

## **LEGISLATIVE DIGEST**

[Planning Code - Fenestration, Transparency, and Sign Requirements Generally; Sales and Service Uses in the C-3 and RC Districts]

**Ordinance amending the Planning Code to 1) principally permit certain non-retail sales and service uses, including general office, design professional, business services, non-retail professional services, and trade offices, on the ground floor in the C-3 (“Downtown Commercial”) Districts through December 31, 2030, after which such uses will be conditionally permitted; 2) principally permit retail sales and service uses on the second floor and above in the RC (“Residential-Commercial”) Districts; 3) principally permit non-retail sales and service uses on the second floor and above in the RC Districts; 4) update transparency and fenestration requirements for ground floor active uses and exempt child care facilities, homeless shelters, mortuaries, religious institutions, reproductive health clinics, and school uses from those requirements; 5) define an Interior Sign and the applicable standards for Interior Signs; 6) exempt Interior Signs of six square feet or less and Business and Identifying Signs painted on building facades from a permit under the Planning Code; 7) modify the definition of a Non-Residential Use for the purposes of certain development impact fee waivers; affirming the Planning Department’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.**

### **Existing Law**

A Retail Sales and Service Use involved the sale of goods or services directly to the ultimate consumer. A Non-Retail Sales and Service Use involves the sale of goods or services to other businesses rather than the end user. (Planning Code § 102.)

In the C-3 (Downtown Commercial) Districts, certain non-retail sales and service uses are principally permitted on the ground floor, including catering, design professional, laboratory, and life science. Other non-retail sales and service uses are conditionally permitted on the ground floor, including office, business services, and trade offices. (Planning Code § 210.2.)

In the RC (Residential Commercial) Districts, certain retail sales and service uses, including animal hospitals, bars, restaurants, general retail sales, and health services, are conditionally permitted on the second floor and above. Non-retail sales and service uses are not permitted at the second floor and above. (Planning Code § 209.3.)

The Planning Code imposes transparency and fenestration requirements in Neighborhood Commercial, Residential Commercial, Commercial, and Mixed Use Districts. (Planning Code § 145.1(c)(6).) Currently, PDR uses are exempt from these requirements. (*Ibid.*)

Article 4 of the Planning Code governs development impact fees and requirements. Section 406 provides for a waiver of development impact fees and requirements for Non-Residential uses (other than a hotel use) that will be converted into a residential use, subject to certain eligibility conditions. (Planning Code Section 406(j).) Production, Distribution, and Repair (PDR) Uses are not classified as Non-Residential Uses. (See Planning Code Section 102.)

Article 6 of the Planning Code governs signs throughout the City. A Sign is defined as “Any structure, part thereof, or device or inscription which is located upon, attached to, or painted, projected, or represented on any land or right-of-way, or on the outside of any building or structure including an Awning, Canopy, Marquee, or similar appendage, or affixed to the glass on the outside or inside of a window. . . .” (Planning Code Section 602.) Permits are required for Signs regulated under Article 6, except for certain types of Signs set forth in Section 604, including Business and Identifying Signs painted on windows or doors.

#### Amendments to Current Law

This ordinance amends the Planning Code to principally permit certain non-retail sales and service uses on the ground floor in the C-3 Districts, including office, business services, and trade offices, through December 31, 2030. After December 31, 2030, such uses will be conditionally authorized.

This ordinance amends the Planning Code to principally permit certain retail sales and service uses, including animal hospitals, bars, restaurants, general retail sales, and health services, are conditionally permitted on the second floor and above in RC Districts. This ordinance also principally permits non-retail sales and service uses at the second floor and above in RC Districts.

This ordinance also codifies a Zoning Administrator Interpretation defining fenestration and visibility requirements for frontages with active uses in Neighborhood Commercial, Residential-Commercial, and Mixed Use Districts. (Planning Code Section 145.1(c)(6).) This ordinance also exempts the following uses from these transparency and fenestration requirements: Child Care Facility; Homeless Shelter; Mortuary; Religious Institution; Reproductive Health Clinic; School Use; and any Social or Health Service Use proposed on-site with either a Homeless Shelter or an affordable housing project that meets the requirements of Planning Code Section 315(b).

This ordinance amends the Central SOMA Special Use District (Planning Code § 249.78) to clarify cross-references to the transparency and fenestration exemptions.

This ordinance amends Planning Code Section 406(j) to make existing PDR uses eligible for the residential conversion development impact fee and requirements waiver.

The ordinance also amends Article 6 to:

- define an Interior Sign as “a Sign that is located in the interior of a building within four feet of any window or clear door through which the Sign is visible but not including a Window Sign”;
- allow Interior Signs in various zoning use districts, subject to the same dimensional and illumination requirements as Window Signs;
- exempt Interior Signs measuring six square feet or less from the permitting requirements of Article 6;
- revise definitions of Sign and Window Signs to account for new Interior Sign typology; and
- exempt Business or Identifying Signs painted on building facades from the permit requirements of Article 6.

#### Background Information

This ordinance contains findings detailing the need for a fast, predictable, and transparent permitting process, which will create new jobs, businesses, and homes, as well as facilitate the City’s economic recovery from the COVID-19 pandemic.

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