

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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July 1, 2026

Joshua Switzky, Deputy Director
Citywide Planning Division
City of Francisco
49 South Van Ness Avenue, Suite 1400
San Francisco, CA 94103

Dear Joshua Switzky:

RE: City of San Francisco – Enacted Senate Bill 79 Ordinance – Review Letter

Thank you for submitting the City of San Francisco's (City) adopted and enacted Ordinance 082-26 (Ordinance) adding Section 207.11 within Article 2 of the City's Planning Code and the supporting documents to adopt a transit-oriented development (TOD) alternative plan (Plan) to implement Senate Bill (SB) 79.

The California Department of Housing and Community Development (HCD) finds the City's Ordinance and Plan address the statutory requirements for a TOD alternative plan under Government Code section 65912.161, subdivision (a); industrial employment hubs under Government Code section 65912.160, subdivision (e)(2); and the capacity and low-resource area requirements under Government Code section 65912.161, subdivision (b). Therefore, subject to the condition of approval stated herein, the Ordinance and Plan substantially comply with SB 79 (Government Code Chapter 4.1.5) as of the date of this letter.

Analysis

According to Ordinance 082-26 and the included documents submitted by the City (detailed in Attachment A, Table 1 below), the Ordinance and Plan satisfy the statutory criteria required to:

1. Exempt sites within industrial employment hubs from the provisions of SB 79, pursuant to Government Code section 65912.160, subdivision (e)(2);
2. Temporarily exclude certain sites in areas designated as low resource from the provisions of Government Code section 65912.157 until one year after the adoption of the seventh cycle housing element, pursuant to Government Code section 65912.161, subdivision (b)(1)(B)(iii);
3. Temporarily exclude certain sites covered by the Plan from the provisions of Government Code section 65912.157 until one year after the adoption of the seventh cycle housing element, pursuant to Government Code section 65912.161, subdivision (b)(1)(C); and

4. Redistribute the capacity on sites covered by the Plan, rendering the provisions of Government Code section 65912.157 inapplicable to such sites until the adoption of the next housing element, pursuant to Government Code section 65912.161, subdivisions (a) and (d).

HCD understands that the Plan, in part, utilizes Section 207.11 of the City's Planning Code to satisfy the capacity requirements under Government Code section 65912.161, subdivision (a). However, Section 207.11(b)(5) impermissibly prohibits the use of the State Density Bonus Law for qualifying housing development projects on applicable alternative plan sites. Therefore, HCD's finding of compliance is contingent on the City not enforcing Section 207.11(b)(5) when reviewing, approving, or conditioning qualifying housing development projects on applicable alternative plan sites.

Conclusion

Provided the submitted documentation and assertions by the City are complete and accurate, and the City complies with the conditions of this letter, HCD finds that all the requirements have been met for adopting an ordinance and plan compliant with SB 79.

Please note, HCD reserves the right to request additional information to monitor ongoing substantial compliance with SB 79 and may update or revoke its findings if new information becomes available. In addition, the Metropolitan Transportation Commission (MTC) SB 79 map shall have a rebuttable presumption of validity for use by project applicants and local governments¹ and therefore the City's Ordinance and zoning map should be at least as inclusive as MTC's map.

HCD appreciates the cooperation of the City of San Francisco's staff during the course of our review. If you have any questions or need additional information, please contact me at melinda.coy@hcd.ca.gov. HCD is committed to assisting the City in addressing all statutory requirements of SB 79.

Sincerely,



Melinda Coy
Housing Accountability Unit Chief

Enclosure: Attachment A – Table 1 Submittal Documents

¹ Gov. Code, § 65912.160, subd. (f).

ATTACHMENT A

Table 1 Submittal Documents

	Filename	Document Description	Submittal Date
1	Final Adopted Ordinance 082-26.pdf	Final ordinance passed by BOS and signed by Mayor	5/19/2026
2	Final Resolution No. 21901.pdf	Final resolution passed by the Planning Commission	5/19/2026
3	Memo – SB 79 Industrial Employment Hubs.pdf	Documentation (parcel list, General Plan documentation map, zoning references)	5/19/2026
4	Memo – SB 79 Low Resource Parcels.pdf	Documentation, includes a map and table of exempted parcels	5/19/2026
5	Total Jurisdictional Capacity w/o exclusion of low resource parcels.xlsx	Total jurisdictional housing capacity without the exclusion of low resource parcels and list of exempted low-resource parcels (excel spreadsheet)	5/19/2026
6	Memo – SB 79 Alternative Plan.pdf	Two memos: (1) Alternative Plan overall memo; (2) Capacity Calculations memo, including guide to Alt Plan tables and explanation of capacity methodologies	5/29/2026
7	SB 79 Citywide Alternative Plan Parcel Table_May 2026.xlsx	Parcel-level documentation and calculations for Alternative Plan (excel)	5/29/2026
8	SB 79 Citywide Alternative Plan Station Area Tables_May 2026.xlsx	Station area-level documentation and calculations for Alternative Plan (excel)	5/29/2026
9	SB79 Tier 1 Station Area Parcels Map for Alt Plan_May 2026.xlsx	Station area parcel-level maps of all 13 Tier 1 station areas for Alternative Plan	5/29/2026
10	SB79 Tier 2 Station Area Parcel Maps for Alt Plan_May2026	Station area parcel-level maps of all 257 Tier 2 station areas for Alternative Plan	5/29/2026
11	SB79 Draft Map for HCD review	Interactive ArcGIS webmap link, available at: https://experience.arcgis.com/experience/18bc947845ea4340a5256cb2938cafb9	5/29/2026
12	Memo- SB79 Industrial Employment Hubs_JuneUpdate.pdf	Updated documentation	6/1/2026

	Filename	Document Description	Submittal Date
13	Commerce and Industrial Maps.pdf	Eight (8) separate maps: Hubs, Plan Areas, Bay View, Bay View Plan Area, Potrero, Potrero Plan Area, SoMa, SoMA-Plan Area	6/9/2026
14	Memo-SB79 Industrial Employment Hubs_June15Update.pdf	Revised documentation	6/17/2026
15	MEMO-SB79 Low Resource Parcels_June15update.pdf	Updated documentation	6/17/2026
16	Total Jurisdictional Capacity without the Exclusion of Low Resource Parcels_June15Update.xlsx	Revised (excel)	6/17/2026
17	Memo-SB 79 Alternative Plan_June2026.pdf	Revised documentation	6/26/2026
18	SB79 Citywide-Alternative Plan Parcel Table_June2026.xlsx	Revised (excel)	6/26/2026
19	SB79 Citywide Alternative Plan Station Area Tables_June2026.xlsx	Revised (excel)	6/26/2026
20	SB79 Tier 1 Station Area Parcel Maps for Alt Plan_June2026.pdf	Revised documentation (13 maps)	6/26/2026
21	SB79 Tier 2 Station Area Parcel Maps for Alt Plan_June2026.pdf	Revised documentation (257 maps)	6/26/2026