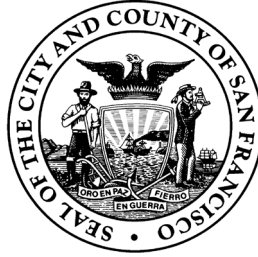


BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
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MEMORANDUM

TO: Katy Tang, Director
Small Business Commission, City Hall, Room 448

FROM: John Carroll, Assistant Clerk, Land Use and Transportation Committee

DATE: February 26, 2025

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 250140

Ordinance amending the Planning Code to allow two projecting signs for all corner businesses in all Neighborhood Commercial and Residential-Commercial Districts citywide, and abolishing the 2301 Chestnut Street Special Sign District; amending the Zoning Map to reflect that District's abolition; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c:
Offices of Chair Melgar and Supervisor Sherrill
Kerry Birnbach, Senior Policy Analyst/Commission Secretary

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ No Comment
_____ Recommendation Attached

Chairperson, Small Business Commission

[Planning Code, Zoning Map - Projecting Signs in Neighborhood Commercial and Residential-Commercial Districts]

Ordinance amending the Planning Code to allow two projecting signs for all corner businesses in all Neighborhood Commercial and Residential-Commercial Districts citywide, and abolishing the 2301 Chestnut Street Special Sign District; amending the Zoning Map to reflect that District's abolition; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. CEQA and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The

1 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
2 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the
4 actions contemplated in this ordinance will serve the public necessity, convenience, and
5 welfare for the reasons set forth in Planning Commission Resolution No. _____, and adopts
6 such reasons by this reference thereto. A copy of said Resolution is on file with the Clerk of
7 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

8
9 Section 2. General Background and Findings.

10 (a) Small businesses in San Francisco have struggled to recover since the COVID-19
11 pandemic. The Controller’s March 2024 report on the “Status of the San Francisco Economy”
12 found that although tourism and commercial vacancy rates are slowly improving, they remain
13 below pre-pandemic levels, as shown in the City’s diminished sales tax revenue compared to
14 pre-pandemic years. Amidst troubling economic indicators and a broader shift away from brick
15 and mortar commercial businesses, it is vital that the City encourage vibrant streetscapes to
16 attract pedestrians to our neighborhood commercial corridors.

17 (b) Corner lots serve an essential and enhanced role in shaping neighborhood and
18 commercial corridor identity, often providing a visual focal point for pedestrians. Projecting
19 signs—one of the most common types of signs in San Francisco—also help attract foot traffic
20 in these commercial corridors. Currently, businesses located on corner lots—defined as a
21 business with two adjoining street frontages—may install only one projecting sign, despite
22 occupying two street frontages.

23 (c) This ordinance amends the Planning Code to allow corner businesses located in
24 Neighborhood Commercial Districts and Residential-Commercial Districts to install two
25 projecting signs. By allowing two projecting signs on corner lots in these districts, this

1 ordinance activates these spaces to ensure they remain inviting to residents and customers
2 alike and supports the vitality of commercial corridors that continue to struggle post-pandemic.
3 This ordinance does not change other requirements for projecting signs, such as size,
4 illumination, or placement restrictions.

5 (d) This ordinance furthers the goals of the City's Urban Design Element in the
6 General Plan, signaling to pedestrians and others approaching from different directions that
7 they are entering a vibrant center of activity and supporting nearby businesses by attracting
8 more customers to the area. This ordinance is also consistent with the purposes of the
9 Planning Code's sign controls by: (1) aiding in the attraction of tourists and other visitors who
10 are vital to the City's economy; (2) ensuring that signs are designed and proportioned in
11 relation to the structures to which they are attached, adjacent structures, and the streets on
12 which they are located; and (3) promoting the aesthetic and environmental values of San
13 Francisco by providing for signs that serve as effective means of communication without
14 impairing the City's attractiveness as a place to live, work, visit, and shop.

15
16 Section 3. Article 6 in the Planning Code is hereby amended by revising Section
17 607.1, and deleting Section 608.17, to read as follows:

18 **SEC. 607.1. NEIGHBORHOOD COMMERCIAL AND RESIDENTIAL-COMMERCIAL**
19 **DISTRICTS.**

20 * * * *

21 (c) **Identifying Signs.** Identifying Signs, as defined in Section 602, shall be permitted
22 in all Neighborhood Commercial and Residential-Commercial Districts subject to the limits set
23 forth below.

24 (1) One Sign per lot shall be permitted and such Sign shall not exceed 20
25 square feet in area. The sign may be a Freestanding Sign, if the building is recessed from the

1 Street Property Line, or may be a Wall Sign or a projecting Sign. The existence of a
2 Freestanding Identifying Sign shall preclude the erection of a Freestanding Business Sign on
3 the same lot. A Wall Sign or projecting Sign shall be mounted on the first-story level; a
4 Freestanding Sign shall not exceed 15 feet in height. Such Sign may be Nonilluminated,
5 Indirectly Illuminated, or Directly Illuminated.

6 * * * *

7 (f) **Business Signs.** Business Signs, as defined in Section 602, shall be permitted in
8 all Neighborhood Commercial and Residential-Commercial Districts subject to the limits set
9 forth below.

10 (1) **Cole Valley, Lakeside Village, NC-1 and NCT-1 Districts.**

11 * * * *

12 (C) **Projecting Signs.** The number of projecting Signs shall not exceed
13 one per business, except that a business with a unit fronting two adjoining streets shall have a
14 maximum of two projecting Signs. The Area of ~~such~~any projecting Sign, as defined in Section 602,
15 shall not exceed 24 square feet. The Height of ~~such~~any projecting Sign shall not exceed 15 feet
16 or the height of the wall to which it is attached. No part of the Sign shall project more than
17 75% of the horizontal distance from the Street Property Line to the curblin, or six feet six
18 inches, whichever is less. ~~The Such~~ Signs may be Nonilluminated or Indirectly Illuminated, or
19 during business hours, may be Directly Illuminated.

20 * * * *

21 (2) **RC, NC-2, NCT-2, NC-S, Inner Balboa Street, Outer Balboa Street,**
22 **Broadway, Castro Street, Inner Clement Street, Outer Clement Street, Cortland Avenue,**
23 **Divisadero Street, Excelsior Outer Mission Street, Fillmore Street, Upper Fillmore**
24 **Street, Folsom Street, Glen Park, Inner Sunset, Irving Street, Haight Street, Lower**
25 **Haight Street, Hayes-Gough, Japantown, Judah Street, Upper Market Street, Noriega**

Street, North Beach, Ocean Avenue, Pacific Avenue, Polk Street, Regional Commercial District, Sacramento Street, San Bruno Avenue, SoMa, Taraval Street, Inner Taraval Street, Union Street, Valencia Street, 24th Street-Mission, 24th Street-Noe Valley, and West Portal Avenue Neighborhood Commercial Districts.

* * * *

(C) Projecting Signs.

(i) The number of projecting Signs shall not exceed one per business, except that a business with a unit fronting two adjoining streets shall have a maximum of two projecting Signs.

(ii) No part of the Sign shall project more than 75% of the horizontal distance from the Street Property Line to the curblineline, or six feet six inches, whichever is less.

(iii) Except as provided ~~for~~ in subsection (v) below, such Signs may be Nonilluminated or Indirectly Illuminated; or during business hours, may be Directly Illuminated.

(iv) Except as provided ~~for~~ in subsection (v) below, the Area of ~~such any projecting~~ Sign, as defined in Section 602, shall not exceed 24 square feet. The Height of ~~such any projecting~~ Sign shall not exceed 24 feet, or the height of the wall to which it is attached, or the height of the lowest of any residential windowsill on the wall to which the Sign is attached, whichever is lowest.

(v) Within the Fillmore Street Neighborhood Commercial Transit District, one projecting Business Sign per building may exceed the size and height limits specified in subsection (iv) above, provided all of the following criteria are met:

a. The Area of the Sign, as defined in Section 602, does not exceed 125 square feet.

- 1 b. The Height of the Sign does not exceed the lowest of
2 the following:
- 3 1. 60 feet;
 - 4 2. the height of the wall to which it is attached;
 - 5 3. the height of the lowest residential windowsill on
6 the wall to which it is attached; or
 - 7 4. the lowest portion of any architectural feature
8 located along the roofline, such as a cornice.
- 9 c. The sign is for the primary occupant of the building.
- 10 d. The sign employs a remote transformer.
- 11 e. The sign is designed with a minimum profile to be as
12 narrow as is structurally feasible.
- 13 f. Any illumination of the sign is indirect, such as by the
14 use of halo-lit lettering, and such illumination is used only during business hours.
- 15 g. The lettering or other inscription is arranged in a vertical
16 manner.
- 17 h. The sign does not alter, cover, or obscure any
18 architectural features of the subject building, such as cornice lines or belt courses.
- 19 i. The sign is attached in a reversible manner, such that no
20 damage or destruction to any exterior features or cladding materials shall occur as part of the
21 sign's installation or removal.

22 * * * *

23 (E) **Freestanding Signs and Sign Towers.** With the exception of
24 Automotive Service Stations, which are regulated under Section 607.1(f)(4), one Freestanding
25 Sign or Sign Tower per lot shall be permitted in lieu of a projecting Sign, if the building or

1 buildings are recessed from the Street Property Line. The existence of a Freestanding
2 Business Sign shall preclude the erection of a Freestanding Identifying Sign on the same lot.
3 The Area of such Freestanding Sign or Sign Tower, as defined in Section 602, shall not
4 exceed 20 square feet nor shall the Height of the Sign exceed 24 feet. No part of the Sign
5 shall project more than 75% of the horizontal distance from the Street Property Line to the
6 curblineline, or six feet, whichever is less. Such Signs may be Nonilluminated or Indirectly
7 Illuminated; or during business hours, may be Directly Illuminated.

8 (3) **Bayview, Geary Boulevard, Mission Bernal, Mission Street, Lower Polk**
9 **Street, NCT, NC-3, and NCT-3 Neighborhood Commercial Districts.**

10 * * * *

11 (C) **Projecting Signs.** The number of projecting Signs shall not exceed
12 one per business, except that a business with a unit fronting two adjoining streets shall have a
13 maximum of two projecting Signs. The Area of ~~such~~any projecting Sign, as defined in Section 602,
14 shall not exceed 32 square feet. The Height of ~~the~~any projecting Sign shall not exceed 24 feet,
15 or the height of the wall to which it is attached, or the height of the lowest of any residential
16 windowsill on the wall to which the Sign is attached, whichever is lower. No part of the Sign
17 shall project more than 75% of the horizontal distance from the Street Property Line to the
18 curblineline, or six feet six inches, whichever is less. Such Signs may be Nonilluminated,
19 Indirectly Illuminated, or Directly Illuminated.

20 * * * *

21 (E) **Freestanding Signs and Sign Towers.** With the exception of
22 Automotive Service Stations, which are regulated under Section 607.1(f)(4) of this Code, one
23 Freestanding Sign or Sign Tower per lot shall be permitted in lieu of a projecting Sign if the
24 building or buildings are recessed from the Street Property Line. The existence of a
25 Freestanding Business Sign shall preclude the erection of a Freestanding Identifying Sign on

1 the same lot. The Area of such Freestanding Sign or Sign Tower, as defined in Section 602,
2 shall not exceed 30 square feet nor shall the Height of the Sign exceed 24 feet. No part of the
3 Sign shall project more than 75% of the horizontal distance from the Street Property Line to
4 the curblineline, or six feet, whichever is less. Such Signs may be Nonilluminated or Indirectly
5 Illuminated, or during business hours, may be Directly Illuminated.

6 * * * *

7 (h) **Special Sign Districts.** Additional controls apply to certain Neighborhood
8 Commercial and Residential-Commercial Districts that are designated as Special Sign
9 Districts. Special Sign Districts are described within Sections 608.1 through 608.17~~8~~ of this
10 Code and ~~with the exception of Sections 608.1, 608.2 and 608.11,~~ their designations, locations and
11 boundaries are provided on Sectional Map SSD of the Zoning Map of the City and County of
12 San Francisco.

13 * * * *

14 ***SEC. 608.17. 2301 CHESTNUT STREET SPECIAL SIGN DISTRICT.***

15 ~~(a) **Establishment of Special Sign District.** The 2301 Chestnut Street Special Sign District~~
16 ~~(“2301 Chestnut Street SSD” or “SSD”), consisting of Assessor’s Parcel Block No. 0936, Lot 001, as~~
17 ~~shown on Sectional Map SS01 of the Zoning Map of the City and County of San Francisco, is hereby~~
18 ~~established for the purposes and subject to the controls set forth in this Section 608.17.~~

19 ~~(b) **Purpose.** The purpose of the 2301 Chestnut Street SSD is to modify the sign controls that~~
20 ~~would otherwise apply within the SSD to allow for up to two projecting signs on a prominent corner~~
21 ~~building to support the vitality of the Chestnut Street commercial corridor.~~

22 ~~(c) **Controls.**~~

23 ~~—— (1) **General Controls.** Signs within the 2301 Chestnut Street SSD shall be controlled by~~
24 ~~all applicable provisions in this Article 6 of the Planning Code, except to the extent they conflict with~~

1 ~~this Section 608.17. In the event of a conflict between other provisions of the Planning Code and this~~
2 ~~Section 608.17, this Section shall control.~~

3 ~~————(2) **Number of Signs.** A business with a unit fronting two adjoining streets shall have a~~
4 ~~maximum of two projecting Signs. All other businesses shall not exceed one projecting Sign.~~

5
6 Section 4. Zoning Map. Pursuant to Sections 106 and 302(c) of the Planning Code,
7 the following change is hereby adopted as an amendment to the Zoning Map of the City and
8 County of San Francisco: Sectional Map SS01 shall delete all reference to the 2301 Chestnut
9 Street Special Sign District, Planning Code Section 608.17.

10 Section 5. Effective Date. This ordinance shall become effective 30 days after
11 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
12 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
13 of Supervisors overrides the Mayor's veto of the ordinance.

14 Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
15 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
16 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
17 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
18 additions, and Board amendment deletions in accordance with the "Note" that appears under
19 the official title of the ordinance.

20
21 APPROVED AS TO FORM:
22 DAVID CHIU, City Attorney

23 By: /s/ _____
24 GIULIA GUALCO-NELSON
Deputy City Attorney

25 n:\legana\as2025\2500198\01819124.docx

LEGISLATIVE DIGEST

[Planning Code, Zoning Map - Projecting Signs in Neighborhood Commercial and Residential-Commercial Districts]

Ordinance amending the Planning Code to allow two projecting signs for all corner businesses in all Neighborhood Commercial and Residential-Commercial Districts citywide, and abolishing the 2301 Chestnut Street Special Sign District; amending the Zoning Map to reflect that District's abolition; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

Article 6 of the Planning Code regulates signs. A projecting Sign extends beyond a street property line or a building setback line. (Planning Code Section 602.)

Planning Code Section 607.1 contains sign controls for all Neighborhood Commercial and Residential-Commercial Districts in the City. In these Neighborhood Commercial and Residential-Commercial Districts, a business can have up to one projecting Sign.

Within the 2301 Chestnut Street Special Sign District, a business with a corner unit that adjoins two streets shall have a maximum of two projecting Signs. (Planning Code Section 608.17.) The Special Sign District applies to the real property consisting of Assessor's Parcel Block No. 0936, Lot 001, which is located in the Neighborhood Commercial, Small-Scale (NC-2) District.

Amendments to Current Law

This ordinance amends Planning Code Section 607.1 to enable a business with a unit fronting two adjoining streets to have a maximum of two projecting Signs. This change applies to all Neighborhood Commercial and Residential-Commercial Districts citywide.

This ordinance deletes the 2301 Chestnut Street Special Sign District because the District is no longer necessary, given the changes to the Neighborhood Commercial and Residential-Commercial Districts citywide.

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Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- ☐ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☒ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☐ 8. Substitute Legislation File No.
- ☐ 9. Reactivate File No.
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Sherrill; Sauter; Melgar; Mandelman

Subject:

Planning Code, Zoning Map - Projecting Signs in Neighborhood Commercial and Residential-Commercial Districts

Long Title or text listed:

Ordinance amending the Planning Code to allow two projecting signs for all corner businesses in all Neighborhood Commercial and Residential-Commercial Districts citywide, and abolishing the 2301 Chestnut Street Special Sign District; amending the Zoning Map to reflect the District's abolition; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.2

Signature of Sponsoring Supervisor: /s/ Stephen Sherrill