

BOARD of SUPERVISORS



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MEMORANDUM

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

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

DATE: January 17, 2017

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

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

File No. 170028

Ordinance amending the Planning Code to create the Calle 24 Special Use District, and revising the Zoning Map to reflect the Calle 24 Special Use District generally bounded by 22nd Street, Potrero Avenue, Cesar Chavez Street, and Capp Street, as well as 24th Street to Bartlett Street, and as more specifically defined in this Ordinance; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ **No Comment**

_____ **Recommendation Attached**

Chairperson, Small Business Commission

c: Menaka Mahajan, Small Business Commission

1 [Planning Code, Zoning Map - Calle 24 Special Use District]

2
3 **Ordinance amending the Planning Code to create the Calle 24 Special Use District, and**
4 **revising the Zoning Map to reflect the Calle 24 Special Use District generally bounded**
5 **by 22nd Street, Potrero Avenue, Cesar Chavez Street, and Capp Street, as well as 24th**
6 **Street to Bartlett Street, and as more specifically defined in this Ordinance; affirming**
7 **the Planning Department's determination under the California Environmental Quality**
8 **Act; and making findings of consistency with the General Plan, and the eight priority**
9 **policies of Planning Code, Section 101.1.**

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

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

18 Section 1. Findings.

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

24 (b) On _____, the Planning Commission, in Resolution No. _____,
25 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
with the City's General Plan and eight priority policies of Planning Code Section 101.1. The

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

3
4 Section 2. The Planning Code is hereby amended by adding Section 249.59 to read as
5 follows:

6 **SEC. 249.59. CALLE 24 SPECIAL USE DISTRICT.**

7 (a) General. A Special Use District entitled the Calle 24 Special Use District, the
8 boundaries of which are shown on Sectional Maps SU07 and SU08 of the Zoning Map, is hereby
9 established for the purposes set forth below.

10 (b) Purpose. The Calle 24 Special Use District is intended to preserve the prevailing
11 neighborhood character of the Calle 24 Latino Cultural District while accommodating new uses and
12 recognizing the contributions of the Latino community to the neighborhood and San Francisco.
13 Realizing the purpose of the Calle 24 Special Use District will require the participation and
14 coordination of residents, businesses, public agencies, and other community stakeholders. City
15 agencies, including the Office of Economic and Workforce Development, will actively engage with new
16 commercial uses to help achieve the purposes of the Calle 24 Special Use District. Such City agencies
17 may act as resource for residents, businesses, and other community stakeholders when realizing and
18 promoting the purposes of the Calle 24 Special Use District, including coordinating business
19 partnerships, product offerings, and employment commitments.

20 Specifically, the Calle 24 Special Use District is established to:

21 (1) Preserve and enhance the unique character of the Calle 24 Special Use District
22 and recognize Latino cultural heritage through contextual architectural design, storefront size,
23 signage, streetscape enhancements, artwork, and other elements of the built environment;

1 (2) Support the production or offerings of local or Latino artwork, arts activities,
2 and crafts by retaining, developing, promoting, or offering these within the Calle 24 Special Use

3 District:

4 (3) Preserve the contributions of Legacy Businesses to the history and identity of the
5 Special Use District and the Calle 24 Latino Cultural District by preserving a Legacy Business:

6 (4) Retain, enhance and promote neighborhood serving businesses and institutions
7 that serve a variety of households by making services and products available and accessible to
8 residents, including immigrant and low-income and moderate-income households:

9 (5) Retain, enhance, and promote neighborhood-serving businesses and institutions
10 that strengthen economic opportunities for local residents by developing partnerships amongst existing
11 and new local businesses, institutions, vendors, and micro entrepreneurs; and

12 (6) Retain, enhance and promote neighborhood-serving businesses and institutions
13 that enhance economic and workforce opportunities for local residents by coordinating with the Office
14 of Economic and Workforce Development to engage with the City's workforce system to provide
15 employment opportunities, career trainings, and formal partnerships to identify and address both
16 business and community workforce needs.

17 (c) Definitions. Whenever used in this Section 249.59, the following words and phrases
18 shall have the definitions provided here:

19 "Calle 24 Latino Cultural District" shall refer to that area as established by Board of
20 Supervisors Resolution No. 201-14;

21 "Cultural Heritage" shall refer to those elements, both tangible and intangible, that
22 help define the beliefs, customs and practices of a particular community. Tangible elements may
23 include land, buildings, public spaces, or artwork. Intangible elements may include organizations and
24 institutions, businesses, and cultural activities and events. These elements are rooted in the
25 community's history and are important in maintaining its identity.

1 “Legacy Business” shall refer to a business as defined under the Administrative Code
2 Section 2A.242 and included in the Legacy Business Registry.

3 (d) Controls. The following provisions, in addition to all other applicable provisions of the
4 Planning Code, shall apply within the Calle 24 Special Use District:

5 (1) Eating and Drinking Establishments. In addition to other prohibitions on such
6 uses found within this Code, new Restaurant use, new Limited-Restaurant use, new Bar use, or the
7 physical expansion of any such existing use shall be prohibited where the concentration of those uses
8 exceeds, or would exceed with the proposed use or physical expansion of an existing use, 35% of the
9 total commercial frontage as measured in linear feet within the immediate area of the subject site. For
10 the purpose of calculating the concentration of commercial frontage, the “immediate area” shall mean
11 all properties located within 300 feet of the subject property within the Calle 24 Special Use District
12 and in a zoning district that is not Residential or Public Use. Any project for which a development
13 application, as defined in Section 401, was submitted by March 31, 2017 shall be exempt from the
14 requirements of this Section 249.59(d)(1).

15 (2) Conditional Use Authorization. The following, if not otherwise prohibited, shall
16 require Conditional Use authorization from the Planning Commission pursuant to Section 303:

17 (A) Groundfloor Commercial Use Space Mergers. Any merger of groundfloor
18 commercial use space where the merger would result in groundfloor commercial use space greater
19 than 799 gross square feet.

20 (B) Legacy Business. Any new non-residential use where the immediately
21 prior commercial use was a Legacy Business. This requirement shall not apply where the property has
22 been vacant for three or more years.

23 (C) Medical Service Use as defined in Section 790.114.

24 (3) Compatibility of Uses. For any commercial use or mixed-use project with
25 commercial uses included that is subject to Conditional Use authorization under this Section 249.59 or

1 any other section of the Planning Code, the Planning Commission shall make the following additional
2 findings:

3 (A) Any physical improvements associated with the proposed use are, on
4 balance, in conformity with any adopted Calle 24 Design Guidelines; and

5 (B) The use supports at least four of the purposes for establishing the Calle
6 24 Special District set forth in Section 249.59(b) above.

7
8 Section 3. The Planning Code is hereby amended by revising Sectional Maps SU07
9 and SU08 of the Zoning Maps of the City and County of San Francisco as follows:

10 The Calle 24 Special Use District (“Calle 24 SUD”) is bounded by the following streets:

11 (a) To the north, all lots fronting the southern side of 22nd Street from Mission
12 Street to Potrero Avenue;

13 (b) To the east, all lots fronting the western side of Potrero Avenue from 22nd Street
14 to Cesar Chavez Street;

15 (c) To the south, all lots fronting the northern side of Cesar Chavez Street, from
16 Potrero Avenue to Capp Street;

17 (d) To the west, all lots fronting the western side of Capp Street from Cesar Chavez
18 to 24th Street, then all lots fronting both sides of 24th Street to the eastern side of Bartlett
19 Street, then all lots fronting the western side of Capp Street from 24th Street to 22nd Street;
20 and

21 (e) The Calle 24 SUD additionally includes the following lots adjacent to the above
22 boundaries: Lots 019D and 046A in Assessor’s Block 3637; Lots 005 and 017A in Assessor’s
23 Block 6517; Lot 035 in Assessor’s Block 6528; and Lot 003A in Assessor’s Block 6570.

1 Section 4. No less than five years and no more than six years from the effective date
2 of this ordinance, the Office of Economic and Workforce Development and the Planning
3 Department shall review Planning Code Section 249.59 and shall make a report to the Board
4 of Supervisors on that section's effectiveness in serving the purposes of the Calle 24 Special
5 Use District as set forth therein, which report may include recommendations for including
6 suggesting any recommended amendments.

7
8 Section 5. Effective Date. This ordinance shall become effective 30 days after
9 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
10 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
11 of Supervisors overrides the Mayor's veto of the ordinance.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15
16 By:


17 MARLENA BYRNE
18 Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code, Zoning Map - Calle 24 Special Use District]

Ordinance amending the Planning Code to create the Calle 24 Special Use District, and revising the Zoning Map to reflect the Calle 24 Special Use District generally bounded by 22nd Street, Potrero Avenue, Cesar Chavez Street, and Capp Street, as well as 24th Street to Bartlett Street, and as more specifically defined in this Ordinance; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

The geographic area encompassed by the proposed Calle 24 Special Use District (Calle 24 SUD) is currently a mix of residential and neighborhood commercial zoning districts. Although commercial uses are generally prohibited in the areas zoned residential, the existing neighborhood commercial districts—which include, among others, the 24th Street-Mission Neighborhood Commercial Transit District and the Mission Street Neighborhood Commercial Transit District—allow commercial uses, and mergers of commercial storefronts, as of right up to a certain size and then through the conditional use permit process for larger commercial uses and mergers.

Although there are currently no “concentration controls” for restaurant or bar uses in this area, new bar uses are generally prohibited along the 24th Street corridor and the Mission Alcoholic Beverage Special Use District, Planning Code Section 249.60, limits certain alcohol-related uses within part of the proposed Calle 24 SUD.

Medical Service Uses are generally permitted on the ground floor and require conditional use authorization on the second floor along the 24th Street corridor.

Administrative Code Section 2A.242 creates a Legacy Business Registry.

Amendments to Current Law

The proposed legislation would create a new Calle 24 Special Use District (Calle 24 SUD), generally bounded by: the southern side of 22nd Street from Mission Street to Potrero Avenue; the western side of Potrero Avenue from 22nd Street to Cesar Chavez Street; the northern side of Cesar Chavez Street, from Potrero Avenue to Capp Street; and the western side of Capp Street from Cesar Chavez to 24th Street, then both sides of 24th Street to the eastern side of Bartlett Street, and the western side of Capp Street from 24th Street to 22nd Street; along with a few additional adjacent lots (specifically, Lots 019D and 046A in

Assessor's Block 3637; Lots 005 and 017A in Assessor's Block 6517; Lot 035 in Assessor's Block 6528; and Lot 003A in Assessor's Block 6570.)

The purposes of the Calle 24 SUD, as more fully described in the proposed legislation, are to preserve and enhance the unique character of are and recognize Latino cultural heritage through architectural design, storefront size, signage, streetscape enhancements, artwork, and other elements of the built environment; support local or Latino artwork, arts activities, and crafts; preserve the Legacy Businesses; retain, enhance and promote neighborhood serving businesses and institutions; and develop partnerships amongst existing and new local businesses, institutions, vendors, and micro entrepreneurs and coordinate with the Office of Economic and Workforce Development.

The proposed legislation would impose concentration controls on new restaurant and bar use, and on the physical expansion of existing restaurant and bar uses, to limit such uses to less than 35% of commercial storefronts in any given 300-foot area.

The proposed legislation would require conditional use authorization under Planning Code Section 303 for mergers of groundfloor commercial uses where the new commercial space would be greater than 799 gross square feet. Conditional use authorization would also be required whenever a new non-residential use would replace a Legacy Business within the SUD and for any new Medical Service Use, as defined in Planning Code Section 790.114.

Whenever a conditional use authorization is required for any use in the Calle 24 SUD, either under existing law or this proposed legislation, the Planning Commission would be required to find that any physical improvements associated with the proposed use are, on balance, in conformity with any adopted Calle 24 Design Guidelines and that the supports the purposes of the Calle 24 SUD.

Background Information

On July 28, 2015, this Board adopted Ordinance No. 133-15 to place a temporary prohibition within the proposed Calle 24 SUD on any merger of groundfloor commercial use space where the merger would result in groundfloor commercial use space greater than 799 gross square feet, subject to specified exemptions. On November 3, 2015, the Board of Supervisors adopted Ordinance No. 199-15, which retroactively extended the prohibition for an additional 10 months and 15 days from the date the original 45-day prohibition expired. Finally, on September 13, 2016, the Board of Supervisors adopted Ordinance No. 182-16, which again retroactively extended the prohibition for an additional 12 months from the date the prior 10-month and 15-day prohibition expired.

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