationale does not apply to our existing non-residential building stock.

4. In the C-3-G and C-3-S Use Districts, “Qualified Student Housing” should be eligible for higher FAR with Planning Commission approval as currently is permitted for units at 150 percent of median income.

Under Planning Code Section 124(f), by obtaining a conditional use permit in the C-3-G and C-3-S districts, additional square footage can be permitted above the base FAR allowance up to the maximum of 50 percent more “for construction of dwellings as affordable to households for 20 years for households whose incomes are within 150 percent of the median income.”

This additional FAR allowance should be extended to Qualified Student Housing Projects, as defined in Section 401 and regulated in Section 415.3, in order to encourage the production of affordable student housing. This increased FAR allowance via conditional use authorization could be particularly important in a mixed-use development scenario where most, or all, of the maximum base FAR is used for market rate residential or other uses.

Again, a "Qualified Student Housing Project" is defined under Section 401 as "any housing project that contains housing for Qualified Students and which may also contain housing for persons who are enrolled students but not Qualified Students, created either through new construction or conversion of an existing building or space." A "Qualified Student" is defined as "a student who receives or is eligible to receive need-based financial aid, including but not limited to, Pell Grants, Perkins Loans, Stafford Subsidized Loans or other grants or loans and is currently enrolled at a Qualified Educational Institute." A Qualified Student Housing Project must either be owned by the educational institution or controlled by the institution through a long-term master lease for a period of at least 20 years. In addition, Qualified Students must occupy at least 30 percent of its beds.

5. *The Building Code should be amended to permit smaller "efficiency" units as authorized by the State Health and Safety Code.*

Section 1208.4 of the California Building Code provides as follows:

"1208.4 Efficiency dwelling units. [HCD-1] Unless modified by local ordinance pursuant to Health and Safety Code Section 17958.1, efficiency dwelling units shall comply with the following:

1. The units shall have a living room of not less than 220 square feet . . . of floor area. An additional 110 square feet . . . of floor area shall be provided for each occupant of such unit in excess of two.
2. The unit shall be provided with a separate closet.
3. The unit shall be provided with a kitchen sink, cooking appliance and refrigeration facilities, each having a clear working space of not less than 30 inches . . . in front. Light and ventilation conforming to this code shall be provided.
4. The unit shall be provided with a separate bathroom containing a water closet, lavatory and bathtub or shower.

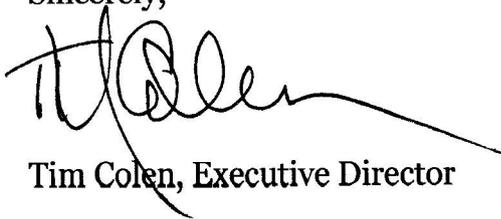
[HCD-1] For additional information see Health and Safety Code Section 17958.1."

Section 17958.1 of the Health and Safety Code provides that "a city or county may, by ordinance, permit efficiency units for occupancy of no more than two persons which have a minimum floor area of 150 square feet and which may also have partial kitchen or bathroom facilities, as specified by ordinance." In all other respects, these efficiency units shall conform to the minimum standards otherwise applicable to it.

Therefore, as companion legislation to the proposed Planning Code amendments, SFHAC proposes to seek enactment of a local ordinance allowing the minimum area permitted by Section 17958.1 of the Health and Safety Code. This would permit building smaller efficiency units that would be ideal for student housing, while also providing an additional option for less expensive housing for the general population. Our initial conversations with officials at the Department of Building Inspection have suggested that they would not object to these changes.

We are keenly interested in learning your department's views on this proposal and look forward to sitting down for a discussion on how to provide the clarity and incentives to make production of student housing a reality.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Colen', with a long horizontal flourish extending to the right.

Tim Colen, Executive Director

Cc: David Chiu, President of the Board of Supervisors
Christina Olague, President of the Planning Commission
Douglas Shoemaker, Director, MOH
Vivian Day, Director, DBI
Scott Sanchez, Zoning Administrator



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June 10, 2011

Mr. John Rahaim, Director
SF Planning Department
1650 Mission Street 4th Floor
San Francisco, CA 94103

Ref: Proposed Trailing Legislation for Student Housing

Dear Director Rahaim:

On behalf of the San Francisco Housing Action Coalition (SFHAC), I am pleased to present our proposal for possible trailing legislation to the student housing ordinance that the City adopted last December. The proposal below also follows upon meetings that SFHAC's student housing working group recently had with senior members of your staff.

We are excited about this proposal because we believe it contains ideas and solutions that will create a climate in which San Francisco can begin to deliver a badly needed new housing product.

RECOMMENDATION No. 1.

ADOPT A RESIDENTIAL USE CATEGORY CALLED "STUDENT HOUSING." IF A UNIT NO LONGER QUALIFIES AS STUDENT HOUSING ALLOW ITS CONVERSION ONLY UPON APPROVAL BY THE ZONING ADMINISTRATOR.

This recommendation might be implemented as follows:

a. Definition. (This should go in Sec 401 and in Articles 2, 7 and 8, replacing the current Section 401 definition that only applies in the Eastern Neighborhood Districts and is highly restrictive)

"Student housing." Student Housing is a living space in the form of any residential use, such as a dwelling, group housing, or SRO unit, that is permitted in the use district in which it is located and is subject to the Planning Code requirements for that type of residential use in the use district in which it is located and that is owned by a post-secondary educational institution or leased for a period of 20 years or more or controlled through another legal arrangement providing comparable control as determined by the Zoning



Administrator. A residential unit that is rented to or otherwise occupied by a student or students but is not so owned, leased or controlled by a post-secondary educational institution is not student housing, as defined herein.

b. Conversion. Add a new subsection (i) to Sec 307

Sec 307 . . . the Zoning Administrator shall have the following powers and duties in administration and enforcement of this Code).

(i) Approval of Conversion of Student Housing Units

If a Student Housing unit is no longer owned, leased by or otherwise controlled by a post-secondary educational institution and no longer qualifies as Student Housing, as defined in Section xxx, the Zoning Administrator shall allow the conversion of the student housing unit to any other residential use permitted in the use district in which the student housing is located upon a determination that, if applicable, the student housing unit has satisfied an alternative for compliance with the Inclusionary Affordable Housing Ordinance and that all other Planning Code requirements applicable to the other residential use have been met or modified through appropriate procedures. In the case of conversion of a student housing unit that qualified for a lesser open space requirement because of its small size, as allowed on Sec. 135 (Note: see Recommendation 5 below), to use as a dwelling unit of the same size, the lesser amount of open space shall be permitted for the converted dwelling unit.

RECOMMENDATION No. 2.

ALLOW THE OWNERSHIP OF THE QUALIFIED STUDENT HOUSING TO RESIDE IN AN ENTITY "CONTROLLED BY" A QUALIFIED EDUCATIONAL INSTITUTION

There may be situations where there are legal impediments to direct ownership of the student housing but where the educational institution will have effective legal control over the entity owning the housing. The Zoning Administrator, with the advice of the City Attorney, should have the authority to approve such an arrangement if it is determined that effective control, will in fact, exist.

This recommendation could be implemented by adding the highlighted language to the definition of Student Housing proposed in Recommendation No. 1, in the definition of Qualified Student Housing in Section 401 (parallel changes should be made) and in the requirement for Qualified Educational Institution annually to establish control set forth in Section 415.3(c)(5)(C)(i):

“Evidence that the Qualified Educational Institution continues to own or otherwise control the Qualified Student Housing Project **through another legal arrangement providing comparable control** or under a master lease, including a certificate from the owner of the real property and the Qualified Educational Institution attaching a true and complete copy of the master lease (financial information may be redacted) **or document(s) showing effective control of the Qualified Student Housing Project** and certifying that the lease **or document(s) showing effective control** has not otherwise been amended or terminated.”

RECOMMENDATION No. 3.

CLARIFY THAT NOT ALL OF THE UNITS IN A BUILDING ARE REQUIRED TO BE OWNED OR LEASED FOR QUALIFIED STUDENT HOUSING.

This recommendation could be implemented by adding the following highlighted sentence to the definition of Qualified Student Housing Project in Section 401.

“Qualified Student Housing Project” for the purposes of Section 415 shall mean any housing project that contains housing for Qualified Students and which may also contain housing for persons who are enrolled students but not Qualified Students, created either through new construction or conversion of an existing **non-residential** building or space. **A Qualified Student Housing Project may consist of all or a portion of the housing located in the building.**

RECOMMENDATION No. 4.

ADD AN EXEMPTION TO THE UNIT MIX REQUIREMENT IN SEC 207.6 TO FACILITATE LEASING OF A PORTION OF THE UNITS IN A BUILDING FOR A STUDENT HOUSING PROJECT

This recommendation could be implemented by adding the following Section at the end of Sec 207.6(b)(3)

This section also does not apply to Student Housing as defined in Section xxx.

RECOMMENDATION No. 5.

ENCOURAGE SMALLER UNITS SUITABLE FOR STUDENT OCCUPANCY BY REDUCING THE PER-UNIT OPEN SPACE REQUIREMENT FOR SMALL STUDENT HOUSING UNITS

This recommendation might be implemented by adopting the following highlighted language in Sections 135(d)(1) and (2):

Sec. 135. - Usable open space for dwelling units and group housing in R, NC, Mixed Use, C and M Districts.

(1) For dwellings other than SRO dwellings **and small dwellings not exceeding 350 square feet plus bathroom that are Student Housing as defined in Section xxx**, except as provided in Paragraph (d)(3) below, the minimum amount of usable open space to be provided for use by each dwelling unit shall be as specified in the second column of Table 135A, if such usable open space is all private. Where common usable open space is used to satisfy all or part of the requirement for a dwelling unit, such common usable open space shall be provided in an amount equal to 1.33 square feet for each one square foot of private usable open space specified in the second column of Table 135A. In such cases, the balance of the required usable open space may be provided as private usable open space, with full credit for each square foot of private usable open space so provided.

(2) For group housing structures, **and SRO units, and small dwellings not exceeding 350 square feet plus bathroom that are Student Housing as defined in Section xxx**, the minimum amount of usable open space provided for use by each bedroom shall be one-third the amount required for a dwelling unit as specified in Paragraph (d)(1) above. For purposes of these calculations, the number of bedrooms on a lot shall in no case be considered to be less than one bedroom for each two beds. Where the actual number of beds exceeds an average of two beds for each bedroom, each two beds shall be considered equivalent to one bedroom.

Districts of the City where there are low or no density limits would be desirable locations for smaller dwelling units appropriate for student occupancy, but the amount of required open space per unit is a disincentive to building them. We believe the lower open space requirements afforded to group housing and SRO units should be allowed for these units. While the small student housing dwelling type described above also meets the definition of an SRO, (and there is nothing to prevent student occupancy of SROs), SRO units are limited to the South of Market and Eastern Neighborhood districts and extending their allowance to other districts would be cumbersome and controversial.

RECOMMENDATION No. 6.

EXTEND THE EXISTING ALLOWANCE IN THE C-3-G AND C-3-S DISTRICTS OF ADDITIONAL FLOOR AREA FOR OCCUPANCY BY HOUSEHOLDS WITH INCOMES WITHIN 150 PERCENT OF THE AREA MEDIAN INCOME TO OCCUPANCY BY QUALIFIED STUDENTS RECEIVING NEED-BASED FINANCIAL AID.

This recommendation might be implemented by adding the highlighted language below to Planning Code section 124 (f):

For buildings in C-3-G and C-3-S Districts other than those designated as Significant or Contributory pursuant to Article 11 of this Code, additional square footage above that permitted by the base floor area ratio limits set forth above may be approved for construction of dwellings on the site of the building affordable for 20 years to households whose incomes are within 150 percent of the area median income as defined herein, ***or for construction of Qualified Student Housing as defined in Section 401 and regulated by Section 415.3(c)(5)*** in accordance with the conditional use procedures and criteria as provided in Section 303 of this Code

Eligibility of the student occupancy would presumably be monitored by MOH in the same manner as that of the 150 percent of median income units in the C-3 Districts (Note: We understand there are two projects that have been approved but not yet built). This monitoring will, in turn, likely be the same as MOH now conducts for on-site inclusionary units. Qualified Student Housing Projects will also be monitored by MOH under Planning Code Section 415.3(c)(5)(C).

RECOMMENDATION No. 7.

TO FACILITATE THE CONSTRUCTION OF STUDENT HOUSING, ELIMINATE THE CONDITIONAL USE REQUIREMENT FOR STUDENT HOUSING IN THE EASTERN NEIGHBORHOOD DISTRICTS AND, IF RECOMMENDATION No. 6 IS ADOPTED, IN THE C-3-G AND C-3-S DISTRICTS

RECOMMENDATION No. 8.

SUPPORT AMENDING THE CALIFORNIA BUILDING CODE REQUIREMENT REGARDING UNIT SIZE TO ALLOW SMALLER UNITS SUITABLE FOR STUDENT OCCUPANCY.

Section 17958 of the State Health and Safety Code allows a city or county to amend Section 1208.4 the California Building Code requirement to reduce by ordinance the minimum floor area of a living room (which may also be used for sleeping) from 220 square feet to 150 square feet. In addition, the unit would also have a separate bathroom and closet and a kitchen sink, cooking appliance and refrigerator, which would not count against the minimum. For instance, the minimum in the San Francisco Housing Code (which is superseded by the State Building Code) is currently 144 square feet.

We believe that the recommendations above form a useful basis to move this important policy question forward. I trust you will let me know when your team is ready to discuss this proposal as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Colen', with a long horizontal flourish extending to the right.

Tim Colen, Executive Director

Cc: AnMarie Rodgers, Planning Department
Sophie Hayward, Planning Department