



April 23, 2025

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 2025-001049PCA:**
Health Service Uses in the Mixed Use-Office District
Board File No. 250099

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Dorsey,

On April 17, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Dorsey. The proposed Ordinance would amend the Planning Code to eliminate retail use size limits on Health Service Uses in the MUO ("Mixed Use-Office") District. At the hearing the Planning Commission adopted a recommendation for approval with modifications.

The Commission's proposed modifications were as follows:

1. Include "Reproductive Health Clinics" within the proposed exemptions.
2. Remove the retail ratio requirement within the MUO.
3. Recommend the Board of Supervisors review removal of controls west of 7th Street.

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", with a long horizontal flourish extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: Guilia Gualco-Nelson, 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. 21728

HEARING DATE: April 17, 2025

Project Name: Health Service Uses in the Mixed Use-Office District
Case Number: 2025-001049PCA [Board File No. 250099]
Initiated by: Supervisor Dorsey / Introduced January 28, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ELIMINATE RETAIL USE SIZE LIMITS ON HEALTH SERVICE USES IN THE MUO (“MIXED USE-OFFICE”) DISTRICT; 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; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on January 28, 2025 Supervisor Dorsey introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 250099, which would amend the Planning Code to eliminate retail use size limits on Health Service Uses in the MUO (“Mixed Use-Office”) District;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on April 17, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); 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 adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission's proposed recommendations are as follows:

1. Include "Reproductive Health Clinics" within the proposed exemptions.
2. Remove the retail ratio requirement within the MUO.
3. Recommend the Board of Supervisors review removal of controls west of 7th Street.

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:

The proposed Ordinance would exempt Health Service uses and Reproductive Health Clinics from use size limitations and retail ratio requirements within the MUO Zoning District. This may help facilitate more Health Services uses in these neighborhoods.

General Plan Compliance

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

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

OBJECTIVE 7

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH, AND EDUCATIONAL SERVICES.

Policy 7.3

Promote the provision of adequate health and educational services to all geographical districts and cultural groups in the city.

EAST SOMA (SOUTH OF MARKET) AREA PLAN

OBJECTIVE 6.1

SUPPORT THE ECONOMIC WELLBEING OF A VARIETY OF BUSINESSES IN THE EASTERN NEIGHBORHOODS.

OBJECTIVE 7.2

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS.

Policy 7.2.1

Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods, and prevent their displacement.

The proposed Ordinance supports the Commerce and Industry Element's goals of achieving economic vitality and social equity within San Francisco. Specifically, the proposed Ordinance aligns with both Objective 2 and Policy 2.1 which seek to retain existing commercial and attract new commercial activity to the City. The proposed Ordinance facilitates this by waiving certain requirements for Health Services. The proposed Ordinance also responds to Policy 7.3, which seeks to promote the provision of adequate health and educational services throughout the city. Additionally, the proposed Ordinance directly aligns with the East SoMa Area Plan Objective 7.2 to support human service providers within the Eastern Neighborhoods by exempting Health Services from certain requirements. Further, the proposed Ordinance meets the intent of Policy 7.2.1, which is to support human and health services that serve low-income and immigrant communities within the Eastern Neighborhoods.

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 ADOPTS A RECOMMENDATION FOR APPROVAL 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 April 17, 2025.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2025.04.23 10:40:56 -07'00'

AYES: Campbell, McGarry, Braun, Imperial, Moore
NOES: Williams
ABSENT: So
ADOPTED: April 17, 2025



EXECUTIVE SUMMARY

PLANNING CODE TEXT AMENDMENT

HEARING DATE: April 17, 2025

90-Day Deadline: May 6, 2025

Project Name: Health Service Uses in the Mixed Use-Office District
Case Number: 2025-001049PCA [Board File No. 250099]
Initiated by: Supervisor Dorsey / Introduced January 28, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533
Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt of Recommendation for Approval with Modifications

Planning Code Amendment

The proposed Ordinance would amend the Planning Code to eliminate retail use size limits and retail ratio requirements for Health Service Uses in the MUO (“Mixed Use-Office”) District.

| The Way It Is Now | The Way It Would Be |
|--|---|
| Large-Scale Retail Uses greater than 50,000 square feet require a Conditional Use Authorization (CUA) in all zoning districts except C-3 Zoning District unless said use is prohibited within that district. | This CUA for Large-Scale Retail Uses would not be required for Health Services within the Mixed-Use Office Zoning District. |

| The Way It Is Now | The Way It Would Be |
|--|---|
| Within the Mixed-Use Office Zoning District, Use Size limits over 50,000 square feet for a single retail use require a CUA. Use sizes greater than 120,000 square feet are prohibited. | These Use Size limitations within the Mixed-Use Office Zoning District would not apply to Health Service uses. |
| For Retail uses greater than 25,000 square feet, the ratio of other permitted uses to Retail is at least 3:1. | These retail ratio requirements within the Mixed-Use Office Zoning District would not apply to Health Service uses. |

Anticipated Amendments

The Supervisor intends to introduce an additional amendment to also capture Reproductive Health Clinics within this Ordinance.

Background

Supervisor Dorsey received inquiries from constituents expressing interest in permitting Health Service uses and Reproductive Health Clinics within the MUO District. However, these constituents encountered limitations related to use size and retail ratio requirements. In response, the Supervisor introduced this Ordinance to better support these uses within the MUO District. The Department is aware of a proposed Health Service use project located at 153 Townsend Street that would benefit from the proposed exemptions. Additionally, some aspects of this project may include a Reproductive Health Clinic.

Issues and Considerations

Mixed-Use Office Zoning District

The Mixed Use-Office (MUO) is designed to encourage primarily office uses and housing, as well as small-scale light manufacturing and arts activities. Most Retail Sales and Service Uses are principally permitted within the MUO. However, certain uses, such as Nighttime Entertainment, small tourist hotels, and large tourist hotels within certain height districts, require a CUA. The MUO also encourages family-sized housing to further enhance the diversity of housing options available within the district.

MUO zoning is located entirely within Supervisorial District 6 (see Exhibit C). Adjacent zoning districts include mostly Eastern Neighborhood Mixed Use Districts (including a few direct adjacencies to RED/RED-MX), Mission Bay Districts, and Commercial Districts.

Health Services

Planning Code Section 102 defines Health Service as follows:

Service, Health. A Retail Sales and Service Use that provides medical and allied health services to the individual by physicians, surgeons, dentists, podiatrists, psychologists, psychiatrists, acupuncturists, chiropractors, Sole Practitioner massage therapists as defined in Section 29.5 of the Health Code, or any other health-care professionals when licensed by a State-sanctioned Board overseeing the provision of medically oriented services. It includes, without limitation, a clinic, primarily providing outpatient care in medical, psychiatric, or other health services, and not part of a Hospital or medical center, as defined by this Section of the Code, and Sole Practitioner Massage Establishments as defined in Section 29.5 of the Health Code, but does not include other Massage Establishments, which are defined elsewhere in this Code. Health Service does not include Reproductive Health Clinic, which is defined separately in this Section 102.

Retail Sales and Services, the umbrella land use category for Health Service uses, are generally principally permitted within the MUO zoning district. Health Service uses involve people coming in and paying to receive a service like general retail; however, they are more akin to medical uses than to other general retail. This is because Health Services are dedicated to the diagnosis, treatment, and management of health conditions, which require specialized knowledge, training, and equipment. In contrast, general retail shops are designed for the sale of consumer goods and products, often unrelated to medical care.

Proposition O and Reproductive Health Clinics

Proposition O (Prop. O.), which was passed by voters in November 2024, was meant to ensure San Francisco provides comprehensive reproductive health to everyone as a basic human right. This is especially important as people are denied these services in other states and at the federal level. Prop. O made Reproductive Health Clinics principally permitted in all districts except those primarily residential districts. There is forthcoming legislation to implement Prop. O and reflect this in the Planning Code.

Reproductive Health Clinics were previously considered Health Services. Thus, Prop. O also created a new definition of Reproductive Health Clinic separate from Health Service. This definition is already reflected in Section 102, which defines Reproductive Health Clinic as follows:

Reproductive Health Clinic. A Retail Sales and Service Use that is a clinic licensed pursuant to applicable provisions of the California Health and Safety Code that meets both of the following requirements: a) provides directly to patients medical services consisting of Abortions or Emergency Contraception as those terms are defined in Administrative Code Section 93.3; and b) primarily specializes in reproductive health services as defined in California Penal Code 423.1. A Reproductive Health Clinic that meets the foregoing requirements may also provide additional medical and allied health services by physicians or other healthcare professionals.

Additionally, Prop. O amended the definition of Health Service to note the distinction from this new definition of Reproductive Health Clinic.

Health Care Master Plan

The proposed Ordinance would eliminate the CUA requirement for large Health Service uses. This means there would be no public hearing process for large Health Service uses. However, per Planning Code Section 342.5, a consistency determination with the Health Care Services Master Plan (HCSMP) is required if a project meets one of the following thresholds:

- A change of use to a Medical Use that occupies 10,000 gross square feet or greater
- An expansion of an existing Medical Use by 5,000 gross square feet or greater.

Health Care Services Master Plan (HCSMP) is a joint effort between the Planning Department and the Department of Public Health (DPH). The HCSMP identifies current and projected needs for health care services in San Francisco, with a focus on vulnerable populations. The HCSMP is used by the Health Commission, Planning Commission, and the Board of Supervisors to guide health care and land use policy decisions.

Applicants must submit a Consistency Determination Application as part of any applicable entitlement or building permit application. Planning forwards the application to DPH for their review. DPH reviews and provides accompanying justification to determine whether or not the project is consistent with HCSMP Recommendations and Guidelines. Based on its review, DPH staff will present the recommendation to the Health Commission (either as an informational item, or as an item for discussion). DPH will then recommend that the project be assigned one of three possible HCSMP Consistency Determination outcomes: Consistent, Consistent and Recommended for Incentives, or Inconsistent. The item is only scheduled for a hearing at Planning Commission if DPH finds the project to be inconsistent with the HCSMP. This allows the Planning Commission to still vet any potential concerns regarding such projects.

Use Size Limits

The code limits use sizes by either requiring a CUA above certain size or prohibiting uses greater than a specific use size. Use Size limits are sometimes required to maintain fine-grain scale of storefronts or to prevent large uses from taking over. For example, within the NC-2 Zoning District, a proposed project requires a CUA if the proposed use size is 4,000 square feet or greater. However, within the Polk Street NCD, a proposed project with a use size of 4,000 square feet or great is prohibited. In recent years, there have been several ordinances revisiting use size limits when the absolute cap was overly restrictive. The Department has been supportive of this approach of eliminating the hard cap and instead relying on CUAs to review use sizes as needed.

Use Size Limits with MUO

Use size limits within the MUO are summarized below:

- Principally permitted = up to 50,000 gsf (*see additional retail ratio requirement in the following section*)
- Conditionally permitted = 50,000 gsf or greater, up to 120,000 gsf
- Not permitted = over 120,000 gsf

| The Use Size limits within MUO were originally established to prohibit big-box retailers.

The hard cap of 120k sf was intended to limit large-scale retailers from taking over entire buildings. Additionally, these controls help ensure a diversity of uses and businesses within MUO. While Health Service uses are encompassed within the umbrella land use category of Retail Sales and Services, Health Services are more akin to medical uses. Thus, these large-retail controls within MUO are not the most applicable to Health Services.

The proposed Ordinance would exempt Health Services from the large-retail controls within the MUO. The proposed Ordinance would eliminate the use size limitations for Health Service uses within the MUO Zoning District. The result is that Health Services proposed within the MUO zoning district would be principally permitted regardless of size.

Large-Scale Retail Use Ratio Requirement

In addition to the Use Size limits, there is a retail ratio control within MUO that only permits Retail uses above 25,000 if the ratio of non-retail uses to retail is at least 3:1. For example, a 50,000 sf retail space is only permitted if there is at least 150,000 sf of office or residential uses. This retail ratio requirement was meant to ensure the district was primarily office and housing. It does not prohibit retail uses; however, this strategy requires larger retail uses be built in conjunction with office or housing.

General Plan Compliance

The proposed Ordinance supports the Commerce and Industry Element's goals of achieving economic vitality and social equity within San Francisco. Specifically, the proposed Ordinance aligns with both Objective 2 and Policy 2.1 which seek to retain existing commercial and attract new commercial activity to the City. The proposed Ordinance facilitates this by waiving certain requirements for Health Services. The proposed Ordinance also responds to Policy 7.3, which seeks to promote the provision of adequate health and educational services throughout the city. Additionally, the proposed Ordinance directly aligns with the East SoMa Area Plan Objective 7.2 to support human service providers within the Eastern Neighborhoods by exempting Health Services from certain requirements. Further, the proposed Ordinance meets the intent of Policy 7.2.1, which is to support human and health services that serve low-income and immigrant communities within the Eastern Neighborhoods.

Racial and Social Equity Analysis

The Planning Code amendments in the proposed Ordinance further racial and social equity by removing barriers to opening Health Services within the MUO District. The proposed Ordinance would make it easier to open Health Services and become more widely available within the SoMa neighborhoods. These efforts help ensure that more San Franciscans, regardless of background or income, can receive the care they need.

In 2020, the median household income within SoMa was ~\$84,000 compared to ~\$119,000 for the entire city¹.

¹ American Community Survey, 2006-2010 5-Year Estimate & 2016-2020 5-Year Estimate.

Between 2010 and 2020, the neighborhood's minority population grew, with the Asian community increasing from 36% to 42%². Many low-income and minority communities face barriers to accessing healthcare services due to regulatory requirements or the high costs of establishing health clinics. By waiving certain requirements (such as size restrictions or retail ratio requirements), Health Services can be more easily located in these areas, addressing the healthcare needs of populations who may otherwise have limited access to medical care.

Implementation

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

Recommendation

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

1. Include "Reproductive Health Clinics" within the proposed exemptions.
2. Remove the retail ratio requirement within the MUO.

Basis for Recommendation

The Department supports the overall goals of this Ordinance to exempt Health Services from the use size limits and large-retail controls within the MUO. These controls were originally intended to prevent a single-retail tenant (such as a big-box retailer) from taking over an entire building. Health Service uses are not the type of retail that these controls were intended to regulate, therefore it's appropriate to remove the use category from the use size limit or retail ratio requirements. Additionally, larger Health Service uses or large expansions to existing Health Services uses would still require a consistency determination with the Health Care Services Master Plan. This serves as an opportunity for the City to raise any concerns and work with the provider to resolve them. The proposed Ordinance would better support health service providers with the following recommendations:

Recommendation 1: Include "Reproductive Health Clinics" within the proposed exemptions. Reproductive Health Clinics were a part of the definition of Health Services prior to the passage for Prop. O; however, as a result of the passage of Prop. O, Reproductive Health Clinics has since been removed from Health Services and given its own land use designation and definition. The Supervisor intended to include Reproductive Health Clinics in the proposed use size and retail ratio exemptions. For that to happen now, Reproductive Health Clinics use also needs to be called out as exempt from the use size limits and retail ratio requirements.

Recommendation 2: Remove the retail ratio requirement within the MUO. The initial strategy when MUO was created was to prioritize office and housing development and only allow retail if it was included in a

² Ibid.

mixed-use project. This approach was intended to ensure a balanced mix of uses within the district, and the scheme ultimately worked. Over time, the MUO District has been developed with a healthy mix of office and housing. Since this zoning district is primarily built out and has a healthy mix of housing and office, the Department finds that retail ratio requirement is no longer needed manage development within the MUO.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) 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: Board of Supervisors File No. 250099
- Exhibit C: Zoning Map featuring Mixed-Use Office Districts

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PLANNING COMMISSION

DRAFT RESOLUTION

HEARING DATE: April 17, 2025

Project Name: Health Service Uses in the Mixed Use-Office District
Case Number: 2025-001049PCA [Board File No. 250099]
Initiated by: Supervisor Dorsey / Introduced January 28, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ELIMINATE RETAIL USE SIZE LIMITS ON HEALTH SERVICE USES IN THE MUO (“MIXED USE-OFFICE”) DISTRICT; 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; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on January 28, 2025 Supervisor Dorsey introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 250099, which would amend the Planning Code to eliminate retail use size limits on Health Service Uses in the MUO (“Mixed Use-Office”) District;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on April 17, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); 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 adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission's proposed recommendations are as follows:

1. Include "Reproductive Health Clinics" within the proposed exemptions.
2. Remove the retail ratio requirement within the MUO.

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:

The proposed Ordinance would exempt Health Service uses from use size limitations and retail ratio requirements within the MUO Zoning District. This may help facilitate more Health Services uses in these neighborhoods.

General Plan Compliance

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

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

OBJECTIVE 7

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH, AND EDUCATIONAL SERVICES.

Policy 7.3

Promote the provision of adequate health and educational services to all geographical districts and cultural groups in the city.

EAST SOMA (SOUTH OF MARKET) AREA PLAN

OBJECTIVE 6.1

SUPPORT THE ECONOMIC WELLBEING OF A VARIETY OF BUSINESSES IN THE EASTERN NEIGHBORHOODS.

OBJECTIVE 7.2

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS.

Policy 7.2.1

Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods, and prevent their displacement.

The proposed Ordinance supports the Commerce and Industry Element's goals of achieving economic vitality and social equity within San Francisco. Specifically, the proposed Ordinance aligns with both Objective 2 and Policy 2.1 which seek to retain existing commercial and attract new commercial activity to the City. The proposed Ordinance facilitates this by waiving certain requirements for Health Services. The proposed Ordinance also responds to Policy 7.3, which seeks to promote the provision of adequate health and educational services throughout the city. Additionally, the proposed Ordinance directly aligns with the East SoMa Area Plan Objective 7.2 to support human service providers within the Eastern Neighborhoods by exempting Health Services from certain requirements. Further, the proposed Ordinance meets the intent of Policy 7.2.1, which is to support human and health services that serve low-income and immigrant communities within the Eastern Neighborhoods.

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 ADOPTS A RECOMMENDATION FOR APPROVAL 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 April 17, 2025.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: April 17, 2025

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EXHIBIT B

[Planning Code - Health Service Uses in the Mixed Use-Office District]

Ordinance amending the Planning Code to eliminate retail use size limits on Health Service Uses in the MUO (“Mixed Use-Office”) District; 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; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

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

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

Section 1. Land Use and Environmental Findings.

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

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

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

(c) Pursuant to Planning Code Section 302, this Board finds that this ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____, and incorporates such reasons by this reference thereto. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. _____.

Section 2. Articles 1.2 and 8 of the Planning Code are hereby amended by revising Sections 121.6 and 832, to read as follows:

SEC. 121.6. LARGE-SCALE RETAIL USES.

Notwithstanding any other provision of this Code, establishment of a single retail use in excess of 50,000 gross square feet in any zoning district other than the C-3 Zoning Districts shall require conditional use authorization pursuant to Section 303 unless such use already is prohibited. This Section 121.6 shall apply to the establishment of a new use and the expansion of an existing use. For purposes of this Section, “single retail use” shall include, except for Hotels and Motels, all Retail and Service Uses listed in Section 102 and retail uses identified in Article 8 of this Code. This Section shall not apply to Health Service Uses in the MUO District.

SEC. 832. MUO – MIXED USE-OFFICE DISTRICT.

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| <div>Table 832</div> <div>MUO – MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE</div> |
|--|

| Zoning Category | § References | Mixed Use-Office District Controls |
|---|------------------|--|
| * * * * | | |
| NON-RESIDENTIAL STANDARDS AND USES | | |
| Development Standards | | |
| * * * * | | |
| Use Size Limits | § 121.6 | C required for single retail use over 50,000 gross square feet. Single Retail Uses in excess of 120,000 gross square feet are NP. <u>(6)</u> |
| * * * * | | |
| Sales and Service Category | | |
| Retail Sales and Service Uses* | §§ 102, 202.2(a) | P(4) <u>(6)</u> |
| * * * * | | |

* Not listed below

* * * *

(4) P up to a total of 25,000 Gross Square Feet per lot; above 25,000 gross sq. ft. permitted only if the ratio of other permitted uses to retail is at least 3:1. CU requirements for individual uses still apply.

* * * *

(6) The use size limits in Section 121.6 and the use size and ratio requirements in footnote 4 of this Table 832 shall not apply to Health Service Uses.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
2 of Supervisors overrides the Mayor's veto of the ordinance.

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

10
11 APPROVED AS TO FORM:
12 DAVID CHIU, City Attorney

13 By: /s/ Giulia Gualco-Nelson
14 GIULIA GUALCO-NELSON
Deputy City Attorney

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