



Downtown Adaptive Reuse Program

San Francisco's Commercial to Residential Adaptive Reuse Program was established in 2023 to make it easier and faster to convert underutilized commercial buildings to housing.

The program waives Planning Code requirements, clarifies Building Code requirements and streamlines the permitting and approval process for eligible projects. These changes provide project sponsors greater clarity about City requirements and will result in substantial time savings for adaptive reuse projects. To support the feasibility of these projects the City has also passed legislation to waive or reduce fees and taxes that are known to affect the financial feasibility of adaptive reuse projects.

Adaptive reuse is a revitalization strategy to create a vibrant, mixed-use 24/7 Downtown. Cities across the country including Chicago, Los Angeles, Washington

DC and Philadelphia have been embracing adaptive reuse to revitalize their downtowns. These projects can help to address the City's office vacancy and provide much needed housing.

Downtown San Francisco has tremendous physical assets that make it well suited for housing. These assets include an older building stock with smaller floor plates and large windows that bring in air and light, unsurpassed transit access, commercial buildings looking for new tenants and uses, opportunities for creative activation of numerous plazas, alleys and other unique spaces, the spectacular San Francisco Bay waterfront and numerous arts, culture and entertainment uses in proximity.

This brochure is meant to assist those interested in adaptive reuse projects in San Francisco, including developers, designers, and brokers seeking to better understand the policies and incentives currently in place.



New Tools and Incentives

The City of San Francisco has removed barriers to adaptive reuse projects by making regulatory changes to the Planning Code, providing greater certainty related to the Building Code, and offering financial incentives.

Planning Code Changes

- » **Downtown Commercial to Residential Adaptive Reuse Program** (Planning Code Section 210.5) passed in July 2023, waives Planning Code requirements and streamlines the permitting process. Projects can also add 33% additional volume and apply Planning Code waivers to that expansion.
- » **New state laws including SB423 and AB2011** provide for ministerial streamlined approvals for code compliant projects, including adaptive reuse projects.



Building Code Provisions

- » **Commercial-to-Residential Adaptive Reuse Information Sheet (No. G-29)** published in September 2024 clarifies Building and Fire Code requirements and alternative methods of compliance for adaptive reuse projects.



Reducing Financial Barriers

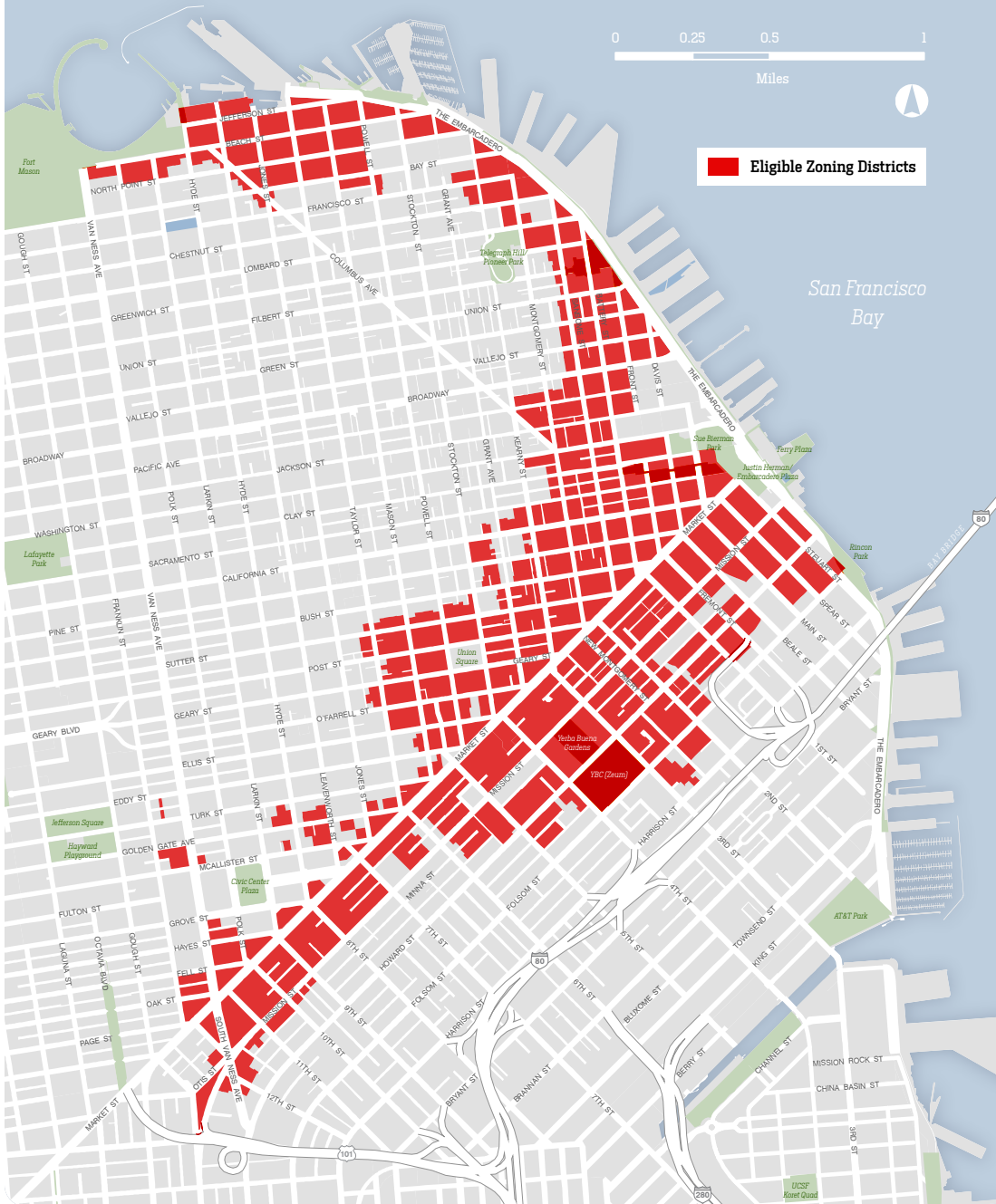
- » **Housing Fee Reform Plan** passed September 2023 significantly lowers inclusionary housing requirements and reduces development impact fees by one-third for new and pipeline housing developments through 2026 citywide. Fee reform also permanently allows developers to defer 80% of their impact fees until just prior to occupancy of building. Applies citywide.
- » **Transfer Tax Waiver (Proposition C)** passed in March 2024 waives the real estate transfer tax on up to 5 million square feet of eligible commercial-to-housing conversion projects throughout the City.
- » **Special Financing District (AB 2488, Ting)** effective January 1, 2025 allows San Francisco to establish a special financing district for commercial-to-housing conversion projects downtown that would reinvest incremental property tax revenue to offset a significant share of development costs for these projects. Local legislation to establish this new program will be developed in 2025.
- » **Inclusionary housing and impact fee waivers** (Proposed; Board File 240927). Proposed ordinance would waive impact fees and inclusionary housing requirements for eligible adaptive reuse projects located in the area covered by the Commercial to Residential Adaptive Reuse Program, and extend the program indefinitely. The legislation will be before decision makers in Fall 2024.



Commercial to Residential Adaptive Reuse Program

Eligibility

- 1 Change the use of any existing Gross Floor Area from a non-residential use, excluding a hotel use, to a residential use
- 2 Located in C-3 zoning district or C-2 zoning district that is east of or fronting Franklin Street/13th Street and north of Townsend Street (see map below)
- 3 Not seek approval under Section 206.5 or 206.6. (State Density Bonus)
- 4 Submit a Planning application by December 31, 2028* (would be extended indefinitely pursuant to BF 240927)



Planning Code Waivers

The Planning Code outlines specific code sections that are waived for applicable adaptive reuse projects. This includes:

- » Bike parking ([Sec 155.1](#))
- » Dwelling unit exposure ([Sec 140](#))
- » Dwelling unit mix ([Sec 207.7](#))
- » Live-work and intermediate length occupancy uses would be permitted
- » Lot coverage ([Sec 134](#))
- » Off-street loading ([Sec. 152 and 152.1](#))
- » Open space ([Sec 135](#))
- » Planning Commission hearing ([Sec 309](#))
- » POPOS required ([Sec 210.5](#))
- » Protected pedestrian, cycling, and transit-oriented street frontages ([Sec. 155 \(r\)](#))
- » Streetscape and pedestrian improvements ([Sec 138.1](#))
- » Transportation Demand Management (TDM) requirements ([Sec 169](#))

Building Code Provisions, Exceptions, and Potential Equivalencies

The Building Department has outlined pertinent code provisions and possible code exceptions to facilitate adaptive reuse projects. This includes:

- » Accessibility
- » Building Envelope
- » Elevators
- » Exterior walls and openings protection
- » High-rise buildings
- » Lighting
- » Low-rise buildings
- » Means of egress
- » Minimum unit size
- » Qualified historic buildings
- » Seismic
- » S.F. Green Building Code
- » Ventilation

Benefits of Adaptive Reuse

Adaptive reuse projects have many positive impacts on their surrounding environment and can play a significant role in the revitalization of downtown.



Add New Housing

Converting office buildings into housing provides much-needed housing in a walkable neighborhood well served by transportation.



Preserve Historic Architecture

Adaptive reuse can preserve historic buildings by repurposing underutilized buildings with new uses and attracting new investment to these structures.



Boost Neighborhood Activity

Adding housing will contribute to a vibrant 24/7 neighborhood and bring more people to support small businesses, as well as arts, cultural and entertainment uses.



Improve Environmental Sustainability

Repurposing existing buildings makes optimal use of existing materials, can improve environmental performance through updated building systems, and can enhance seismic resilience and safety through building upgrades.

Resources

- » **Commercial-to-Residential Adaptive Reuse Information Sheet (2024), Department of Building Inspection.**
Lists the Building Code provisions and possible code exceptions for adaptive reuse projects in the downtown area. An overview of Information Sheet G-29 is available at [here](#).
- » **Downtown Adaptive Reuse Program, San Francisco Planning Department.**
Website which includes Planning Code waivers available to eligible adaptive reuse projects, and provides background and links for related state and local policies.
- » **From Workspace to Homebase (2023), SPUR.**
Overview and analysis of adaptive reuse projects, including building suitability analysis, financial feasibility analysis and recommendations.

Contact

The Planning Department can help to facilitate an interagency meeting with relevant agencies to discuss a proposed adaptive reuse project, review applicable rules and incentives, and answer any questions. Please reach out to **CPC.AdaptiveReuse@sfgov.org**

Learn more:

<https://sfplanning.org/project/downtown-adaptive-reuse-program>