



SMALL BUSINESS COMMISSION
OFFICE OF SMALL BUSINESS



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

September 12, 2012

Ms. Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4694

File No. 120774 [Planning Code - Permitting a Five Feet Ground Floor Height Increase for Active Ground Floor Uses in the Castro Street and the 24th Street - Noe Valley Neighborhood Commercial Districts]

Small Business Commission Recommendation: **Approval with Recommendations**

Dear Ms. Calvillo:

On August 13, 2012 the Small Business Commission held a hearing on Board of Supervisors File No. 120774 and voted 5-0 to recommend approval of the ordinance with recommendations.

The Commission has continually supported the policy of allowing a five foot height increase on buildings in NC Districts when that space is dedicated to increasing the height of an active ground floor commercial use and strongly supports the proposal to extend this policy to the 24th Street-Noe Valley and Castro Street NCD's. In making the recommendation to approve this ordinance, Commissioners cited several key points outlined in the Planning Departments NC@20 report:

- *The majority of NC districts are zoned for 40 or 50 foot height limits, leading to development which typically features a ground level commercial space below three or four residential levels, respectively. The resulting 10 foot floor-to-floor geometry, along with market and financial pressure to maximize residential ceiling heights, leads to ground level commercial spaces with finished ceiling heights of between 8 and 9 feet.*
- *This commercial space looks and feels crowded and cramped, and does not afford an experience which is enjoyable for the patron or attractive to businesses. The commercial spaces in question leads to ground floor retail environments of poor quality, has spill-over economic effects, and robs the streetscape environment of active, vital uses which should help to define the City's various NC Districts*
- *In order to encourage more appropriate ground floor ceiling heights in projects which must contend with the economic realities of development in dense urban environments, further study of policies which would establish a modest height bonus – perhaps no greater than 5 additional feet to be used only to increase the ceiling height of ground level commercial spaces – should be performed.*



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In addition to recommending this policy for approval in the 24th Street-Noe Valley and Castro Street NCD's the Commission recommends this policy be applied to all applicable NCD's throughout the City and that this be accomplished through trailing legislation or an amendment to this file should the sponsor be inclined to amend the ordinance. In just the past year alone, 5 individual ordinances have been brought forward to extend these policies to additional parts of the City. This piecemeal approach is inefficient and leads to confusion over which parts of the City this policy applies to. Applying this policy City-wide will both achieve a key recommendation in the NC@20 and will reduce the volume of legislation coming before the Board of Supervisors and applicable Commissions.

Additionally, recognizing the benefits of this policy, the Commission recommends that consideration be taken to extend this to the City's RC districts and selected C districts where 40x or 50x height limits exist. These districts will also benefit from this height allowance as they also see increasing pressure to maximize heights of the residential floors, often at the expense of the commercial portion of the building.

Sincerely,

Regina Dick-Endrizzi
Director, Office of Small Business

Cc: Supervisor Wiener
Jason Elliott, Mayor's Office
Aaron Starr, Planning Department