

This Bulletin is an overview of the Senate Bill 9, which allows duplexes and lot splits for certain parcels in single family (RH-1) zoning districts.

PLANNING DIRECTOR

BULLETIN NO. 8

STREAMLINED HOUSING DEVELOPMENT (SENATEBILL9)

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References:

Government Code Sections 66411.7 Government Code Section 66452.6 Government Code Section 65852.21 (Senate Bill 9)

INTRODUCTION:

In response to California's housing crisis, the State Legislature has introduced numerous bills to fund, incentivize, and legalize new housing. On September 16, 2021, Governor Newsom signed into law Senate Bill 9, which allows duplexes and lot splits for certain parcels in single family (RH-1) zoning districts. The bill goes into effect January 1, 2022.

SENATE BILL 9 (CA GOVERNMENT CODE SECTIONS 66411.7. 66452.6, AND 65862.21)

Overview

Senate Bill 9 (Atkins)¹ requires ministerial approval of a housing development of two units in a single-family zone (in San Francisco, RH-1, RH-1 (D), RH-1 (S)), the subdivision of an RH-1 parcel into two parcels, or both.

A ministerial decision involves only the use of fixed standards or objective measurements, and government agencies cannot use personal, subjective judgment in deciding whether or how the project should be carried out. Notably, ministerial approvals do not require review under CEQA, or require conditional use approvals that are based on subjective factors under the Planning Code.

Eligibility Criteria for all SB-9 Projects

To be eligible for SB-9 ministerial approval, a housing development project must meet the following requirements:

- Zoning. The parcel must be located in an RH-1, RH-1(D), or RH-1(S) zoning district. To determine the parcel's zoning, consult the <u>Planning Information Map</u>.
- **Pre-application Occupancy.** The parcel must be owner-occupied or vacant for three (3) years prior to the application. A project is ineligible if the proposal includes the demolition or alteration of a housing unit occupied by tenants in the three (3) years prior to an application. Applicants will be required to provide proof of occupancy for three years prior to application, as described in the SB-9 project application forms.
- Rental Pricing Controls. Parcels are ineligible if they include existing units subject to local rent control regulations. The following are typically not subject to rental pricing controls: single family homes, condominiums, ADUs permitted under the State program, and units built after 1979. Applicants will be required to provide unit count and building construction date of any existing buildings to determine eligibility.

¹ The legislative history and full text of the bill is available at https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB9

- **Ellis Act evictions.** Parcels are ineligible if they include a unit where the Ellis Act has been used in the fifteen (15) years prior to an SB-9 project application. To determine if a unit on the parcel has been subject to an Ellis Act eviction, consult with the <u>San Francisco Rent Board</u>.
- **Historic Resources.** Parcels are ineligible for SB-9 if located within a historic or landmark district under State law or if designated or listed as a landmark or historic property or district under local law (Planning Code Article 10 or 11). To determine if the parcel is designated or listed as a landmark or historic property or located in a district under local law, consult the <u>Planning Information Map</u>.
- **Prohibition of Short-Term Rentals.** SB-9 requires that the rental of any unit created under an SB-9 project be for a term longer than 30 days.

Additional Eligibility Criteria for SB-9 Lot Split Projects

- Original Parcel Size. Only parcels 2,400 square feet and larger are eligible for a ministerial lot split.
- Resulting Parcel Size. An SB-9 lot split cannot result in a parcel more than 60% or less than 40% of size of the original lot, and both newly created parcels must be at least 1,200 square feet.
- **Prior Lot Splits.** Any parcel established through the prior exercise of an urban lot split under SB-9 is not eligible. You may not use SB-9 to subdivide a parcel twice.
- Adjacent Lot Splits. Parcels where either the owner of the parcel, or any person acting in concert with
 the owner, has previously subdivided an adjacent parcel using an urban lot split under SB-9 are also not
 eligible.
- **Post-Project Owner Occupancy.** SB-9 lot split projects require the applicant sign an affidavit stating that the applicant intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approved lot split. This requirement does not apply if the applicant is a community land trust or a qualified nonprofit corporation.
- Lot Split Easements. Projects that include a lot split may require easements for utility connections and physical access, depending on the lot split configuration. Easements must meet all applicable fire and building safety code requirements.

SB-9 Projects in San Francisco

SB-9 contains development standards and requirements that allow for a ministerial approval process and application of certain Planning Code regulations.

A City agency may only deny an application for a housing development under SB-9 if, based on a preponderance of the evidence, the agency finds that the housing development project would have a specific, adverse impact upon health and safety or the physical environment and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.

Demolition. Since SB-9 projects are processed ministerially, conditional use authorization for demolition under Planning Code Section 317 will not be required. The permit for the new units must be approved at the same time as the demolition permit for any existing structures on the property.

Noticing Requirements. Since SB-9 projects are processed ministerially, Neighborhood Notification under Planning Code Section 311 will not be required. The Department will not accept any requests for Discretionary Review for SB-9 projects.

CEQA Review. Since SB-9 projects are processed ministerially, they are not subject to review under the California Environmental Quality Act (CEQA).

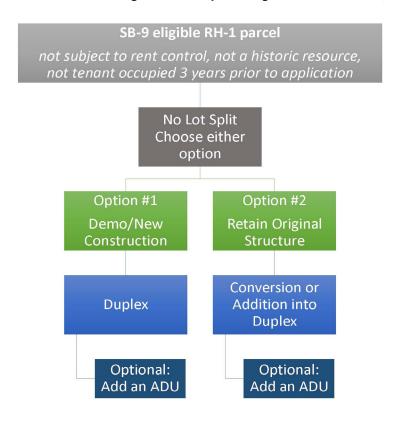
Objective Standards. SB-9 projects must comply with all objective requirements including zoning, subdivision, and design review standards that do not conflict with SB-9. The City cannot impose objective standards that would physically prevent the construction of up to two units or that would physically prevent either of the two units from being at least 800 square feet in floor area. In most cases, the allowable building envelope in a new structure should be able to accommodate two units of 800 square feet and meet objective Planning Code requirements including rear yard, open space, front setbacks, side setbacks, and exposure. SB-9 allows the City to require a setback of up to four feet from the side and rear lot lines. The San Francisco's Residential Design Guidelines that are not objective and will not be applied in the review of SB-9 projects.

Accessory Dwelling Units (ADUs). ADUs allowed by State Law may be included in SB-9 projects, depending on the project scope and design and the proposed ADU type. More information on ADU programs is available at https://sfplanning.org/accessory-dwelling-units.

Non-Conforming Conditions. SB-9 prohibits the correction of nonconforming zoning conditions as a condition for ministerial approval of a lot split.

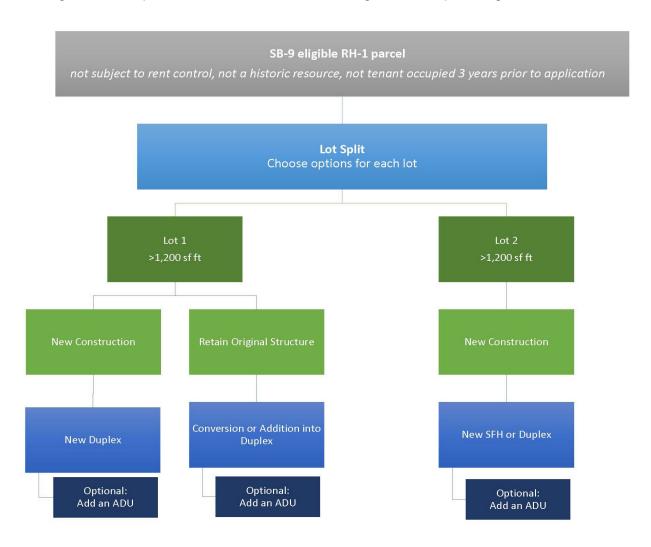
SB-9 Development Scenarios

Scenario 1: SB-9 Parcel Development Scenarios for Projects that do not use the Lot Split Provision Without the lot split provisions, an SB-9 project could either demolish an existing single-family house and construct a new duplex, or convert the existing single-family structure into a duplex. This type of project does not require owner occupancy after project application (unlike those also pursuing a lot split). Neither unit would be subject to rent control, and the units could be sold as condominiums at project completion. Parcels of any size are eligible for SB-9 development without a lot split, and although there are no minimum or maximum unit sizes required by SB-9, the City must allow each unit to be at least 800 square feet. The Accessory Dwelling Units that may be added in this scenario are State Program Accessory Dwelling Units.



Scenario 2: SB-9 Parcel Development Scenarios for Projects that also use the Lot Split Provision

The second path for SB-9 development is to split a single-family lot into two lots. Both lots must be at least 1,200 square feet. Neither lot can be more than 60% of the size of the original lot. This type of project requires an affidavit from the applicant that they intend to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approved lot split, unless the applicant is a community land trust or a qualified nonprofit corporation. None of the primary units created on a parcel that was split under SB-9 would be subject to rent control, and the units could be sold independently at project completion. The Accessory Dwelling Units that may be added in this scenario are State Program Accessory Dwelling Units.



Please refer to the Streamlined Housing Development (Senate Bill 9) Application for submittal requirements.

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