



Executive Directive 18-01

Accelerate the Approval of Accessory Dwelling Units and Clear the Application Backlog

August 30, 2018

For too long, we have not produced enough housing in San Francisco, and today, we are living with the consequences. San Francisco is one of the least affordable cities in the world and our housing costs are amongst the highest. We must face this housing affordability crisis head-on, and look for creative solutions to produce more housing for all our residents at all income levels. I have committed to delivering 5,000 units of new and rehabilitated housing each year, and we need to push to make sure as many of these units are affordable to low, moderate, and middle income San Franciscans.

Accessory Dwelling Units (ADUs) are a critically important part of the city's housing system. They provide new housing units in a smart and minimally impactful way by repurposing underutilized storage or parking spaces within existing buildings to create new homes for residents of all income levels. ADUs are also a mechanism to provide new housing opportunities without public subsidy.

ADUs provide homes that are cheaper and faster to build than conventional construction, and when these units are added within buildings currently subject to rent control, the new ADUs also become rent-controlled. The ADU program is the only way we are adding new rent controlled units to our housing stock in San Francisco.

However, code requirements, designed for new construction, often make adding an ADU to an existing building very complicated and unnecessarily costly. This complication translates into long bureaucratic review periods, creating a significant backlog in permit applications, as well as discouraging applicants from coming forward to create new housing. We must allow greater flexibility and predictability to these reviews, and we must ensure that these units are safe.

Since 2014, there have been a series of efforts aimed at modernizing the review of ADUs, all with the goal of encouraging more of these units to be built without sacrificing safety or livability concerns. However, City departments have not always set clear and consistent standards on what is needed to harmonize the challenge of adding new housing to existing buildings, and have instead preferred to handle these complex applications on a case-by-case basis. The result has been an unnecessarily long review period, inconsistency in direction to project applicants, and a significant backlog of ADU permits.

As of the date of this directive, permits for 377 new ADU units have been issued by the City and 68 have been built. Of these, 346 of the permitted units will be rent controlled. Today, there are 64 new rent controlled units in our rental housing stock as a result of the ADU program. While

these are encouraging numbers, the City's current review backlog is nearly three times as long. Today, there are 900 new proposed ADU units, the vast majority of which, if approved, would be rent controlled, that are stuck in some phase of review.

While this Directive applies to City staff, we continue to rely on a partnership with property owners to deliver on the development of ADUs. In order for this directive to truly work, property owners and their representatives must create expedited schedules for ADU approvals and must respond to departmental staff in a timely manner. Only in partnership can we build ADUs faster, providing more housing opportunities for our residents.

Structure of this Executive Directive:

This Directive provides instruction in three areas:

- 1) Establish timelines for clearing of the ADU permit application backlog and for the review of new ADU permit applications.
- 2) Direct departments to issue and keep current an Information Sheet that will provide project applicants with clear, predictable, and reasonable code guidance on how to add ADUs within existing buildings, given common single-exit situations.
- 3) Further implement process improvements to expedite the review of ADU applications and develop regular cross-Departmental reporting on the production of ADUs.

Directives:

Through this Executive Directive, I hereby direct that:

1. The following expedited review timelines shall apply to ADU applications:
 - a. All complete applications submitted prior to this Directive shall be acted upon within 6 months
 - b. All new complete applications shall be acted upon within 4 months

The above timeframes apply to the total review period across departments, including the Planning Department, Department of Building Inspection, Fire Department, San Francisco Public Utilities Commission, and Department of Public Works.

Unresponsive applicants may not be eligible for expedited review. Removal from expedited review may come after a written notice from departmental review staff and with the approval of the department director or his or her designee.

2. The Department of Building Inspection and the Fire Department shall develop an Information Sheet providing guidance to applicants to ensure project consistency with code requirements and to minimize case-by-case review. This Information Sheet shall



apply to the most common building condition: adding an ADU to an existing building with only one exit to the street. This Information Sheet shall be kept updated, and edits, geared toward further facilitating the approval of permit applications, shall be made on an ongoing basis, but no less than once per year.

3. City departments shall institute the following process and reporting improvements:
 - a. Implement parallel processing and review in order to maximize efficiency of application review
 - b. Offer early inter-departmental pre-application meetings for potential applicants, and provide documented advice to applicants to facilitate the development of their permit application
 - c. Create ADU-focused staffing teams to develop expertise and provide consistent advice to applicants. These teams shall be centrally co-located and apply to the Planning Department, Department of Building Inspection, and the Fire Department
 - d. Establish an ADU-focused public information desk for potential applicants to ask questions prior to submission of permit applications
 - e. The Department of Building Inspection, in coordination with the Planning Department, shall produce a bi-weekly report containing, at minimum, the following cumulative information:
 - Total number of ADU units applied for
 - Total application backlog, as well as wait time for each application
 - Total number of ADU units approved
 - Total number of ADU units built
 - Total number of ADU units approved and built subject to rent control

This Executive Directive will take effect immediately and will remain in place until rescinded by future written communication.

A handwritten signature in blue ink that reads "London Breed".

London N. Breed
Mayor, City & County of San Francisco