

REVISED LEGISLATIVE DIGEST
(Amended in Committee – October 27, 2025)

[Planning Code; Zoning Map - Consolidating the North Beach Special Use and Neighborhood Commercial Districts and Expanding Allowable Uses and Use Size Limits in Certain Zoning Districts]

Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; 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 under Planning Code, Section 302.

Existing Law

The Planning Code regulates Non-Residential Uses, and the sizes at which such uses may be principally or conditionally permitted, in zoning districts throughout the City, including special use districts (“SUDs”) and neighborhood commercial districts (“NCDs”). The North Beach SUD and NCD set forth the Non-Residential Uses that are permitted as either a Principal Use or Conditional Use. Additionally, the North Beach SUD currently has some uses that are defined and exist only in the SUD. The SUD’s development controls substantially overlap with the development controls for the existing North Beach NCD. Planned Unit Developments (section 304) are prohibited in the North Beach SUD.

In the Nob Hill SUD, Eating and Drinking uses, including Limited Restaurants, require Conditional Use Authorization. Arts Activities are currently not permitted in the SUD. In the Jackson Square Special Use District, Restaurant, Limited Restaurant, and Bar uses require a Conditional Use Authorization, which requires the Zoning Administrator to first determine that the Restaurant, Limited Restaurant, or Bar use would occupy a space that is currently or last legally occupied by a similar use. In the Pacific Avenue NCD, Bars and Flexible Retail are not currently permitted. Health Services are permitted as a Conditional Use on the second story only.

Amendments to Current Law

This ordinance would eliminate the North Beach SUD by repealing section 780.3 and removing references to the SUD throughout the Planning Code and on the Zoning Map. Generally, those controls in the North Beach SUD that aren't already part of the North Beach NCD (section 722), would be incorporated into the North Beach NCD, including controls for historic buildings and Legacy Businesses. This change would eliminate some of the use definitions that are currently only applicable in the North Beach SUD, such as Specialty Food Manufacturing, and the specific controls that only apply to those unique uses. Instead, the use definitions in section 102 would apply in the North Beach NCD. Certain exemptions that apply to the North Beach SUD, such as the exemption for limited commercial and industrial nonconforming uses in certain residential districts in proximity to the SUD, would apply based on proximity to the North Beach NCD instead. Similarly, the prohibition on Planned Unit Developments (section 304) in the North Beach SUD would apply to the North Beach NCD under the ordinance.

Conditional Use applications to establish, alter, enlarge, or intensify a commercial use within the North Beach NCD would be eligible for priority processing under section 303.2(c). The ordinance would conditionally permit storefront mergers up to 3,000 square feet and not permit such mergers that are 3,001 square feet and above. The ordinance would expand principally and conditionally permitted Non-Residential Uses in the North Beach NCD, including the following: walk up facilities (except ATMs) would be permitted as a Principal Use; Flexible Retail would be permitted as a Principal Use on the first story; and Limited Restaurant would be permitted as Principal Use on the first story.

The ordinance would increase the threshold at which Non-Residential Uses in the both North Beach NCD and Polk Street NCD require a Conditional Use Authorization from 2,000 square feet to 3,000 square feet. For the Polk Street NCD, the ordinance would also eliminate the maximum use size limit for Non-Residential Uses and allow storefront mergers to be principally permitted up to 3,000 square feet and conditionally permitted at 3,001 square feet and above. The ordinance would also make Health Services a Conditional Use on the first story in the Polk Street NCD.

In the Nob Hill SUD, the ordinance would authorize Limited Restaurants as a Principal Use. Arts Activities would be principally permitted on the first story and permitted as a Conditional Use on upper stories. Existing Retail Professional Services that operated in the Nob Hill SUD without the benefit of a permit prior to June 17, 2025, may be principally permitted and allowed to expand into another commercial space within the same structure. These uses would be exempt from the signage and public access restrictions of the SUD. In the Jackson Square SUD, Restaurant uses greater than 4,000 square feet and Bar uses would require a Conditional Use Authorization. No Conditional Use Authorization would be required if the use remains the same as the prior authorized use without any enlargement or intensification. Restaurant and Bar Uses below this threshold, and Limited Restaurant Uses, would be permitted as Principal Uses pursuant to the underlying controls for the C-2. The ordinance

would remove the requirement in the Jackson Square SUD that a Restaurant, Limited Restaurant, or Bar Use occupy a space that is currently or last legally occupied by a similar use.

In the Pacific Avenue NCD, the ordinance would make Flexible Retail a Permitted Use on the first story and Health Services a Conditional Use on all stories.

Background Information

This legislation is intended to facilitate establishment and operation of small businesses in certain special use and neighborhood commercial districts in San Francisco by generally increasing use size limits and expanding the Non-Residential Uses that may be principally or conditionally permitted in such districts. The legislation is also intended to streamline controls in the North Beach area by removing the North Beach SUD and consolidating its controls into the existing North Beach NCD.

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