

1 [Zoning - Interim Prohibition on Commercial Mergers in the Proposed Calle 24 Special Use District]

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3 **Urgency Ordinance approving an interim prohibition on commercial storefront mergers**  
4 **of greater than 799 gross square feet in the proposed Calle 24 Special Use District,**  
5 **which generally includes all lots bounded by 22nd Street, Potrero Avenue, Cesar**  
6 **Chavez Street, Capp Street, and both sides of 24th Street from Capp Street to Bartlett**  
7 **Street, as well as certain additional adjacent lots, for 45 days in accordance with**  
8 **California Government Code, Sections 65858, et seq.; and affirming the Planning**  
9 **Department’s determination under the California Environmental Quality Act; and**  
10 **making findings of consistency with the General Plan, and the eight priority policies of**  
11 **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 subsections or parts of tables.

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

19 Section 1. Findings.

20 (a) General Findings.

21 (1) The proposed Calle 24 Special Use District (“Calle 24 SUD”) is bounded by  
22 the following streets:

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

1 (b) To the east, all lots fronting the western side of Potrero Avenue from  
2 22nd Street to Cesar Chavez Street;

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

5 (d) To the west, all lots fronting the western side of Capp Street from  
6 Cesar Chavez to 24th Street, then all lots fronting both sides of 24th Street to the eastern side  
7 of Bartlett Street, then all lots fronting the western side of Capp Street from 24th Street to  
8 22nd Street.

9 The proposed Calle 24 SUD additionally includes the following lots adjacent to the  
10 above boundaries: Lots 019D and 046A in Assessor's Block 3637; Lots 005 and 017A in  
11 Assessor's Block 6517; Lot 035 in Assessor's Block 6528; and Lot 003A in Assessor's Block  
12 6570.

13 (2) The Mayor's Office, the District 9 Supervisor's Office, and the public are  
14 currently engaged in a planning process to develop a comprehensive set of zoning and design  
15 controls for this area. This planning process follows the Board of Supervisors unanimous  
16 passage of Board Resolution No. 168-14, establishing the Calle 24 (pronounced  
17 "Veinticuatro") Latino Cultural District in May 2014. The stated purposes of establishing the  
18 Calle 24 Latino Cultural District were to recognize the importance of Calle 24 as a center of  
19 Latino culture and commerce and enhance the unique nature of Calle 24 as a special place  
20 for San Francisco's residents and tourists.

21 (3) As part of the planning process for the creation of the Calle 24 Latino  
22 Cultural District and the proposed Calle 24 SUD, the City awarded a grant to the Brava  
23 Theater and the Lower 24th Street Neighbors and Merchants Association to facilitate  
24 community input in developing a Latino Cultural District Plan. A council comprised of  
25 residents, businesses, and other neighborhood stakeholders meets monthly and brings

1 together residents, workers, artists, and business owners. After a year's worth of meetings, as  
2 well as several retreats and public community input sessions, this work resulted in the Calle  
3 24 Latino Cultural District Report, which can be found in Board File No. 140421. The report  
4 identified the merger of smaller storefronts as a leading cause of neighborhood-serving  
5 business displacement in the neighborhood.

6 (4) During the current economic boom cycle, small neighborhood-serving retail,  
7 laundromat, and grocery uses in the Calle 24 neighborhood have been particularly susceptible  
8 to displacement and closure.

9 (5) In response to these changes and in order to stabilize the displacement of  
10 these small neighborhood-serving businesses while the City and interested stakeholders have  
11 an opportunity to work collaboratively on a community planning process that may result in the  
12 designation of the propose SUD or other amendments to the Planning Code, this Board  
13 intends to place a temporary prohibition, also referred to as an interim zoning moratorium, on  
14 commercial storefront mergers over a certain size.

15 (6) These interim controls are intended to provide stability to the neighborhood  
16 during the time that the proposed Calle 24 SUD, and any other proposed Planning Code  
17 amendments, are under development and public review. In developing the controls for the  
18 proposed SUD, the Board urges the Planning Department to balance the need for retaining  
19 neighborhood-serving retail and service uses with the desire to have more affordable housing  
20 and a vibrant small business community.

21 (b) Findings Related to Imposition of an Interim Moratorium.

22 (1) Planning Code Section 306.7 provides for the imposition of interim zoning  
23 controls to accomplish several objectives, including preservation of historic and architecturally  
24 significant buildings and areas; preservation of residential neighborhoods; preservation of  
25 neighborhoods and areas of mixed residential and commercial uses in order to preserve the

1 existing character of such neighborhoods and areas; and development and conservation of  
2 the City's commerce and industry to maintain the City's economic vitality, provide its citizens  
3 with adequate jobs and business opportunities, and maintain adequate services for its  
4 residents, visitors, businesses, and institutions.

5 (2) These controls are intended and designed to address problems and  
6 conditions associated with mergers of small commercial storefronts while the proposed Calle  
7 24 SUD planning process is pending so that the City can continue to preserve neighborhoods  
8 and areas of mixed residential and commercial uses in order to maintain the existing  
9 character of such neighborhoods and areas and develop and conserve the City's commerce  
10 for the reasons specified above in Subsection (a).

11 (3) This Board has considered the impact on the public health, safety, peace,  
12 and general welfare if the interim controls proposed herein were not imposed.

13 (4) This Board has determined that the public interest will be best served by  
14 imposition of these interim controls at this time in order to ensure that the legislative scheme  
15 that may be ultimately adopted is not undermined during the planning and legislative process  
16 for permanent controls, which process shall be conducted within a reasonable time.

17 (c) Planning Code Section 101.1 Findings.

18 This interim zoning moratorium advances and is consistent with: Priority Policy 1 in that  
19 the controls will preserve and enhance existing neighborhood-serving retail uses and enhance  
20 future opportunities for resident employment in and ownership of such businesses; Priority  
21 Policy 2 in that the controls will conserve and protect existing neighborhood character in order  
22 to preserve the cultural and economic diversity of this neighborhood; and Priority Policy 5 in  
23 that the controls will maintain a diverse economic base by protecting our neighborhood  
24 service sector from displacement due to larger mergers and commercial office development  
25 and will enhance future opportunities for resident employment and ownership in this sector.

1 With respect to Priority Policies 3, 4, 6, 7, and 8, the Board finds that the interim zoning  
2 moratorium does not, at this time, have an effect upon these policies, and thus, will not conflict  
3 with said policies.

4 (d) Environmental Findings. The Planning Department has determined that the  
5 actions contemplated in this Ordinance are in compliance with the California Environmental  
6 Quality Act (California Public Resources Code sections 21000 et seq.). The Board of  
7 Supervisors hereby affirms this determination. A copy of said determination is on file with the  
8 Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and incorporated herein by reference.

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10 Section 2. The following interim zoning moratorium shall be adopted as an Urgency  
11 Ordinance:

12 (a) The proposed Calle 24 Special Use District area (“Calle 24 SUD”) shall be  
13 bounded by the following streets:

14 (1) To the north, all lots fronting the southern side of 22nd Street from Mission  
15 Street to Potrero Avenue;

16 (2) To the east, all lots fronting the western side of Potrero Avenue from 22nd  
17 Street to Cesar Chavez Street;

18 (3) To the south, all lots fronting the northern side of Cesar Chavez Street, from  
19 Potrero Avenue to Capp Street; and

20 (4) To the west, all lots fronting the western side of Capp Street from Cesar  
21 Chavez to 24th Street, then all lots fronting both sides of 24th Street to the eastern side of  
22 Bartlett Street, then all lots fronting the western side of Capp Street from 24th Street to 22nd  
23 Street.

1 The proposed Calle 24 SUD additionally includes the following lots outside the above  
2 boundaries: Lots 019D and 046A in Assessor's Block 3637; Lots 005 and 017A in Assessor's  
3 Block 6517; Lot 035 in Assessor's Block 6528; and Lot 003A in Assessor's Block 6570.

4 (b) In the proposed Calle 24 SUD, neither the Planning Department nor the Planning  
5 Commission shall issue an approval or authorization for any merger of groundfloor  
6 commercial use space where the merger would result in groundfloor commercial use space  
7 greater than 799 gross square feet.

8 (c) The following districts, uses, and projects are exempt from these controls:

9 (1) Projects subject to a development agreement under Administrative Code  
10 Chapter 56 and California Government Code Sections 65864 et seq.;

11 (2) Projects that have submitted an environmental evaluation case to the  
12 Planning Department on or before June 2, 2015; and

13 (3) Projects that received a Planning Commission approval on or before June 2,  
14 2015.

15 (d) This interim zoning moratorium shall remain in effect for 45 days unless extended  
16 in accordance with California Government Code Section 65858 or permanent controls are  
17 adopted to address commercial mergers and new restaurant uses in this area, whichever first  
18 occurs.

19 (e) If application of this ordinance would have the effect of denying approvals needed  
20 for development of any multifamily housing portion of a project specified in California  
21 Government Code Section 65858(c) and (h), this moratorium shall not apply to that use.  
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23 Section 3. Within 25 days of the Board's adoption of this ordinance, the Planning  
24 Department shall submit to the Clerk of the Board a written report describing the measures  
25 taken to alleviate the conditions that led to the adoption of the ordinance. Upon receipt of the

1 report, the Clerk shall calendar a motion for the full Board to consider and approve said report.  
2 Said hearing and the action taken thereon shall be no later than 35 days after this ordinance  
3 is effective.

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5 Section 4. Effective Date. This urgency ordinance shall become effective immediately  
6 after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns  
7 the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the  
8 Board of Supervisors overrides the Mayor's veto of the ordinance by a 4/5ths vote.

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10 APPROVED AS TO FORM:  
11 DENNIS J. HERRERA, City Attorney

12 By: \_\_\_\_\_  
13 Marlena Byrne  
14 Deputy City Attorney

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