

File No. 171173

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation

Date January 8, 2018

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Memorandum of Understanding (MOU) |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 - Ethics Commission |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>CEQA Determination</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Planning Commission Resolution No. 20030</u> |
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Completed by: Alisa Somera Date January 4, 2018

Completed by: _____ Date _____

[Planning Code - Mission Street Neighborhood Commercial Transit District]

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District; affirming the Planning Commission’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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

Section 1. Findings and Purpose.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 171173 and is incorporated herein by reference. The Board affirms this determination.

(b) On October 19, 2017, the Planning Commission, in Resolution No. 20030, 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

1 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
2 Board of Supervisors in File No. 171173, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
4 Amendment will serve the public necessity, convenience, and welfare for the reasons set forth
5 in Planning Commission Resolution No. 20030 and the Board incorporates such reasons
6 herein by reference.

7 (d) In 2008, the Board of Supervisors adopted the Eastern Neighborhoods Plan and
8 related zoning, in part to reaffirm the Mission Street corridor, between Duboce Avenue and
9 Cesar Chavez Street, as a Neighborhood Commercial Transit District to encourage vibrant
10 commercial corridors supported by medium density housing, served by multiple transit
11 options, and to protect their historic pedestrian orientation. Since the adoption of this Plan and
12 its associated zoning, the City has determined that the continued establishment, evolution,
13 and adaptation of these uses demands a more responsive set of zoning controls in the
14 Planning Code.

15 (e) The zoning controls proposed in this legislation are intended to satisfy the
16 following policy goals: (1) reduce land use pressures on retail and services uses from
17 business-to-business office uses; (2) protect the fine-grain, pedestrian orientation of Mission
18 Street, and; (3) expand opportunities for compatible PDR uses.

19
20 Section 2. The Planning Code is hereby amended by revising Sections 121.2, 121.7,
21 and 754, to read as follows:

22
23 **SEC. 121.2. NON-RESIDENTIAL USE SIZE LIMITS IN NEIGHBORHOOD**
24 **COMMERCIAL AND NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICTS.**

25 * * * *

1 (c) In order to protect the pedestrian scale of the Mission Street NCT and provide space for
2 small businesses, the following control shall apply in the Mission Street NCT:

3 (1) **Applicability.** Lot mergers pursuant to Section 121.7(f) and any project located on
4 a parcel that was created as a result of a lot merger pursuant to Section 121.7(f).

5 (2) **Control.** Any such project that does not include at least one non-residential space
6 of no more than 2,500 square feet, located on the ground floor and fronting directly onto Mission
7 Street, shall require a conditional use authorization. In considering whether to grant such conditional
8 use authorization, the Commission shall consider the criteria in Sections 121.2(a) and 303(c).

9
10 **SEC. 121.7. RESTRICTION OF LOT MERGERS IN CERTAIN DISTRICTS AND ON**
11 **PEDESTRIAN-ORIENTED STREETS.**

12 In order to promote, protect, and maintain a fine-grain scale of development in
13 residential districts and on important pedestrian-oriented commercial streets ~~which~~ that is
14 appropriate to each district, compatible with adjacent buildings; provide for a diverse
15 streetscape; ensure the maintenance and creation of multiple unique buildings and building
16 frontages rather than large single structures superficially treated; promote diversity and
17 multiplicity of land ownership and discourage consolidation of property under single
18 ownership, merger of lots is regulated as follows:

19 (a) In RTO Districts, merger of lots creating a lot greater than 5,000 square feet shall
20 not be permitted except according to the procedures and criteria in subsections (d) and (e)
21 below.

22 (b) In those NCT, NC and Mixed Use Districts listed below, merger of lots resulting in a
23 lot with a single street frontage greater than that stated in the table below on the specified
24 streets or in the specified Districts is prohibited except according to the procedures and
25 criteria in subsections (c) and (d) below.

Street or District	Lot Frontage Limit
Hayes, from Franklin to Laguna	50 feet
RED and RED-MX	50 feet
Church Street, from Duboce to 16th Street	100 feet
Divisadero Street NCT except for the east and west blocks between Oak and Fell, Fillmore Street NCT, Folsom Street NCT, RCD, WMUG, WMUO, and SALI	100 feet
<u>Mission Street, within the Mission Street NCT</u>	<u>100 feet (see subsection (f) below)</u>
Market, from Octavia to Noe	150 feet
Ocean Avenue in the Ocean Avenue NCT	See subsection (e)
Inner and Outer Clement NCDs	50 feet
North Beach NCD and SUD, and Telegraph Hill - North Beach Residential SUD*	25 feet
NC-2 districts on Balboa Street between 2nd Avenue and 8th Avenue, and between 32nd Avenue and 38th Avenue	50 feet

*For lots that do not have street frontage, the merger would not result in a lot with a width greater than 25 feet.

* * * *

(f) In the Mission Street NCT, projects that propose lot mergers resulting in street frontages on Mission Street greater than 50 feet shall provide at least one non-residential space of no more than 2,500 square feet on the ground floor fronting Mission Street.

1 **SEC. 754. MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT**
2 **DISTRICT.**

3 The Mission Street Commercial Transit District is located near the center of San
4 Francisco in the Mission District. It lies along Mission Street between 15th and Cesar Chavez
5 (Army) Street, and includes adjacent portions of 17th Street, 21st Street, 22nd Street, and
6 Cesar Chavez Street. The commercial area of this District provides a selection of goods
7 serving the day-to-day needs of the residents of the Mission District. Additionally, this District
8 serves a wider trade area with its specialized retail outlets. Eating and drinking establishments
9 contribute to the street's mixed-use character and activity in the evening hours.

10 The District is extremely well-served by transit, including regional-serving BART
11 stations at 16th Street and 24th Street, major buses running along Mission Street, and both
12 cross-town and local-serving buses intersecting Mission along the length of this district. Given
13 the area's central location and accessibility to the City's transit network, accessory parking for
14 residential uses is not required. Any new parking is required to be set back or be below
15 ground.

16 This District has a mixed pattern of larger and smaller lots and businesses, as well as a
17 sizable number of upper-story residential units. Controls are designed to permit moderate-
18 scale buildings and uses, protecting rear yards above the ground story and at residential
19 levels. New neighborhood-serving commercial development is encouraged mainly at the
20 ground story. Ground story uses are required to include active commercial uses with storefronts
21 facing the street. While offices and general retail sales uses may locate at the second story of
22 new buildings under certain circumstances, most commercial uses are prohibited above the
23 second story. Continuous retail frontage is promoted by requiring ground floor commercial
24 uses in new developments and prohibiting curb cuts. Housing development in new buildings is
25 encouraged above the ground story. Housing density is not controlled by the size of the lot but

1 by requirements to supply a high percentage of larger units and by physical envelope controls.
 2 Existing residential units are protected by prohibitions on upper-story conversions and
 3 limitations on demolitions, mergers, and subdivisions. Accessory Dwelling Units are permitted
 4 within the district pursuant to subsection 207(c)(4) of this Code.

5 **Table 754. MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT**
 6 **ZONING CONTROL TABLE**

* * * *				
Zoning Category	§ References	Controls		
NON-RESIDENTIAL STANDARDS AND USES				
* * * *				
		Controls by Story		
		1st	2nd	3rd+
* * * *				
Entertainment, Arts, and Recreation Use Category				
Entertainment, Arts, and Recreation Uses*	§102	NP	NP	NP
<i>Arts Activities</i>	<i>§102</i>	<i>P(4)</i>	<i>P</i>	<i>P</i>
Amusement Game Arcade	§102	C	NP	NP
Entertainment, General	§102	P	P	NP
Entertainment, Nighttime	§102	P	P	NP
Movie Theater	§102	P	P	NP
Open Recreation Area	§102	C	C	C
Passive Outdoor Recreation	§102	C	C	C
* * * *				

Sales and Service Use Category				
Retail Sales and Service Uses*	§§102, 202.2(a)	P	P	P
* * * *				
Trade Shop	§102	P	CP	CP
Non-Retail Sales and Service Uses*	§102	NP	NP	NP
<i>Catering</i>	§102	P(4)	P	P
Design Professional	§102	P	P	P
Service, Non-Retail Professional	§102	C	C	C
Trade Office	§102	P	P	P
Utility and Infrastructure Use Category				
Utility and Infrastructure Uses*	§102	C(3)	C(3)	C(3)
* * * *				

*Not listed below

* * * *

(4) Arts Activities and Catering uses located in the ground floor shall have active commercial activities facing Mission Street, per Section 145.4. These may be retail activities accessory to those uses or a separate business operating in the street-facing space.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

1 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the "Note" that appears under
6 the official title of the ordinance.

7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10 By:


11 KATE H. STACY
Deputy City Attorney

12 n:\land\as2017\1700381\01227892.docx

LEGISLATIVE DIGEST

[Planning Code - Mission Street Neighborhood Commercial Transit District]

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District; affirming the Planning Commission’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

Currently, there is no lot width restriction on lot mergers on Mission Street between Duboce Street and Cesar Chavez Street. Certain Production, Distribution, and Repair (PDR) uses are currently restricted in the Mission Street Neighborhood Commercial Transit (NCT) District, which runs along Mission Street between 15th Street and Cesar Chavez Street and includes adjacent portions of 17th Street, 21 Street, 22 Street, and Cesar Chavez Street, and in the 24th Street-Mission NCT District, which runs along 24th Street between Bartlett Street and San Bruno Avenue.

Amendments to Current Law

The proposed legislation would restrict lot mergers on Mission Street between Duboce Street and Cesar Chavez Street by requiring lots along Mission Street to be at least 150 feet wide. The proposed ordinance would also amend the Mission Street NCT District to permit certain PDR uses, including Light Manufacturing, Animal Hospitals, and Catering, which either are currently not permitted or conditionally permitted and prohibit Non-Retail Professional Services, which is currently conditionally permitted. Finally, the proposed legislation would amend the 24th Street-Mission NCT District to permit certain PDR uses, including Arts Activities and Light Manufacturing, which are currently not permitted.

Background Information

This proposed ordinance is consistent with and implements the policy goals of the Planning Department’s Mission Action Plan, also referred to as MAP 2020.

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BOARD of SUPERVISORS



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

November 22, 2017

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On November 14, 2017, Supervisor Ronen introduced the following legislation:

File No. 171173

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District; affirming the Planning Commission's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

For By:  Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

c: John Rahaim, Director of Planning
Aaron Starr, Acting Manager of Legislative Affairs
Scott Sanchez, Zoning Administrator
Lisa Gibson, Acting Environmental Review Officer
AnMarie Rodgers, Senior Policy Advisor
Laura Lynch, Environmental Planning
Joy Navarrete, Environmental Planning

Not defined as a project under CEQA Guidelines Section 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Joy
Navarrete

Digitally signed by Joy Navarrete
DN: cn=Joy Navarrete, o=Planning,
ou=Environmental Planning,
email=joy.navarrete@sfgov.org,
c=US
Date: 2017.11.30 15:39:23 -08'00'



SAN FRANCISCO PLANNING DEPARTMENT

October 24, 2017

Ms. Angela Calvillo, Clerk
Honorable Supervisor Hilary Ronen
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Re: Transmittal of Planning Department Case Number 2015-000988PCA-03;
Amendments to the Mission Street Neighborhood Commercial Transit
District related to the Mission Action Plan 2020
Board File No. 171173 (pending)
Planning Commission Recommendation: Approval

Dear Ms. Calvillo,

On October 19, 2017, the Planning Commission conducted duly noticed public hearings at regularly scheduled meetings to consider the proposed Ordinance that would amend Planning Code Sections 121.2, 121.7, and 754. At the hearing the Planning Commission recommended approval of the Ordinance.

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.

Supervisor Ronen, we understand that you have expressed interest in taking sponsorship of this ordinance. If so, please notify the Clerk of the Board of Supervisors at your earliest convenience.

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:

Kate Stacy, Deputy City Attorney
Amy Beinart, Aide to Supervisor Hillary Ronen
Erica Major, Office of the Clerk of the Board

Transmittal Materials

**CASE NO. 2015-000988PCA-03
Mission Street Neighborhood Commercial Transit District**

Attachments:

Planning Commission Resolution
Planning Department Executive Summary
Draft Ordinance



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20030

HEARING DATE OCTOBER 19, 2017

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

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415.558.6377

Project Name: Amendments to the Mission Street Neighborhood Commercial Transit District related to the Mission Action Plan 2020

Case Number: 2015-000988PCA-03

Initiated by: Planning Commission

Staff Contact: Pedro Peterson, Citywide Planning
pedro.peterson@sfgov.org, 415-575-9163

Reviewed by: Joshua Switzky, Senior Planner
joshua.switzky@sfgov.org, 415-575-6815

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD REVISE THE CONTROLS IN THE MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT (MISSION NCT) TO REMOVE NON-RETAIL PROFESSIONAL SERVICE (PREVIOUSLY KNOWN AS ADMINISTRATIVE SERVICES) AS A PERMITTED USE, TO LIMIT THE MERGING OF LOTS, AND TO ALLOW ARTS ACTIVITIES AND CATERING USES; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 19, 2017; and,

WHEREAS, the proposed Ordinance has been determined to be not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment; and

WHEREAS, the Commission authorized the launching of the Eastern Neighborhoods Plans (EN Plan) in 2001 through Resolution Number 16201; and

WHEREAS, the EN Plan established the Mission Street Neighborhood Commercial Transit (NCT) District, as a vibrant commercial corridor supported by medium density housing, served by multiple transit options, with a fine-grained pedestrian orientation; and

WHEREAS, since the adoption of the EN Plan and its associated zoning, the City has determined that the continued establishment, evolution, and adaptation of these uses demands a more responsive set of zoning controls in the Planning Code; and

WHEREAS, the characteristics of the commercial uses envisioned in the EN Plan are incompatible with business-to-business office uses that can increase land use pressures on retail activities serving the corridor; and

WHEREAS, the Non-Retail Professional Services (previously known as Administrative Services) use conditionally permitted in the Mission Street NCT District allows for such business-to-business office activities; and

WHEREAS, the EN Plan seeks to strike a balance between protecting the fine-grained pedestrian orientation of the Mission Street NCT District while promoting housing development opportunities that can accommodate significant amounts of below-market rate housing; and

WHEREAS, the City has engaged with members of the Mission neighborhood community under the guise of the Mission Action Plan 2020 (MAP 2020) to continue to address land use issues after the EN Plans; and

WHEREAS, the MAP 2020 process has identified the need to promote Arts Activities and Catering uses as a way to maintain economic diversity in the Mission neighborhood; and

WHEREAS, some Arts Activities and Catering uses may be compatible with and complement the neighborhood commercial uses in the Mission Street NCT; and

WHEREAS, the 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 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

MOVED, that pursuant to Planning Code Section 302(b), the Commission hereby recommends that the Board of Supervisors **approve** the proposed ordinance;

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:

1. The proposed ordinance will move forward several of the objectives set forth in the MAP 2020 process.
2. **Mission Area Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the Mission Area Plan:

LAND USE

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK.

Policy 1.1.6

Permit and encourage small and moderate size retail establishments in neighborhood commercial areas of the Mission, while allowing larger retail in the formerly industrial areas when part of a mixed-use development.

The proposed Ordinance would limit the merging of parcels into large lots that might provide only large commercial spaces that would be unsuitable and unaffordable to local small businesses, and require that certain lot mergers include small-scale commercial space fronting Mission Street. The Ordinance would also expand the range of uses in the Mission Street NCT by allowing compatible Arts Activities and Catering, while preserving active commercial uses on the ground floor.

OBJECTIVE 1.8

MAINTAIN AND STRENGTHEN THE MISSION'S NEIGHBORHOOD COMMERCIAL AREAS.

Policy 1.8.2

Ensure that the Mission's neighborhood commercial districts continue to serve the needs of residents, including immigrant and low-income households.

The proposed Ordinance would remove Non-retail Professional Services as a conditionally allowed use in the Mission Street NCT, therefore removing land use and economic pressure on local small businesses from business-to-business uses.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

The proposed Ordinance would restrict the merging of lots resulting in large frontages along Mission Street, therefore helping to preserve the fine-grained pedestrian orientation of the corridor.

3. **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 have a positive effect on neighborhood serving retail uses and enhance opportunities for resident employment in and ownership of neighborhood-serving retail, as it would require that projects proposing lot mergers resulting in long frontages on Mission Street provide small retail spaces suitable to small scale, neighborhood-serving businesses. The restriction on business-to-business uses would also reduce economic pressure on 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. The limit on lot mergers—and conditional use criteria for projects above the limit—were selected so as to not create barriers for projects that could provide a substantial number of affordable units.

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.

4. **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 recommends that the Board ADOPT the proposed Ordinance described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on October 19, 2017.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Koppel, Melgar, Richards

NOES: None

ABSENT: Hillis, Johnson, Moore

ADOPTED: October 19, 2017



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Proposed Planning Code Amendment HEARING DATE: OCTOBER 19, 2017

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

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Information:
415.558.6377

Project Name: Amendments to the Mission Street Neighborhood Commercial Transit District related to the Mission Action Plan 2020
Case Number: 2015-000988PCA-03
Staff Contact: Pedro Peterson, Citywide Planning
pedro.peterson@sfgov.org, 415-575-9163
Reviewed by: Joshua Switzky, Senior Planner
joshua.switzky@sfgov.org, 415-576-6815
Recommendation: **Approval with modifications**

PLANNING CODE AMENDMENT

On July 20, the Commission initiated amendments to the Planning Code controls for the Mission Neighborhood Commercial Transit (NCT) District. The proposed Ordinance would amend the Planning Code to achieve the following: 1) remove Non-Retail Professional Services (previously known as Administrative Services) as a permitted use in the Mission Street Neighborhood Commercial Transit District (NCT); 2) limit the merging of lots in the Mission Street NCT; 3) allow compatible Production, Distribution, and Repair (PDR) uses in the Mission Street NCT and the 24th Street – Mission NCT. Through the Department's ongoing dialogue with Mission community members, Department staff has revised the set of Planning Code amendments for Commission consideration. Staff recommends modifications to the initiated Ordinance that would limit lot mergers resulting in frontages on Mission Street above 100 feet (rather than 150 feet), and place requirements on mergers resulting in street frontages between 50 and 100 feet; remove 24th Street – Mission NCT from the scope of the amendments; and limit the expansion of permitted uses in the Mission Street NCT to Arts Activities and Catering.

The Way It Is Now:

1. Section 121.2 of the Planning Code limits uses on Mission Street above 6,000 square feet
2. Section 121.7 of the Planning Code does not limit lot mergers in the Mission Street NCT
3. Section 754 of the Planning Code (Mission Street NCT) controls the following uses as such:
 - a) Non-Retail Professional Services are permitted as a conditional use
 - b) Arts activities and catering are not permitted

The Way It Would Be:

1. Section 121.2 of the Planning Code will be modified to limit the merger of spaces resulting in merged spaces greater than 2,500 square feet in buildings located on parcels that were created from lot mergers after adoption of this ordinance.

2. Section 121.7 of the Planning Code will be modified to restrict lot mergers in the Mission Street NCT to a limit of 100 feet of lot frontage on Mission Street. Lot mergers that result in street frontages between 50 and 100 feet will be required to provide at least one space fronting Mission Street of no more than 2,500 square feet.
3. The following changes will be made to section 754 of the Planning Code (Mission Street NCT):
 - a) Non-Retail Professional Services will be removed as a permitted use
 - b) Arts activities and catering will be permitted on all floors

BACKGROUND

The Eastern Neighborhoods Area Plans (EN Plan), adopted by the Board of Supervisors in 2008, established the Mission Street NCT as a walkable, transit rich corridor featuring a diversity of commercial activities and employment opportunities. Since early 2015, the City has engaged with the Mission neighborhood community groups on the Mission Action Plan 2020 (MAP 2020) in order to address issues related to gentrification and displacement. MAP 2020 included strategies in seven categories, including tenant protections, affordable housing, and economic development, the latter of which places a strong emphasis on maintaining and strengthening arts and food production activities in the neighborhood. The Planning Commission endorsed the recommendations of MAP 2020 on March 2, 2017.

ISSUES AND CONSIDERATIONS

The legislative changes proposed in these Planning Code amendments would further many of the goals of the EN Plan and MAP 2020. The removal of Non-Retail Professional Services (formerly known as Administrative Services) as a conditionally permitted use in the Mission Street NCT will reduce the land use and economic pressures created by business-to-business activities on the types of customer-facing commercial activities envisioned for the corridor. The proposed additions of Arts Activities and Catering uses to the Mission Street NCT will broaden the range of activities allowed on those corridors as well as the range of locational options those businesses in the neighborhood.

To ensure that the street-level experience on these streets maintains their pedestrian and neighborhood-serving orientation, the amendments require that any PDR activities located on the ground floor maintain active commercial uses facing Mission Street, per Section 145.4 of the Planning Code. Finally, the restriction on lot mergers in the Mission Street NCT will prevent large-scale projects from breaking the pedestrian orientation of the corridor. The lot frontage limit of 100 feet will continue to allow for the development of moderate density housing that can accommodate a significant number of below market rate units. Lot mergers that result in street frontages between 50 and 100 are required to provide at least one space, fronting Mission Street, of 2,500 square feet or less, breaking up large facades and providing commercial space to local small businesses.

Compliance with Mission Area Plan

The legislative changes proposed in these Planning Code amendments would further several of the policy objectives outlined in the Mission Area Plan, such as strengthening the Mission's mixed use character (Objective 1.1), maintain and strengthen the Mission's neighborhood commercial corridors (Objective 1.8) promoting architecture and urban form that support the neighborhood's walkability (Objective 3.2).

RECOMMENDATION

The Department recommends that the Commission recommend approval with modifications of the proposed Ordinance and adopt the attached Draft Resolution to that effect. The modifications include the following:

- Amending Planning Code Section 121.2 to add the following language:
“(c) In order to protect the pedestrian scale and provide space for small businesses in the Mission Street NCT, projects meeting all of the following criteria shall be subject to this subsection:
 - 1) **Applicability.** Projects in buildings located on parcels that were created as a result of lot mergers pursuant to Section 121.7 after [DATE OF ADOPTION].
 - 2) **Control.** The project must include at least one non-residential space of no more than 2,500 square feet. Such space must be located on the ground floor and front directly onto Mission Street. Proposals to merge spaces in these developments resulting in a merged space of more than 2,500 feet must receive conditional use authorization that considers the criteria in Sections 121.2(a) and 303(c).”
- Amending Planning Code Section 121.7 to limit lot mergers resulting in street frontages of more than 100 feet (the initiated Ordinance limited mergers resulting in street frontages of more than 150 feet). Section 121.7 would be further amended to add the following language:
“(f) In the Mission Street NCT, projects that propose lot mergers resulting in street frontages on Mission Street between 50 and 100 feet and are required to provide at least one leasable non-residential space of no more than 2,500 square feet on the ground floor fronting Mission Street.”
- Remove the proposed changes to the 24th Street – Mission NCT (Planning Code Section 763) in the initiated Ordinance from the scope of the amendments.
- Limit the changes to the Mission Street NCT (Planning Code Section 754) to the removal of Non-retail Professional Services as a conditionally permitted use and the addition of Arts Activities and Catering uses as principally permitted activities.

BASIS FOR RECOMMENDATION

The Department recommends that the Commission adopt the proposed ordinance because it will move forward several of the legislative objectives of MAP 2020 to maintain the character of the Mission and curb displacement pressures and further the policy objectives of the Mission Area Plan.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

IMPLEMENTATION

The Department has determined that this ordinance will not impact our current implementation procedures.

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

This package of amendments is related to the broader MAP 2020 efforts, which has been a multi-year process with extensive community outreach and opportunities for public comment. The amendments have been drafted as a direct response to community input during the MAP 2020 process. Since the amendments were initiated on July 20, 2017, staff has continued dialogue with the MAP 2020 PDR working group and Calle 24, resulting in the removal of the 24th Street – Mission NCT from the scope of the amendments, limiting the expansion of permitted uses in the Mission Street NCT to Arts Activities and Catering, and tightening the limits on lot mergers on Mission Street. The Ordinance before the Commission today does not reflect these changes. The changes will be made to the Ordinance that is presented to the Board of Supervisors.

RECOMMENDATION: Approval with modifications

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Proposed Ordinance

BOARD of SUPERVISORS



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

November 22, 2017

File No. 171173

Lisa Gibson
Acting Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On November 14, 2017, Supervisor Ronen introduced the following proposed legislation:

File No. 171173

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District; affirming the Planning Commission's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

for By: *Alisa Somera*
Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
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TDD/TTY No. 554-5227

November 22, 2017

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

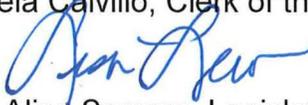
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The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

for By:  Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

c: John Rahaim, Director of Planning
Aaron Starr, Acting Manager of Legislative Affairs
Scott Sanchez, Zoning Administrator
Lisa Gibson, Acting Environmental Review Officer
AnMarie Rodgers, Senior Policy Advisor
Laura Lynch, Environmental Planning
Joy Navarrete, Environmental Planning

BOARD of SUPERVISORS



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MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: *ll*
for Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

DATE: November 22, 2017

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

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

File No. 171173

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District; affirming the Planning Commission's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment

Recommendation Attached

Chairperson, Small Business Commission

c: Menaka Mahajan, Small Business Commission

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

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

Sponsor(s):

Ronen

Subject:

Planning Code - Mission Street Neighborhood Commercial Transit District

The text is listed:

Ordinance amending the Planning Code to prohibit Non-Retail Professional Services uses, limit lot mergers, and allow Arts Activities and Catering uses within the Mission Street Neighborhood Commercial Transit District (Mission NCT); and affirming the Planning Commission's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Signature of Sponsoring Supervisor:

[Handwritten Signature]

For Clerk's Use Only