



October 24, 2014

Ms. Angela Calvillo, Clerk
Honorable Mayor Lurie
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 Numbers 2025-004733PCA, 2025-004734PCA, 2025-004737PCA and 2025-004740PCA: Permit SF Planning Code Amendments**
Board File Nos. 250542, 250540, 250539 and 250538

Planning Commission Recommendation:	250542: Approval with Modification 250540: Approval 250539: Approval 250538: Approval with Modification
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Dear Ms. Calvillo and Mayor Lurie,

On June 26, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider four proposed Ordinance, introduced by Mayor Lurie, that would amend the Planning Code, and are associated with the mayor's Permit SF effort. At the hearing, the Planning Commission adopted a recommendation for approval for all four ordinances, with recommended amendments for two of the ordinances, as noted above.

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.

Mayor Lurie, 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: Austin Yang, Deputy City Attorney
Guilia Gualco-Nelson, Deputy City Attorney
Robb Kapla, Deputy City Attorney
Katy Tang, Office of Small Business
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21758

HEARING DATE: June 26, 2025

Project Name: Fenestration, Transparency, and Sign Requirements Generally; Sales and Service Uses in the C-3 and RC Districts
Case Number: 2025-004733PCA [Board File No. 250542]
Initiated by: Mayor Lurie / Introduced May 20, 2025
Staff Contact: aaron starr, Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO 1) PRINCIPALLY PERMIT CERTAIN NON-RETAIL SALES AND SERVICE USES, INCLUDING GENERAL OFFICE, DESIGN PROFESSIONAL, BUSINESS SERVICES, NON-RETAIL PROFESSIONAL SERVICES, AND TRADE OFFICES, ON THE GROUND FLOOR IN THE C-3 (“DOWNTOWN COMMERCIAL”) DISTRICTS THROUGH DECEMBER 31, 2030, AFTER WHICH SUCH USES WILL BE CONDITIONALLY PERMITTED; 2) PRINCIPALLY PERMIT RETAIL SALES AND SERVICE USES ON THE SECOND FLOOR AND ABOVE IN THE RC (“RESIDENTIAL-COMMERCIAL”) DISTRICTS; 3) PRINCIPALLY PERMIT NON-RETAIL SALES AND SERVICE USES ON THE SECOND FLOOR AND ABOVE IN THE RC DISTRICTS; 4) UPDATE TRANSPARENCY AND FENESTRATION REQUIREMENTS FOR GROUND FLOOR ACTIVE USES AND EXEMPT CHILD CARE FACILITIES, HOMELESS SHELTERS, MORTUARIES, RELIGIOUS INSTITUTIONS, REPRODUCTIVE HEALTH CLINICS, AND SCHOOL USES FROM THOSE REQUIREMENTS; 5) DEFINE AN INTERIOR SIGN AND THE APPLICABLE STANDARDS FOR INTERIOR SIGNS; 6) EXEMPT INTERIOR SIGNS OF SIX SQUARE FEET OR LESS AND BUSINESS AND IDENTIFYING SIGNS PAINTED ON BUILDING FACADES FROM A PERMIT UNDER THE PLANNING CODE; 7) MODIFY THE DEFINITION OF A NON-RESIDENTIAL USE FOR THE PURPOSES OF CERTAIN DEVELOPMENT IMPACT FEE WAIVERS; AND AFFIRMING THE PLANNING DEPARTMENT’S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on May 20, 2025 Mayor Lurie introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 250542, which would amend the Planning Code to 1) principally permit certain non-retail sales and service uses, including general office, design professional, business services, non-retail professional services, and trade offices, on the ground floor in the C-3 (“Downtown Commercial”) Districts through December 31, 2030, after which such uses will be conditionally permitted; 2) principally permit retail sales and service uses on the second floor and above in the RC (“Residential-Commercial”) Districts; 3) principally permit non-retail sales and service uses on the second floor and above in the RC Districts; 4) update transparency and fenestration requirements for ground floor active uses and exempt child care facilities, homeless shelters, mortuaries, religious institutions, reproductive health clinics, and school uses from those requirements; 5) define an Interior Sign and the applicable standards for Interior Signs; 6) exempt Interior Signs of six square feet or less and Business and Identifying Signs painted on building facades from a permit under the Planning Code; and 7) modify the definition of a Non-Residential Use for the purposes of certain development impact fee waivers; and

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 26, 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); 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. Sign changes:
 - a. Eliminate Interior Sign references. Instead define a Window Sign as a Sign that touches only the inside or outside of a Window.
 - b. Change the way Window Sign area is measured from “ the area as a function of the window on which the Sign is displayed” to “the area as a function of all the individual business’s ground floor windows, regardless of which window the Sign is displayed on.”
 - c. Increase permitted Window Sign area in R Districts from one-fourth to one-third of the area of the business’s ground floor windows.

- d. Expand existing change of copy exception to include signs that do not customarily involve a change in copy, provided that the change in copy does not require a building permit, does not constitute a change from general advertising to non-general advertising sign copy or from non-general advertising to general advertising sign copy, and does not increase Area, Height, Illumination, or Projection, excluding any of the aforementioned changes that affect only the copy on the Sign
 - e. Expand existing painted sign exception to include all Window or Wall Signs applied on door, window, or any building façade except (A) Signs located in Public and Residential Districts; (B) Signs that would otherwise require review and approval under Articles 10 and 11; (C) Signs that require a building permit; and (D) General Advertising Signs.
 - f. Clarify that the signs listed in 604(c) do not require a Planning approval or review.
2. Transparency:
 - a. Remove Interior and Window Sign exception to transparency requirements
 - b. Other minor clarifying edits to transparency requirements.
 3. Facilitate ground floor office uses by:
 - a. amending Sec. 124 to exempt new Gross Floor Area created in a C-3 District through a change of use on the ground floor of space that was devoted to uses previously excluded from Gross Floor Area per Section 102
 - b. Exempting C-3 Districts from 145.4 [required ground floor commercial uses] through December 31, 2030.
 4. RH-DTR changes:
 - a. Exempting Historic Buildings in the RH-DTR District from 145.4 [required ground floor commercial uses] through December 31, 2030
 - b. Amending 803.9 to principally permit all uses in certain historic buildings in RH-DTR, subject to certain exceptions
 5. Allow Laboratory and Catering Uses in the RC Zoning Districts with CU Authorization.

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 Commission finds that the proposed ordinance advances multiple policy goals related to economic recovery, regulatory clarity, and neighborhood vitality. By codifying long-standing staff interpretations of fenestration and signage standards, the ordinance enhances transparency and predictability for applicants—particularly small businesses and nonprofits—who may otherwise struggle with the ambiguity of case-by-case review.

The Commission finds that the ordinance facilitates more flexible use of ground-floor space in Downtown Commercial (C-3) districts, allowing for office-related amenities and institutional uses that can contribute to a more active and resilient downtown.

General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The ordinance streamlines land use regulations by reducing permitting barriers for a wider range of commercial and institutional uses in Downtown Commercial (C-3) zoning districts and clarifying transparency standards for ground-floor activation. These changes create net economic and regulatory benefits without undermining the character or functionality of existing neighborhoods.

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.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

By enabling a broader range of service, office, and institutional uses on the ground floor in the C-3 Districts and easing signage regulations citywide, the ordinance helps support small businesses, cultural organizations, and nonprofits—many of which serve diverse communities. The ordinance contributes to economic vitality while enhancing neighborhood flexibility and cultural expression.

URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.6

Make centers of activity more prominent through design of street features and by other means.

The ordinance supports revitalization of Downtown Commercial districts by enabling a greater diversity of uses to occupy ground-floor spaces. This flexibility enhances the role of downtown as a civic and economic center and reinforces its visibility and presence within the city fabric.

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 June 26, 2025



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2025.06.27 09:25:11 -07'00'

AYES: Campbell, Williams, Braun, Imperial, Moore and So.
NOES: None
ABSENT: McGarry
ADOPTED: June 26, 2025



EXECUTIVE SUMMARY

PLANNING CODE TEXT AMENDMENT

HEARING DATE: June 26, 2025

90-Day Deadline: August 18, 2025

Project Name: Fenestration, Transparency, and Sign Requirements Generally; Sales and Service Uses in the C-3 and RC Districts
Case Number: 2025-004733PCA [Board File No. 250542]
Initiated by: Mayor Lurie / Introduced May 20, 2025
Staff Contact: Aaron Starr, 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

Ordinance amending the Planning Code to 1) principally permit certain non-retail sales and service uses, including general office, design professional, business services, non-retail professional services, and trade offices, on the ground floor in the C-3 (“Downtown Commercial”) Districts through December 31, 2030, after which such uses will be conditionally permitted; 2) principally permit retail sales and service uses on the second floor and above in the RC (“Residential-Commercial”) Districts; 3) principally permit non-retail sales and service uses on the second floor and above in the RC Districts; 4) update transparency and fenestration requirements for ground floor active uses and exempt child care facilities, homeless shelters, mortuaries, religious institutions, reproductive health clinics, and school uses from those requirements; 5) define an Interior Sign and the applicable standards for Interior Signs; 6) exempt Interior Signs of six square feet or less and Business and Identifying Signs painted on building facades from a permit under the Planning Code; and

7) modify the definition of a Non-Residential Use for the purposes of certain development impact fee waivers.

	The Way It Is Now:	The Way It Would Be:
1	The Planning Code contains transparency requirements in Section 145.1. The Planning Department developed guidelines, published on the Planning Department's website, to better illustrate how businesses can comply with the Planning Code Section 145.1 requirements.	The Transparency requirements in Section 145.1 would be amended and refined by incorporating the guidelines developed by the Planning Department. Note: these transparency requirements are only intended to apply during business hours, and not when the business is closed.
2	PDR uses are exempt from the transparency requirements in Section 145.1	In addition to PDR uses, Child Care Facility, Homeless Shelters, Mortuaries, Religious Institution, Reproductive Health Clinic, Schools, and any Social or Health Service Use proposed on-site with either a Homeless Shelter or an affordable housing project would be exempt from the Transparency Requirements Section 145.1.
3	Retail Sales and Service Uses require Conditional Use if located above the ground floor in RC Districts.	Retail Sales and Services uses would be Principally Permitted above the ground floor in RC Zoning Districts.
4	Non-Retail Sales and Service Uses are Prohibited in RC Zoning Districts.	Non-Retail Sales and Service Uses would be principally permitted above the ground floor and not permitted on the ground floor in RC Zoning Districts.
5	Certain Non-Retail Sales and Service Uses, like Offices, require CU authorization if located on the ground floor in C-3 (Downtown) zoning districts.	Certain Non-Retail Sales and Service Uses, like offices, located on the ground floor would be principally permitted on the ground floor in the C-3 (downtown) zoning districts until December 31, 2030. After that time CU authorization would be required.
6	Change of Use is not defined in the Planning Code.	Change of Use would be defined in Planning Code Section 102.
7	The definition of Replacement Use, which is used when calculating <i>for impact fees, credits, or waivers under Article 4</i> , does not include a	The definition of replacement use would be amended to include a provision that accounts for when a space has no legally established use. The

	provision for when space has no legally established use.	added wording would be as follows. <i>“For purposes of calculating any impact fees, credits, or waivers under Article 4, if the Gross Floor Area to be demolished has no legally established use, the replacement of use shall consider the last legal use.”</i>
8	Planning Code Section 406 provides for a waiver of development impact fees and requirements for Non-Residential uses that will be converted into a residential use, subject to certain eligibility conditions. Production, Distribution, and Repair (PDR) Uses are not classified as Non-Residential Uses.	This ordinance amends Planning Code Section 406(j) to make existing PDR uses eligible for the residential conversion development impact fee and requirements waiver.
9	Planning Code Section 604 stipulates that “Signs painted on a door or window do not require a permit.”	This provision would be clarified by stipulating “Business or identifying signs” painted on a door or window, and expanded to include “signs painted directly on a building façade.”
10	The Planning Code does not specifically define Interior signs.	Planning Code Section 602- Sign Definitions - would be amended to include a definition of an interior sign that would read as follows: <i>A Sign that is located in the interior of a building within four feet of any window or clear door through which the Sign is visible but not including a Window Sign.</i> Further the Code would now stipulate that no permit shall be required for “an interior business or identifying sign measuring six square feet or less.”
11	Interior Sign controls are not included in the sign controls for various zoning districts	Interior sign controls would be added to the sign controls for various zoning districts. Controls would be <i>“The total Area of all Interior Signs shall not exceed one-third the area of the window or clear door through which the Interior Sign is visible.”</i> For Residential and Residential Enclave Districts the limit would be one-quarter of the area of the window.
12	A Window Sign is defined as a sign painted directly on a window	Window sign definitions would be amended. Instead of being <i>“a sign painted directly on a window”</i> it would be <i>“a sign located directly on a window or clear door”</i>

Background

This ordinance builds on the City's broader PermitSF initiative to streamline permitting processes and support economic recovery in the wake of the COVID-19 pandemic. Recognizing that downtown San Francisco continues to experience high vacancy rates and slower economic rebound compared to other neighborhoods, the Planning Department identified outdated land use controls and overly restrictive fenestration standards as barriers to ground floor activation and tenant flexibility. Previous Planning Code requirements limit the ability of certain service-oriented uses—such as general offices or trade services—to occupy ground-floor spaces in the C-3 Districts, even on a temporary basis. In response, the sponsor is advancing this legislation to modernize use permissions, codify existing interpretations related to transparency requirements, and simplify sign regulations, with the goal of improving customer experience, reducing permitting delays, and encouraging a broader range of active, community-serving uses in key commercial corridors.

Issues and Considerations

Existing Sign Controls

The ordinance codifies long-standing guidelines developed by Planning Department staff to interpret transparency and sign controls, creating clear, consistent standards within the Planning Code. By moving these interpretations into the Code itself, the ordinance eliminates ambiguity for applicants and staff, streamlining the permitting process and reducing the need for case-by-case discretion. This is especially beneficial for small business owners, who often lack the resources to navigate complex or unclear regulations. Codification ensures that all applicants are held to the same objective criteria, improving predictability, reducing processing time, and making it easier for neighborhood-serving businesses to comply with signage requirements and activate their storefronts.

Window and Painted Signs

The ordinance recognizes the need for greater flexibility in regulating window and painted signs, particularly for small businesses that rely on simple, cost-effective methods to advertise their presence and attract customers. Many of these businesses—especially immigrant-owned and neighborhood-serving establishments—face disproportionate challenges navigating the City's permitting process for signage. By exempting small interior signs and painted business or identifying signs on building facades from requiring a separate Planning Code permit, the ordinance reduces administrative burdens and compliance costs. This change supports economic resilience, improves equity in how the City regulates commercial storefronts, and helps maintain vibrant, visually engaging streetscapes that reflect the character and diversity of San Francisco's neighborhoods.

Downtown Ground Floor Uses

The ordinance supports downtown revitalization by introducing greater flexibility for ground floor uses in C-3 districts, allowing non-retail service and office-related functions—such as gyms, cafeterias, or other amenities accessory to office space—to operate without requiring Conditional Use authorization through December 31, 2030. Under current regulations, such uses are often discouraged or prohibited outright due to

their classification as accessory to office, even when they contribute to a more vibrant and active streetscape. By removing these barriers on a temporary basis, the ordinance gives property owners and tenants the opportunity to adapt creatively to evolving market demands and tenant expectations. If these changes prove ineffective or result in unintended consequences, the time-limited nature of the policy ensures the City can reassess and adjust course as needed.

General Plan Compliance

The proposed ordinance is consistent with the General Plan because it streamlines permitting for a broader range of commercial and institutional uses in Downtown Commercial (C-3) districts and simplifies transparency and signage regulations citywide. These changes provide substantial net benefits by supporting small businesses, nonprofits, and cultural organizations, while reinforcing the economic vitality and visual prominence of key activity centers. The ordinance aligns with policies that encourage flexible, inclusive, and pedestrian-oriented development, contributing to a resilient local economy and a more engaging urban environment.

Racial and Social Equity Analysis

This ordinance advances race and social equity by easing regulatory burdens for a variety of community-serving and culturally significant land uses across Residential-Commercial (RC) districts and citywide sign controls. By removing barriers for uses such as child care facilities, reproductive health clinics, schools, and homeless shelters—many of which primarily serve low-income, immigrant, and historically marginalized populations—the ordinance helps improve access to critical services in neighborhoods where residents have faced longstanding structural inequities.

Exempting these uses from fenestration and transparency requirements recognizes their unique operational needs for safety and privacy. For example, reproductive health clinics and shelters often serve clients at heightened risk of harassment or trauma. Enabling such uses to operate without conflict with design-based transparency standards helps reduce permitting friction and ensures these services can locate within communities that need them most.

Additionally, the changes to sign permitting reduce compliance burdens that disproportionately affect small, immigrant-owned businesses. Many such businesses operate on slim margins and are more vulnerable to enforcement actions stemming from minor code violations. Streamlining regulations for interior and painted signs creates a more equitable regulatory environment while supporting neighborhood vibrancy and cultural expression.

Together, these reforms support a more inclusive city by ensuring the Planning Code does not unduly burden uses and services vital to San Francisco's diverse communities, particularly in underserved or lower-resourced areas.

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. Sign changes:
 - a. Eliminate Interior Sign references. Instead define a Window Sign as a Sign that touches only the inside or outside of a Window.
 - b. Change the way Window Sign area is measured from “ the area as a function of the window on which the Sign is displayed” to “the area as a function of all the individual business’s ground floor windows, regardless of which window the Sign is displayed on.”
 - c. Increase permitted Window Sign area in R Districts from one-fourth to one-third of the area of the business’s ground floor windows.
 - d. Expand existing change of copy exception to include signs that do not customarily involve a change in copy, provided that the change in copy does not require a building permit, does not constitute a change from general advertising to non-general advertising sign copy or from non-general advertising to general advertising sign copy, and does not increase Area, Height, Illumination, or Projection, excluding any of the aforementioned changes that affect only the copy on the Sign
 - e. Expand existing painted sign exception to include all Window or Wall Signs applied on door, window, or any building façade except (A) Signs located in Public and Residential Districts; (B) Signs that would otherwise require review and approval under Articles 10 and 11; (C) Signs that require a building permit; and (D) General Advertising Signs.
 - f. Clarify that the signs listed in 604(c) do not require a Planning approval or review.
2. Transparency:
 - a. Remove Interior and Window Sign exception to transparency requirements
 - b. Other minor clarifying edits to transparency requirements.
3. Facilitate ground floor office uses by:
 - a. amending Sec. 124 to exempt new Gross Floor Area created in a C-3 District through a change of use on the ground floor of space that was devoted to uses previously excluded from Gross Floor Area per Section 102
 - b. Exempting C-3 Districts from 145.4 [required ground floor commercial uses] through December 31, 2030.
4. RH-DTR changes:
 - a. Exempting RH-DTR District from 145.4 [required ground floor commercial uses] through December 31, 2030
 - b. Amending 803.9 to principally permit all uses in certain historic buildings in RH-DTR, subject to certain exceptions

Basis for Recommendation

The Department recommends approval of the proposed ordinance because it advances multiple policy goals related to economic recovery, regulatory clarity, and neighborhood vitality. By codifying long-standing staff

interpretations of fenestration and signage standards, the ordinance enhances transparency and predictability for applicants—particularly small businesses and nonprofits—who may otherwise struggle with the ambiguity of case-by-case review. It also facilitates more flexible use of ground-floor space in Downtown Commercial (C-3) districts, allowing for office-related amenities and institutional uses that can contribute to a more active and resilient downtown. Together, these targeted changes support a more efficient permitting process, a fairer regulatory environment, and a more vibrant and adaptable urban streetscape.

During review of the proposed ordinance staff identified some modifications that would help further advance the goals of this ordinance. Those modifications are as follows:

Recommendation 1: Sign Changes

- a. **Eliminate Interior Sign References-** The proposed ordinance creates a new definition for Interior Signs and would now stipulate that no permit shall be required for *“an interior business or identifying sign measuring six square feet or less.”* This was done to help reduce permitting requirements for signs; however, it has inadvertently created a situation where you would need a permit for an interior sign that does not meet the 6 sq. ft. rule. Currently interior signs do not need a permit. Expanding what types of signs need a permit is not the goal of this ordinance. Staff is proposing that the proposed definition and references are removed.
- b. **Window Sign Area Measurement-** Window signs are based on the window area where the sign is located. Staff are proposing to allow window signs to take up to one-third the total area of all the windows a business has. This provides more flexibility for the business.
- c. **Window Sign area in R Districts-** Window signs in R and RED Districts are limited to one-quarter of the area of the window while all other zoning districts are limited to one-third. Staff are proposing to increase it to one-third in R and RED Districts so that the standard is consistent across all zoning districts.
- d. **Change of Copy Exception-** Currently, only signs that have a regular change in copy, like a movie marquee sign, do not require a permit if the copy is changed. Staff are proposing to allow any sign to change copy so long as a permit is not required for other reasons.
- e. **Painted Sign Exception-** Only Business or Identifying Wall or Window Signs are exempt from a permit. Staff are proposing to allow ALL Wall or Window Signs to be exempt from a permit, unless they are a General Advertising Signs, Signs that would require review and approval under Articles 10 and 11, Signs that require a building permit, and Signs in residential districts.
- f. **Clarify 604(c)-** Signs under this section do not require a permit; however, the language is not clear. Staff is proposing that clarifying language be added to this section that reads: *“No permit or Planning approval that would otherwise be required by this Article 6 shall be required for the Signs in this subsection (c) to the extent such Signs are permitted by this Code. A Planning approval may*

nonetheless be obtained on a voluntary basis for any of the Signs in this subsection (c)."

Recommendation 2: Transparency:

- a. **Interior and Window Sign exception-** The recommended modification would delete Section 145.1(c)(6)(C)(ii) to be consistent with the proposed modifications under signs above.
- b. **Clarifying Edits to Transparency-** Other clarifying edits would be made to the transparency section consistent with the changes above.

Recommendation 3: Facilitate ground floor office uses.

- a. **Exempt new Gross Floor Area-** Allowing ground floor office in the C-3 would put some projects over their FAR limit since some of those existing uses were exempt from FAR limits. The intention of this ordinance is to make it as easy as possible to activate these ground floor spaces, so staff are proposing this modification to exempt ground floor spaces converted to offices uses on the ground floor from FAR limits.
- b. **Exempting C-3 Districts from 145.4-** This Planning Code section requires ground floors to be occupied by certain commercial uses in certain zoning districts. In keeping with the intent of this ordinance, staff are proposing that ground floors in the C-3 be exempt from this requirement until December 31, 2030.

Recommendation 4: RH-DTR changes:

- a. **Exempting RH-DTR (Downtown Residential) District from 145.4-** This recommendation is consistent with the amendment above for the C-3 Districts.
- b. **Principally Permit all Uses in Certain Historic Buildings in RH-DTR-** This section currently only applies to Eastern Neighborhoods Mixed Use Districts. Staff are proposing to amend this section so that it includes Downtown Residential Districts, and that all uses are permitted in historic buildings in Downtown Residential Districts. Historic Preservation Commission review and approval would still be required.

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) 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. 250542