From: Nick Ferris

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

Cc:Carroll, John (BOS); Andrews, Michelle (BOS)Subject:Joint Request for Continuance (File No. 250682)Date:Thursday, October 2, 2025 11:33:58 PM

Attachments: Joint Request for Continuance (File No. 250682) 10.2.25.pdf

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

Hi Supervisor Sauter, Chair Melgar, Supervisor Chen, and Supervisor Mahmood,

Thank you for sharing the draft amendments Tuesday evening. Candidly, we have not had time to review them and our organizations need more time. The turnaround is simply too quick with the Land Use Committee scheduled for Monday and the Mayor's upzoning proposal advancing at the same time. Expecting meaningful engagement on multiple major items within just a few days is not realistic. We all have demanding jobs and while we want to participate, this fire-drill approach doesn't allow for real dialogue. As we heard from several Planning Commissioners last week this process seems rushed and would benefit from more meaningful, collaborative work with the community.

We are asking for a continuance so that we have the reasonable opportunity to review the yet to be finalized amendments once they have been approved by the City Attorney. As Michelle emphasized, what we have now are still drafts and the language may change. It would be far more productive to review the final language before discussion.

I've raised this before but want to stress again: this request is not about delay for its own sake. It's about the short timeline and lack of a reasonable opportunity to engage. Please put yourself in the shoes of your constituents who care deeply about our neighborhooods but can't move around schedules to meet within just a few days. We feel like we're being sidelined. Why the rush?

I know your goal isn't to exclude voices, but the reality is that's how it feels. I believe we can work together constructively if given the time to do so, and we really want to.

Our proposal:

- Extend the timeline by 2 weeks.
- Share the legislation once approved by the City Attorney, so we are working with the real language.
- Meet October 7, 8, or 9 to review the amendments, their impacts, and our suggestions.
- Meet again October 14, 15, or 16 to identify areas of agreement and disagreement.

Our long-established organizations have championed legislation over many years that has successfully enabled our commercial corridors to thrive with a balance of business types, low vacancy rates, and tenant protections, while maintaining the unique character of our neighborhoods. The size and use limitations that have been in place have inhibited the type of speculation that could have displaced our small community-serving establishments.

These controls are even more important today in the face of the proposed upzoning legislation

advancing at the same time which include many other, perhaps conflicting changes to our Neighborhood Commercial Districts and Special Use Districts.

It's fine if we disagree and I'm sure we will in some areas, but we all care greatly about our neighborhoods, and can at least find common ground or understand our differences. We want to work with you, but the current timeline makes that impossible.

Thank you,

Nick Ferris, President, Telegraph Hill Dwellers
Stuart Watts, President, North Beach Business Association
Robyn Tucker, President, Pacific Avenue Neighborhood Association
Matt Stegman, President, Jackson Square Historic District Association
Theresa Flandrich, Chair, North Beach Tenants Committee
Kathleen Courtney, Chair, Russian Hill Community Association
Hanmin Liu, Chair, Upper Chinatown Neighborhood Association

October 2, 2025 Via Email

Supervisor Danny Sauter San Francisco Board of Supervisors City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Subject: Joint Request for Continuance (File No. 250682)

Hi Supervisor Sauter, Chair Melgar, Supervisor Chen, and Supervisor Mahmood,

Thank you for sharing the draft amendments Tuesday evening. Candidly, we have not had time to review them and our organizations need more time. The turnaround is simply too quick with the Land Use Committee scheduled for Monday and the Mayor's upzoning proposal advancing at the same time. Expecting meaningful engagement on multiple major items within just a few days is not realistic. We all have demanding jobs and while we want to participate, this fire-drill approach doesn't allow for real dialogue. As we heard from several Planning Commissioners last week this process seems rushed and would benefit from more meaningful, collaborative work with the community.

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Theresa Flandrich, Chair, North Beach Tenants Committee
Kathleen Courtney, Chair, Russian Hill Community Association
Hanmin Liu, Chair, Upper Chinatown Neighborhood Association

Cc:

John Carroll, <u>John.Carroll@sfgov.org</u>
Michelle Andrews, <u>michelle.andrews@sfgov.org</u>

From: Board of Supervisors (BOS)

To: BOS-Supervisors; BOS-Legislative Aides

Cc: Calvillo, Angela (BOS); Somera, Alisa (BOS); Ng, Wilson (BOS); De Asis, Edward (BOS); Mchugh, Eileen (BOS);

BOS-Operations; BOS Legislation, (BOS); Carroll, John (BOS)

Subject: FW: File No. 250682 - Concerns and Recommendations

Date: Thursday, October 2, 2025 11:49:29 AM

Attachments: Local Logo.png

File No. 250682 - North Beach Concerns and Recommendations.pdf

Hello,

Please see below and attached for communication from the North Beach Business Association regarding File No. 250682.

File No. 250682: Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302. (Sauter)

Sincerely,

Joe Adkins
Office of the Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

Phone: (415) 554-5184 | Fax: (415) 554-5163 board.of.supervisors@sfgov.org | www.sfbos.org

From: Stuart Watts <stuart@localfriends.co>
Sent: Thursday, September 25, 2025 3:11 PM
To: Sauter, Danny (BOS) <Danny.Sauter@sfgov.org>

Cc: Andrews, Michelle (BOS) <michelle.andrews@sfgov.org>; Snyder, Mathew (CPC) <mathew.snyder@sfgov.org>; Switzky, Joshua (CPC) <joshua.switzky@sfgov.org>; Spycher, Dakota (CPC) <dakota.spycher@sfgov.org>; Vimr, Jonathan (CPC) <Jonathan.Vimr@sfgov.org>; Feeney, Claire (CPC) <Claire.Feeney@sfgov.org>; Langlie, Michelle (CPC) <Michelle.Langlie@sfgov.org>; Liang, Xinyu (CPC) <xinyu.liang@sfgov.org>; So, Lydia (CPC) <lydia.so@sfgov.org>; Williams, Gilbert A

(CPC) <gilbert.a.williams@sfgov.org>; Moore, Kathrin (CPC) <kathrin.moore@sfgov.org>; Mcgarry, Sean (CPC) <sean.mcgarry@sfgov.org>; Braun, Derek (CPC) <derek.braun@sfgov.org>; Board of Supervisors (BOS) <box/>board.of.supervisors@sfgov.org>; CPC-Commissions Secretary <commissions.secretary@sfgov.org>

Subject: File No. 250682 - Concerns and Recommendations

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

Dear Supervisor Sauters and San Francisco Planning Department members,

I hope this finds you well. As President of the North Beach Business Association and a small business owner deeply invested in our neighborhood's success, I'm writing regarding the File No. 250682 legislation being considered today.

I am attaching my detailed letter outlining both my support for several aspects of this legislation and my specific concerns about provisions that could impact North Beach's thriving small business ecosystem.

We've seen remarkable success in North Beach, with only eight vacant storefronts on the market in "downtown" North Beach, and I believe we can work together to ensure this legislation promotes growth while preserving the balance that makes our neighborhood work.

I stand ready to collaborate with your offices to refine these proposals and would welcome the opportunity to discuss these recommendations further.

Thank you for your consideration and for your continued efforts to support San Francisco's small businesses.

Best regards,

Stuart Watts President, North Beach Business Association





M: (415) 309-1925 **P:** (415) 234-0540

E: <u>stuart@localfriends.co</u>

www.visitlocali.com

September 25, 2025 Via Email

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

Re: BOS File No. 250682 – Consolidating the North Beach Special Use and Neighborhood Commercial Districts and Expanding Allowable Uses and Use Size Limits in Certain Zoning Districts - Concerns and Recommendations

Dear Danny Sauter and San Francisco Planning Department,

My name is Stuart Watts, and I am a small business owner and the President of the North Beach Business Association. I am writing to express both my support for aspects of *File No.* 250682 - Consolidating the North Beach Special Use and Neighborhood Commercial Districts and Expanding Allowable Uses and Use Size Limits in Certain Zoning Districts legislation and my deep concerns about provisions that could fundamentally alter the character of our neighborhood's small business ecosystem.

A Legacy of Small Business in San Francisco

As a fifth-generation San Franciscan, my family's entrepreneurial roots run deep in this city. Our first business, Blake, Moffitt & Towne Co., opened on Commercial Street in the 1850s, just six blocks from where my shop, Locali Visitor Center, stands today. My father continued this tradition, opening the Assay Office (now Bix) on Gold Street in 1976, only four blocks away. This legacy isn't just history to me; it's a living commitment to nurturing the small businesses that make San Francisco extraordinary.

When I launched my first tour company in 2014, my mission was simple: to connect visitors and locals to the multi-generational businesses I grew up alongside. Through food and beverage experiences, guests don't just taste San Francisco; they hear the personal stories of the families behind these establishments. Now, with Locali, I've created a unique platform that supports independent tour guides, small businesses, and local artists.

As President of the North Beach Business Association, I've gone above and beyond the traditional scope of this role. From modernizing board protocols to organizing night markets and festivals, from personally funding vandalism repairs to securing grants, every action stems from one truth: I am deeply in love with San Francisco and utterly obsessed with preserving what makes our small business community special.

Supporting Smart Growth While Preserving What Works

I share this background because I want you to understand that my involvement with File No. 250682 stems from a genuine care for our city's healthy and thoughtful growth. I support many aspects of this legislation, including permitted walk-up windows, limited food manufacturing, flexible retail, priority processing with proper public notification, and more. These provisions will help our businesses adapt and thrive.

However, I cannot in good conscience support the legislation in its current form due to three critical concerns that could irreversibly damage what makes North Beach successful:

1. Use Space Expansion: Protecting Our Micro-Business Ecosystem

North Beach thrives because of its small, almost micro-sized business spaces. This unique characteristic enables businesses that you won't find in most other places; a multi-generational jewelry-making shop, a flute store, an Italian bookstore, and more. These exist precisely because our small retail spaces keep rents accessible to independent operators. Recent policy changes have already removed retail space size limits entirely. Now, allowing expansion to much larger retail spaces without community input effectively rolls out the red carpet for big businesses that can afford higher per-square-foot costs. North Beach led the post-pandemic recovery precisely because our small-scale model works.

I respectfully request that Supervisor Sauters' office establish usage size limits and maintain protections against exessive storefront mergers in North Beach.

2. Converting Commercial Uses: Maintaining Our Vital Balance

North Beach leads San Francisco's dining and entertainment scene, with one of the highest concentrations of restaurants and bars per capita. But what makes us special and livable is the careful balance of business types, especially in downtown North Beach.

Our existing protections for commercial retail spaces have enabled us to open a neighborhood grocery store, maintain a local hardware store, and support unique businesses like that flute store. When any retail space can convert to a restaurant, it drives up square footage costs across the board and makes it nearly impossible to convert back to non-restaurant use later.

With very few vacancies in downtown North Beach, but an abundance of restaurants and bars, I ask that Supervisor Sauters' office maintain retail-type restrictions within downtown North Beach (Broadway to Greenwich, Powell to Grant) while allowing conversion flexibility north of Greenwich on Columbus, where vacant storefronts need activation.

3. Health Services on the Ground Floor: Keeping Streets Vibrant

North Beach remains vibrant because our ground-floor businesses, restaurants, bars, and retail shops are accessible and welcoming to everyone. Allowing health services on the ground floor would fundamentally change this dynamic. If an X-ray clinic were to replace Luke's Local, our neighborhood grocery store, that would have had a ripple effect on Green Street's foot traffic and economic vitality, which would have been devastating.

We already have excellent health services, including NEMS Hospital, located in the heart of our neighborhood, and a 365-day urgent care clinic. I request that Supervisor Sauters' office maintain the ground-floor prohibition on health services within downtown North Beach to preserve our accessible, vibrant streetscape.

4. The Missing Ingredient: Community Collaboration

Perhaps most concerning is how this legislation was crafted without meaningful community input. No town halls preceded the drafting. No surveys gauged support for these specific policies. When a dozen community groups requested an extension to review amendments, we received only a 72-hour notice. This feels like legislation composed behind closed doors, without the voice of the small business community.

A Success Story Worth Protecting

Downtown North Beach has only eight vacant storefronts currently on the market. This is a resounding success, demonstrating that our balanced approach is effective. We're being asked to fix problems that don't exist while risking the very formula that made us successful. Before this legislation advances to the Land Use Committee, I urge the District 3 office to add protections for downtown North Beach, including preserving retail use size limits, preventing unlimited restaurant conversions, and maintaining ground-floor restrictions on health services.

Moving Forward Together

I want to emphasize that we deeply appreciate the efforts to support small businesses in our community. Many provisions in File No. 250682 will genuinely help our merchants adapt and grow. However, without addressing these three critical concerns, this legislation risks unraveling the delicate balance that has made North Beach an economic success story and a beloved neighborhood.

I stand ready to collaborate with Supervisor Sauters' office and the Planning Department to craft legislation that promotes growth while preserving what works. Our small businesses aren't just economic engines; they're the soul of San Francisco. Let's work together to ensure they thrive for generations to come.

Thank you for considering these perspectives from the front lines of San Francisco's small business community.

Sincerely,

Stuart Watts
President, North Beach Business Association
Owner, Locali Visitor Center

From: Board of Supervisors (BOS)

To: <u>BOS-Supervisors</u>; <u>BOS-Legislative Aides</u>

Cc: Calvillo, Angela (BOS); Mchugh, Eileen (BOS); Ng, Wilson (BOS); Somera, Alisa (BOS); De Asis, Edward (BOS);

BOS-Operations; Board of Supervisors (BOS); Carroll, John (BOS)

Subject: File No. 250682 - North Beach Neighborhood Commercial District - 4 letters

Date: Thursday, September 25, 2025 12:39:18 PM

Attachments: 4 letters.pdf

Dear Supervisors,

Please see the attached 4 letters, from members of the public and various organizations, regarding:

File No. 250682 - Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Richard Lagunte

Office of the Clerk of the Board – Operations Division San Francisco Board of Supervisors

1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102 Voice (415) 554-7709 | Fax (415) 554-5163 richard.lagunte@sfgov.org | www.sfbos.org

Pronouns: he, him, his

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: Karim Salgado

Lurie, Daniel (MYR); Sauter, Danny (BOS); Dennis Phillips, Sarah (CPC); rachel.tanner@sfgov.org; Chen, Lisa (CPC); So, Lydia (CPC); Moore, Kathrin (CPC); Imperial, Theresa (CPC); Braun, Derek (CPC); Campbell, Amy To:

(CPC); Mcgarry, Sean (CPC); Williams, Gilbert A (CPC); CPC-Commissions Secretary; Board of Supervisors (BOS)

Subject: Protecting the Cultural and Economic Integrity of North Beach Amid Zoning Redevelopment Proposals

Date: Thursday, September 11, 2025 2:15:37 PM

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

Dear Mayor Lurie and Supervisor Sauter and Planning Commission,

As the owner of **Legacy North Beach Bar**, that has called North Beach home since 2024, I am writing to express my deep concern—and cautious hope—regarding the proposed redevelopment and rezoning plans for District 3.

North Beach is not simply a neighborhood. It is a living, breathing cultural landmark. It is one of the last enclaves in San Francisco where history, small businesses, and a true sense of community are still palpable. And while I fully recognize the urgent need to meet our city's state-mandated housing goals, I urge you—and our city leadership—to adopt a strategy that does not sacrifice our soul in the process.

We are at an inflection point. If we are not deliberate and inclusive, this plan could permanently alter the character of North Beach, displace the very businesses and families that make it unique, and erode the economic and cultural ecosystem that has taken generations to build.

Priority Concerns to Address

To protect our neighborhood while advancing housing goals, I respectfully ask that you champion the following provisions:

- **Developer-Funded Relocation Assistance**: Require all new development that displaces existing businesses to provide **meaningful relocation assistance** funded by developers—not by taxpayers or small businesses.
- "Warm Shell" Standards for Returning Tenants: Ensure that returning businesses can operate in **ready-to-use commercial spaces**, not raw concrete boxes that require \$100,000+ buildouts. Without this, return is not a real option.
- Base Height Limits for North Beach & Waterfront Areas: Maintain a firm base height of 40 feet in historic corridors like Columbus Avenue, with any bonuses subject to design review and step-back requirements to preserve the scale and skyline.

Preservation of Historically Registered Buildings: Codify protections for all

buildings with architectural or cultural significance. Incentivize adaptive reuse rather than demolition.

- **Protection of Columbus Avenue Commercial Corridor**: This iconic artery is the beating heart of North Beach. Overdevelopment or glass monoliths will forever damage the character and walkability of this corridor.
- Equitable Distribution of Density: Do not overburden North Beach. Housing targets must be met equitably across all neighborhoods, including those with greater available space and fewer historic constraints.
- Affordable Housing for Working Families: Require that a meaningful percentage
 of units are set aside for working- and middle-class renters—not just market-rate or
 luxury buyers. Our restaurant workers, artists, teachers, and small business staff
 must be able to live where they work.

A Path Forward: Bridging Growth and Preservation

As a business owner and community member, I do not stand in the way of growth. I stand in favor of **smart, inclusive, and culturally sensitive development**.

That's why I am asking not just for policy changes—but for collaboration. I propose the creation of a **North Beach Roundtable**, a working group of residents, small business owners, developers, cultural leaders, and city planners to co-design this transformation **together**, rather than in conflict.

Let us pilot a **community-first development** that meets housing mandates while uplifting the identity of North Beach. Let us be a model for the rest of the city—and state—in how growth and preservation can coexist.

I appreciate your time and leadership, and I would welcome the opportunity to speak further about how we can preserve the legacy of North Beach while embracing its future.

Respectfully,--

Karim Salgado Legacy North Beach Bar 1326 Grant Ave. S.F. Ca. 94133 415-533-7033

Follow us on Facebook and Instagram

www.facebook.com/LegacyNorthBeach

www.instagram.com/legacynorthbeach

From: **Barry SFOG**

Lurie, Daniel (MYR); Sauter, Danny (BOS); Dennis Phillips, Sarah (CPC); rachel.tanner@sfgov.org; Chen, Lisa (CPC); So, Lydia (CPC); Moore, Kathrin (CPC); Imperial, Theresa (CPC); Braun, Derek (CPC); Campbell, Amy To:

(CPC); Mcgarry, Sean (CPC); Williams, Gilbert A (CPC); CPC-Commissions Secretary; Board of Supervisors (BOS)

Subject: North Beach Concerns

Date: Thursday, September 11, 2025 4:38:57 PM

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

Dear Mayor Lurie and Supervisor Sauter and Planning Commission,

As the owner of SFOG North Beach, that has called North Beach home since 2022, as well as operating the same space 15 years ago. I am writing to express my deep concern—and cautious hope—regarding the proposed redevelopment and rezoning plans for District 3.

North Beach is not simply a neighborhood. It is a living, breathing cultural landmark. It is one of the last enclaves in San Francisco where history, small businesses, and a true sense of community are still palpable. And while I fully recognize the urgent need to meet our city's state-mandated housing goals, I urge you—and our city leadership—to adopt a strategy that does not sacrifice our soul in the process.

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buildings with architectural or cultural significance. Incentivize adaptive reuse rather than demolition.

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Let us pilot a **community-first development** that meets housing mandates while uplifting the identity of North Beach. Let us be a model for the rest of the city—and state—in how growth and preservation can coexist.

I appreciate your time and leadership, and I would welcome the opportunity to speak further about how we can preserve the legacy of North Beach while embracing its future.

Respectfully,

Barry Tickler

Owner SFOG North Beach

1314 Grant Ave

San Francisco, CA. 94133

415-828-7463

From: <u>Nancy Shanahan</u>

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Williams, Gilbert A (CPC)

Cc: CPC-Commissions Secretary; Carroll, John (BOS); Board of Supervisors (BOS)

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding

Allowable Uses and Use Size Limits

Date: Monday, September 15, 2025 3:09:49 PM

Attachments: THD Letter to Planning Commission NBNCD 9.4.25.pdf

Attachment 1 - Joint Letter Opposing Priority Ordinance 6.25.25.pdf Attachment 2 - THD Ltr to Supervisor Sauter FILE NO. 250682.pdf

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

Dear President So and Members of the Planning Commission:

The attached letter and was set via email to the Commission on September 8, 2025 (with a copy to the Commission Secretary) per the email below. We are sending it again as it was, unfortunately, not included in the Commission's packet for the hearing on this item scheduled this week, on September 18.

Thank you.

From: Nick Ferris < nicholashferris@gmail.com> **Date:** Monday, September 8, 2025 at 1:53 PM

To: < lydia.so@sfgov.org>, < kathrin.moore@sfgov.org>, < derek.braun@sfgov.org>, < amy.campbell@sfgov.org>, < theresa.imperial@sfgov.org>, < sean.mcgarry@sfgov.org>, < gilbert.a.williams@sfgov.org>

Cc: <commissions.secretary@sfgov.org>, <John.Carroll@sfgov.org>, Angela Callvillo <Board.of.Supervisors@sfgov.org>

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of

preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses.

Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-

Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor <u>only</u> as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed

legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD, have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff

explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers
Nick Ferris, President
Stan Hayes, Co-Chair, Planning & Zoning
Sarah Goldsmith, Board Member



September 4, 2025 *Via Email*

Lydia So, President & Members San Francisco Planning Commission 49 S Van Ness Ave., Suite 1400 San Francisco, CA 94103



RE: BOS File No. 250682 - LETTER OF OPPOSITION

Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy

P.O. BOX 330159 SAN FRANCISCO, CA 94133 • 415.273.1004 www.thd.org

San Francisco Planning Commission September 4, 2025 Page 2 of 4

Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled *because* the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

San Francisco Planning Commission September 4, 2025 Page 3 of 4

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor <u>only</u> as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

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We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

<u>Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.</u>

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD,

San Francisco Planning Commission September 4, 2025 Page 4 of 4

have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers

Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member

Cc: Lydia So, President *lydia.so@sfgov.org*

Kathrin Moore, Vice President kathrin.moore@sfgov.org
Derek W. Braun, Commissioner derek.braun@sfgov.org
Amy Campbell, Commissioner deresa.imperial@sfgov.org
Theresa Imperial, Commissioner theresa.imperial@sfgov.org
Sean McGarry, Commissioner sean.mcgarry@sfgov.org
Gilbert Williams, Commissioner gilbert.a.williams@sfgov.org
Jonas Ionin, Director of Commission Affairs commissions.secretary@sfgov.org
John Carroll, Clerk, LUTC John.Carroll@sfgov.org
Angela Cavillo, Clerk Board.of.Supervisors@sfgov.org









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

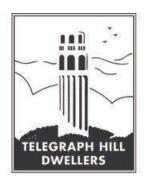
Rosa Chen, Director of Planning & Policy Chinatown Community Development Center

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

August 19, 2025 Via Email

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



RE: FILE NO. 250682

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

Dear Supervisor Sauter and Ms. Andrews,

Thank you for taking the time to meet with members of the Telegraph Hill Dwellers Board to discuss your proposed changes to North Beach Neighborhood Commercial District (NBNCD) legislation. As an organization representing over 500 members of our community, these conversations are crucial to our work to advocate for our community's needs in our shared goal of seeing our neighbors and neighborhoods thrive.

As we shared with you during our meeting, the Telegraph Hill Dwellers cannot support your legislation as currently written. We urge you to make amendments to the legislation so that the legislation matches the positive intentions that you expressed to us at our meeting.

First, we urge you to retain the prohibition on storefront mergers and to oppose the amendments that would allow such mergers without even a conditional use authorization. Further, we do not support storefront mergers even if they were limited based on some maximum size cutoff. However, in very special individual circumstances (e.g., eviction of a legacy business, fire displacement such as happened to Coit Liquors), we would be willing to support a special legislative exception allowing a storefront merger on a limited case-by-case basis.

Discouraging storefront mergers has helped preserve our vibrant neighborhood, minimize commercial vacancies and retain small and Legacy Businesses that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally. This helps maintain the balance between tourist-serving and neighborhood-serving businesses, a value we share in common. Moreover, as we said in our conversation, this feels like a solution looking for a problem insofar as ground floor commercial vacancies in the NBNCD are at an all-time low.

Respectfully, we also oppose your proposed increase in Non-Residential Use Size Limits from 2,000 square feet to 3,000 square feet in the NBNCD. The existing 2,000 square feet use size, with a Conditional Use Authorization required for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of use and development appropriate to North Beach. We do not believe this proposed change is necessary or warranted.

The North Beach Special Use District (NBSUD) set forth in Planning Code Section 780.3 was specifically designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It protects residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. We strongly oppose its elimination. As written your proposed legislation significantly diminishes protections for recognized historic resources, storefront mergers and residential protections. If, however, you insist on consolidating the NBSUD with the NBNCD, the amended Section 722 must fully capture the NBSUD's intentions and protections and incorporate all definitions and controls in the zoning chart and footnotes. We do not believe your proposed amendments adequately accomplish this. If you are committed to eliminating the NBSUD, we are happy to work with you to craft acceptable language and changes. Please let us know if we can help.

We also must oppose your proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs and so many more. It also has helped reduce vacancy rates. Under the existing legislation, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the space commands. For these reasons, we urge you to maintain the existing controls for Limited Restaurants.

We appreciate that we have a strong shared commitment to preserving residential uses above the ground floor and we share the goal of "no loss of residential units." With this in mind, THD supports allowing Flexible Retail uses only on the first floor as principally permitted, but opposes Flexible Retail uses on the upper floors in the NBNCD where it should be prohibited in order to maintain the existing housing units in the floors above our businesses and protect tenants from eviction and displacement. In our meeting we were pleased that you agreed with us on this issue.

As to your proposed changes to Walk-Up uses, we have two issues. First, given the mixed-use nature of our commercial district characterized by dense residential uses above ground floor commercial, public input is important and Walk-Up uses must be subject to conditional use authorization and not be as a principally permitted use as you propose. Second, we are pleased that you share our concern about the proliferation of "ghost kitchens" and support an amendment to your legislation to define and prohibit "ghost kitchens" in the NBNCD which we both agreed are not beneficial for North Beach. We are happy to work with you to draft language that would create a new definition for "ghost kitchens," to include food preparation facilities designed for delivery-only or takeout orders, without a traditional dine-in space. Health Care uses on the ground floor should continue to be prohibited. These office-type uses deaden our active ground floor uses and don't belong in North Beach. This prohibition has worked as intended, maintaining the lively ground floor ambiance of the neighborhood by keeping out large healthcare facilities such as One Medical and the proliferation of other Urgent Care facilities. These facilities are established nearby outside of the NBNCD where they are more appropriate. Such uses should be allowed with conditional use above the first floor provided no residential tenants are displaced.

Finally, as we stated in our joint letter of June 30, 2025, attached, we request that the NBNCD continue to not be included in the Priority Processing Program. We are deeply concerned that there is no longer any guarantee that conditional use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 13, 2025, that Priority Processing does not require public notice and does not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr at the Commission meeting:

". . . 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 to have these on the consent calendar unless directed otherwise by this Commission."

At our meeting you seemed to indicate that there is legislation which will restore the longstanding guarantees of public notice and a public hearing. We are unaware of such legislation, but if you have it, please provide a copy or a link. Otherwise, please continue to exclude North Beach from the Priority Processing Program.

We agree that changes to the NBNCD should be data driven, and in collaboration with the North Beach Business Association, we are in the midst of updating the commercial survey of the NBNCD to collect accurate, up-to-date information to better inform decisions. We believe the data will support what we are experiencing. Namely, that North Beach is thriving and has led the City in our post-pandemic recovery. Let's work together to utilize the objective results of this survey to come up with the best amendments to our current laws.

We share your stated values of protecting tenants, supporting affordable housing, maintaining rent-control units, supporting small businesses, and seeing that our neighborhood

continues to balance tourism with community-serving businesses.

We look forward to continuing to work with you on this evolving legislation.

Telegraph Hill Dwellers

Nick Ferris Stan Hayes Sarah Goldsmith From: Kathy Howard

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Mcgarry, Sean (CPC); CPC-Commissions Secretary

Cc: Carroll, John (BOS); Board of Supervisors (BOS)

Subject: Regarding proposals for North Beach - oppose

Date: Wednesday, September 24, 2025 9:41:06 PM

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

Dear Planning Commissioners,

It constantly amazes me how people keep bringing up ideas to ruin the unique qualities that so many of us moved to San Francisco to enjoy and that tourists come to experience. North Beach is one of the many special neighborhoods in San Francisco that are vibrant, fascinating, and always fun to visit. This is because of the physical character of the area which supports small, local businesses in affordable spaces.

To keep North Beach vibrant, please support the reasonable recommendations from the Telegraph Hill Dwellers, that is:

- maintain the North Beach Special Use District;
- retain the existing prohibition on storefront mergers;
- keep the existing non-residential use size limits;
- maintain the existing control for limited restaurants, prohibit flexible retail uses on upper floors;
- maintain existing prohibition on health care uses on ground floors;
- retain the requirement for conditional authorization for walk up uses; and
- continue to exclude the North Beach neighborhood commercial district from the priority processing program.

Developers, large businesses, and corporations with unlimited money want larger spaces – but is this what we want in our neighborhoods? I propose that local businesses, which often operate on a shoe-string budget,

are what give our successful commercial districts their appeal and vigor. If there is any question about this, just go downtown where the large storefronts remain empty – while neighborhoods like North Beach, with small, unique businesses, are thriving.

Katherine Howard Outer Sunset From: Kathy Howard

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Mcgarry, Sean (CPC); CPC-Commissions Secretary

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Katherine Howard Outer Sunset From: <u>Nancy Shanahan</u>

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Williams, Gilbert A (CPC)

Cc: CPC-Commissions Secretary; Carroll, John (BOS); Board of Supervisors (BOS)

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding

Allowable Uses and Use Size Limits

Date: Monday, September 15, 2025 3:09:49 PM

Attachments: THD Letter to Planning Commission NBNCD 9.4.25.pdf

Attachment 1 - Joint Letter Opposing Priority Ordinance 6.25.25.pdf Attachment 2 - THD Ltr to Supervisor Sauter FILE NO. 250682.pdf

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

Dear President So and Members of the Planning Commission:

The attached letter and was set via email to the Commission on September 8, 2025 (with a copy to the Commission Secretary) per the email below. We are sending it again as it was, unfortunately, not included in the Commission's packet for the hearing on this item scheduled this week, on September 18.

Thank you.

From: Nick Ferris < nicholashferris@gmail.com> **Date:** Monday, September 8, 2025 at 1:53 PM

To: < lydia.so@sfgov.org>, < kathrin.moore@sfgov.org>, < derek.braun@sfgov.org>, < amy.campbell@sfgov.org>, < theresa.imperial@sfgov.org>, < sean.mcgarry@sfgov.org>, < gilbert.a.williams@sfgov.org>

Cc: <commissions.secretary@sfgov.org>, <John.Carroll@sfgov.org>, Angela Callvillo <Board.of.Supervisors@sfgov.org>

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated

residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to

North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor only as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor <u>provided no residential units or tenants</u>

are displaced. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD, have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers
Nick Ferris, President
Stan Hayes, Co-Chair, Planning & Zoning
Sarah Goldsmith, Board Member



September 4, 2025 *Via Email*

Lydia So, President & Members San Francisco Planning Commission 49 S Van Ness Ave., Suite 1400 San Francisco, CA 94103



RE: BOS File No. 250682 - LETTER OF OPPOSITION

Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

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Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy

P.O. BOX 330159 SAN FRANCISCO, CA 94133 • 415.273.1004 www.thd.org

San Francisco Planning Commission September 4, 2025 Page 2 of 4

Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

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San Francisco Planning Commission September 4, 2025 Page 3 of 4

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor <u>only</u> as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

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We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

<u>Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.</u>

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD,

San Francisco Planning Commission September 4, 2025 Page 4 of 4

have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers

Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member

Cc: Lydia So, President *lydia.so@sfgov.org*

Kathrin Moore, Vice President kathrin.moore@sfgov.org
Derek W. Braun, Commissioner derek.braun@sfgov.org
Amy Campbell, Commissioner amy.campbell@sfgov.org
Theresa Imperial, Commissioner theresa.imperial@sfgov.org
Sean McGarry, Commissioner sean.mcgarry@sfgov.org
Gilbert Williams, Commissioner gilbert.a.williams@sfgov.org
Jonas Ionin, Director of Commission Affairs commissions.secretary@sfgov.org
John Carroll, Clerk, LUTC John.Carroll@sfgov.org
Angela Cavillo, Clerk Board.of.Supervisors@sfgov.org









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

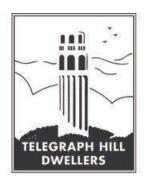
Rosa Chen, Director of Planning & Policy Chinatown Community Development Center

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

August 19, 2025 Via Email

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



RE: FILE NO. 250682

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

Dear Supervisor Sauter and Ms. Andrews,

Thank you for taking the time to meet with members of the Telegraph Hill Dwellers Board to discuss your proposed changes to North Beach Neighborhood Commercial District (NBNCD) legislation. As an organization representing over 500 members of our community, these conversations are crucial to our work to advocate for our community's needs in our shared goal of seeing our neighbors and neighborhoods thrive.

As we shared with you during our meeting, the Telegraph Hill Dwellers cannot support your legislation as currently written. We urge you to make amendments to the legislation so that the legislation matches the positive intentions that you expressed to us at our meeting.

First, we urge you to retain the prohibition on storefront mergers and to oppose the amendments that would allow such mergers without even a conditional use authorization. Further, we do not support storefront mergers even if they were limited based on some maximum size cutoff. However, in very special individual circumstances (e.g., eviction of a legacy business, fire displacement such as happened to Coit Liquors), we would be willing to support a special legislative exception allowing a storefront merger on a limited case-by-case basis.

Discouraging storefront mergers has helped preserve our vibrant neighborhood, minimize commercial vacancies and retain small and Legacy Businesses that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally. This helps maintain the balance between tourist-serving and neighborhood-serving businesses, a value we share in common. Moreover, as we said in our conversation, this feels like a solution looking for a problem insofar as ground floor commercial vacancies in the NBNCD are at an all-time low.

Respectfully, we also oppose your proposed increase in Non-Residential Use Size Limits from 2,000 square feet to 3,000 square feet in the NBNCD. The existing 2,000 square feet use size, with a Conditional Use Authorization required for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of use and development appropriate to North Beach. We do not believe this proposed change is necessary or warranted.

The North Beach Special Use District (NBSUD) set forth in Planning Code Section 780.3 was specifically designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It protects residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. We strongly oppose its elimination. As written your proposed legislation significantly diminishes protections for recognized historic resources, storefront mergers and residential protections. If, however, you insist on consolidating the NBSUD with the NBNCD, the amended Section 722 must fully capture the NBSUD's intentions and protections and incorporate all definitions and controls in the zoning chart and footnotes. We do not believe your proposed amendments adequately accomplish this. If you are committed to eliminating the NBSUD, we are happy to work with you to craft acceptable language and changes. Please let us know if we can help.

We also must oppose your proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs and so many more. It also has helped reduce vacancy rates. Under the existing legislation, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the space commands. For these reasons, we urge you to maintain the existing controls for Limited Restaurants.

We appreciate that we have a strong shared commitment to preserving residential uses above the ground floor and we share the goal of "no loss of residential units." With this in mind, THD supports allowing Flexible Retail uses only on the first floor as principally permitted, but opposes Flexible Retail uses on the upper floors in the NBNCD where it should be prohibited in order to maintain the existing housing units in the floors above our businesses and protect tenants from eviction and displacement. In our meeting we were pleased that you agreed with us on this issue.

As to your proposed changes to Walk-Up uses, we have two issues. First, given the mixed-use nature of our commercial district characterized by dense residential uses above ground floor commercial, public input is important and Walk-Up uses must be subject to conditional use authorization and not be as a principally permitted use as you propose. Second, we are pleased that you share our concern about the proliferation of "ghost kitchens" and support an amendment to your legislation to define and prohibit "ghost kitchens" in the NBNCD which we both agreed are not beneficial for North Beach. We are happy to work with you to draft language that would create a new definition for "ghost kitchens," to include food preparation facilities designed for delivery-only or takeout orders, without a traditional dine-in space. Health Care uses on the ground floor should continue to be prohibited. These office-type uses deaden our active ground floor uses and don't belong in North Beach. This prohibition has worked as intended, maintaining the lively ground floor ambiance of the neighborhood by keeping out large healthcare facilities such as One Medical and the proliferation of other Urgent Care facilities. These facilities are established nearby outside of the NBNCD where they are more appropriate. Such uses should be allowed with conditional use above the first floor provided no residential tenants are displaced.

Finally, as we stated in our joint letter of June 30, 2025, attached, we request that the NBNCD continue to not be included in the Priority Processing Program. We are deeply concerned that there is no longer any guarantee that conditional use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 13, 2025, that Priority Processing does not require public notice and does not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr at the Commission meeting:

". . . 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 to have these on the consent calendar unless directed otherwise by this Commission."

At our meeting you seemed to indicate that there is legislation which will restore the longstanding guarantees of public notice and a public hearing. We are unaware of such legislation, but if you have it, please provide a copy or a link. Otherwise, please continue to exclude North Beach from the Priority Processing Program.

We agree that changes to the NBNCD should be data driven, and in collaboration with the North Beach Business Association, we are in the midst of updating the commercial survey of the NBNCD to collect accurate, up-to-date information to better inform decisions. We believe the data will support what we are experiencing. Namely, that North Beach is thriving and has led the City in our post-pandemic recovery. Let's work together to utilize the objective results of this survey to come up with the best amendments to our current laws.

We share your stated values of protecting tenants, supporting affordable housing, maintaining rent-control units, supporting small businesses, and seeing that our neighborhood

continues to balance tourism with community-serving businesses.

We look forward to continuing to work with you on this evolving legislation.

Telegraph Hill Dwellers

Nick Ferris Stan Hayes Sarah Goldsmith From: Board of Supervisors (BOS)

To: BOS-Supervisors; BOS-Legislative Aides

Cc: Calvillo, Angela (BOS); Somera, Alisa (BOS); Ng, Wilson (BOS); De Asis, Edward (BOS); Mchugh, Eileen (BOS);

BOS-Operations, BOS Legislation, (BOS), Carroll, John (BOS)

Subject:3 Letters regarding File No. 250682Date:Thursday, September 11, 2025 1:45:26 PMAttachments:3 Letters regarding File No. 250682.pdf

Hello,

Please see attached for 3 letters regarding File No. 250682.

File No. 250682: Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302. (Sauter)

Sincerely,

Joe Adkins
Office of the Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

Phone: (415) 554-5184 | Fax: (415) 554-5163

board.of.supervisors@sfgov.org | www.sfbos.org

From: Nick Ferris

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Williams, Gilbert A (CPC)

Cc: CPC-Commissions Secretary; Carroll, John (BOS); Board of Supervisors (BOS)

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding

Allowable Uses and Use Size Limits

Date: Monday, September 8, 2025 1:54:42 PM

Attachments: THD Letter to Supervisor Sauter FILE NO. 250682 (1).pdf

Joint Letter Opposing Priority Ordinance 6.25.25.pdf THD Letter to Planning Commission NBNCD 9.4.25.pdf

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

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and

internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other noneating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor only as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground

floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD, have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member









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

September 4, 2025 *Via Email*

Lydia So, President & Members San Francisco Planning Commission 49 S Van Ness Ave., Suite 1400 San Francisco, CA 94103



RE: BOS File No. 250682 - LETTER OF OPPOSITION

Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy

P.O. BOX 330159 SAN FRANCISCO, CA 94133 • 415.273.1004 www.thd.org

San Francisco Planning Commission September 4, 2025 Page 2 of 4

Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled *because* the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

San Francisco Planning Commission September 4, 2025 Page 3 of 4

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor <u>only</u> as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

<u>Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.</u>

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD,

San Francisco Planning Commission September 4, 2025 Page 4 of 4

have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers

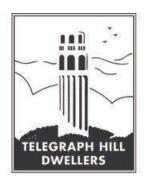
Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member

Cc: Lydia So, President *lydia.so@sfgov.org*

Kathrin Moore, Vice President kathrin.moore@sfgov.org
Derek W. Braun, Commissioner derek.braun@sfgov.org
Amy Campbell, Commissioner deresa.imperial@sfgov.org
Theresa Imperial, Commissioner theresa.imperial@sfgov.org
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Jonas Ionin, Director of Commission Affairs commissions.secretary@sfgov.org
John Carroll, Clerk, LUTC John.Carroll@sfgov.org
Angela Cavillo, Clerk Board.of.Supervisors@sfgov.org

August 19, 2025 Via Email

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



RE: FILE NO. 250682

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

Dear Supervisor Sauter and Ms. Andrews,

Thank you for taking the time to meet with members of the Telegraph Hill Dwellers Board to discuss your proposed changes to North Beach Neighborhood Commercial District (NBNCD) legislation. As an organization representing over 500 members of our community, these conversations are crucial to our work to advocate for our community's needs in our shared goal of seeing our neighbors and neighborhoods thrive.

As we shared with you during our meeting, the Telegraph Hill Dwellers cannot support your legislation as currently written. We urge you to make amendments to the legislation so that the legislation matches the positive intentions that you expressed to us at our meeting.

First, we urge you to retain the prohibition on storefront mergers and to oppose the amendments that would allow such mergers without even a conditional use authorization. Further, we do not support storefront mergers even if they were limited based on some maximum size cutoff. However, in very special individual circumstances (e.g., eviction of a legacy business, fire displacement such as happened to Coit Liquors), we would be willing to support a special legislative exception allowing a storefront merger on a limited case-by-case basis.

Discouraging storefront mergers has helped preserve our vibrant neighborhood, minimize commercial vacancies and retain small and Legacy Businesses that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally. This helps maintain the balance between tourist-serving and neighborhood-serving businesses, a value we share in common. Moreover, as we said in our conversation, this feels like a solution looking for a problem insofar as ground floor commercial vacancies in the NBNCD are at an all-time low.

Respectfully, we also oppose your proposed increase in Non-Residential Use Size Limits from 2,000 square feet to 3,000 square feet in the NBNCD. The existing 2,000 square feet use size, with a Conditional Use Authorization required for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of use and development appropriate to North Beach. We do not believe this proposed change is necessary or warranted.

The North Beach Special Use District (NBSUD) set forth in Planning Code Section 780.3 was specifically designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It protects residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. We strongly oppose its elimination. As written your proposed legislation significantly diminishes protections for recognized historic resources, storefront mergers and residential protections. If, however, you insist on consolidating the NBSUD with the NBNCD, the amended Section 722 must fully capture the NBSUD's intentions and protections and incorporate all definitions and controls in the zoning chart and footnotes. We do not believe your proposed amendments adequately accomplish this. If you are committed to eliminating the NBSUD, we are happy to work with you to craft acceptable language and changes. Please let us know if we can help.

We also must oppose your proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs and so many more. It also has helped reduce vacancy rates. Under the existing legislation, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the space commands. For these reasons, we urge you to maintain the existing controls for Limited Restaurants.

We appreciate that we have a strong shared commitment to preserving residential uses above the ground floor and we share the goal of "no loss of residential units." With this in mind, THD supports allowing Flexible Retail uses only on the first floor as principally permitted, but opposes Flexible Retail uses on the upper floors in the NBNCD where it should be prohibited in order to maintain the existing housing units in the floors above our businesses and protect tenants from eviction and displacement. In our meeting we were pleased that you agreed with us on this issue.

As to your proposed changes to Walk-Up uses, we have two issues. First, given the mixed-use nature of our commercial district characterized by dense residential uses above ground floor commercial, public input is important and Walk-Up uses must be subject to conditional use authorization and not be as a principally permitted use as you propose. Second, we are pleased that you share our concern about the proliferation of "ghost kitchens" and support an amendment to your legislation to define and prohibit "ghost kitchens" in the NBNCD which we both agreed are not beneficial for North Beach. We are happy to work with you to draft language that would create a new definition for "ghost kitchens," to include food preparation facilities designed for delivery-only or takeout orders, without a traditional dine-in space. Health Care uses on the ground floor should continue to be prohibited. These office-type uses deaden our active ground floor uses and don't belong in North Beach. This prohibition has worked as intended, maintaining the lively ground floor ambiance of the neighborhood by keeping out large healthcare facilities such as One Medical and the proliferation of other Urgent Care facilities. These facilities are established nearby outside of the NBNCD where they are more appropriate. Such uses should be allowed with conditional use above the first floor provided no residential tenants are displaced.

Finally, as we stated in our joint letter of June 30, 2025, attached, we request that the NBNCD continue to not be included in the Priority Processing Program. We are deeply concerned that there is no longer any guarantee that conditional use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 13, 2025, that Priority Processing does not require public notice and does not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr at the Commission meeting:

". . . 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 to have these on the consent calendar unless directed otherwise by this Commission."

At our meeting you seemed to indicate that there is legislation which will restore the longstanding guarantees of public notice and a public hearing. We are unaware of such legislation, but if you have it, please provide a copy or a link. Otherwise, please continue to exclude North Beach from the Priority Processing Program.

We agree that changes to the NBNCD should be data driven, and in collaboration with the North Beach Business Association, we are in the midst of updating the commercial survey of the NBNCD to collect accurate, up-to-date information to better inform decisions. We believe the data will support what we are experiencing. Namely, that North Beach is thriving and has led the City in our post-pandemic recovery. Let's work together to utilize the objective results of this survey to come up with the best amendments to our current laws.

We share your stated values of protecting tenants, supporting affordable housing, maintaining rent-control units, supporting small businesses, and seeing that our neighborhood

continues to balance tourism with community-serving businesses.

We look forward to continuing to work with you on this evolving legislation.

Telegraph Hill Dwellers

Nick Ferris Stan Hayes Sarah Goldsmith From: Deborah Baldini

To:

Sauter, Danny (BOS); Dennis Phillips, Sarah (CPC); rachel.tanner@sfgov.org; Chen, Lisa (CPC); So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Mcgarry, Sean (CPC); Williams, Gilbert A (CPC); CPC-Commissions Secretary; Board of Supervisors (BOS); Lurie, Daniel (MYR); Imperial, Theresa (CPC)

Subject: URGENT: Northbeach Redevelopment Date: Thursday, September 11, 2025 1:37:01 PM

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Deborah Baldini Owner, Biordi Art Imports

412 Columbus Ave. San Francisco, CA 94133 deborah@biordi.com 415 392 8096

September 11, 2025

To:

Mayor Daniel Lurie Supervisor Danny Sauter Sarah Dennis-Phillips, Director of Planning Rachel Tanner, Director, Citywide Planning Lisa Chen, Planner

CC: Planning Commission:

Lydia So, President Kathrin Moore, Vice President Theresa Imperial Derek Braun Amy Campbell Sean McGarry Gilbert Williams Jonas Ionin, Secretary Board of Supervisors

Re: Protecting the Cultural and Economic Integrity of North Beach Amid Zoning **Redevelopment Proposals**

Dear Mayor Lurie and Supervisor Sauter and Planning Commission,

As the owner of **Biordi Art Imports**, a proud, multi-generational **legacy business** that has called North Beach home since 1946, I am writing to express my deep concern—and

cautious hope—regarding the proposed redevelopment and rezoning plans for District 3.

North Beach is not simply a neighborhood. It is a living, breathing cultural landmark. It is one of the last enclaves in San Francisco where history, small businesses, and a true sense of community are still palpable. And while I fully recognize the urgent need to meet our city's state-mandated housing goals, I urge you—and our city leadership—to adopt a strategy that does not sacrifice our soul in the process.

We are at an inflection point. If we are not deliberate and inclusive, this plan could permanently alter the character of North Beach, displace the very businesses and families that make it unique, and erode the economic and cultural ecosystem that has taken generations to build.

Priority Concerns to Address

To protect our neighborhood while advancing housing goals, I respectfully ask that you champion the following provisions:

- Developer-Funded Relocation Assistance: Require all new development that displaces existing businesses to provide meaningful relocation assistance funded by developers—not by taxpayers or small businesses.
- "Warm Shell" Standards for Returning Tenants: Ensure that returning businesses can operate in ready-to-use commercial spaces, not raw concrete boxes that require \$100,000+ buildouts. Without this, return is not a real option.
- Base Height Limits for North Beach & Waterfront Areas: Maintain a firm base height of 40 feet in historic corridors like Columbus Avenue, with any bonuses subject to design review and step-back requirements to preserve the scale and skyline.
- **Preservation of Historically Registered Buildings**: Codify protections for all buildings with architectural or cultural significance. Incentivize adaptive reuse rather than demolition.
- Protection of Columbus Avenue Commercial Corridor: This iconic artery is the beating heart of North Beach. Overdevelopment or glass monoliths will forever damage the character and walkability of this corridor.
- Equitable Distribution of Density: Do not overburden North Beach. Housing targets
 must be met equitably across all neighborhoods, including those with greater
 available space and fewer historic constraints.
- Affordable Housing for Working Families: Require that a meaningful percentage

of units are set aside for **working- and middle-class renters**—not just market-rate or luxury buyers. Our restaurant workers, artists, teachers, and small business staff must be able to live where they work.

A Path Forward: Bridging Growth and Preservation

As a business owner and community member, I do not stand in the way of growth. I stand in favor of **smart, inclusive, and culturally sensitive development**.

That's why I am asking not just for policy changes—but for collaboration. I propose the creation of a **North Beach Roundtable**, a working group of residents, small business owners, developers, cultural leaders, and city planners to co-design this transformation **together**, rather than in conflict.

Let us pilot a **community-first development** that meets housing mandates while uplifting the identity of North Beach. Let us be a model for the rest of the city—and state—in how growth and preservation can coexist.

I appreciate your time and leadership, and I would welcome the opportunity to speak further about how we can preserve the legacy of North Beach while embracing its future.

Respectfully, **Deborah Baldini**Owner, Biordi Art Imports

<u>deborah@biordi.com</u>

415 392 8096

From: Amy B

To: Board of Supervisors (BOS)
Subject: Please oppose North Beach proposal

Date: Thursday, September 11, 2025 9:03:13 AM

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

Hello, my name is Amy Blumenthal. I have lived in North Beach since 1994.

I strongly oppose this rezoning proposal. North Beach is a historic and cultural district, a major tourist destination, and home to long-standing small businesses and residents. Upzoning here would mean demolition, displacement, and permanent loss of the character that makes this neighborhood unique.

Please, please reject or significantly revise this plan to protect the community and its history.

Thank you. AmyB.

From: Board of Supervisors (BOS)

To: BOS-Supervisors; BOS-Legislative Aides

Cc: Calvillo, Angela (BOS); Somera, Alisa (BOS); Ng, Wilson (BOS); De Asis, Edward (BOS); Entezari, Mehran (BOS);

Carroll, John (BOS)

Subject: FW: BOS File No. 250682 Letter of Opposition **Date:** Monday, September 8, 2025 3:19:00 PM

Attachments: 722 Montgomery - Letter Supporting Special Use District - Sauter (9-5-25).pdf

Dear Supervisors,

Pleas see the attached communication regarding File No. 250682.

File No. 250682 - Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Thank you,

Eileen McHugh
Executive Assistant
Office of the Clerk of the Board
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244

1 Dr. Gartton B. Goodlett Flace, City Hall, Noon 244

San Francisco, CA 94102-4689

Phone: (415) 554-7703 | Fax: (415) 554-5163 eileen.e.mchugh@sfgov.org| www.sfbos.org

From: Steven Tsang <steven@skylineam.com> **Sent:** Saturday, September 6, 2025 5:39 PM

To: Sauter, Danny (BOS) < Danny.Sauter@sfgov.org>

Cc: Calvillo, Angela (BOS) <angela.calvillo@sfgov.org>; Tang, Katy (ECN) <katy.tang@sfgov.org>

Subject: Re: BOS File No. 250682 Letter of Opposition

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

Please reference the attached letter for your consideration.

September 5, 2025 Via Email

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

RE: BOS File No. 250682 – Letter of Opposition

Dear Supervisor Sauter and Members of the Board of Supervisors,

I am writing as a concerned Jackson Square residential property manager/owner regarding the proposed deletion of the Jackson Square Special Use District land use controls (Planning Code Section 249.25) contained in Supervisor Sauter's legislation (File No. 250682). Two years ago, with the support of the Jackson Square Historic District Association, I spoke out against a similar effort led by Mayor Breed (File No. 230701), and was relieved when that proposal was ultimately rejected in favor of preserving the existing balance that has made Jackson Square such a vibrant and livable downtown neighborhood. The former Belli Building, currently owned and managed by our group, is a testament to why we should maintain the current controls absent new data or input from the community. These controls have helped make Jackson Square such a great place to live and for small businesses to thrive.

Thus, I am troubled to see the same issue resurface so soon, and I must once again urge you to protect what has been proven to work. Jackson Square is unlike anywhere else in San Francisco, with its rare collection of 1850s–1870s brick and cast-iron buildings, narrow streetscapes, and privately funded lighting and greenscapes supported by residents and stakeholders alike for decades. This historic fabric is fragile. The neighborhood already contains seventeen bars and restaurants within its tiny two-block by one-and-a-half-block area, with many more just steps away. Our residents and retail tenants routinely bear the burden of the excess noise, trash, vandalism, broken bottles, and other side effects of nightlife activity. Allowing new bars and restaurants "as of right" — and even larger venues of over 4,000 square feet by conditional approval — would likely overwhelm the character and charm of this district.

What is most concerning is that this proposal seems to have been brought forth with little or no outreach to residents, businesses or other key stakeholders. Such a narrow consultation process ignores the residents and small businesses who live with the daily consequences of land use decisions in this neighborhood. I've personally walked the neighborhood numerous times, invested money in the neighborhood, including supporting the extra taxes that fund the Community Benefits District, which helps cover clean-up, tree maintenance, and security. Those services are not luxuries—they have become necessities due to the existing oversaturation of nightlife uses.

Weakening the controls now would undo years of hard work and investment by those of us who have committed to making Jackson Square a vibrant, functional, and most importantly, a livable neighborhood for both commercial and residential tenants. The current controls in Section 249.25 were created with broad community input, earned unanimous support from the City's Small Business Commission, and were unanimously adopted by the Board of Supervisors in 2018. These controls have encouraged a diverse mix of businesses — boutique retail, galleries, services, and cultural institutions — while sustaining a stable residential community. This balance has kept

Jackson Square healthy both before and after the pandemic, something that few downtown districts can claim.

Thus, I ask you to please maintain the protections in Section 249.25 as they are. This is not about resisting change but about ensuring that any changes are thoughtful, data-driven, and respectful of the delicate balance that has made Jackson Square one of San Francisco's success stories. Thank you for considering the perspective of an owner who cares deeply about the future of Jackson Square.

Sincerely,

Steven Tsang

Manager, San Francisco 722 Montgomery LLC

and a concerned Jackson Square Residential Property Owner

Cc: Veronica Flores, Planner Veronica.Flores@sfgov.org
Danny Sauter, District 3 Supervisor Danny.Sauter@sfgov.org
Angela Calvillo, Clerk, Board of Supervisors

Angela.Calvillo@sfgov.org

Katy Tang, Small Business Commission Katy.Tang@sfgov.org

From: Nick Ferris

To: So, Lydia (CPC); Moore, Kathrin (CPC); Braun, Derek (CPC); Campbell, Amy (CPC); Imperial, Theresa (CPC);

Mcgarry, Sean (CPC); Williams, Gilbert A (CPC)

Cc: CPC-Commissions Secretary; Carroll, John (BOS); Board of Supervisors (BOS)

Subject: BOS File No. 250682 - LETTER OF OPPOSITION: Consolidating the North Beach SUD and NCD and Expanding

Allowable Uses and Use Size Limits

Date: Monday, September 8, 2025 1:54:43 PM

Attachments: THD Letter to Supervisor Sauter FILE NO. 250682 (1).pdf

Joint Letter Opposing Priority Ordinance 6.25.25.pdf THD Letter to Planning Commission NBNCD 9.4.25.pdf

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

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and

internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other noneating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor only as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground

floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD, have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

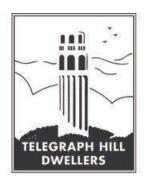
We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member August 19, 2025 Via Email

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



RE: FILE NO. 250682

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

Dear Supervisor Sauter and Ms. Andrews,

Thank you for taking the time to meet with members of the Telegraph Hill Dwellers Board to discuss your proposed changes to North Beach Neighborhood Commercial District (NBNCD) legislation. As an organization representing over 500 members of our community, these conversations are crucial to our work to advocate for our community's needs in our shared goal of seeing our neighbors and neighborhoods thrive.

As we shared with you during our meeting, the Telegraph Hill Dwellers cannot support your legislation as currently written. We urge you to make amendments to the legislation so that the legislation matches the positive intentions that you expressed to us at our meeting.

First, we urge you to retain the prohibition on storefront mergers and to oppose the amendments that would allow such mergers without even a conditional use authorization. Further, we do not support storefront mergers even if they were limited based on some maximum size cutoff. However, in very special individual circumstances (e.g., eviction of a legacy business, fire displacement such as happened to Coit Liquors), we would be willing to support a special legislative exception allowing a storefront merger on a limited case-by-case basis.

Discouraging storefront mergers has helped preserve our vibrant neighborhood, minimize commercial vacancies and retain small and Legacy Businesses that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally. This helps maintain the balance between tourist-serving and neighborhood-serving businesses, a value we share in common. Moreover, as we said in our conversation, this feels like a solution looking for a problem insofar as ground floor commercial vacancies in the NBNCD are at an all-time low.

Respectfully, we also oppose your proposed increase in Non-Residential Use Size Limits from 2,000 square feet to 3,000 square feet in the NBNCD. The existing 2,000 square feet use size, with a Conditional Use Authorization required for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of use and development appropriate to North Beach. We do not believe this proposed change is necessary or warranted.

The North Beach Special Use District (NBSUD) set forth in Planning Code Section 780.3 was specifically designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It protects residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. We strongly oppose its elimination. As written your proposed legislation significantly diminishes protections for recognized historic resources, storefront mergers and residential protections. If, however, you insist on consolidating the NBSUD with the NBNCD, the amended Section 722 must fully capture the NBSUD's intentions and protections and incorporate all definitions and controls in the zoning chart and footnotes. We do not believe your proposed amendments adequately accomplish this. If you are committed to eliminating the NBSUD, we are happy to work with you to craft acceptable language and changes. Please let us know if we can help.

We also must oppose your proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs and so many more. It also has helped reduce vacancy rates. Under the existing legislation, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled because the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the space commands. For these reasons, we urge you to maintain the existing controls for Limited Restaurants.

We appreciate that we have a strong shared commitment to preserving residential uses above the ground floor and we share the goal of "no loss of residential units." With this in mind, THD supports allowing Flexible Retail uses only on the first floor as principally permitted, but opposes Flexible Retail uses on the upper floors in the NBNCD where it should be prohibited in order to maintain the existing housing units in the floors above our businesses and protect tenants from eviction and displacement. In our meeting we were pleased that you agreed with us on this issue.

As to your proposed changes to Walk-Up uses, we have two issues. First, given the mixed-use nature of our commercial district characterized by dense residential uses above ground floor commercial, public input is important and Walk-Up uses must be subject to conditional use authorization and not be as a principally permitted use as you propose. Second, we are pleased that you share our concern about the proliferation of "ghost kitchens" and support an amendment to your legislation to define and prohibit "ghost kitchens" in the NBNCD which we both agreed are not beneficial for North Beach. We are happy to work with you to draft language that would create a new definition for "ghost kitchens," to include food preparation facilities designed for delivery-only or takeout orders, without a traditional dine-in space. Health Care uses on the ground floor should continue to be prohibited. These office-type uses deaden our active ground floor uses and don't belong in North Beach. This prohibition has worked as intended, maintaining the lively ground floor ambiance of the neighborhood by keeping out large healthcare facilities such as One Medical and the proliferation of other Urgent Care facilities. These facilities are established nearby outside of the NBNCD where they are more appropriate. Such uses should be allowed with conditional use above the first floor provided no residential tenants are displaced.

Finally, as we stated in our joint letter of June 30, 2025, attached, we request that the NBNCD continue to not be included in the Priority Processing Program. We are deeply concerned that there is no longer any guarantee that conditional use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 13, 2025, that Priority Processing does not require public notice and does not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr at the Commission meeting:

". . . 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 to have these on the consent calendar unless directed otherwise by this Commission."

At our meeting you seemed to indicate that there is legislation which will restore the longstanding guarantees of public notice and a public hearing. We are unaware of such legislation, but if you have it, please provide a copy or a link. Otherwise, please continue to exclude North Beach from the Priority Processing Program.

We agree that changes to the NBNCD should be data driven, and in collaboration with the North Beach Business Association, we are in the midst of updating the commercial survey of the NBNCD to collect accurate, up-to-date information to better inform decisions. We believe the data will support what we are experiencing. Namely, that North Beach is thriving and has led the City in our post-pandemic recovery. Let's work together to utilize the objective results of this survey to come up with the best amendments to our current laws.

We share your stated values of protecting tenants, supporting affordable housing, maintaining rent-control units, supporting small businesses, and seeing that our neighborhood

continues to balance tourism with community-serving businesses.

We look forward to continuing to work with you on this evolving legislation.

Telegraph Hill Dwellers

Nick Ferris Stan Hayes Sarah Goldsmith









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
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Jonas Ionin, Secretary commissions.secretary@sfgov.org
Supervisor Danny Sauter danny.sauter@sfgov.org
Supervisor Jackie Fielder Jackie.fielder@sfgov.org

September 4, 2025 *Via Email*

Lydia So, President & Members San Francisco Planning Commission 49 S Van Ness Ave., Suite 1400 San Francisco, CA 94103



RE: BOS File No. 250682 - LETTER OF OPPOSITION

Consolidating the North Beach SUD and NCD and Expanding Allowable Uses and Use Size Limits

Dear President So and Members of the Planning Commission:

The Telegraph Hill Dwellers, a neighborhood organization founded in 1954 representing over 500 members in North Beach and Telegraph Hill, has long been devoted to supporting and protecting small businesses, protecting tenants and existing affordable housing, and seeing that our neighborhood commercial corridors continue to balance tourism with community-serving businesses. Legislation we have championed over the many years has enhanced variety, limited vacancies, and inhibited the type of real estate speculation that could have cannibalized the most unique, community-serving establishments in our neighborhood. The proposed legislation would reverse decades of preservation and zoning efforts by dedicated residents and businesses and greatly diminish our neighborhood.

We are writing in strong opposition to Supervisor Sauter's proposed legislation and to ask the Commission to please consider recommending against the amendments as set forth below.

Maintain the North Beach Special Use District (NBSUD).

We strongly oppose the proposed legislation to eliminate the North Beach Special Use District (SUD) and "consolidate" it with the North Beach Neighborhood Commercial District (NCD). The North Beach SUD, set forth in Planning Code Section 780.3, was carefully designed to protect and enhance the special character of one of San Francisco's most important, historic and celebrated neighborhoods. It was enacted to protect residential and commercial uses and use sizes, Legacy Businesses, and our renowned architectural and cultural heritage. Supervisor Sauter's legislative proposal to eliminate the North Beach SUD -- and to "consolidate" it into the NCD chart in Section 722 – would significantly diminish the intended protections embodied in the NBSUD. We therefore urge the Commission to please reject the proposed elimination of the North Beach SUD.

Retain the Existing Prohibition on Storefront Mergers.

We oppose the proposed amendment to allow mergers without even a Conditional Use Authorization. Discouraging storefront mergers has helped to preserve our vibrant neighborhood, minimize commercial vacancies, and retain small businesses, including our numerous Legacy

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San Francisco Planning Commission September 4, 2025 Page 2 of 4

Businesses, that would have long disappeared without these controls. These provisions have long proven successful in protecting the delicate ecosystem of our celebrated neighborhood-serving businesses by incentivizing landlords to retain existing small business spaces that command lower per square foot rents than larger storefronts. Not only do these small-scale diverse businesses serve our community, but they also attract more small businesses, tourists, and visitors from throughout San Francisco, the region, nationally and internationally, maintaining a healthy balance between tourist-serving and neighborhood-serving businesses. Supervisor Sauter's proposal to allow storefront mergers is a solution looking for a problem insofar as commercial vacancies in the NBNCD are at an all-time low. For these reasons, we urge the Commission to please retain the prohibition on storefront mergers and reject the proposal to allow storefront mergers in the North Beach NCD.

Keep the Existing Non-Residential Use Size Limits.

We also strongly also oppose Supervisor Sauter's proposed increases in the Non-Residential Use Size Limits in the North Beach NCD from the existing 2,000 square feet to 3,000 square feet. The existing Non-Residential Use Size limit of 2,000 square feet, with a required Conditional Use Authorization for use sizes between 2,000 and 4,000 square feet, has been instrumental in protecting and maintaining a scale of uses and development appropriate to North Beach. The existing use sizes are also largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. We do not believe this proposed change is necessary or warranted. We respectfully urge the Commission to please reject the proposed increase in the Non-Residential Use Size limit and maintain the upper Use Size limit of 4,000 square feet.

Maintain the Existing Controls for Limited Restaurants.

We also oppose Supervisor Sauter's proposal to allow Limited Restaurant Use as principally permitted for the reasons that follow. The existing legislation was enacted to stem the proliferation of new restaurants and bars that had replaced so many neighborhood-serving businesses in order to achieve a more stable balance of diverse businesses. It has proven a helpful tool in retaining and welcoming non-restaurant uses that make North Beach so special like Biordi's, Jeffrey's, Paparazzi, Knits and Leather, 101 Records, Locali, Macchiarini Creative Designs, and so many more. It also has helped reduce vacancy rates. Under the existing ordinance, when a space formerly occupied by a Limited Restaurant, Restaurant, or Bar has become vacant, it has been quickly re-filled *because* the conversion of other non-eating and drinking spaces is not allowed in the NBNCD. Objective surveys of the NBNCD conducted at intervals over the past 40 years show that once a retail space is converted to an eating and drinking use, it rarely if ever reverts back given the expense of converting the space and the resulting increased rent the converted space commands. For these reasons, we respectfully urge the Commission to please maintain the existing controls for Limited Restaurants and reject the proposal to make Limited Restaurants a principally permitted use.

San Francisco Planning Commission September 4, 2025 Page 3 of 4

Prohibit Flexible Retail Uses on Upper Floors.

We oppose the amendment proposed by Supervisor Sauter to allow Flexible Retail uses to be principally permitted on all floors in the North Beach NCD. While THD can support allowing Flexible Retail uses on the first floor <u>only</u> as principally permitted, we strongly oppose allowing Flexible Retail uses on the upper floors where conversion to retail uses should continue to be prohibited in order maintain upper floor housing units and to protect tenants from eviction and displacement. We believe the Supervisor shares our long-standing commitment to preserve residential uses above the ground floor with the goal of "no loss of residential units" and will agree to this change in his proposed legislation. We therefore urge the Commission to please recommend prohibiting Flexible Retail uses on upper floors in the North Beach NCD.

Maintain Existing Prohibition on Health Care Uses On Ground Floor.

We strongly oppose the proposed amendment to allow new Health Care uses on the ground floor. Health care uses are currently allowed and should continue to be allowed with a Conditional Use authorization above the first floor *provided no residential units or tenants are displaced*. We believe the existing prohibition of these uses on the ground floor has worked as intended to keep out healthcare facilities including such facilities as One Medical and other Urgent Care facilities that would have deadened our lively commercial corridors. Such health care facilities are located nearby outside of the North Beach NCD where they are more appropriate. Health care uses are allowed and should continue to be allowed with a Conditional Use authorization above the first floor provided no residential units are lost and not tenants are displaced. We ask the Commission to please recommend maintaining the existing prohibition on ground floor Health Care uses.

Retain the Requirement for Conditional Use Authorization for Walk Up Uses.

Our opposition to the proposed amendment to change Walk Up Uses from Conditional Use to principally permitted is based on two issues. First, given the mixed use nature of the North Beach NCD characterized by dense residential uses above ground floor commercial uses, public input is important and Walk-Up uses should continue to be subject to Conditional Use authorization instead of being principally permitted as proposed. Second, we are concerned about the proliferation of "ghost kitchens" and would support an amendment to the Planning Code to define and prohibit "ghost kitchens" in the North Beach NCD and in other NCDs, which are not a beneficial use in any NCD. We ask the Commission to please recommend maintaining the existing Conditional Use Authorization for Walk Up Uses in the North Beach NCD. In addition, consider asking the Planning Department to create a new definition and controls for "Ghost Kitchen" Use.

<u>Continue to Exclude the North Beach Neighborhood Commercial District from the Priority Processing Program.</u>

Finally, as we stated in our joint letter to the Commission of June 25, 2025 (see attached), we strongly oppose Supervisor Sauter's proposed inclusion of the North Beach NCD in the Priority Processing Program from which North Beach, along with the Calle 24 Latino Cultural District SUD,

San Francisco Planning Commission September 4, 2025 Page 4 of 4

have long been exempted. We are deeply concerned that there is no longer any guarantee that Conditional Use authorizations will be publicly noticed or even receive a public hearing. Planning Department staff explained to the Planning Commission on June 26, 2025, that Priority Processing does not require public notice and may not even need to appear on the Planning Commission agenda as a consent item if the Commission delegates its authority to Planning Department staff. As stated by Planner Aaron Starr to the Commission: "... 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 to have these on the consent calendar unless directed otherwise by this Commission." We urge the Commission to please recommend that the North Beach NCD continue to be excluded from the Priority Processing Program.

* * * * * * *

We met with Supervisor Sauter regarding the above matters and conveyed our comments to him by letter dated August 19, 2025 (see attached).

Thank you very much for your attention. We ask that you consider our comments in your deliberation.

Sincerely,

Telegraph Hill Dwellers

Nick Ferris, President Stan Hayes, Co-Chair, Planning & Zoning Sarah Goldsmith, Board Member

Cc: Lydia So, President *lydia.so@sfgov.org*

Kathrin Moore, Vice President kathrin.moore@sfgov.org
Derek W. Braun, Commissioner derek.braun@sfgov.org
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Angela Cavillo, Clerk Board.of.Supervisors@sfgov.org

From: Board of Supervisors (BOS)

To: BOS-Supervisors; BOS-Legislative Aides

Cc: Calvillo, Angela (BOS); Somera, Alisa (BOS); Ng, Wilson (BOS); De Asis, Edward (BOS); Entezari, Mehran (BOS);

Carroll, John (BOS)

Subject:FW: Opposition to BOS File No. 250682Date:Friday, September 5, 2025 5:00:36 PMAttachments:Jackson Sq Legislation Opposition.pdf

Dear Supervisors,

Please see the attached communication regarding File No. 250682.

Thank you,

Eileen McHugh

Executive Assistant

Office of the Clerk of the Board

Board of Supervisors

1 Dr. Carlton B. Goodlett Place, City Hall, Room 244

San Francisco, CA 94102-4689

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From: 25 Hotaling HOA <25hotalinghoa@gmail.com>

Sent: Friday, September 5, 2025 4:31 PM **To:** So, Lydia (CPC) <lydia.so@sfgov.org>

Cc: Sauter, Danny (BOS) <Danny.Sauter@sfgov.org>; Tang, Katy (ECN) <katy.tang@sfgov.org>;

Flores, Veronica (CPC) < Veronica. Flores@sfgov.org>; Calvillo, Angela (BOS)

<angela.calvillo@sfgov.org>

Subject: Opposition to BOS File No. 250682

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September 5, 2025

Lydia So, President & Members San Francisco Planning Commission 49 S Van Ness Ave., Suite 1400 San Francisco, CA 94103

RE: Opposition to BOS File No. 250682

Dear President So and Commissioners,

I respectfully write to you as both a resident and HOA president of a mixed-use building in

Jackson Square, where I also practice law. I am strongly opposed to Supervisor Sauter's proposal to weaken Section 249.25, which has been essential in maintaining the character and balance of this unique neighborhood.

The success of Jackson Square is not accidental. Since 2018, the current land use protections - crafted with broad input and unanimous City support - have preserved historic buildings while sustaining a healthy mix of shops, galleries, bars & restaurants, offices, services, and homes. This stability has encouraged investment from residents and businesses alike, making Jackson Square one of the few Downtown districts to thrive even through the pandemic.

The proposed legislation threatens to unravel that success. Our small district already has more than its share of bars and restaurants. While these uses bring activity, they also create serious impacts on retail and residential: noise, vandalism, trash and worse, and constant enforcement challenges. Allowing additional saturation without careful review would tip the balance further, undermining the very qualities that make this district livable. Driving working residents out of Downtown seems backwards.

Process matters, too. None of the Jackson Square business and residential friends I asked said they were aware of this proposal, and were against it once informed. How does oversaturating bar & restaurant vs balanced mixed use strengthen a district that is already working well?

As someone who lives and works here, I see daily how much residents and businesses invest in Jackson Square - through the Community Benefit District, streetscape and historic building upkeep, and more. Weakening the current zoning protections would undo years of progress and create unnecessary problems for the City to manage.

I respectfully urge you to reject File No. 250682 and keep Section 249.25 intact. The framework is working, and there is no justification for dismantling it.

Sincerely, Charles Carbone, Esq. 25 Hotaling & 580 Washington HOA President, Jackson Square

September 4, 2025

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