

File No. 230863

Committee Item No. 9

Board Item No. 7

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Transportation

Date: Dec. 11, 2023

Board of Supervisors Meeting:

Date: Jan. 9, 2024

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Prepared by: John Carroll

Date: Dec. 8, 2023

Prepared by: John Carroll

Date: De. 11, 2023

Prepared by: _____

Date: _____

1 [Planning Code - Exceptions from Limits on Conversion of Production, Distribution and
2 Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans
Areas]

3 **Ordinance amending the Planning Code to exempt from the limitations on conversion**
4 **of certain Production, Distribution and Repair (“PDR”), Institutional Community, and**
5 **Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa,**
6 **Western SoMa, and Central SoMa), changes of use from one of those uses to another**
7 **of those uses or to Institutional uses, in buildings under 25,000 ground floor square**
8 **feet; affirming the Planning Department’s determination under the California**
9 **Environmental Quality Act; and making public necessity, convenience, and welfare**
10 **findings under Planning Code, Section 302, and findings of consistency with the**
11 **General Plan and the eight priority policies of Planning Code, Section 101.1.**

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

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

20 Section 1. Environmental and Land Use Findings.

21 (a) The Planning Department has determined that the actions contemplated in this
22 ordinance comply with the California Environmental Quality Act (California Public Resources
23 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
24 Supervisors in File No. 230863 and is incorporated herein by reference. The Board affirms
25 this determination.

1 (b) On October 26, 2023, the Planning Commission, in Resolution No. 21417, adopted
2 findings that the actions contemplated in this ordinance are consistent, on balance, with the
3 City’s General Plan and eight priority policies of Planning Code Section 101.1. The Board
4 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
5 Board of Supervisors in File No. 230863, and is incorporated herein by reference.

6 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
7 amendments will serve the public necessity, convenience, and welfare for the reasons set
8 forth in Planning Commission Resolution No.21417, and the Board adopts such reasons as its
9 own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File
10 No. 230863 and is incorporated herein by reference.

11
12 Section 2. Article 2 of the Planning Code is hereby amended by revising Section
13 202.8, to read as follows:

14 **SEC. 202.8. LIMITATION ON CONVERSION OF PRODUCTION, DISTRIBUTION,**
15 **AND REPAIR USE, INSTITUTIONAL COMMUNITY USE, AND ARTS ACTIVITIES USE.**

16 The following controls shall apply in the following Eastern Neighborhoods Plans Areas:
17 Mission; Eastern SoMa; Western SoMa; and, if adopted, Central SoMa. Notwithstanding any
18 other provision of this Code, conversion of building space where the prior use in such space
19 was a Production, Distribution, and Repair (PDR) use of at least 5,000 square feet, an
20 Institutional Community use of at least 2,500 square feet, or an Arts Activities use, all as
21 defined in Section 102, through change in use or any other removal, including but not limited
22 to demolition of a building that is not unsound, shall be subject to the following requirements;
23 except that this Section 202.8 shall not apply to conversions of any use listed above to any other use
24 listed above, or to Institutional uses, in buildings under 25,000 ground floor square feet, in the
25 areas that, as of July 1, 2016, were zoned SALI, MUO, SLI, MUG, or MUR:

1 (a) To preserve the existing stock of building space suitable for PDR, Institutional
2 Community, and Arts Activities uses, such conversion shall, if located within the following
3 zoning districts, require conditional use authorization under Section 303 and the space
4 proposed for conversion shall be replaced in compliance with the following criteria:

5 * * * *

6 (6) In the UMU, Rreplacement space for PDR and Arts Activities use may be
7 used for either PDR or Arts Activities use, regardless of which of those uses is proposed for
8 conversion. Replacement space for Institutional Community use shall be used for Institutional
9 Community use.

10 * * * *

11
12 Section 3. Effective Date. This ordinance shall become effective 30 days after
13 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
14 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
15 of Supervisors overrides the Mayor's veto of the ordinance.

16
17 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
18 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
19 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
20 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
21 additions, and Board amendment deletions in accordance with the "Note" that appears under
22 the official title of the ordinance.

23
24 ///

25 ///

1 Section 5. In accordance with subsection (i) of Planning Code Section 202.8, which
2 was enacted by the voters as Proposition X at the November 8, 2016 election, passage of this
3 ordinance requires at least a two-thirds vote (i.e., eight members) of the Board of Supervisors.
4

5
6 APPROVED AS TO FORM:
7 DAVID CHIU, City Attorney

8 By: /s/ Andrea Ruiz-Esquide
9 ANDREA RUIZ-ESQUIDE
Deputy City Attorney

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REVISED LEGISLATIVE DIGEST
(Amended in Committee – December 11, 2023)

[Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans Areas]

Ordinance amending the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair (“PDR”), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa, and Central SoMa), changes of use from one of those uses to another of those uses or to Institutional uses, in buildings under 25,000 ground floor square feet; affirming the Planning Department’s determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Section 202.8 of the Planning Code sets forth limitations on conversion of Production, Distribution, and Repair (“PDR”) uses, Institutional Community uses, and Arts Activities uses in the Eastern Neighborhoods Plans Areas of Mission, Eastern SoMa, Western SoMa, and Central SoMa. With some exemptions, it requires specific replacement requirements for conversion of building space where the prior use was:

- a PDR use of at least 5,000 square feet,
- an Institutional Community use of at least 2,500 square feet, or
- an Arts Activities use, as these terms are defined in Section 102 of the Planning Code.

The replacement requirements apply to conversions carried out “through change in use or any other removal, including but not limited to demolition of a building that is not unsound.” The Code defines “unsound” for these purposes as “a building for which rehabilitation to comply with City Codes for continued use as PDR, Institutional Community, or Arts Activities use, as applicable, would cost 50% or more of the cost to construct a comparable building.”

Amendments to Current Law

This ordinance amends Section 202.8 to exempt from the replacement requirements changes of use from one listed use (that is, PDR, Institutional Community, or Arts Activities uses) to another listed use or to Institutional uses, in buildings under 25,000 ground floor square feet, in the areas that, as of July 1, 2016, were zoned SALI, MUO, SLI, MUG or MUR.

Background Information

Section 202.8 of the Planning Code was enacted by the voters as Proposition X at the November 8, 2016 election. Proposition X authorizes the Board of Supervisors to amend Section 202.8, with a supermajority vote (i.e., eight members) of the Board of Supervisors.

This ordinance is substitute legislation for the ordinance in Board of Supervisors File No. 230863, which was introduced by Supervisor Dorsey on July 25, 2023.

This ordinance is the result of an amendment that was adopted at the Land Use and Transportation Committee hearing on December 11, 2023. That amendment added the 25,000 ground floor square feet limitation to the ordinance.

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November 9, 2023

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

Re: Transmittal of Planning Department Case Number 2023-007676PCA:
Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional
Community, and Arts Activities Uses in Eastern Neighborhoods Plans Areas
Board File No.230863

Planning Commission Recommendation: Approval with Modifications

Dear Ms. Calvillo and Supervisor Dorsey,

On October 26, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Dorsey that would amend the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair (PDR), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa and Central SoMa), changes of use from one of those uses to another of those uses, or to Institutional Education uses. At the hearing the Planning Commission recommended approval with modifications.

The Commission's proposed modifications were as follows:

1. Modify the Ordinance to exempt *all* Institutional Uses from the requirements of 202.8.
2. Retain the language proposed for deletion in Sec. 202.8(a)(6).
3. Consider placing a ground floor square footage cap on proposed changes of use that are exempt from replacement requirements.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378

because they do not result in a physical change in the environment.

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: Andrea Ruiz-Esquide, Deputy City Attorney
Madison Tam, Aide to Supervisor Dorsey
John Carroll, Office of the Clerk of the Board

Attachments:

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21417

HEARING DATE: OCTOBER 26, 2023

Project Name: Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhoods Plans Areas

Case Number: 2023-007676PCA [Board File No. 230863]

Initiated by: Supervisor Dorsey / Introduced July 25, 2023

Staff Contact: Audrey Merlone, Legislative Affairs
Audrey.Merlone@sfgov.org, 628-652-7534

Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO EXEMPT FROM THE LIMITATIONS ON CONVERSION OF CERTAIN PRODUCTION, DISTRIBUTION AND REPAIR (“PDR”), INSTITUTIONAL COMMUNITY, AND ARTS ACTIVITIES USES IN THE EASTERN NEIGHBORHOODS PLANS AREAS (MISSION, EASTERN SOMA, WESTERN SOMA, AND CENTRAL SOMA), CHANGES OF USE FROM ONE OF THOSE USES TO ANOTHER OF THOSE USES, OR TO INSTITUTIONAL EDUCATION USES; AFFIRMING THE PLANNING DEPARTMENT’S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING PUBLIC NECESSITY, CONVENIENCE, AND WELFARE FINDINGS UNDER PLANNING CODE SECTION 302, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1.

WHEREAS, on July 25, 2023 Supervisor Dorsey introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 230863, which would amend the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair (“PDR”), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa and Central SoMa), changes of use from one of those uses to another of those uses, or to Institutional Education uses;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 26, 2023, and,

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

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

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

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

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

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed recommendation(s) is/are as follows:

1. Modify the Ordinance to exempt all Institutional Uses from the requirements of 202.8.
2. Retain the language proposed for deletion in Sec. 202.8(a)(6).
3. Consider placing a ground floor square footage cap on proposed changes of use that are exempt from replacement requirements.

Findings

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

Prop X already identified Arts Activities and Institutional Community Uses as desirable for industrial districts within the Eastern Neighborhoods by requiring replacement of them in cases of conversion. New Arts Activities and Institutional Community Uses that seek to establish themselves in the Eastern Neighborhoods should be encouraged to locate in the area, rather than discouraged through the requirement to replace former PDR spaces. Institutional Educational uses fit well into former PDR spaces, and often struggle to find buildings other than PDR spaces in which to locate. Additionally, the SoMa Pilipinas Cultural District has identified the need for more schools to be located within their district. PDR replacement requirements are cost-prohibitive to all three of these use types that the City seeks to encourage and therefore should not be subject to Sec. 202.8.

General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

EAST SOMA AREA PLAN

OBJECTIVE 7.1

PROVIDE ESSENTIAL COMMUNITY SERVICES AND FACILITIES

Policy 7.1.1

Support the siting of new facilities to meet the needs of a growing community and to provide opportunities for residents of all age levels.

Policy 7.1.2

Recognize the value of existing facilities and support their expansion and continued use.

Policy 7.1.4

Seek the San Francisco Unified School District's consideration of new middle school options in this neighborhood, or in the Central Waterfront or Potrero Hill neighborhoods, or the expansion of existing schools to accommodate middle school demand from projected population growth in the Eastern Neighborhoods.

Policy 7.1.6

Recognize the concentration of low-income families and youth in the South of Market, particularly in the area generally bounded by 4th Street and LapuLapu Street on the northeast, Langton Street on the southwest, Harrison Street on the southeast, and Natoma Street on the northwest. Support the already significant investment in youth and family-oriented places in SoMa such as the expansion of the Bessie Carmichael School, the completion of the Victoria Manalo Draves Park and the location of several youth-serving organizations in this area such as the SoMa Recreation Center. Allow uses and spaces that support families and youth such as schools, clinics, open space and recreational centers.

OBJECTIVE 7.2

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

Policy 7.2.2

Encourage new facilities and spaces for providers of services such as English as a Second Language, employment training services, art, education and youth programming.

CENTRAL SOMA AREA PLAN

OBJECTIVE 2.6

SUPPORT SERVICES – SCHOOLS, CHILD CARE, AND COMMUNITY SERVICES – NECESSARY TO SERVE LOCAL RESIDENTS

Policy 2.6.3

Help facilitate the creation of new community services.

The proposed Ordinance would remove the steep financial barrier to arts and non-profit uses looking to locate in former PDR/Arts/Institutional use spaces within the areas that are subject to Prop X (except UMU). The replacement requirements are often cost-prohibitive to these types of uses as they are usually not focused on profit, but rather on serving the community.

Planning Code Section 101 Findings

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

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

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

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

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

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

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

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

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

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

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

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

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

7. That the landmarks and historic buildings be preserved;

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

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

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their

access to sunlight and vistas.

Planning Code Section 302 Findings.

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

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on October 26, 2023.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2023.11.03 12:21:32 -07'00'

AYES: Braun, Diamond, Imperial, Koppel, Tanner

NOES: Moore

ABSENT: Ruiz

ADOPTED: October 26, 2023



EXECUTIVE SUMMARY

PLANNING CODE TEXT AMENDMENT

HEARING DATE: October 5, 2023

90-Day Deadline: November 6, 2023

Project Name: Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhoods Plans Areas

Case Number: 2023-007676PCA [Board File No. 230863]

Initiated by: Supervisor Dorsey / Introduced July 25, 2023

Staff Contact: Audrey Merlone, Legislative Affairs
Audrey.Merlone@sfgov.org, 628-652-7534

Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

Environmental Review: Not a Project Under CEQA

Recommendation: Approval with Modifications

Planning Code Amendment

The proposed Ordinance would amend the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair (PDR), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa and Central SoMa), changes of use from one of those uses to another of those uses, or to Institutional Education uses.

The Way It Is Now:

1. Planning Code Section 202.8 requires (with some exceptions) specific replacement requirements for conversion of building space where the prior use was:
 - o A Production, Distribution, Repair (PDR) use of at least 5,000 square feet,
 - o An Institutional Community use of at least 2,500 square feet, or
 - o An Arts Activities use.

The replacement requirements apply to conversions carried out “through change in use or any other removal, including but not limited to demolition of a building that is not unsound.”

The Way It Would Be:

1. Section 202.8 would be amended to exempt from the replacement requirements changes of use from one listed use (PDR, Institutional Community, or Arts Activities use) to another listed use, or to Institutional Education uses, in the areas that as of July 1, 2016, were zoned Service/Arts/Light Industrial (SALI), Mixed-Use Office (MUO), Service/Light Industrial (SLI), Mixed-Use General (MUG), or Mixed-Use Residential (MUR). The Ordinance **would not** change the replacement requirements for UMU within the Eastern Neighborhoods.

Background

Proposition X

In 2016 the Voters’ Initiative amended the Planning Code by adding Section 202.8 to require Conditional Use authorization for conversion of PDR, Institutional Community Use, and Arts Activities Use and to require replacement space.

Conditional Use Required

The Measure requires Conditional Use authorization for any loss or conversion of a PDR use of 5,000 square feet; an Institutional Community use of at least 2,500 Square feet; or an Arts Activities use of any size within the SALI, UMU, MUG, MUO, MUR, or SLI districts within the following Plan Areas: Mission; Eastern SoMa, Western SoMa, and, Central SoMa. Exhibit B contains a map of these districts as they were zoned on July 1, 2016. In addition to the required findings of Section 303, the Commission shall consider the suitability of the replacement space for the use proposed for conversion.

Replacement Space Required

The Measure requires replacement of any building space on the subject property at the following ratios, based upon the zoning of the property as of July 1, 2016:

- In the SALI District, each 1 sqft. of PDR, Institutional Community or Arts Activities = 1 sqft. of replacement space
- In UMU, MUO or SLI Districts, each 1 sqft. of PDR, Institutional Community or Arts Activities = 0.75 sqft. of replacement space
- In MUG or MUR Districts, each 1 sqft. of PDR, Institutional Community or Arts Activities = 0.5 sqft. of replacement space

Permitted Reductions

Required replacement space may be reduced by the amount needed for building entrances, mechanical equipment, utilities, on-site open space, and bicycle spaces, provided that no reduction shall be permitted for non-car-share vehicle parking spaces. Converted PDR or Arts Activities may be replaced by either PDR or Arts Activities. Institutional Community uses may only be replaced by Institutional Community uses.

Applicability

The measure does not apply to buildings that are deemed “unsound;” it does not apply to vacant lots or outdoor areas devoted to those uses (e.g., vehicle storage, service station). The permanent use of the lot determines applicability. Temporary uses do not negate the requirements of the Measure if the underlying permanent use is a regulated use.

Lower Requirements for Certain Development Agreements

Requirements may be reduced by 0.25 sqft. within certain parameters for certain projects subject to a Development Agreement.

Swords to Plowshares

Swords to Plowshares is a non-profit 501(c)3 organization that has operated in the Bay Area since 1974. The organization’s mission is to assist military veterans with physical and financial hardships through services such as assisting with finding and maintaining a permanent residence, counseling, support groups, and employment assistance.

The non-profit has operated out of 1060 Howards since at least 2004. Prior to its use as an Institutional Community Use, the building was a garment factory up until at least 1989 (PDR use). Unfortunately, the change of use to an Institutional Community use from a PDR use did not receive the proper permits. When the organization discovered their use was operating without the benefit of permit, they applied for a Conditional Use authorization. Through that process, Department staff found that the parcel was subject to the PDR replacement requirements of Prop X. These replacement requirements would be cost prohibitive to the organization. Supervisor Dorsey worked to find a solution through this Ordinance not only for Swords to Plowshares, but for other community-serving uses that find themselves in a similar situation.

Issues and Considerations

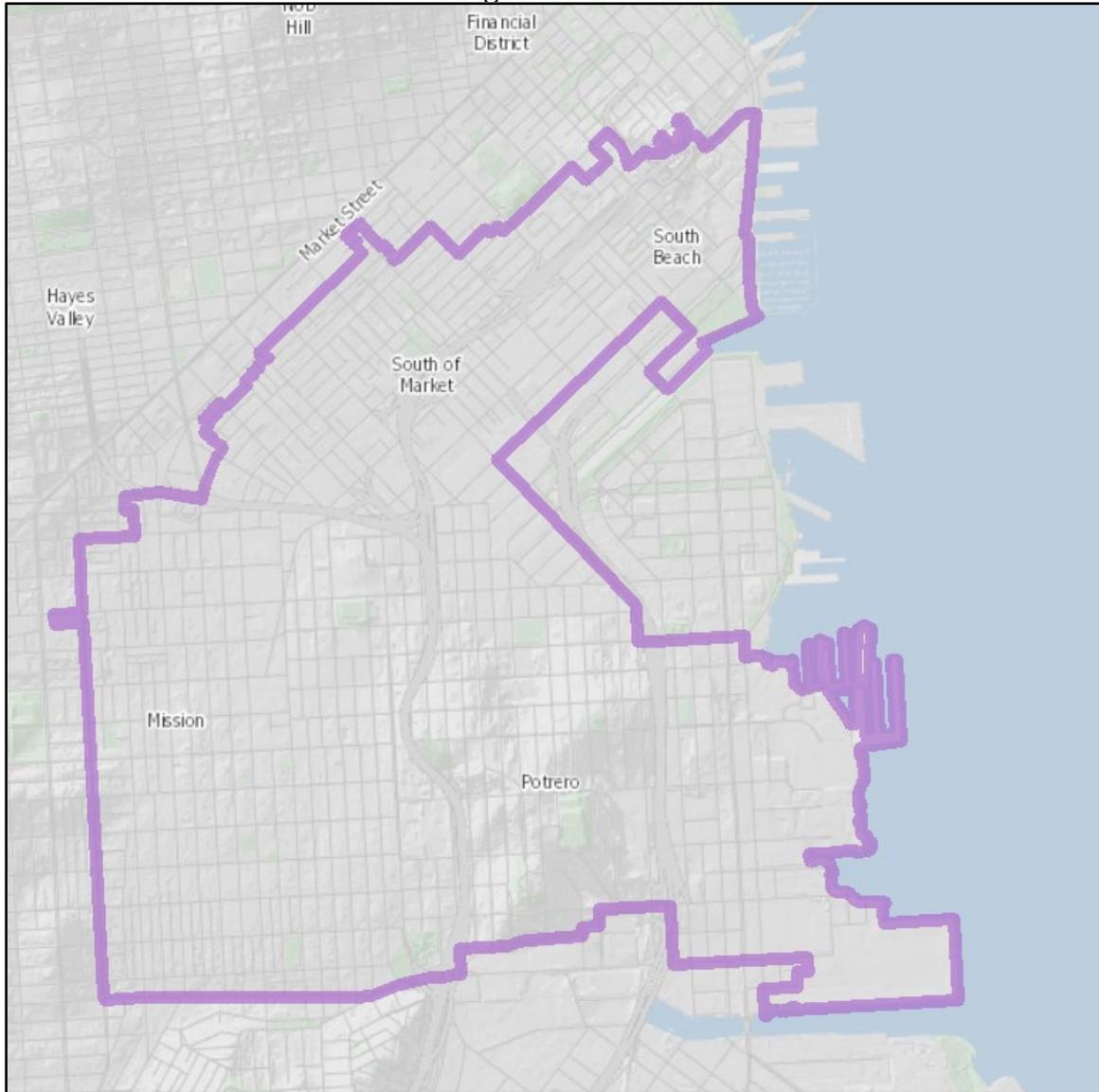
Eastern Neighborhoods

In January of 2009, the City adopted several neighborhood specific plans as part of the Eastern Neighborhoods Planning effort. These plans are intended to guide growth, development, and preservation in SoMa, Mission, Showplace Square/Potrero Hill, and Central Waterfront. These plans created new policies, land use regulations, implementation projects, and funding measures for these neighborhoods.

The plans balance the need to protect industrial uses with the need to accommodate growth and create complete neighborhoods. In response to what had been growing conflicts between light-industrial uses and encroaching office and residential uses, the Plans provide clarity on where industrial lands are to be preserved and where and under what conditions new development can be built.

The Eastern Neighborhoods Plans enable the transition of about half of the area’s industrial lands to allow for new housing. The other half is reserved for “Production, Distribution, and Repair” (or PDR) uses, such as warehouses, distribution centers, caterers, art production, and other similar light-industrial activities. Housing and office uses are generally not allowed in these areas.

Eastern Neighborhoods Plan Areas



The Eastern Neighborhoods Plans also include policies and mechanisms that help assure new growth creates “complete neighborhoods.” Complete neighborhoods are those that provide safe and convenient access to shopping and services, affordable housing, and open space. These neighborhoods also include pedestrian oriented buildings and a transit-oriented public realm to support the needs of people of all ages and abilities.

The Mission, Central Waterfront, East South of Market and Showplace Square/Potrero Hill neighborhoods are home to much of the city's industrially zoned land. For the last 10 to 15 years, these neighborhoods have transformed, sparking land use conflicts as residential and office development clash with industrial activities. As such, the main economic and employment goals of the Eastern Neighborhoods Plans focus on two priorities : 1)

Reserve sufficient space for PDR activities, in order to support the City’s economy and provide good jobs for residents, and 2) Take steps to provide space for new industries that bring innovation and flexibility to the City’s economy.

General Plan Compliance

Objective 7.1 of the East SoMa Area Plan is to “Provide Essential Community Services and Facilities”. Policies 7.2.1 – 7.2.3 all focus on the importance of promoting the continued operation of, and establishment of new, facilities that serve low-income and immigrant communities in the areas of health, education, employment training, art, and youth programming. Similarly, Objective 2.6 of the Central SoMa Area Plan is to “Support Services – Schools, childcare, and community services – necessary to serve local residents.”. The proposed Ordinance will ensure not only that a long-serving non-profit may continue to offer its services to the community, but also that future community-serving uses are not prevented from locating in the Eastern Neighborhoods due to the steep financial burden of Section 202.8’s replacement requirements.

Racial and Social Equity Analysis

The zoning districts within the Eastern Neighborhoods Plan Area that would be affected by the proposed Ordinance also overlap with two cultural districts: the SoMa Pilipinas and the Leather & LGBTQ Cultural District.

As a major cultural hub for the Filipino American community in the region, the SOMA Pilipinas Filipino Cultural Heritage District is home to many cultural institutions and assets, arts and cultural organizations, artists, and long term culturally relevant public art pieces. In 2022, the SoMa Pilipinas Cultural District, in conjunction with the Mayor’s Office of Housing and Community Development issued their first “Cultural History Housing and Economic Sustainability Strategy (CHHESS) report. The report includes a comprehensive set of goals and strategies for the district. Community Goal #7 is to “Strengthen and Stabilize the Capacity of Filipino Arts and Cultural Organizations and Individual Artists”. Given that most funding to the arts is project-based, there is a great need to increase funding, resources, and City support to artists and arts and cultural organizations in the areas of general operating, programming, evaluation, and technology needs. The CHHESS report additionally identified that non-profit services and cultural organizations in the South of Market need stability and security to continue to serve the community without the constant threat of displacement. This includes small businesses and arts organizations, including the need for a performing arts space that would allow cultural groups and artists to scale up production. The proposed Ordinance would remove the steep financial barrier to arts and non-profit uses looking to locate in former PDR/Arts/Institutional use spaces within the areas of the cultural district that are subject to Prop X. The replacement requirements are often cost-prohibitive to these types of uses as they are usually not focused on profit, but rather on serving the community.

The Leather and LGBTQ Cultural District was established in 2018, officially recognizing the area in SoMa as a local and world capitol for Leather culture since the 1960’s, as well as one of the City’s most significant and distinctive Lesbian, Gay, Bisexual, Transgender, Queer neighborhoods since the 1950’s. The district has a unique concentration of businesses, institutions, organizations, events, individuals and artists that have been an integral part of the City’s cultural richness, economic prosperity, and historical significance. As the City’s landscape rapidly changes and as SoMa develops at a rate faster than any other San Francisco neighborhood, the district has continued to lose access to safe, accessible locations for LGBTQ and Leather folks to gather, create networks of support, and advocacy, and conduct commerce, which threatens their ability to continue those functions. The

district is currently drafting their first CHHESS report. In working to create this report, many focus groups have been conducted with district community members. These focus groups have often cited the need to preserve and enhance the district's distinct cultural history in arts and entertainment. There is also an identified need to provide culturally competent health resources for Leather and LGBTQ community members within the district. Although the proposed Ordinance would not directly further the establishment of new community arts or health centers, it would be a concrete step in making former PDR spaces accessible for the establishment of these types of uses by removing the financial barrier of PDR replacement requirements.

Implementation

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

Recommendation

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Modify the Ordinance to exempt *all* Institutional Uses from the requirements of 202.8.
2. Retain the language proposed for deletion in Sec. 202.8(a)(6). *This is a technical correction.*

Basis for Recommendation

Prop X already identified Arts Activities and Institutional Community Uses as desirable for industrial districts within the Eastern Neighborhoods by requiring replacement of them in cases of conversion. New Arts Activities and Institutional Community Uses that seek to establish themselves in the Eastern Neighborhoods should be encouraged to locate in the area, rather than discouraged through the requirement to replace former PDR spaces. Institutional Educational uses fit well into former PDR spaces, and often struggle to find buildings other than PDR spaces in which to locate. Additionally, the SoMa Pilipinas Cultural District has identified the need for more schools to be located within their district. PDR replacement requirements are cost-prohibitive to all three of these use types that the City seeks to encourage and therefore should not be subject to Sec. 202.8.

Recommendation 1: Modify the Ordinance to exempt all Institutional Uses from the requirements of 202.8. Staff understands that the Sponsor's intent is to ensure that community serving uses are able to locate in affordable and appropriately size spaces in the Eastern Neighborhoods. The larger Institutional Use category would add uses like Residential Care Facilities and Schools to the types of uses that would not be subject to the replacement requirements. Both uses are assets to the community, and often have difficulty finding affordable locations. The larger Institutional uses under the Institutional Uses definition, such as Hospital and Post-Secondary Educational Institution, require Institutional Master Plans (IMPs). The IMP process would allow for additional scrutiny by the public and Commission. Additionally, the proposed amendments would not change current land use controls in any of the districts; many of the more intensive uses within the Institutional Use umbrella are Not Permitted to locate within the affected area in the first place. Hospitals, for example, are Not Permitted in MUG or MUR districts unless located within a historic building, and Not Permitted at all in SALI districts. The proposed Ordinance would not change these controls.

Recommendation 2: Retain the language proposed for deletion in Sec. 202.8(a)(6).2. Sec. 202.8(a)(6) currently allows for replacement space to be used for PDR or Arts Activities uses if the space it is replacing was formerly either Arts Activities or PDR. In other words, the two uses may be interchanged without triggering replacement requirements. Institutional Community Uses, however, may not be changed to any other use without triggering replacement requirements. The proposed Ordinance would exempt all districts subject to Prop X, *except* UMU from replacement requirements if switching from one “protected” use to another. Since UMU is not being affected by this Ordinance, this subsection and requirement needs to remain in the Code, as it still applies to UMU districts as they were zoned in 2016 when Prop X was passed.

Required Commission Action

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

Environmental Review

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

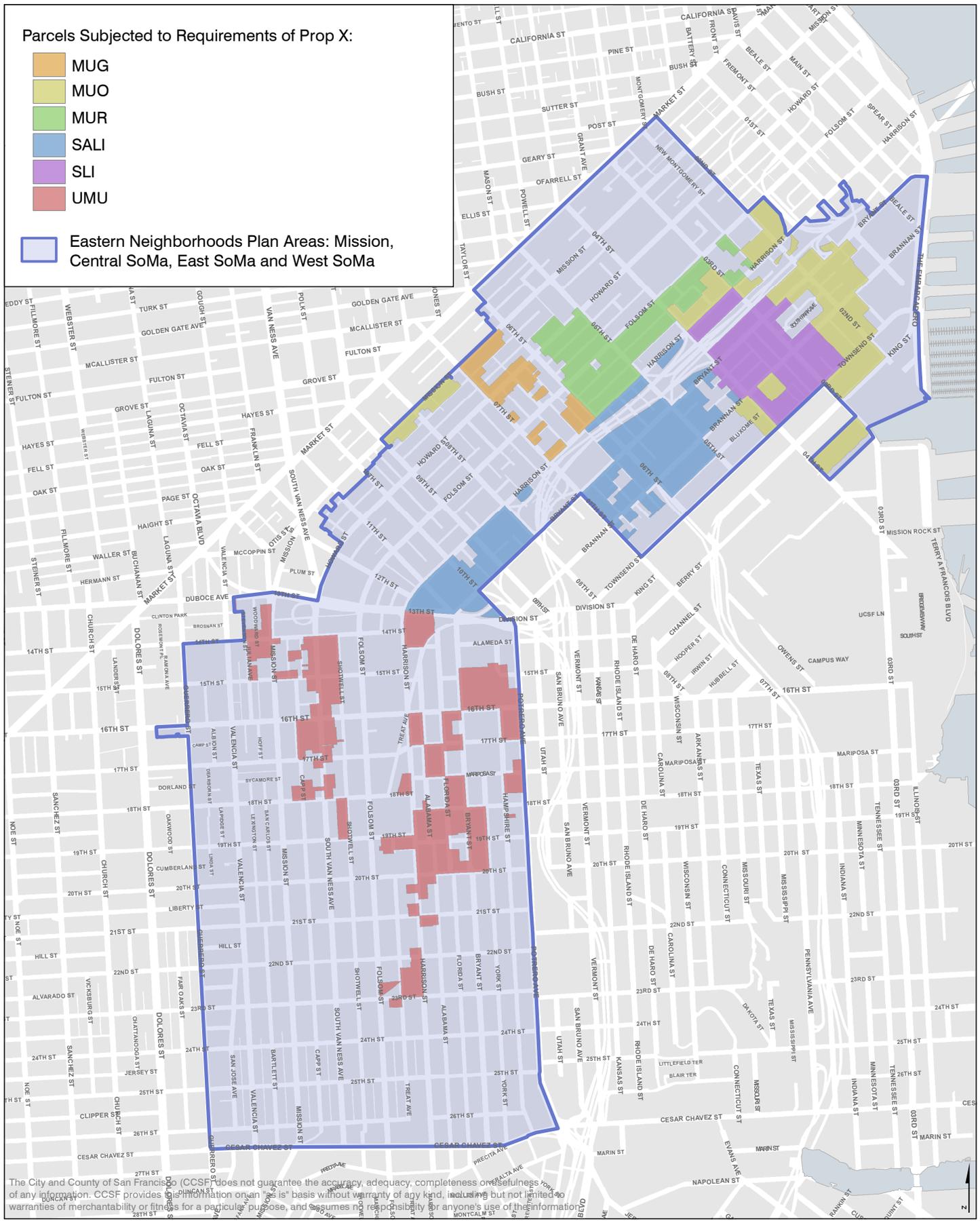
Public Comment

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

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Map of Zoning Districts Subject to Prop X
- Exhibit C: Board of Supervisors File No. 230863

Proposition X: Requiring CU & Replacement of Certain PDR, Institutional Community & Arts Activity Uses



The City and County of San Francisco (CCSF) does not guarantee the accuracy, adequacy, completeness or usefulness of any information. CCSF provides this information on an "as is" basis without warranty of any kind, including but not limited to warranties of merchantability or fitness for a particular purpose, and assumes no responsibility for anyone's use of the information.

BOARD of SUPERVISORS



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

MEMORANDUM

Date: October 11, 2023
To: Planning Department / Commission
From: John Carroll, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230863 - SUBSTITUTED
Planning Code - Exceptions from Limits on Conversion of Production, Distribution
and Repair, Institutional Community, and Arts Activities Uses in Eastern
Neighborhood Plans Areas

-
- California Environmental Quality Act (CEQA) Determination (*California Public Resources Code, Sections 21000 et seq.*)
 Ordinance / Resolution
 Ballot Measure
- Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.
11/6/2023 
- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 General Plan Planning Code, Section 101.1 Planning Code, Section 302
- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- Historic Preservation Commission
 Landmark (*Planning Code, Section 1004.3*)
 Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 Mills Act Contract (*Government Code, Section 50280*)
 Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

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

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Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: August 8, 2023
To: Planning Department / Commission
From: Erica Major, Clerk of the Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 230863
Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans Areas

- California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - Ordinance / Resolution
 - Ballot Measure

- Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - General Plan
 - Planning Code, Section 101.1
 - Planning Code, Section 302

- Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)

- General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

- Historic Preservation Commission
 - Landmark (*Planning Code, Section 1004.3*)
 - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - Mills Act Contract (*Government Code, Section 50280*)
 - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Erica Major at Erica.Major@sfgov.org.



MYRNA MELGAR

DATE: December 6, 2023

TO: Angela Calvillo
Clerk of the Board of Supervisors

FROM: Supervisor Myrna Melgar, Chair, Land Use and Transportation Committee

RE: Land Use and Transportation Committee
COMMITTEE REPORTS

A handwritten signature in blue ink, appearing to read "mm", located to the right of the "TO:" field.

Pursuant to Board Rule 4.20, as Chair of the Land Use and Transportation Committee, I have deemed the following matters are of an urgent nature and request them be considered by the full Board on Tuesday, December 12, 2023, as Committee Reports:

- | | |
|------------------------|--|
| File No. 230704 | Planning Code - Fleet Charging Locations and Parcel Delivery Service
Sponsor: Chan |
| File No. 231033 | Planning Code - Landmark Designation - Chata Gutierrez Mural
Sponsor: Ronen |
| File No. 231034 | Planning Code - Landmark Designation - Carnaval Mural
Sponsor: Ronen |
| File No. 231258 | Planning and Subdivision Codes, Zoning Map - Housing Production
Sponsors: Mayor; Engardio |
| File No. 230706 | Planning Code - Eliminating Public Art Requirement for 100% Affordable Housing Projects
Sponsor: Dorsey |
| File No. 230863 | Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans Areas
Sponsor: Dorsey |

These matters will be heard in the Land Use and Transportation Committee at a Regular Meeting on Monday, December 11, 2023, at 1:30 p.m.



Dear Chair Melgar, Vice Chair Preston, and President Peskin,

I am writing on behalf of the SOMA West Community Benefit District to express our enthusiastic support for Supervisor Dorsey's proposed changes to Proposition X. These changes aim to address the issue of vacant buildings in the South of Market (SOMA) area, which negatively impacts our neighborhood's vitality and safety perceptions.

Over the past decade, essential Production, Distribution, and Repair (PDR), arts, and community spaces have gradually disappeared in SOMA and neighboring districts. The demand for office spaces overshadowed these vital areas. Proposition X introduced strict rules and requirements for new occupants, inadvertently discouraging potential tenants due to replacement conditions and complex authorizations.

Supervisor Dorsey's proposed legislation offers a remedy by easing replacement and authorization requirements for arts activities, non-profit community spaces, and crucial services like childcare and job training. This change aims to improve SOMA's appeal without altering regulations for office spaces or housing.

This proposal will enhance SOMA's competitiveness, attract diverse businesses and organizations, and simplify the process of filling vacant spaces. Our community's essential organizations, including the SOMA West CBD, SOMArts, United Playaz, and Swords to Plowshares, will benefit from reduced barriers and operational costs.

In conclusion, the SOMA West Community Benefit District wholeheartedly supports Supervisor Dorsey's legislation. We believe this change will rejuvenate our community, fostering diversity, economic growth, and essential support for our unique neighborhood.

Thank you for considering our perspective. We're optimistic about the positive transformation this legislation could bring to our cherished neighborhood.

Sincerely,

Christian Martin
Executive Director
SOMA West Community Benefit District
christian@swcbd.org

SOMA West Community Benefit District
1066 Howard Street San Francisco, CA 94103
415-469-5787
www.swcbd.org

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

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

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

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

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

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

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

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MEMORANDUM

LAND USE AND TRANSPORTATION COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Myrna Melgar, Chair
Land Use and Transportation Committee

FROM: John Carroll, Assistant Clerk

DATE: December 11, 2023

SUBJECT **COMMITTEE REPORT, BOARD MEETING**
Tuesday, December 12, 2023

The following file should be presented as COMMITTEE REPORT during the Board meeting on Tuesday, December 12, 2023. This ordinance was acted upon during the Land Use and Transportation Committee meeting on Monday, December 11, 2023, at 1:30 p.m., by the votes indicated.

BOS Item No. 42

File No. 230863

[Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans Areas]

Ordinance amending the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair ("PDR"), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa, and Central SoMa), changes of use from one of those uses to another of those uses or to Institutional uses, in buildings under 25,000 ground floor square feet; affirming the Planning Department's determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

Vote: Supervisor Myrna Melgar – Aye
Supervisor Dean Preston – Aye
Supervisor Aaron Peskin – Aye

Cc: Board of Supervisors
Angela Calvillo, Clerk of the Board
Alisa Somera, Legislative Deputy
Anne Pearson, Deputy City Attorney