File	No.	250538

Committee Item	No.	2	
Board Item No.	2		

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Board of Supervisors Meeting:	Date: July 15, 2025
Cmte Board Motion Resolution Crdinance Subject and Legislative Analyouth Commission Report Introduction Form Department/Agency Cover	/ERSION 2 /ERSION 2 alyst Report
☐ ☐ Grant Information Form ☐ ☐ Grant Budget ☐ Subcontract Budget	
Contract / DRAFT Mills Act Form 126 – Ethics Commiss	
Award Letter Application	
☐ ☐ Public Correspondence	
OTHER	
Office of Small Business Pre	
Planning Commission Trans	smittal – June 27, 2025 n Response – June 24, 2025
CEQA Determination – June	-
Referrals CEQA, PC, SBC,	FYI – May 28, 2025
Referral BLA – July 3, 2025	
Mayor's Introduction Memo	– May 20, 2025
Prepared by: John Carroll	Date: June 27, 2025
Prepared by: <u>John Carroll</u> Prepared by:	Date: <u>July 3, 2025</u> Date:
	<u> </u>

AMENDED IN COMMITTE 6/30/2025 ORDINANCE NO.

FILE NO. 250538

1	[Planning Code - Priority Processing for Certain Commercial Uses]
2	
3	Ordinance amending the Planning Code to update eligibility requirements for the
4	priority processing program for certain commercial uses, including enabling eligible
5	uses in the North Beach Neighborhood Commercial District, the North Beach Special
6	Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer
7	than 20 establishments to participate in the program, and updating scheduling and
8	extension requirements for the priority processing program; reaffirming the Planning
9	Department's determination under the California Environmental Quality Act; making
10	findings of consistency with the General Plan and the eight priority policies of Planning
11	Code, Section 101.1; and making findings of public necessity, convenience, and
12	welfare pursuant to Planning Code, Section 302.
13 14	NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .
15	Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code
16	subsections or parts of tables.
17	
18	Be it ordained by the People of the City and County of San Francisco:
19	
20	Section 1. Environmental and Land Use Findings.
21	(a) The Planning Department has determined that the actions contemplated in this
22	ordinance comply with the California Environmental Quality Act (California Public Resources
23	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
24	Supervisors in File No. 250538 and is incorporated herein by reference. The Board affirms
25	this determination.

(b) On June 26, 2025, the Planning Commission, in Resolution No. 21762, 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 Board
adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
Board of Supervisors in File No. 250538, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 21762, and the Board incorporates such reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. 250538.

- Section 2. Background and General Findings.
- (a) Fast, predictable, and transparent permitting processes will create new jobs, businesses, and homes, as well as facilitate the City's economic recovery from the COVID-19 pandemic. Commonly referred to as "PermitSF," the City's effort to reform permitting consists of improving the customer experience by streamlining approval processes; promoting government accountability to provide certainty about the delivery of government services; and centralizing technology to create a single point of permitting access.
- (b) This ordinance enhances the customer experience and promotes government accountability by increasing the certainty and transparency of the regulatory process for small businesses. Streamlining the conditional use authorization process will create a clearer pathway to open new businesses and will help drive the city's economic recovery.

Section 3. Article 3 of the Planning Code is hereby amended by revising Section 303.2, to read as follows:

SEC. 303.2. PRIORITY PROCESSING FOR CERTAIN USES IN COMMERCIAL SPACE: EXPEDITED CONDITIONAL USE REVIEW AND APPROVAL PROCESS AND REDUCED APPLICATION FEE.

(a) Findings.

- (1) In April 2013, the Planning Commission adopted the Small Business Priority Processing Pilot Program. The stated goal of the pilot program was to accelerate the review of certain small business applications without compromising the review times of other applications.
- (2) Building on the success of the pilot program, Planning Department staff in consultation with staff from the Office of Small Business proposed expanding the program to additional types of applications. The expanded program was adopted by the Planning Commission in February 2015 and renamed the Community Business Priority Processing Program. As expressed in the Commission's adoption <u>of</u> Resolution No. 19323, the intent was to support the business community especially small and mid-sized businesses and to increase efficiencies in the way the Commission and Department handle related applications.
- (3) By enacting this Section 303.2, the Board of Supervisors underscores the importance of small and mid-sized businesses to the economic vitality of San Francisco's neighborhoods and to the City as a whole, its residents, and visitors. The intent of this Section 303.2 is to expedite the review and hearing process for these vital small and mid-sized businesses without compromising public notice and input or the review times of other applications, and to build upon the success of the Community Business Priority Process Program by expanding the scope of eligible projects and ensuring that all eligible projects are considered accordingly, while preserving critical opportunities for community input and accountability to the legislative branch of government.

1	(4) Due to the Calle 24 Special Use District's unique history and special
2	identity, the projects within its boundaries require special consideration in order to retain,
3	enhance, and support its character. It is, therefore, exempted from the priority processing
4	provisions of this Section 303.2.
5	The City first recognized the area's unique history and special character in 2014
6	when in Board of Supervisors Resolution No. 168-14 it established the Calle 24
7	("Veinticuatro") Latino Cultural District. The Resolution memorialized "a place whose richness
8	of culture, history and entrepreneurship is unrivaled in San Francisco." A 2014 report by San
9	Francisco Architectural Heritage found that many of the long-standing community-serving
10	businesses within the area were at risk of displacement due to San Francisco's volatile
11	economic climate despite continued value and a record of success.
12	The special character of the area was further recognized in 2017 when
13	Ordinance No. 85-17 was enacted to establish the Calle 24 Special Use District. In enacting
14	that ordinance, the Board of Supervisors specifically found, among other things, that "[t]he mix
15	of businesses and uses, including Legacy Businesses, murals, festivals and architectural
16	neighborhood design and character in the Calle 24 Special Use District contribute to a strong
17	sense of neighborhood and a unifying identity." This area continues to require special
18	consideration in order to retain, enhance, and support its unique history and character.
19	including providing economic and workforce opportunities for local residents, supporting the
20	production and offering of local or Latino artwork, and making sure that the area offers a
21	range of goods and services available and accessible to residents, including immigrant and
22	low-income and moderate-income households.
23	(4 <u>5</u>) On June 26, 2025 the Planning Commission adopted Resolution No. <u>21761</u> to
24	consolidate the Community Business Priority Processing Program with the priority processing

1	program under this Section 303.2. As many of the features of these two programs overlap,
2	consolidating the two programs will promote efficiency and reduce confusion.

(4) The Calle 24 Special Use District is still in its infancy., and due to its unique history and special identity the projects within its boundaries require special consideration in order to retain, enhance, and support its character. It is, therefore, exempted from the priority processing provisions of this Section 303.2.

The City first recognized the area's unique history and special character in 2014, when in Resolution No. 168-14 it established the Calle 24 ("Veinticuatro") Latino Cultural District. The Resolution memorialized "a place whose richness of culture, history and entrepreneurship is unrivaled in San Francisco." A 2014 report by San Francisco Architectural Heritage found that many of the long-standing community serving businesses within the area were at risk of displacement due to San Francisco's volatile economic climate despite continued value and a record of success.

The special character of the area was further recognized in 2017 when Ordinance No. 85-17 was enacted to establish the Calle 24 Special Use District. In enacting that ordinance, the Board specifically found, among other things, that "[t]he mix of businesses and uses, including Legacy Businesses, murals, festivals and architectural neighborhood design and character in the Calle 24 Special Use District contribute to a strong sense of neighborhood and a unifying identify." This area continues to require special consideration in order to retain, enhance, and support its unique history and character, including providing economic and workforce opportunities for local residents, supporting the production and offering of local or Latino artwork, and making sure that the area offers a range of goods and services available and accessible to residents, including immigrant and lowincome and moderate income households.

(b) **Priority Processing for Certain Uses.** Applications for Conditional Use authorization that comply with the requirements of subsection (c) are eligible for priority processing and a prorated application fee. Eligibility for priority processing shall not require

1	any application separate from a completed application for Conditional Use authorization.
2	Unless modified by this Section 303.2-, the provisions of Section 303 shall apply.
3	(c) Eligibility for Priority Processing. An application for a Conditional Use
4	authorization qualifies for priority processing ("eligible application") pursuant to this Section
5	303.2 if it is seeking to establish, alter, enlarge, or intensify a commercial use on the first story
6	or below, or on the second story where the commercial use would operate on both the first
7	and second stories, in the subject building and if it complies with all of the following
8	requirements:
9	(1) It pertains exclusively to Non-Residential Uses;
10	(2) It is limited to changes of use, tenant improvements, or other interior or
11	storefront work and does not involve any new construction or building expansion;
12	(3) It does not involve the removal of any Dwelling Units or Unauthorized Units;
13	(4) It does not involve a Formula Retail use, unless the Formula Retail use in
14	question has fewer than 20 other establishments;
15	(5) It does not propose or require the consolidation of multiple storefronts;
16	(6) It does not seek to provide off-street parking in a quantity beyond that
17	allowed as of right; and
18	(7) It does not seek to establish or expand any of the following uses:
19	(A) Adult Entertainment-:
20	(B) Drive-up Facility- <u>;</u>
21	(C) Fringe Financial Service-:
22	(D) <i>Medical</i> -Cannabis <i>Dispensary</i> - <u>Retail-;</u>
23	(E) Tobacco Paraphernalia Establishment-; or
24	(F) Wireless Communication Facility.; and:

1	(8) Is not within the Calle 24 Special Use District, as described and set forth in Section
2	249.59 of this Code.
3	(8) It is not within the Calle 24 Special Use District (Planning Code Section
4	249.59); and
5	(9) It is not within the North Beach Neighborhood Commercial District, as described
6	and set forth in Section 722, or the North Beach Special Use District, as described and set forth in
7	Section 780.3.
8	(9) It is not within the North Beach Neighborhood Commercial District,
9	(Planning Code Section 722), or the North Beach Special Use District (Planning Code Section
10	<u>780.3).</u>
11	If the application qualifies for priority processing, the Department shall notify the applicant of
12	the date of acceptance of the complete application and of the applicant's eligibility for priority
13	processing. The application fee shall be prorated pursuant to subsection (f).
14	(d) Expedited Commission Hearing. An eligible application shall be scheduled for a
15	public hearing on the Planning Commission's <i>consent</i> -calendar within 90 days from the date
16	that the application has been deemed complete, unless the hearing date is extended pursuant
17	to subsection (e). An application is deemed complete when the application and filing fee have
18	been accepted by the Department. The Planning Commission shall develop rules and regulations to
19	ensure that eligible applications are heard and determined within 90 days without compromising the
20	review times of other applications.
21	(e) Extension of Commission Hearing Date. The Planning Commission may at any
22	time adopt a one-time extension of not more than 60 days of the hearing date for an eligible
23	application beyond 90 days if÷
24	(1) the Planning Director or the Director's designee requests in writing that the item be
25	removed from the Commission's consent calendar; or

1	(2) any member of the Planning Commission requests that the item be removed from the
2	Commission's consent calendar; or
3	(3) any neighborhood organization maintained on a list by the Planning Department
4	pursuant to subsection 311(d)(4) submits within 60 days of the submission of a complete
5	Conditional Use authorization application, or at any point prior to the Planning Commission's
6	scheduled hearing, a letter of opposition or written request for a continuance that the item be
7	removed from the Commission's consent calendar at least one day before the hearing.
8	(g) Report to the Board of Supervisors. One year from the effective date of this Section 303.2
9	and for three years thereafter on an annual basis, the Planning Department shall submit to the Board
10	of Supervisors a report showing the number and percentage of eligible applications that are considered
11	within 90 days of the date the Department has deemed the application complete and the reason or
12	reasons why eligible applications were not heard within 90 days, if any.
13	
14	Section 4. Effective Date. This ordinance shall become effective 30 days after
15	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
16	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
17	of Supervisors overrides the Mayor's veto of the ordinance.
18	
19	Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
20	intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
21	numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
22	Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
23	
24	
25	

1	additions, and Board amendment deletions in accordance with the "Note" that appears under
2	the official title of the ordinance.
3 4	APPROVED AS TO FORM: DAVID CHIU, City Attorney
5 6	By: /s/ Giulia Gualco-Nelson GIULIA GUALCO-NELSON Deputy City Attorney
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REVISED LEGISLATIVE DIGEST

(Amended in Committee – June 30, 2025)

[Planning Code - Priority Processing for Certain Commercial Uses]

Ordinance amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program; reaffirming 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

In 2015 the Planning Commission adopted Resolution No. 19323 to create the Community Business Priority Processing Program ("CB3P"). The intent of CB3P is to support the business community – especially small and mid-sized businesses – and to increase efficiencies in the way the Planning Commission and Planning Department handle related applications.

In 2020 the City enacted Planning Code Section 303.2 to create an expedited conditional use review process for certain commercial uses. Applicants must satisfy a number of eligibility criteria, including that the use not involve a Formula Retail use and not be located in the Calle 24 Special Use District (Section 249.59), the North Beach Neighborhood Commercial District (Section 722), or the North Beach Special Use District (Section 780.3). An eligible application must be scheduled for a public hearing on the Planning Commission's consent calendar within 90 days from the date that the application has been deemed complete, unless the hearing date is extended at the request of the Planning Director, the Planning Commission, or a neighborhood organization.

Amendments to Current Law

This ordinance amends Section 303.2 to clarify that the Planning Commission has ended the CB3P. The ordinance updates the eligibility requirements to align with the former CB3P, including:

- permitting formula retail uses with fewer than 20 locations to participate in the priority processing program; and
- disallowing Cannabis Retail uses from priority processing.

BOARD OF SUPERVISORS Page 1

The ordinance also removes references to placing the applications on the Planning Commission's consent calendar and provides that an extension of the 90 days is available if a neighborhood organization requests a continuance of the application in writing. The ordinance also removes references to annual reporting requirement that has expired.

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.

This ordinance incorporates amendments made at the June 30, 2025 meeting of the Land Use and Transportation Committee. As introduced, the ordinance would have permitted uses in the Calle 24 Special Use District, the North Beach Neighborhood Commercial District, and the North Beach Special Use District to obtain priority processing under Section 303.2. The June 30 amendments make uses in those areas ineligible for priority processing under Section 303.2.

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BOARD OF SUPERVISORS Page 2





PermitSF

250538 - Priority Processing for Certain Commercial Uses

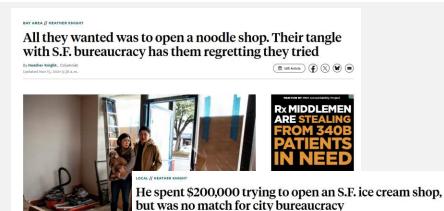
Proposal: Consolidate the two priority permit processing programs into one codified program.



SEC. 303.2. PRIORITY PROCESSING FOR CERTAIN USES IN COMMERCIAL SPACE: EXPEDITED CONDITIONAL USE REVIEW AND APPROVAL PROCESS AND REDUCED APPLICATION FEE.

(a) Findings.

- In April 2013, the Planning Commission adopted the Small Business Priority Processing Pilot Program. The stated goal of the pilot program was to business applications without compromising the review times of other applications.
- (2) Building on the success of the plot program, Planning Department staff in consultation with staff from the Office of Small Business proposed expar of applications. The expanded program was adopted by the Planning Commission in February 2015 and renamed the Community Business Priority Processis Commission's adoption Resolution No. 19323, the intent was to support the business community especially small and mid-sized businesses and to incread Commission and Department handle related applications.
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- (4) The Calle 24 Special Use District is still in its infancy. and due to its unique history and special identity the projects within its boundaries require sp enhance, and support its character. It is, therefore, exempted from the priority processing provisions of this Section 303.2.



W Heather Knight, Columnia

Hospitals and Clinics Get Rx Discounts.

OUR COMMUNITY GETS THE BILL.

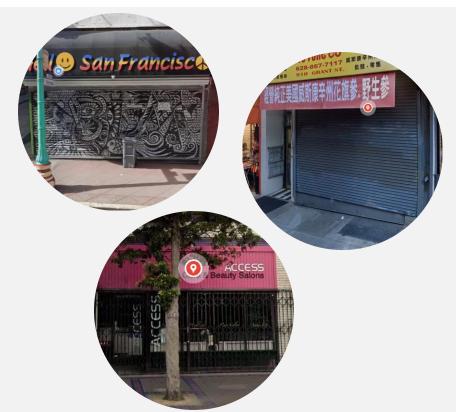
Learn more:

(and Australia) (X (X (W (W)

After spending \$200,000 on rent, an architect, a lawyer, equipment and fees, he still has nothing to show for it and has given up on the idea. Les Suzuki / The Chronicle

250539 - Existing Awning, Sign, and Gate Amnesty Program; Design Standards for Gates, Railings, and Grillwork

- Proposal: Allow businesses with security gates to participate in amnesty program and ease transparency requirements for security gates, allowing them to be 100% non-transparent.
- Approx. 100 small businesses currently facing Planning Code violation complaints for security gate installations without a permit
- Examples: Businesses along Grant Ave and Mission Street with pending complaints for unpermitted gates



250542 - Fenestration, Transparency, and Sign Requirements; Sales & Service Uses in the C-3 and RC District

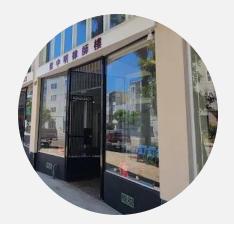
Storefront Transparency

- Proposal: Exempt certain critical uses from storefront transparency requirements
- Example: A Child Care Facility received a complaint for violating the storefront transparency requirement; they did not want children visible from a busy corridor



Business Signs

- Proposal: Remove permit requirement for business signs painted on building facades, window signs and interior signs.
- Example: Both businesses shown below received complaints for unpermitted signs; they
 had to obtain a permit to close out the complaint. One business owner came to the Permit
 Center twice and spent several hours there.



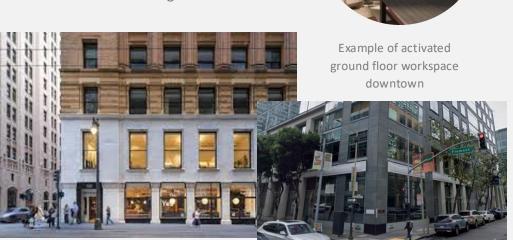


Item 4 (cont)

250542 - Fenestration, Transparency, and Sign Requirements; Sales & Service Uses in the C-3 and RC District

Downtown Uses

Proposal: Principally permit certain nonretail sales and service uses on the ground floor in the Downtown-Commercial (C-3) Districts, including office, business services, and trade offices through 2030.



Residential-Commercial Districts

- Proposal: Ease the filling of nonground floor vacancies within Residential-Commercial (RC) Districts by principally permitting retail sales and service uses and non-retail sales and services uses at the second floor and above.
- Example: Industrial design studio on the second floor along Van Ness Ave received a complaint and would need to vacate its space because the use is not currently permitted.

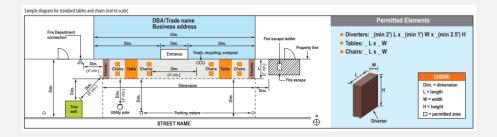


Van Ness Ave

250541 - Café Tables and Chairs, Display Merchandise, Appurtenant Building Features, and Sidewalk Shared Spaces

Current Tables and Chairs Requirements

- Permit application + fee
 - A typical business pays approximately \$1,000
- Certificate of Insurance
- Site plan



New Process

- Registration (no fee)
- Attestation to operating guidelines and program requirements
- Administrative penalties on second and subsequent valid and unaddressed violations



Approx. 215 businesses currently hold Tables and Chairs permits

Item 5 (cont)

250541 - Café Tables and Chairs, Display Merchandise, Appurtenant Building Features, and Sidewalk Shared Spaces

Eliminate minor encroachment permits for routine tenant improvements

Businesses spend significant time and money for permits to install:

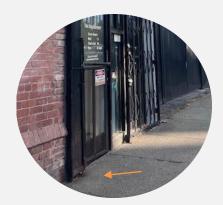
- Door actuators, wheelchair lifts, or other elements constructed for compliant with accessibility standards
- Water spouts, standpipes, outswinging doors, and security gates
 which are affixed to the building extending no more than four inches into the public right of way

These permits can cost thousands of dollars upfront, and they are assessed an annual fee thereafter.

Applications for accessibility related sidewalk improvements commonly take 6 –12 months.









250540 - Temporary Use Authorizations

 Proposal: Simplify and clarify the duration of allowable temporary uses, and clarify and expand the definition of "Retail Pop Up" uses



Current Temporary Use Authorization Categories

		anning Code Section 205 et. seq. or Section 21 he proposed use does not conform to one of th			
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		USE TYPE	MAXIMUM TIME LIMIT	ZONING DISTRICT	CODE
	A	Neighborhood festival sponsored by residents in the vicinity	60 days	all	205.1(a)
	В	Neighborhood festival sponsored by property owners or businesses in the vicinity	60 days	NC, Mixed Use, PDR, C, M	205.1(a)
	c	Booth for charitable, patriotic or welfare purpose	60 days	all	205.1(b)
	D	Open air sale of seasonal decorations such as Christmas trees or Halloween pumpkins.	60 days	all	205.1(c)
	E	Outdoor "intermittent activities" such as mobile food facilities (a.k.a. street food) or farmers markets	3 days/week or 6 twelve- hour days/week for 1 year	all except RH, RM, RED, RTO	205.4
	F	Mobile food facilities located in P Districts larger than one acre	1 year, no hourly/daily limit	Р	205.4(b)(3
	G	Rental or sales office incidental to a new residential development	1 year	all	205.2(b)
	н	Automobile wrecking	2 years	M-1, M-2	205.2(c)
	1	Structures and uses incidental to construction activities	2 years	all	205.2(a)
	J	Celebration or exhibition sponsored by a residential or commercial occupant(s)	single 24-hour event per month for 1 year	PDR, C, M, NC, Mixed Use Districts	205.3(a) 8
	K	Wireless facility	1 year	all where WTS permitted	205.2(d)
	L	Temporary uses on Public Property	3 years	P	211.1(g)
	м	"Pop Up" retail or Host Facility	60 days	all; limited in R-districts; must be within either a vacant commercial space or a space occupied by a legally established Commercial Use.	205.1(d)
	N	Long Term parking of and overnight camping in vehicles and ancillary uses	2 years	NCT-2, Assessor's Parcel Block No. 6973, Lot No. 039	205.2(f)
	o	Interim Uses within Bars and Entertainment Uses	Not to exceed 4 years from effective date of any such authorization, provided that the period terminates within 6 years of December 18, 2020	all	205.6
	P	Arts Activities, Social Service or Philanthropic Facilities, and COVID-19 Relief and Recovery uses in vacant storefronts	2 years, may be extended for an additional 2 years	all except R districts	205.7
	Q	Entertainment, Arts, and Recreational Uses in outdoor areas/temporary structures and ancillary uses of indoor areas	1 year, may be extended for 1 additional year. Maximum daily hours 9 a.m 10 p.m.	all	205.8
	R	Interim Activities on Development Sites	36 months may be extended up to 12 months	Eligible development sites as identified in Sec. 205.5	205.5
	s	Pop-Up Activations	1 year	Certain streets within C-2 or	205.2(a)(2



October 24, 2014

Ms. Angela Calvillo, Clerk Honorable Mayor Lurie City and County of San Francisco City Hall, Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Re: Transmittal of Planning Department Case Numbers 2025-004733PCA, 2025-004734PCA, 2025-

004737PCA and 2025-004740PCA: Permit SF Planning Code Amendments

Board File Nos. 250542, 250540, 250539 and 250538

Planning Commission Recommendation: 250542: Approval with Modification

> 250540: Approval 250539: Approval

250538: Approval with Modification

Dear Ms. Calvillo and Mayor Lurie,

On June 26, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider four proposed Ordinance, introduced by Mayor Lurie, that would amend the Planning Code, and are associated with the mayor's Permit SF effort. At the hearing, the Planning Commission adopted a recommendation for approval for all four ordinances, with recommended amendments for two of the ordinances, as noted above.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Mayor Lurie, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

Aaron D. Starr

Manager of Legislative Affairs

cc: Austin Yang, Deputy City Attorney
Guilia Gualco-Nelson, Deputy City Attorney
Robb Kapla, Deputy City Attorney
Katy Tang, Office of Small Business
John Carroll, Office of the Clerk of the Board

ATTACHMENTS:

Planning Commission Resolution
Planning Department Executive Summary





PLANNING COMMISSION RESOLUTION NO. 21762

HEARING DATE: June 26, 2028

Project Name: Priority Processing for Certain Commercial Uses

Case Number: 2025-004740PCA [Board File No. 250538]
Initiated by: Mayor Lurie/ Introduced May 20, 2025

Staff Contact: aaron starr, Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO UPDATE ELIGIBILITY REQUIREMENTS FOR THE PRIORITY PROCESSING PROGRAM FOR CERTAIN COMMERCIAL USES, INCLUDING ENABLING ELIGIBLE USES IN THE NORTH BEACH NEIGHBORHOOD COMMERCIAL DISTRICT, THE NORTH BEACH SPECIAL USE DISTRICT, THE CALLE 24 SPECIAL USE DISTRICT, AND FORMULA RETAIL USES WITH FEWER THAN 20 ESTABLISHMENTS TO PARTICIPATE IN THE PROGRAM, AND UPDATING SCHEDULING AND EXTENSION REQUIREMENTS FOR THE PRIORITY PROCESSING PROGRAM; 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 NECCESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on May 20, 2025, Mayor Lurie introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250538, which would amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling eligible uses in the North Beach Neighborhood Commercial District, the North Beach Special Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program.

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 26, 2025, and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare requires the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval** with modifications of the proposed ordinance. The Commission's recommended modification is as follows:

 Remove the Calle 24 Cultural District, North Beach SUD, and North Beach NCD from the Priority Processing Program.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

The Commission finds that the proposed ordinance is supportable because it consolidates and modernizes overlapping permitting programs. This creates a more streamlined and transparent pathway for small and mid-sized businesses seeking Conditional Use authorization.

The ordinance resolves the long-standing redundancy between the Commission's 2015 Community Business Priority Processing Program and Planning Code Section 303.2 by unifying them under a single, codified framework. It also expands eligibility to include historically excluded districts—such as Calle 24 and North Beach—and small-scale Formula Retail, addressing past inequities in access to expedited review.

These changes support economic recovery, reinforce the goals of PermitSF, and advance the City's broader objectives related to racial equity, neighborhood vitality, and small business retention.

The ordinance improves operational clarity and better serves the public interest.



General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1: MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The ordinance supports this objective and policy by streamlining the permitting process for small and midsized businesses, promoting economic vitality while minimizing potential negative impacts through clear eligibility criteria.

Urban Design Element

OBJECTIVE 1: EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3:

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

By facilitating the reuse of existing commercial spaces and supporting neighborhood-serving businesses, the ordinance contributes to the preservation and enhancement of the city's distinctive urban form and character.

Housing Element

OBJECTIVE 1: IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.8

Promote mixed-use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single-use development projects.

While the ordinance focuses on commercial uses, by expediting approvals for neighborhood-serving businesses, it supports the creation of vibrant mixed-use communities that integrate housing and services, aligning with this policy.



Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from



development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 26, 2025.

Jonas P Ionin Digitally signed by Jonas P Ionin Date: 2025.06.27 09:27:00 -07'00'

Commission Secretary

AYES: Campbell, Williams, Braun, Imperial, Moore and So

NOES: None McGarry ABSENT:

June 26, 2025 ADOPTED:





PLANNING COMMISSION RESOLUTION NO. 21761

HEARING DATE: June 26, 2025

Project Name: Rescinding the Planning Commission's Community Business Priority Processing Program

Case Number: 2025-004740CRV

Staff Contact: aaron starr, Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION RESCINDING THE COMMUNITY BUSINESS PRIORITY PROCESSING PROGRAM ("CB3P") IN ORDER TO PROMOTE PROCESS EFFICIENCIES AND REDUCE CONFUSION WITH THE PLANNING CODE PRIORITY PROCESSING PROGRAM

WHEREAS, On February 12, 2015, the Planning Commission ("Commission") unanimously adopted Resolution Number 19323, which created the Community Business Priority Processing Program ("CB3P"); and

WHEREAS, The intent of the CB3P was to support the business community—especially small and mid-sized businesses—and to increase efficiencies in the way the Commission and Planning Department ("Department") handle Conditional Use Authorization applications. To this end the CB3P allowed qualified uses to obtain pre-application assistance with Conditional Use application requirements and required the Department and Commission to endeavor to expedite the review and approval process for these uses; and

WHEREAS, In 2020, the Board of Supervisors enacted Ordinance Number 139-20, which amended the Planning Code to expedite the review and hearing process for small and mid-sized businesses without compromising public notice and input or the review times of other applications ("Priority Processing Ordinance"); and

WHEREAS, The intent of the Priority Processing Ordinance was to build upon the success of the CB3P by expanding the scope of eligible projects; and

WHEREAS, The CB3P and Priority Processing Ordinance overlap in types of uses that are eligible for the programs and provide similar benefits, such as expedited hearings; however, some of the features of the two programs differ. Consolidating the two programs will promote efficiency and reduce confusion; and

WHEREAS, An ordinance in Board File 250538 is currently pending a recommendation before the Commission. The ordinance in Board File 250538 would consolidate the CB3P into the Priority Processing Ordinance and make accompanying updates to the Priority Processing Ordinance to promote process efficiencies and reduce confusion in the administration of these two programs.

NOW THEREFORE BE IT RESOLVED that the Commission hereby rescinds the CB3P established under Resolution Number 19323.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 26, 2025

Jonas P Ionin Digitally signed by Jonas P Ionin Date: 2025.06.27 09:26:26 -07'00'

Commission Secretary

AYES: Campbell, Williams, Braun, Imperial, Moore, and So

NOES: None ABSENT: McGarry ADOPTED:

June 26, 2025







EXECUTIVE SUMMARYPLANNING CODE TEXT AMENDMENT

HEARING DATE: June 26, 2025

90-Day Deadline: August 18, 2025

Project Name: Priority Processing for Certain Commercial Uses

Case Number: 2025-004740PCA [Board File No. 250538]
Initiated by: Mayor Lurie / Introduced May 20, 2025

Staff Contact: aaron starr, Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org,

Environmental

Review Not a Project Under CEQA

RECOMMENDATION: Adopt of Recommendation for Approval

Planning Code Amendment

The proposed Ordinance would amend the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling eligible uses in the North Beach Neighborhood Commercial District, the North Beach Special Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program.

The Way It Is Now

The Way It Would Be

1	Formula Retail cannot take advantage of the Planning Code's Priority Processing Program.	Formula Retail, with fewer than 20 locations, could take advantage of the Planning Code's Priority Processing Program.
2	Projects within the Calle 24 Cultural District, Noth Beach NCD, and North Beach SUD cannot take advantage of the Planning Code's Priority Processing Program.	Projects within these districts would be able to take advantage of the Planning Code's Priority Processing Program.
3	Recognized Neighborhood Groups can send a letter of opposition to ask that an item be taken off consent at any point prior to the Planning Commission's scheduled hearing.	Recognized Neighborhood Groups could send a letter of opposition or ask that an item be continued at least one day before the hearing
4	The Planning Code's Priority Processing Program required that eligible projects be placed on consent .	This requirement would be removed. Project would likely still be placed on consent unless doing so conflicts with existing Planning Commission policy or direction.
5	Planning Code Section 303.2 included a reporting requirement to the Board "showing the number and percentage of eligible applications that are considered within 90 days of the date the Department has deemed the application complete and the reason or reasons why eligible applications were not heard within 90 days, if any."	This reporting requirement would be removed.
6	Planning Code Section 303.2 included language requiring the Department to notify the applicant of the date of acceptance of the complete application and of the applicant's eligibility for priority processing.	This language would be removed. While uncodified, the Planning Department would continue to notify applicants of their eligibility .

Background

The proposed ordinance updates and expands San Francisco's priority processing program for commercial uses, building on more than a decade of planning reform efforts. The Planning Commission launched the Small Business Priority Processing Pilot Program in 2013 to accelerate review for small businesses without delaying other applications. In 2015, the program was expanded and renamed the Community Business Priority Processing Program, extending eligibility to more use types and streamlining administrative review (See Exhibit C).



In 2020, the Board of Supervisors codified a separate program in Planning Code Section 303.2 *Priority Processing For Certain Uses in Commercial Spaces*. While the commission policy and the codified program overlap, they are not identical. The current ordinance consolidates both programs into a single framework, while expanding eligibility to include additional districts and Formula Retail uses with fewer than 20 locations. It also strengthens program transparency, standardizes hearing timelines, and aligns with PermitSF goals to modernize permitting, improve service delivery, and support economic recovery.

Issues and Considerations

Planning Commission's Community Business Priority Processing Program

The proposed ordinance assumes that the Planning Commission will adopt a resolution rescinding their 2015 Community Business Priority Processing Program. A draft resolution is included on this commission calendar with to achieve just that. Without that resolution, two separate and overlapping programs would continue to exist. Below is a comparison between the proposed ordinance and how it compares with the Planning Commission's 2015 policy. An "X" indicates that the control or requirement exists in the program.

	CB3P	Proposed Ordinance
Commission hearing within 90 days of completed application	Х	Х
Requirement that the item be placed on consent	Х	
Abbreviated case report and resolution required/codified		
The application pertains to a project subject to a CU	Χ	X
The application pertains exclusively to a Non-Residential Use	Χ	X
Limited to interior or store-front work such as changes of use	X	X
or tenant improvements and does not involve any new		
construction or building expansion.		
Limited to Formula Retail with fewer than 20 locations	Х	X
Proposal does not involve the consolidation of storefronts		X
Proposal does not seek to provide parking beyond what is		X
allowed as accessory		
Proposal does not remove dwelling units		X
Proposal is not seeking hours of operation beyond what is		
principally permitted		
Proposal is not seeking to sell alcohol for on or off-site	X	
consumption		
Does not seek to establish or expand any of the following		
uses:		1
Tobacco Paraphernalia Establishment	Х	X
Adult Entertainment	Х	X
Cannabis Retail (formally Medical Cannabis Dispensary)	Х	X
Wireless Telecommunication Facility	Χ	Х
Drive-up Facility	Χ	Х
Fringe Financial Service	Χ	Х
Massage Establishment	Χ	



Outdoor Activity Area	X
Bar	X
Liquor Store	X
Nighttime/General Entertainment	X
Ground floor office that is closed to the general public.	Х

General Plan Compliance

The proposed ordinance aligns with the San Francisco General Plan by advancing key objectives in the Commerce and Industry, Urban Design, and Housing Elements. It supports economic diversity and job creation by streamlining permitting for small and mid-sized businesses (Commerce and Industry Objective 1, Policy 1.1). It aligns with Urban Design Objective 1 by promoting the reuse of existing storefronts in a way that reinforces the visual and functional coherence of neighborhoods. Although focused on commercial activity, the ordinance also supports Housing Element policies by fostering vibrant, mixed-use communities where housing and services can co-exist. Overall, the ordinance furthers the General Plan's goals of equitable economic development and a well-designed, livable urban environment.

Racial and Social Equity Analysis

The proposed ordinance advances racial and social equity by streamlining the permitting process for small and mid-sized businesses. Many of these businesses are owned by BIPOC, immigrant, and low-income entrepreneurs who have historically faced structural barriers to opening or sustaining businesses in San Francisco. Lengthy timelines, complex requirements, and high permitting costs have disproportionately impacted these communities, making it difficult to access commercial space and maintain stable operations. By removing exclusions for the Calle 24 Special Use District and the North Beach Neighborhood Commercial District, the ordinance expands expedited permitting to culturally significant neighborhoods with longstanding community-serving businesses. Prioritizing small-scale commercial activity in these areas helps preserve cultural identity, supports local employment, and promotes equitable access to economic opportunity.

At the same time, equity impacts depend on implementation. Without targeted outreach, language access, and technical assistance, more privileged applicants may be better positioned to take advantage of streamlined processes. Care must also be taken to ensure that acceleration of approvals does not inadvertently undermine community-serving review or result in uses that displace or outcompete legacy businesses.

In sum, the ordinance represents a meaningful step toward equitable economic recovery by addressing long-standing permitting inequities, but its success will depend on ensuring that access to the program is inclusive, intentional, and community-informed.

Implementation

The Department has determined that this Ordinance will impact our current implementation procedures; however, the proposed changes can be implemented without increasing permit costs or review time.



Recommendation

The Department recommends that the Commission *adopt a recommendation for approval* of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

Basis for Recommendation

The Department recommends approval of the proposed ordinance because it consolidates and modernizes overlapping permitting programs. This creates a more streamlined and transparent pathway for small and mid-sized businesses seeking Conditional Use authorization. As discussed above, the ordinance resolves the long-standing redundancy between the Commission's 2015 Community Business Priority Processing Program and Planning Code Section 303.2 by unifying them under a single, codified framework. It also expands eligibility to include historically excluded districts—such as Calle 24 and North Beach—and small-scale Formula Retail, addressing past inequities in access to expedited review. These changes support economic recovery, reinforce the goals of PermitSF, and advance the City's broader objectives related to racial equity, neighborhood vitality, and small business retention. The Department believes the ordinance is consistent with the General Plan, improves operational clarity, and better serves the public interest.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

ATTACHMENTS:

Exhibit A: Draft Planning Commission Resolution Exhibit B: Board of Supervisors File No. 250538 Exhibit C: Planning Commission CP3P Resolution





CITY AND COUNTY OF SAN FRANCISCO DANIEL L. LURIE, MAYOR

> OFFICE OF SMALL BUSINESS DIRECTOR KATY TANG

June 24, 2025 Ms. Angela Calvillo, Clerk of the Board City Hall Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

RE: BOS File No. 250538 – Priority Permit Processing for Commercial Permits - Support

Dear Ms. Calvillo,

On June 23, 2025, the Small Business Commission (the Commission) heard BOS File No. 250538 – Priority Permit Processing for Commercial Permits. The legislation would consolidate two similar priority permit processing programs under the Planning Commission and Planning Department. The proposed legislation would allow businesses within the North Beach NCD, North Beach SUD, and Calle 24 SUD to benefit from that process.

The Commission noted that currently, businesses in North Beach and Calle 24 that apply for Conditional Use Authorizations are excluded from the priority permitting process. This legislation will ensure that their applications are reviewed at the Planning Commission within 90 days of submittal, which can be financially beneficial to businesses paying rent prior to opening.

The Commission supported the legislation with a 6-0 vote, with one Commissioner absent. Thank you for considering the Commission's recommendations. Please feel free to contact me should you have any questions.

Sincerely,

Katy Tang

Director, Office of Small Business

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Ι	Date:	May 28, 2025					
То:		Planning Department/Planning Commission					
F	From:	John Carroll, Assistant Clerk, Land Use and Transportation Committee Board of Supervisors Legislation Referral - File No. 250538 Planning Code - Priority Processing for Certain Commercial Uses					
S	Subject:						
\boxtimes	Californ	California Environmental Quality Act (CEQA) Determination					
	(California Public Resources Code, Sections 21000 et . ☑ Ordinance / Resolution ☐ Ballot Measure		Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.				
	Danot Ficasure		6/4/2025 Joy Navarrete				
	(Planning ⊠ Gen	Amendment to the Planning Code, including the following Findings: (Planning Code, Section 302(b): 90 days for Planning Commission review) □ General Plan □ Planning Code, Section 101.1 □ Planning Code, Section 302					
		ment to the Administrative Code, involving Jule 3.23: 30 days for possible Planning Departme	ĕ				
	(Charter, (Require property removal structur develop program	General Plan Referral for Non-Planning Code Amendments (Charter, Section 4.105, and Administrative Code, Section 2A.53) (Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)					
	Historic Preservation Commission						
		Landmark (Planning Code, Section 1004.3)					
		Cultural Districts (Charter, Section 4.135 & Board Rule 3.23)					
		Mills Act Contract (Government Code, Section 50280)					
		☐ Designation for Significant/Contributory Buildings (Planning Code, Article 11)					

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Katy Tang, Director

Small Business Commission, City Hall, Room 448

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

DATE: May 28, 2025

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS

Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committ3ee 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. 250538

Ordinance amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling eligible uses in the North Beach Neighborhood Commercial District, the North Beach Special Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program; reaffirming 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.

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:
Office of Chair Melgar and Mayor Lurie
Kerry Birnbach, Senior Policy Analyst/Commission Secretary

RESPONSE FROM SMALL BUSINESS COMMISSION - Date:
No Comment
Recommendation Attached

Chairperson, Small Business Commission

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce

Development

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

DATE: May 28, 2025

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Mayor Lurie on May 20, 2025.

File No. 250538

Ordinance amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling eligible uses in the North Beach Neighborhood Commercial District, the North Beach Special Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program; reaffirming 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.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: john.carroll@sfgov.org.

cc:

Offices of Chair Melgar and Mayor Lurie Anne Taupier, Office of Economic and Workforce Development Alesandra Lozano, Office of Economic and Workforce Development

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Budget and Legislative Analyst

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

DATE: July 3, 2025

SUBJECT: LEGISLATION AMENDED - FISCAL IMPACT DETERMINATION

The Board of Supervisors' Land Use and Transportation Committee (a nonfiscal committee) amended the following legislation on June 30, 2025. Pursuant to Administrative Code, Section 2.6-3, the new version is being forwarded to you as it was initially determined not to have fiscal impact.

File No. 250538-2

Ordinance amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program; reaffirming 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.

If the new version is determined to have fiscal impact, the legislation will need to be referred to a fiscal committee before it can be referred to the full Board for approval.

Please send your determination or contact with me any questions at (415) 554-4445 or email: john.carroll@sfgov.org.

_	This matter has fiscal impact.	
_	This matter does not have fiscal impact.	
_	Additional information attached.	

From: Menard, Nicolas (BUD)

To: Carroll, John (BOS)

Cc: Goncher, Dan (BUD); BOS Legislation, (BOS)

Subject: RE: REFERRAL BLA - FISCAL IMPACT DETERMINATION REQUEST - AMENDED IN LUT - BOS File No. 250538-2 -

Planning Code - Priority Processing for Certain Commercial Uses

Date: Thursday, July 3, 2025 10:20:30 AM

Attachments: <u>image001.pnq</u>

Good morning, John

This ordinance, as amended, does not have fiscal impact.

Nicolas Menard Budget & Legislative Analyst's Office 415-484-5485

From: Carroll, John (BOS) < john.carroll@sfgov.org>

Sent: Thursday, July 3, 2025 9:51 AM

To: Menard, Nicolas (BUD) < nicolas.menard@sfgov.org>

Cc: Goncher, Dan (BUD) <dan.goncher@sfgov.org>; BOS Legislation, (BOS)

<bos.legislation@sfgov.org>

Subject: REFERRAL BLA - FISCAL IMPACT DETERMINATION REQUEST - AMENDED IN LUT - BOS File

No. 250538-2 - Planning Code - Priority Processing for Certain Commercial Uses

Good morning,

The subject ordinance was amended in LUT on June 30, 2025. It was then recommended to the BOS for consideration on July 8, 2025.

At the time of introduction this ordinance was determined to not have fiscal impact.

Referral to BLA – July 3, 2025

Pursuant to Admin Code, Section 2.6-3, please review the amended ordinance to determine whether the amendments result in the legislation having a fiscal impact.

You are invited to review the entire matter on our <u>Legislative Research Center</u> by following the link below.

Board of Supervisors File No. 250538

Best to you,

From: <u>Carroll, John (BOS)</u>

To: <u>Balboa Village Merchants Association</u>

Cc: Board of Supervisors (BOS)

Subject: RE: Letter of Support for Small Business Permitting Reform Legislation at Land Use Committee (Mon, June 30) -

BOS File Nos. 250538 250539 250540 250541 250542

Date: Monday, June 30, 2025 4:25:00 PM

Attachments: <u>image001.png</u>

Thank you for your comment letter.

By copy of this message to the <u>board.of.supervisors@sfgov.org</u> email address, your comments will be forwarded to the full membership of the Board of Supervisors. I will include your comments in the files for these ordinance matters.

I invite you to review the entire matter on our <u>Legislative Research Center</u> by following the link below:

Board of Supervisors File No. 250538

Board of Supervisors File No. 250539

Board of Supervisors File No. 250540

Board of Supervisors File No. 250541

Board of Supervisors File No. 250542

John Carroll Assistant Clerk

Board of Supervisors San Francisco City Hall, Room 244 San Francisco, CA 94102 (415)554-4445



Click here to complete a Board of Supervisors Customer Service Satisfaction form.

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.

From: Balboa Village Merchants Association <info@balboavillagesf.org>

Sent: Monday, June 30, 2025 1:26 PM

To: Carroll, John (BOS) <john.carroll@sfgov.org>

Subject: Letter of Support for Small Business Permitting Reform Legislation at Land Use Committee

(Mon, June 30)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi John,

Attached below, and also included below in the body of this email, is a letter of support for the PermitSF Legislation to share with the Land Use Committee. If possible, please also include it as part of the public comment for the June 30th meeting.

Thank you,
Suzie Ferras :)
--Hello,

I am writing in support of the Permit SF Legislation. This legislation makes common-sense changes that will help make running a small business in San Francisco easier.

These permit reforms help simplify and streamline the process for business signs, sidewalk usage, and awnings, saving time and reducing costs for small businesses.

As a small business owner and a leader in San Francisco's small business community, I support Permit SF Legislation.

Thanks! Suzie Ferras

Owner of Creative IQ Art Studio President of the Balboa Village Merchants Association (BVMA) Former Vice President of the San Francisco Council of Merchant District Associations (SFCDMA) --

Balboa Village Merchants Association www.balboavillagesf.org www.facebook.com/balboavillagesf www.instagram.com/balboavillagesf www.twitter.com/balboavillagesf

From: <u>D3 Zoning Coalition</u>

To: Sauter, Danny (BOS); Andrews, Michelle (BOS)

Cc: Carroll, John (BOS); Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS); Fielder, Jackie (BOS)

Subject: File No. 250538: Letter to Supervisor Sauter

Date: Monday, June 30, 2025 12:04:38 PM

Attachments: Supervisor Sauter Letter 6.30.25.pdf

CCDCNBBA Formula Retail letter 4-18-25[3].pdf

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Supervisor Sauter and Members of the Land Use Committee:

Please see the attached letter from us regarding Item No. 2 on today's Land Use Committee agenda requesting that the Committee exclude the Calle 24 Latino Cultural District SUD and North Beach NCD/SUD from the legislation as unanimously recommended by the Planning Commission.

Sincerely,

Calle 24 Latino Cultural District
Chinatown Community Development Center
North Beach Business Association
Telegraph Hill Dwellers









June 30, 2025 Via Email

Supervisor Danny Sauter, District 3 Michelle Andrews, Legislative Aid San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

RE: Request to Amend File No. 250538 - Item No. 2 Land Use and Transportation Committee [Planning Code – Priority Processing for Certain Commercial Uses]

Dear Supervisor Sauter and Ms. Andrews,

Thank you for responding to our letter dated June 25, 2025. We are writing to reiterate our collective request that the proposed legislation [File No. 250538] be amended to exclude the Calle 24 Latino Cultural District SUD (Calle 24) and the North Beach Neighborhood Commercial District (NCD) and North Beach Special Use District (SUD) as unanimously recommended by the Planning Commission on June 26th. Further, we ask that the proposal to increase the Priority Processing threshold for Formula Retail establishments from 11 to 20 not apply to any of the Chinatown Mixed Use Districts.

We understand that the law currently bans Formula Retail in North Beach and in one of the three Chinatown Mixed Use Districts. However, it is conditionally permitted in Calle 24 and two of the three Chinatown Mixed Use Districts. First, we would like Supervisor Sauter to make abundantly clear that he does not intend to introduce or support legislation that would in any way change the North Beach and Chinatown Formula Retail bans that are in place. Second, we strongly oppose the proposal to increase the Formula Retail threshold for Priority Processing from 11 to 20. The Chinatown Community Development Center (CCDC) and the North Beach Business Association (NBBA) copied you on an earlier letter dated April 18, 2025, attached, to the Land Use and Transportation Committee addressing this matter of critical importance to our neighborhoods.

Read in conjunction with the legislation you introduced two weeks ago without consulting *any* of our organizations, which legislation proposed to eliminate the North Beach SUD and significantly amend the North Beach NCD, we are rightfully concerned that subjecting all uses that require a CUA in North Beach --other than Formula Retail -- to the Priority Processing legislation undermines our longstanding ability to maintain the level of community input that has ensured the vibrancy and economic and cultural success of this iconic neighborhood.

Importantly, as presented by Planner Aaron Starr to the Planning Commission on Thursday, June 13th, the legislation **would not** simply speed up the process to a 90-day timeline, but could eliminate public participation entirely. Mr. Starr stated as follows:

"..the consent calendar would no longer be required but these projects would no longer be required to be on the consent calendar, so it allows for scheduling flexibility. However our default would continue to be have to have these on the consent calendar unless Supervisor Danny Sauter June 30, 2025 Page 2 of 2

directed otherwise by this Commission. And finally it removes the mandate for annual reporting to the board of supervisors."

Mr. Starr was clear that the proposed new Priority Processing Program would **not** guarantee that CUAs would be on the Planning Commission agenda for approval, even on the consent calendar, in which case neither a staff report or notice to the public would be required, eliminating the opportunity for public participation.

As stated in our June 25th letter to the Planning Commission:

"Contrary to the Planning Department's claims in its staff report that these changes 'support economic recovery and advance the City's broader objectives related to racial equity, neighborhood vitality, and small business retention,' the proposed changes to Calle 24 and North Beach would have the opposite effect.

"These neighborhoods have been leading the way to economic recovery as evidenced by the vitality of our commercial corridors today. In both Calle 24 and North Beach our retail spaces have a lower vacancy rate today than before the pandemic. Our neighborhoods celebrate the cultural and racial composition of our businesses, and strive to retain our existing thriving small business, many of them Legacy Businesses, many owned by immigrant and low-income entrepreneurs sustaining their businesses. Further, the existing controls to prevent the incursion of formula retail uses has protected these small businesses from the likely rent increases chain stores and restaurants could catalyze. "

In closing, we respectfully request that you amend File No. 250358 to exclude the Calle 24 Latino Cultural District SUD and the North Beach NCD and SUD as unanimously recommended by the Planning Commission.

Sincerely,

Erick Arguello, President Calle 24 Latino Cultural District

Stuart Watts, President North Beach Business Association

Rosa Chen, Director of Planning & Policy Chinatown Community Development Center

Nick Ferris, President Telegraph Hill Dwellers

Enc.

cc: Supervisor Myrna Melgar Supervisor Jackie Fielder Supervisor Bilal Mahmood Supervisor Chyanne Chen Land Use and Transportation Committee San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Re: File #250101 [Planning Code - Removing Conditional Use Requirement for Formula Retail Uses on Van Ness Avenue]

Dear Supervisors Melgar, Chen, Mahmood, Clerk Carroll, and Co-sponsors Sherrill and Sauter,

We are writing on behalf of Chinatown Community Development Center (CCDC) and the North Beach Business Association (NBBA) on the topic of formula retail uses. CCDC is a place-based community development organization primarily serving the Chinatown neighborhood but also serving North Beach and the Tenderloin. CCDC's mission is to build community and enhance the quality of life for San Francisco residents. As a community development organization with many roles (neighborhood advocates, organizers, planners, developers, and managers of affordable housing), CCDC believes in a comprehensive vision of community, a quality environment, a healthy neighborhood economy, and active voluntary associations. The NBBA is the sole small business organization representing the North Beach Commercial District. The NBBA is committed to supporting and celebrating our neighborhood businesses and strives to enhance and preserve the unique character of North Beach as a prosperous place to do business, live, and visit.

While we do not oppose removing the conditional use requirement for formula retail on Van Ness Avenue, we want to recognize the importance of the conditional use process overall, especially in communities like Chinatown and North Beach which have long banned Formula Retail uses. We hope that the conditional use process continues to be upheld elsewhere, and that the removal of conditional use requirements on Van Ness Avenue will not serve as a catalyst for changes in communities like ours.

With decades of history of maintaining quality of life and neighborhood character, CCDC and NBBA understand well the negative impact of formula retail moving into established commercial corridors traditionally well served by small, independent stores and businesses that are key to cultural vitality and diversity in the area. As you probably are all are aware, the neighborhoods across San Francisco each have unique characteristics and needs, and we believe the City's land use policies should reflect as such. Chinatown, in particular, features culturally responsive grocery, medicinal, drink, and hardware stores—businesses that not only respond to the community's needs but employ residents and give new small business owners an opportunity to build wealth. North Beach continues to thrive because of its unique, authentic retail environment that has long been home to renowned establishments like City Lights Bookstore, the Caffe Trieste, Biordi's and Club Fugazi. The allowance of formula/big box retail in communities like ours could greatly disrupt and threaten the independent retail ecosphere that has defined our communities. We want to be clear that the current formula retail controls for Chinatown and North Beach are working and should be left in place and not amended.

Thank you for your time, and please feel free to reach out with any questions.

Sharon Ng

Show

Community Planner

Chinatown Community Development Center

Stuart Watts, President

Stront Walls

North Beach Business Association





From: <u>Carroll, John (BOS)</u>

To: Amy Cleary; Melgar, Myrna (BOS); Low, Jen (BOS); Chen, Chyanne (BOS); Sciammas, Charlie (BOS); Mahmood,

Bilal (BOS), Cooper, Raynell (BOS)

Cc: <u>Laurie Thomas</u>; <u>Tang</u>, <u>Katy (ECN)</u>

Subject: RE: GGRA Letter Support for Small Business Permitting Reform Legislative Package

Date: Monday, June 30, 2025 10:28:00 AM

Attachments: GGRA Letter Support for Small Business Permitting Reform Legislative Package .pdf

image001.pnq

Thank you for your comment letter.

I am forwarding your comments to the members of the Land Use and Transportation committee, and I will include your comments in the files for these ordinance matters.

I invite you to review the entire matter on our <u>Legislative Research Center</u> by following the link below:

Board of Supervisors File No. 250538

Board of Supervisors File No. 250539

Board of Supervisors File No. 250540

Board of Supervisors File No. 250541

Board of Supervisors File No. 250542

John Carroll Assistant Clerk

Board of Supervisors San Francisco City Hall, Room 244 San Francisco, CA 94102 (415)554-4445



Click here to complete a Board of Supervisors Customer Service Satisfaction form.

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation and archived matters since August 1998.

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From: Amy Cleary <amy@ggra.org>
Sent: Monday, June 30, 2025 10:14 AM

To: Carroll, John (BOS) < john.carroll@sfgov.org>

Cc: Laurie Thomas cventures.com; Tang, Katy (ECN) katy.tang@sfgov.org **Subject:** GGRA Letter Support for Small Business Permitting Reform Legislative Package

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Good morning,

Please see the attached GGRA letter of support.

Best,

Amy

Amy Cleary
Director of Public Policy and Media Relations
Golden Gate Restaurant Association
415.370.9056
amy@ggra.org



June 30, 2025

Dear Land Use and Transportation Committee,

I'm writing today on behalf of the Golden Gate Restaurant Association in strong support for the small business permitting reform legislative package, which will come before you at the June 30 committee meeting and includes the following proposed ordinances (items 2-5):

- BOS File 250538- Priority Processing for Certain Commercial Uses
- BOS File 250539 Existing Awning, Sign, and Gate Amnesty Program; Design Standards for Gates, Railings, and Grillwork
- BOS File 250540 Temporary Use Authorizations
- BOS File 250541 A revised process for table and chairs and sidewalk merchandise display
- BOS File 250542 Fenestration, Transparency, and Sign Requirements Generally; Sales and Service Uses in the C-3 and RC Districts

As small business owners, our members know that permitting can be a confusing and challenging process. The proposed legislative package seeks to remove unnecessary permitting hurdles, including:

- Exempting painted business signs, and small window and interior signs from requiring a permit
- Relaxing transparency requirements for security gates, and providing a pathway for existing unpermitted security gates to come into compliance
- Clarifying allowable temporary uses and expanding the definition of "Retail Pop Up" uses
- A revised process for table and chairs and sidewalk merchandise display

These legislative proposals allow business owners like myself to focus on what we do best: running our business, serving our community, and bringing life and vitality to San Francisco. These are common sense solutions that I hope you can support.

Laurie Thomas

Lauris Thomas

Executive Director, Golden Gate Restaurant Association

From: Mariposas dining

To: Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)
Cc: Lurie, Daniel (MYR); Carroll, John (BOS); DorseyStaff (BOS)

Subject: Supporting Priority Processing and Streamlined Approvals for Small Businesses!! **Please read**

Date: Sunday, June 29, 2025 6:11:47 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Honorable Members of the Land Use and Transportation Committee,

My name is Alli Goldenberg and I am a woman and minority-owned business owner operating three restaurants (SOMA district) and one nightclub in San Francisco (Fisherman's Wharf). I am writing to express my strong support for the priority processing and related ordinances being considered on your June 30th agenda, including items 250538, 250539, 250540, 250541, and 250542.

As a local small business operator, I have faced firsthand how complicated, unpredictable, and slow permitting processes can be. Delays and barriers have a real financial impact on our ability to expand, renovate, or simply adapt to changing market needs. The proposed changes would meaningfully help small businesses like mine by modernizing approvals, cutting unnecessary bureaucracy, and giving diverse owners a fairer chance to succeed.

For example, the priority processing program (250538) would be a game-changer, helping activate vacant commercial spaces faster in key neighborhoods, which supports both economic recovery and community vitality. During one of my expansions, it took over six months to secure approvals — costing us revenue, staff hours, and community momentum. Streamlining this process is crucial, especially for woman- and minority-owned businesses without large corporate resources.

Similarly, the awning and signage amnesty program (250539) is a practical and fair measure. Many of us inherit older spaces with unpermitted features; the chance to legalize them without excessive redesign or fines allows us to focus on running our businesses, keeping our staff employed, and enhancing neighborhood character.

Streamlined sidewalk seating and merchandise rules (250541) are just as vital. Sidewalk activity is essential for creating a lively street presence, boosting foot traffic, and making neighborhoods feel safe and welcoming. Eliminating duplicative permits and fees is a positive and common-sense step forward.

Finally, the updates to temporary use authorizations (250540) and flexibility in retail and service uses (250542) give small businesses the adaptability we need to test concepts, pivot quickly, and meet evolving demand, all while keeping San Francisco's commercial districts active and relevant.

If these measures pass, I am fully committed to investing further in San Francisco—expanding new concepts, hiring more staff, and revitalizing underutilized spaces in partnership with the communities where I do business. Streamlined processes and fairer approvals would give me the confidence to continue growing and reinvesting in the city I call home.

In sum, these measures represent practical, equitable solutions that benefit both the business community and the neighborhoods we serve. I urge you to advance them to support local ownership, diverse entrepreneurship, and the long-term health of our city's economy.

I hope to be in attendance tomorrow towards the end of the meeting, as I have a prior commitment at 12:30pm. I can be reached at any time at 415-845-1557.

Thank you for your time and leadership on these critical initiatives.

Warm regards,

Alli

--

Alli Goldenberg | Managing Partner t: (415)845-1557

e: mariposasdining@gmail.com

Mariposas | 825 Mission St SF CA 94103

Read our Yelp Reviews here!

IG: @sfmariposas



From: <u>T Flandrich</u>

To: Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)

Cc: MelgarStaff (BOS); ChenStaff; MahmoodStaff; Carroll, John (BOS); Sauter, Danny (BOS); SauterStaff

Subject: 2. 250538 [Planning Code - Priority Processing for Certain Commercial Uses] AMEND TO EXCLUDE NORTH

BEACH & CALLE 24

Date: Sunday, June 29, 2025 5:34:59 PM

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29. June 2025

Dear Chair Melgar and Committee Members Chen & Mahmood,

North Beach Tenants Committee joins with Calle 24, North Beach Business Association, Telegraph Hill Dwellers, and Chinatown Community Development Center, to request that the proposed legislation [File No. 250538] ITEM #2 be amended to exclude the North Beach Neighborhood Commercial District (NCD), North Beach Special Use District (SUD), and the Calle 24 Latino Cultural District SUD (Calle 24).

On Thursday June 26th the Planning Commission voted unanimously to remove these districts from the proposed new Priority Processing legislation.

Further, we ask that the proposal to increase the Priority Processing threshold for Formula Retail establishments from 11 to 20 **not** apply to any of the Chinatown Mixed Use Districts.

I am writing to express my strong opposition to withdrawing the existing protections from both the North Beach Neighborhood Commercial District and North Beach Special Use District and Calle 24 Special Use District. Our small businesses thrive today because these protections and restrictions on formula retail are in place.

It is my understanding that District 9 Supervisor Fielder has worked closely with the Calle 24 community, with her constituents.

Unfortunately the same cannot be said about our current District 3 supervisor. In fact, I have learned that there has been no outreach whatsoever to our North Beach community of merchants, employees, residents, nor to our neighborhood organizations. This alone is a very worrisome development.

We, the community, have the lived experience of corporate investors buying buildings here, raising the rents by 300% and forcing small businesses out. Whether it was Mayor Lurie or Supervisor Sauter who chose to include our historical cultural districts in this ordinance, both are either unaware or chose to ignore our history of loss and displacement. Bottom line is that neither one chose to speak with us.

On a personal note, while I still mourn the loss of Dianda's Italian American Pastry Shop here on Green Street, at least I can still take a bus to the remaining

Dianda's on Mission Street to purchase our ritual chocolate rum cake. Please AMEND AND EXCLUDE!

Join our communities in supporting our existing small businesses and ensuring future small businesses will not be harmed by corporate retail competition and exorbitant rent increases.

Thank you for your consideration, Theresa Flandrich North Beach Tenants Committee From: <u>D3 Zoning Coalition</u>

To: Carroll, John (BOS); Melgar, Myrna (BOS); Mahmood, Bilal (BOS); Chen, Chyanne (BOS)
Cc: erick@calle24sf.org; sharon.ng@chinatowncdc.org; gabriella.ruiz@chinatowncdc.org;

rosa.chen@chinatowncdc.org; myeung@chinatowncdc.org; Low, Jen (BOS); stuart@localfriends.co; Nick Ferris;

Sauter, Danny (BOS)

Subject: Land Use Committee Item No. 2 (File No. 250538)

Date:Friday, June 27, 2025 6:59:05 PMAttachments:Item 21-Opposing Priority Ordinance.pdf

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Dear Supervisors Melgar, Chen, and Mahmood,

As set forth in our letter to the Planning Commission, attached, and as recommended unanimously by the Planning Commission, we respectfully request that the legislation be amended to remove the Calle 24 Latino Cultural District SUD, the North Beach SUD and NCD.

Sincerely,

Erick Arguello, President, Calle 24 Latino Cultural District
Stuart Watts, President, North Beach Business Association
Rosa Chen, Director of Planning & Policy, Chinatown Community Development Center
Nick Ferris, President, Telegraph Hill Dwellers









June 25, 2025

Lydia So, President San Francisco Planning Commission 49 South Van Ness Avenue, Suite 1400 San Francisco, CA 94103

(Via email: <u>lydia.so@sfgov.org</u>)

RE: STRONG OPPOSITION TO PRIORITY PROCESSING ORDINANCE

Item 21: Case No. 2025-004740PCA [Board File No. 250538]

Dear President So and Commissioners,

On behalf of Calle 24 Latino Cultural District (Calle 24), the North Beach Business Association (NBBA), the Chinatown Community Development Center (CCDC), and the Telegraph Hill Dwellers (THD), we are writing to express our strong opposition to the addition of the Calle 24 Latino Cultural District SUD, the North Beach Neighborhood Commercial District (NCD), and the North Beach Special Use District (SUD) to the Planning Code's Priority Processing Program.

Historically, in recognition of the special nature of Calle 24 and North Beach, their long-standing mix of community-serving businesses at risk of displacement, including Legacy Businesses, murals, festivals, and architectural design and character, they have long been exempted from the Planning Code's Priority Processing Program, ensuring that Conditional Use Authorizations (CUA) require public notice, thorough review prior to approval, and time for the community to gather and provide input.

The proposed legislation before you would include for the first time Calle 24 and North Beach within the Planning Code's Priority Processing Program. The proposed amendments to the Priority Processing Program would also for the first time include formula retail uses and streamline the conditional use process for larger retailers rather than the small businesses it was intended to serve. We believe the program has worked as it is – to accelerate the review of certain small business crucial to the city and our communities' economic vitality, while providing protection for the existing small businesses in Calle 24 and North Beach. We strongly oppose the proposed legislation and the inclusion of Calle 24 and North Beach within the Priority Processing Program.

Contrary to the Planning Department's claims in its staff report that these changes "support economic recovery and advance the City's broader objectives related to racial equity, neighborhood vitality, and small business retention," the proposed changes to Calle 24 and North Beach would have the opposite effect.

These neighborhoods have been leading the way to economic recovery as evidenced by the vitality of our commercial corridors today. In both Calle 24 and North Beach our retail spaces have a lower vacancy rate today than before the pandemic. Our neighborhoods celebrate the cultural and

San Francisco Planning Commission June 25, 2025 Page 2 of 3

racial composition of our businesses, and strive to retain our existing thriving small business, many of them Legacy Businesses, many owned by immigrant and low-income entrepreneurs sustaining their businesses. Further, the existing controls to prevent the incursion of formula retail uses has protected these small businesses from the likely rent increases chain stores and restaurants could catalyze.

We believe that the elimination of these protections would threaten our small businesses with displacement, especially given the proposed massive upzoning of the City's commercial corridors.

Through the protections long enjoyed by Calle 24 and North Beach, including their exemption from the Priority Processing Program, our commercial districts exemplify today the City's stated objectives of economic recovery, neighborhood vitality, and small business retention. These protections have been working. Please do not undermine the success of these neighborhoods. The proposed legislation is a solution looking for a problem that doesn't exist. One size does not fit all.

CCDC respects the wishes of Calle 24 and North Beach organizations to continue to be excluded from the Priority Processing Program and joins in this letter because we strongly believe neighborhoods should have the right to self-determination. We understand that the Priority Processing Program already includes Chinatown districts and works as it is for small business owners. We believe in clearer pathways for community serving businesses but maintain that formula retail establishments should not be given this level of streamlining. Historically, Chinatown has fought to conserve the independent retail ecosphere despite the proliferation of bank branches, McDonalds, etc. The proposed streamlining for formula retail establishments would reduce opportunities for businesses that are reflective of the community, such as affordable grocery stores, restaurants, and businesses that embody the heart and soul of our communities.

Please reject the Planning Department's recommendations to add the Calle 24 Latino Cultural District SUD, the North Beach NCD, and the North Beach SUD to the Planning Code's Priority Processing Program and reject the proposed streamlining of formula retail uses.

Thank you very much for your consideration.

Sincerely,

Erick Arguello, President Calle 24 Latino Cultural District

Stuart Watts, President North Beach Business Association

Rosa Chen, Director of Planning & Policy Chinatown Community Development Center

Nick Ferris, President Telegraph Hill Dwellers San Francisco Planning Commission June 25, 2025 Page 3 of 3

cc: Kathrin Moore, Vice President kathrin.moore@sfgov.org
Theresa Imperial, Commissioner theresa.imperial@sfgov.org
Derek Braun, Commissioner commissions.secretary@sfgov.org
Amy Campbell, Commissioner amm.mcgarry@sfgov.org
Sean McGarry, Commissioner sean.mcgarry@sfgov.org
Gilbert Williams, Commissioner gilbert.a.williams@sfgov.org
Jonas Ionin, Secretary commissions.secretary@sfgov.org
Supervisor Danny Sauter danny.sauter@sfgov.org
Supervisor Jackie Fielder Jackie.fielder@sfgov.org

From: <u>Teddy Kramer</u>

To: Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)

Cc: Carroll, John (BOS)

Subject: Support for Mayor Lurie's Permit SF Legislative Package

Date: Friday, June 27, 2025 1:41:02 PM

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Supervisors Chen, Melgar, and Mahmood:

My name is Teddy Kramer and I am the owner of <u>NEON</u>, a drop in workspace and neighborhood event space on Union Street in Cow Hollow.

I'm writing you today in strong support for Mayor Lurie's Permit SF legislative package which will come before you at the June 26 Planning Commission hearing and includes the following proposed ordinances:

- BOS File 250538 Priority Processing for Certain Commercial Uses
- BOS File 250539 Existing Awning, Sign, and Gate Amnesty Program; Design Standards for Gates, Railings, and Grillwork
- BOS File 250540 Temporary Use Authorizations
- BOS File 250542 Fenestration, Transparency, and Sign Requirements Generally; Sales and Service Uses in the C-3 and RC Districts

As a small business owner, I know that permitting can not only be a confusing and challenging process but it must be efficient, transparent and frictionless.

The proposed legislative package seeks to remove unnecessary permitting hurdles, including:

- Shortening permitting processing timelines for various nightlife and entertainment related permits
- Establishing clear design guidelines for new security gates, and providing a pathway for existing unpermitted security gates to come into compliance
- Exempting basic painted business signs and small window signs from requiring a permit

These legislative proposals are just common sense and they will allow business owners like myself to focus on what we do best: running our business, serving our neighborhoods, and bringing life and vitality to San Francisco.

Let's stick with common sense solutions for small businesses here in San Francisco. I hope you will support this important and timely legislation.

Thank you for your consideration.

--

Teddy Kramer CEO/Founder

Office of the Mayor San Francisco



DANIEL LURIE Mayor

TO: Angela Calvillo, Clerk of the Board of Supervisors FROM: Adam Thongsavat, Liaison to the Board of Supervisors

RE: Planning Code - Priority Processing for Certain Commercial Uses

DATE: May 20, 2025

, .

Ordinance amending the Planning Code to update eligibility requirements for the priority processing program for certain commercial uses, including enabling eligible uses in the North Beach Neighborhood Commercial District, the North Beach Special Use District, the Calle 24 Special Use District, and Formula Retail uses with fewer than 20 establishments to participate in the program, and updating scheduling and extension requirements for the priority processing program; reaffirming 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.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org