

1 [Interim Controls Regulating Certain Uses in the Mission District in the Area Bounded by  
2 Guerrero Street, Cesar Chavez Street, Potrero Avenue and the Central Freeway, in the  
3 Valencia Street Neighborhood Commercial District, in the 24<sup>th</sup> Street – Mission Neighborhood  
4 Commercial District, on Mission Street From 15<sup>th</sup> Street to Cesar Chavez Street Zoned NC-3,  
5 and in the NEMIZ.]

6 Resolution adopting interim controls that would, in the Mission District in the area  
7 bounded by Guerrero Street, Cesar Chavez Street, Potrero Avenue and the Central  
8 Freeway, prohibit certain tourist hotels, prohibit demolition of a residential use except  
9 to construct affordable housing, require mandatory discretionary review and sign  
10 posting for a change of use, require all certain new market-rate housing projects or  
11 conversions to market-rate housing to obtain conditional use authorization and allow  
12 other types of housing as a permitted use, prohibit an office or information technology  
13 use in excess of 1,500 gross square feet in areas zoned M (Industrial), and require  
14 conditional use authorization for a utility installation in areas zoned C (Commercial);  
15 that would, in the Valencia Street and 24<sup>th</sup> Street – Mission NCDs, prohibit conversions  
16 or demolitions of residential uses, prohibit information technology uses, and require  
17 conditional use for a business or professional service use of more than 2,000 square  
18 feet above the 1<sup>st</sup> story unless it is a community service; that would, in the Valencia  
19 Street NCD, permit use sizes up to 2,000 square feet as a principal use, require a  
20 conditional use for use sizes above 2,000 square feet, and prohibit new tourist hotels;  
21 that would, on Mission Street from 15<sup>th</sup> Street to Cesar Chavez Street Zoned NC-3,  
22 permit use sizes up to 2,999 square feet as a principal use, require a conditional use for  
23 certain use sizes above 2,999 square feet, require all lots over 40,000 square feet to  
24 obtain a conditional use authorization for all uses, prohibit conversions or demolition  
25 of residential uses, prohibit an certain administrative service uses unless it is they are a  
community service, and authorize a community service on all stories, and prohibit an

1 information technology use on the 1<sup>st</sup> and 2<sup>nd</sup> stories and permit it as a principal use on  
2 the 3<sup>rd</sup> story and above; that would, in the Northeast Mission Industrial Zone (NEMIZ),  
3 prohibit any office or information technology use in excess of 1,500 gross square feet  
4 unless it is a community service, and prohibit new live/work projects and all  
5 conversions of live/work to office; Adopting Findings.

6 WHEREAS, The Commerce and Industry Element of San Francisco's General Plan  
7 advances Objectives and Policies calling for a balanced economic base for San Francisco,  
8 particularly those economic sectors that employ a high percentage of San Franciscans and  
9 provide entry-level employment opportunities; and,

10 WHEREAS, The industrial, manufacturing, tourist and service sectors have a long  
11 tradition in the Mission District's employment history, adding to the District's diversity both as  
12 an economic base and as a community that embraces, values and provides employment  
13 opportunities for people with a broad range of skills, trades and talents; and,

14 WHEREAS, The economic vitality and health of other major sectors of San Francisco's  
15 economy, such as retail, downtown office and medical services, among others, depend on  
16 adequate and essential support from the industrial, manufacturing, entertainment and service  
17 sectors; and,

18 WHEREAS, The availability of land zoned for industrial, manufacturing, nighttime  
19 entertainment and service use has decreased progressively over the years, particularly by  
20 construction of live/work and office uses whose owners and tenants may find such activities  
21 offensive and incompatible, which results in pressures to diminish the viability of industrial,  
22 manufacturing, entertainment and service activity and further convert industrial land to other  
23 uses; and,

24 WHEREAS, The industrial areas of the Mission District have the original zoning  
25 imposed when the City first adopted a zoning law more than fifty years ago, and these

1 controls have not been systematically reviewed or revised since their original adoption; and,

2 WHEREAS, The use tables setting out permitted and unpermitted uses in the industrial  
3 areas of the Mission District are very out of date, particularly with respect to the office uses  
4 now being introduced into the District; and,

5 WHEREAS, On December 15, 1994, after three years of public hearings concerning  
6 potential uses in the Northeast Mission Industrial Zone (NEMIZ), the industrially-zoned portion  
7 of the Mission District, the Planning Commission adopted Resolution 13794 designating an  
8 Industrial Protection Zone (IPZ) in the NEMIZ and said it was concerned about live/work  
9 projects, both in new construction and large conversions, due to their potential threat to the  
10 viability and stability of the area's industrial, manufacturing, service and commercial activities;  
11 and,

12 WHEREAS, In Resolution 13794 the Commission stated its policy to protect the NEMIZ  
13 IPZ from all new live/work projects proposed for new construction or conversions of industrial  
14 or commercial structures that would include ten or more live/work units in order to insure that  
15 the vitality of industry and manufacturing uses continue to add to the economic diversity of the  
16 NEMIZ so that these sectors could continue to provide employment opportunities for the  
17 area's diverse population and to support and maintain the vitality of the other major sectors of  
18 the economy of the NEMIZ and San Francisco as a whole; and,

19 WHEREAS, The NEMIZ has lost almost one-fifth of its developable land to non-  
20 industrial uses in the six years since the Planning Commission adopted Resolution 13794  
21 designating an IPZ in the NEMIZ; and,

22 WHEREAS, This lost space accounted for approximately sixty businesses providing  
23 blue-collar jobs to local residents; and,

24 WHEREAS, The space developed in the NEMIZ between 1994 and 2000 provided  
25 space for 6,000 new employees with no new transportation fees paid, and very little paid for

1 new housing and child care; and,

2 WHEREAS, On August 13, 1998, the Planning Department presented its Land Use  
3 Study – Status Report to the Planning Commission to further discuss land use policy in  
4 industrial areas; and,

5 WHEREAS, On April 8, 1999, the Planning Department issued its Zoning Options for  
6 Industrial Land to address the issues and analyze the potential conflicts between live/work  
7 and other types of development and to recommend certain actions aimed at balancing the  
8 needs of live/work development and the industrial, manufacturing, tourist, maritime and  
9 service sectors in order to protect the public health, safety and welfare; and,

10 WHEREAS, On April 22, 1999, the Planning Commission held a public hearing on the  
11 Zoning Options Study, and four options for interim zoning controls; and,

12 WHEREAS, On May 13, 1999, after a public hearing, the Planning Commission  
13 adopted Resolution 14825, which initiated imposition of the interim zoning controls; and,

14 WHEREAS, On August 5, 1999, after a public hearing, the Planning Commission  
15 adopted Resolution 14861 imposing interim zoning controls for a period of eighteen months,  
16 which created an IPZ where new live/work uses would not be permitted, a mixed-use housing  
17 zone where live/work uses would be encouraged, and buffer zones where live/work uses  
18 would require conditional use authorization; and,

19 WHEREAS, In the nineteen months since August 5, 1999 the Planning Commission  
20 has failed to initiate or adopt permanent zoning controls in the industrial zones despite  
21 Planning Code requirements that the Planning Department shall do a planning study and  
22 propose permanent legislation during the pendency of the interim controls and make reports  
23 at a public hearing at least every six months regarding the status of the permanent controls;  
24 and,

25 WHEREAS, On November 2, 2000, after a public hearing, the Planning Commission

1 adopted Resolution 16020 extending the interim controls to August 4, 2001; and,

2 WHEREAS, Issues related to development in industrial areas have been raised by the  
3 public during Planning Commssion hearings since June 1997; and,

4 WHEREAS, Since January of 1997, when residents of the Mission District began  
5 asking the Planning Commission to control live/work development because of the adverse  
6 effects those projects were having on the District, the City has approved live/work projects in  
7 the NEMIZ at an accelerating pace; and,

8 WHEREAS, Despite its policy against live/work development in the NEMIZ IPZ,  
9 adopted in Resolution 13794, the Planning Commission has approved every live/work project  
10 proposed in the NEMIZ IPZ for a total of 130 units; and,

11 WHEREAS, The Planning Department has approved 585 units of live/work in the non-  
12 IPZ area of the NEMIZ; and,

13 WHEREAS, With the exception of Project Artaud, all of the live/work units in the  
14 Mission District have been market-rate units with no affordable units; and,

15 WHEREAS, Construction of housing in the NEMIZ requires conditional use  
16 authorization, setbacks and some inclusionary affordable units, but "artist live/work" is a  
17 permitted use with no required setbacks or inclusionary affordable units; and,

18 WHEREAS, Construction of housing has not occurred in the NEMIZ because it is less  
19 favored than "artist live/work" use, skewing the production of new housing to upper-income,  
20 non-family, non-affordable housing in an area where low-income, family-housing  
21 predominates; and,

22 WHEREAS, Construction of and conversion of other uses to office space has resulted  
23 in hundreds of thousands of square feet of new office space in the NEMIZ, generally rented at  
24 levels comparable to downtown office space; and,

25 WHEREAS, The amount of live/work and office space added to the NEMIZ has

1 resulted in the dislocation and removal of businesses, nonprofits, and arts organizations from  
2 the Mission District; and,

3 WHEREAS, The Mission Street commercial corridor, zoned NC-3, has not been  
4 reviewed for over a decade and needs evaluation as to appropriate zoning for large parcels to  
5 ensure the appropriate mix of housing, community-serving businesses, nonprofit  
6 organizations, arts activities, public uses, and commercial spaces; and,

7 WHEREAS, The Mission Street commercial corridor is an untapped resource for  
8 transit-intensive, high-density housing, as well as commercial development; and,

9 WHEREAS, There remain few large lots on the Mission Street commercial corridor that  
10 can be developed with significant affordable housing; and,

11 WHEREAS, Community-serving businesses, nonprofits, and arts organizations have  
12 been increasingly displaced as office uses move from downtown to Mission Street; and,

13 WHEREAS, The neighborhood-serving pedestrian character of Valencia, Mission and  
14 24<sup>th</sup> Streets have been compromised by an influx of information technology office  
15 conversions, causing rising rents and evictions for long-time resident-serving businesses and  
16 nonprofit organizations to make space for businesses which do not serve the general public;  
17 and,

18 WHEREAS, The "business service" category has been used to introduce services like  
19 "information technology" that provide no services to the general public; and,

20 WHEREAS, These changes of use have caused irreparable harm to the Mission  
21 District business community, resulting in evictions from the Bayview Bank Building of over 25  
22 nonprofit organizations, media, lawyers, accountants and others who have provided long-time  
23 services to local residents; and,

24 WHEREAS, There was a 41% increase in average commercial lease rates in the  
25 Mission District between 1997 and 1999; and,

1           WHEREAS, It is necessary to create a "community service" use category, which allows  
2 nonprofits, arts activities and community-serving small businesses to be located where  
3 commercial uses which do not provide direct services to Mission District residents may be  
4 inappropriate; and,

5           WHEREAS, It is necessary to create an "information technology" category until the City  
6 is able to revise the Planning Code language, which currently does not provide for such uses;  
7 and,

8           WHEREAS, Housing units throughout commercially-zoned areas of the Mission District  
9 have been eliminated through conversions to other uses, either for larger commercial or  
10 residential spaces; and,

11           WHEREAS, Tourist hotels attract tourist-serving businesses in place of affordable  
12 services for the residents and business community; and,

13           WHEREAS, In recent years, construction of lower-income housing in the Mission  
14 District has fallen considerably short of demand; and,

15           WHEREAS, Lower-income households in the Mission District have become even more  
16 overcrowded, face ever escalating rents, and are being forced to leave the City; and,

17           WHEREAS, The largest amount of new housing in the Mission District has been in  
18 live/work units, which are not affordable, do not provide family housing, and occupy land  
19 which will never be available for affordable housing; and,

20           WHEREAS, Most of the housing and all of the live/work units which have been recently  
21 constructed in the Mission District have no affordable units because the projects are being  
22 constructed in sizes just under the threshold that would trigger the requirement to provide  
23 affordable units or as live/work which requires no affordability at all; and,

24           WHEREAS, The Board of Supervisors is currently proposing legislation to reduce the  
25 inclusionary housing threshold and require inclusionary units in live/work projects; and,

1           WHEREAS, City Planning Code Section 306.7 authorizes the Board of Supervisors to  
2 impose interim controls temporarily suspending the approval of permits and other land use  
3 authorizations in conflict with a contemplated zoning proposal which the Board, the Planning  
4 Commission, or the Department of Planning is considering or intends to study within a  
5 reasonable period of time; and,

6           WHEREAS, Interim controls are authorized to control uses which are having an  
7 adverse impact on areas of mixed residential and commercial uses in order to preserve the  
8 existing character of such neighborhoods and areas; and,

9           WHEREAS, Interim controls are authorized to conserve the commerce and industry of  
10 the City in order to maintain the economic vitality of the City, to provide its citizens with  
11 adequate jobs and business opportunities, and to maintain adequate services for its residents,  
12 visitors, businesses, and institutions; and,

13           WHEREAS, The Board of Supervisors finds that these interim controls are necessary  
14 in order to direct office development into the Downtown core where there is transit capacity, to  
15 protect residential and mixed-use areas of the City where office developments are  
16 proliferating, and to prevent displacement of other viable economic uses which provide  
17 needed services and employment to San Francisco residents until the Department of City  
18 Planning can complete studies of appropriate General Plan, Zoning Map, and Planning Code  
19 amendments for these areas; and,

20           WHEREAS, The Board of Supervisors finds that these interim controls enhance and  
21 are consistent with the purpose of the Planning Code as set forth in Section 101 and with the  
22 Priority Policies of Planning Code Section 101.1 in that: (a) they conserve and protect existing  
23 housing and neighborhood character (Policies 2 and 3) by prohibiting the conversion and  
24 demolition of residential uses and by prohibiting or requiring conditional use for certain large  
25 non-retail uses; (b) they maintain a diverse economic base by protecting the City's industrial



1 and service sectors from displacement due to commercial office development (Policy 5); and  
2 (c) they have no impact on existing neighborhood-serving retail uses or resident employment  
3 (Policy 1), commuter traffic or transit service (Policy 4), earthquake preparedness (Policy 6),  
4 landmarks and historic buildings (Policy 7), or parks and open space (Policy 8); and,

5 WHEREAS, The Board of Supervisors is authorized by Planning Code Section 306.7(c)  
6 to initiate the procedure for imposing interim controls by a resolution adopted by majority vote;  
7 now, therefore, be it

8 RESOLVED, That the interim controls set forth below are hereby imposed on all  
9 property within the defined sub-areas. No City agency, board, commission, officer, or  
10 employee may approve any demolition permit, site permit, building permit, grading permit,  
11 conditional use authorization, or any other land use entitlement inconsistent with the following  
12 controls for as long as they are in effect:

13 (a) **The Mission District in the Area Bounded by Guerrero Street, Cesar**  
14 **Chavez Street, Potrero Avenue, and the Central Freeway.**

15 (i) New tourist hotels are not permitted unless such hotels contain 9 or more single  
16 room occupancy rooms or apartments for rent of which at least 40% will be rented at below  
17 market rates under Mayor's Office of Housing Guidelines, and contain at least 1000 gross  
18 square feet of Administrative Services Space devoted to a non-profit tenant at a below market  
19 rental rate.

20 (ii) Any demolition of a residential use is prohibited, except to construct an  
21 "affordable housing project" as defined in Planning Code Section 313.1.

22 (iii) For any change of use, whether or not it is considered a change of use under  
23 the Building Code, a discretionary review hearing by the Planning Commission and posting of  
24 a sign on the property in compliance with the requirements of Planning Code Section 306.8  
25 are mandatory.

1 (iv) All new market-rate housing projects or conversions of existing residential uses  
2 to market-rate housing shall require conditional use authorization, unless a new market rate  
3 housing project contains 10 or more group housing units, and contains 9 or more single room  
4 occupancy rooms or apartments of which at least 40% will be rented at below market rates  
5 under Mayor's Office of Housing Guidelines.

6 (v) The following shall be a principal permitted use:

7 (A) projects where at least 25% of the units are affordable to persons earning 60%  
8 of the area mean income (AMI);

9 (B) senior housing projects in which all units are affordable to persons earning 60%  
10 of the AMI;

11 (C) limited equity cooperative projects; and

12 (D) community land trust.

13 (vi) In areas zoned M-1 and M-2, no office use (which includes an "information  
14 technology" use) in excess of 1,500 gross square feet is permitted.

15 (vii) In areas zoned C-1, C-2, C-3-0, C-3-R, C-3-G, C-3-S, and C-M, a utility  
16 installation as defined in Planning Code Section 209.6(b) shall require a conditional use  
17 authorization.

18 (b) **Valencia Street Neighborhood Commercial District.** The Zoning Control  
19 Table in Planning Code Section 726 is modified as follows:

20 (i) Section 726.21, Use Size [Non-residential], is modified to permit use sizes up to  
21 2,000 square feet as a principal use and to require use sizes above 2,000 square feet to  
22 obtain a conditional use authorization.

23 (ii) Section 726.38, Residential Conversion, is modified to prohibit conversion of a  
24 residential use on all stories.

25 (iii) Section 726.39, Residential Demolition, is modified to prohibit demolition of a

1 residential use on all stories.

2 (iv) Section 726.53, Business or Professional Service, is modified to permit as a  
3 principal use on the 1<sup>st</sup> story a "community service" use (as defined in these interim controls)  
4 of any square footage, to allow on the 1<sup>st</sup> story a business or professional service that is not a  
5 community service use of up to 2,000 square feet as a principal permitted use and of more  
6 than 2,000 square feet as a conditional use.

7 (v) Section 726.55, Tourist Hotel, is modified to prohibit a tourist hotel use on all  
8 stories.

9 (vi) An "information technology" use (as defined in these interim controls) is  
10 prohibited on all stories.

11 (c) **24<sup>th</sup> Street – Mission Neighborhood Commercial District.** The Zoning  
12 Control Table in Planning Code Section 727 is modified as follows:

13 (i) Section 727.38, Residential Conversion, is modified to prohibit conversion of a  
14 residential use on all stories.

15 (ii) Section 727.39, Residential Demolition, is modified to prohibit demolition of a  
16 residential use on all stories.

17 (iii) Section 727.53, Business or Professional Service, is modified to permit as a  
18 principal use on the 1<sup>st</sup> story a "community service" use (as defined in these interim controls)  
19 of any square footage, to allow on the 1<sup>st</sup> story a business or professional service that is not a  
20 community service use of up to 2,000 square feet as a principal permitted use and of more  
21 than 2,000 square feet as a conditional use.

22 (iv) An "information technology" use (as defined in these interim controls) is  
23 prohibited on all stories.

24 (d) **Mission Street from 15<sup>th</sup> Street to Cesar Chavez Street Zoned NC-3.** The  
25 NC-3 Zoning Control Table in Planning Code Section 712 is modified as follows:

1 (i) Section 712.21, Use Size [Non-residential], is modified to permit use sizes up to  
2 2,999 square feet as a principal use and to require use sizes above 2,999 square feet to  
3 obtain a conditional use authorization, except buildings above 2,999 square feet that contain  
4 at least 1000 gross square feet of Administrative Service Space rented to a non-profit  
5 organization at a below market rate, and contain 9 or more new SRO rooms or apartments  
6 and at least 10 units of group housing shall be permitted as a principal use.

7 (ii) Section 712.38, Residential Conversion, is modified to prohibit conversion of a  
8 residential use on all stories.

9 (iii) Section 712.39, Residential Demolition, is modified to prohibit demolition of a  
10 residential use on all stories.

11 (iv) Section 712.70, Administrative Service, is modified to prohibit an administrative  
12 service use on all stories unless it is a "community service" use (as defined in these interim  
13 controls); provided, however, that if at least 1000 gross square feet of the Administrative  
14 Service use is rented to a non-profit organization at a below market rate rent, such prohibition  
15 shall not apply. A community service use is permitted as a principal use on all stories.

16 (v) An "information technology" use (as defined in these interim controls) is  
17 prohibited on the 1<sup>st</sup> and 2<sup>nd</sup> stories and is permitted as a principal use on the 3<sup>rd</sup> story and  
18 above.

19 (vi) All lots over 40,000 square feet require a conditional use authorization for all  
20 uses.

21 (e) **Northeast Mission Industrial Zone (NEMIZ).** In the area defined as the  
22 Northeast Mission Industrial Zone (NEMIZ) in Planning Commission Resolution 13794:

23 (i) no office use (which includes an "information technology" use) in excess of  
24 1,500 gross square feet is permitted unless it is a "community service" use (as defined in  
25 these interim controls);

1 (ii) all conversions of "live/work," as defined in Planning Code Section 233, to an  
2 office use are prohibited; and

3 (iii) all new "live/work" projects are prohibited.

4 FURTHER RESOLVED, That for the purpose of these interim controls, the term  
5 "Community service" shall mean "a nonretail use which includes executive, technical,  
6 management, clerical, and administrative support for the provision of social, health, housing,  
7 employment, legal, cultural, or arts services to the general public, principally to persons of  
8 who earn 60% of the Area Mean Income (AMI); and be it

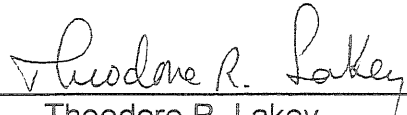
9 FURTHER RESOLVED, That for the purpose of these interim controls, the term  
10 "Information technology" shall mean "space within a structure intended or primarily suitable for  
11 occupancy by persons who perform for their own benefit or provide to others at that location  
12 multimedia, software development, web design, electronic commerce, research and  
13 technology and other computer-based technology, either to the general public or to the  
14 business community"; and be it

15 FURTHER RESOLVED, That for the purpose of these interim controls, "information  
16 technology" shall be considered an office use; and be it

17 FURTHER RESOLVED, That these controls shall remain in effect for a period of twelve  
18 months unless extended by the Board; and be it

19 FURTHER RESOLVED, That when permanent controls are enacted for the specific  
20 sub-areas set forth above, the interim controls shall no longer be in effect for that sub-area.  
21 APPROVED AS TO FORM

22 LOUISE H. RENNE  
23 City Attorney

24 By   
25 Theodore R. Lakey  
Deputy City Attorney



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails

### Resolution

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**File Number:** 010455

**Date Passed:**

Resolution adopting interim controls that would, in the Mission District in the area bounded by Guerrero Street, Cesar Chavez Street, Potrero Avenue and the Central Freeway, prohibit certain tourist hotels, prohibit demolition of a residential use except to construct affordable housing, require mandatory discretionary review and sign posting for a change of use, require certain new market-rate housing projects or conversions to market-rate housing to obtain conditional use authorization and allow other types of housing as a permitted use, prohibit an office or information technology use in excess of 1,500 gross square feet in areas zoned M (Industrial), and require conditional use authorization for a utility installation in areas zoned C (Commercial); that would, in the Valencia Street and 24th Street - Mission NCDs, prohibit conversions or demolitions of residential uses, prohibit information technology uses, and require conditional use for a business or professional service use of more than 2,000 square feet above the 1st story unless it is a community service; that would, in the Valencia Street NCD, permit use sizes up to 2,000 square feet as a principal use, require a conditional use for use sizes above 2,000 square feet, and prohibit new tourist hotels; that would, on Mission Street from 15th Street to Cesar Chavez Street zoned NC-C, permit use sizes up to 2,999 square feet as a principal use, require conditional use for certain use sizes above 2,999 square feet, require all lots over 40,000 square feet to obtain a conditional use authorization for all uses, prohibit conversions or demolition of residential uses, prohibit certain administrative service uses unless they are a community service, and authorize a community service on all stories, and prohibit an information technology use on the 1st and 2nd stories and permit it as a principal use on the 3rd story and above; that would, in the Northeast Mission Industrial Zone (NEMIZ), prohibit any office or information technology use in excess of 1,500 gross square feet unless it is a community service, and prohibit new live/work projects and all conversions of live/work to office; adopting findings.

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June 25, 2001 Board of Supervisors — ADOPTED

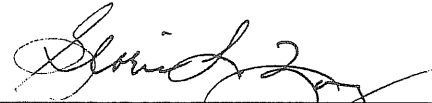
Ayes: 10 - Ammiano, Daly, Gonzalez, Leno, Maxwell, McGoldrick, Newsom,  
Peskin, Sandoval, Yee

Noes: 1 - Hall

File No. 010455

I hereby certify that the foregoing Resolution was ADOPTED on June 25, 2001 by the Board of Supervisors of the City and County of San Francisco.

JUL 06 2001



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Gloria L. Young  
Clerk of the Board

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Date Approved



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Mayor Willie L. Brown Jr.