FILE NO. 240411

ORDINANCE NO.

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3	Ordinance amending the Planning Code to create an exception to allow storefront			
4	mergers and large uses for certain Limited Restaurant Uses designated as Legacy			
5	Businesses in the Polk Street Neighborhood Commercial District; affirming the			
6	Planning Department's determination under the California Environmental Quality Act;			
7	making findings of consistency with the General Plan, and the eight priority policies of			
8	Planning Code, Section 101.1; and making findings of public necessity, convenience,			
9	and welfare under Planning Code, Section 302.			
10	NOTE: Unchanged Code text and uncodified text are in plain Arial font.			
11	Additions to Codes are in <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .			
12	Board amendment additions are in <u>double-underlined Arial font</u> . Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code			
13	subsections or parts of tables.			
14				
15	Be it ordained by the People of the City and County of San Francisco:			
16	Section 1. Environmental and Land Use Findings.			
17	(a) The Planning Department has determined that the actions contemplated in this			
18	ordinance comply with the California Environmental Quality Act (California Public Resources			
19	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of			
20	Supervisors in File No. 240411 and is incorporated herein by reference. The Board affirms			
21	this determination.			
22	(b) On June 13, 2024, the Planning Commission, in Resolution No. 21572, adopted			
23	findings that the actions contemplated in this ordinance are consistent, on balance, with the			
24	City's General Plan and eight priority policies of Planning Code Section 101.1. The Board			
25				

[Planning Code - Polk Street Neighborhood Commercial District]

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. 240411, and is incorporated herein by reference.

- 3 (c) Pursuant to Planning Code Section 302, this Board finds that the Planning Code
  4 amendments in this ordinance will serve the public necessity, convenience, and welfare for
  5 the reasons set forth in Planning Commission Resolution No. 21572 and the Board
  6 incorporates such reasons herein by reference.
- 7 (d) The Polk Street NC District (District) has an active, pedestrian-oriented, and
  8 continuous commercial frontage along Polk Street that features small-scale commercial
  9 business.

(e) The District has remained largely vibrant during a time when many brick and mortar
 businesses have been impacted by economic difficulties.

- (f) The Legacy Business Program helps preserve local small businesses by providing
   assistance to businesses that have been long-standing pillars of our community through
   marketing, business assistance, and specialized grants. Legacy Businesses do not need to
   remain in their original location.
- (g) It is reasonable to facilitate relocation of certain Legacy Businesses within the
   District. Allowing certain Legacy Businesses allows the businesses to move to more
   advantageous locations, and potentially expand their operations. Relaxing certain zoning
   standards to permit the relocation of certain Legacy Businesses within the District also
   provides assistance during challenging economic times.
- (h) The District generally prohibits merging storefronts, and places limitations on use
   sizes to preserve the district's small-scale, fine grain storefronts, however several narrowly
   defined exemptions exist.
- (i) This legislation adds an additional narrow exemption to the controls in the District to
   facilitate the relocation of a Legacy Business. The exemption will allow a limited restaurant

Legacy Business to relocate and merge a storefront to continue as a neighborhood serving
 business.

3

4 Section 2. Articles 1.2 and 7 of the Planning Code are hereby amended by revising 5 Sections 121.2 and 723, to read as follows:

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## SEC. 121.2. NON-RESIDENTIAL USE SIZE LIMITS IN NEIGHBORHOOD

## 7 COMMERCIAL AND NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICTS.

(a) In order to protect and maintain a scale of development appropriate to each

9 district, Non-Residential Uses of the same size or larger than the square footage stated in the

10 table below may be permitted only as Conditional Uses. The use area shall be measured as

11 the Gross Floor Area for each individual Non-Residential Use.

12	District	Use Size Limits
13	Castro Street	2,000 sq. ft.
14	North Beach	
15	Pacific Avenue	
16	Polk Street <u>*</u>	
17	* * * *	

18 <u>\* Conditional Use not required for any Limited Restaurant use that relocates within the Polk</u>

19 <u>Street NCD</u>, and is designated as a Legacy Business as of the effective date of the ordinance in Board

20 <u>File No. 240411.</u>

21

## SEC. 723. POLK STREET NEIGHBORHOOD COMMERCIAL DISTRICT.

(a) Background. Sitting in the gulch between Nob and Russian Hills and Pacific
 Heights, the Polk Street Neighborhood Commercial District extends for a mile as a north south linear strip, and includes a portion of Larkin Street between Post and California Streets.
 Polk Street's dense mixed-use character consists of buildings with residential units above

1 ground-story commercial use. The district has an active, pedestrian-oriented, and continuous 2 commercial frontage along Polk Street for almost all of its length. Larkin Street and side 3 streets in the district have a greater proportion of residences than Polk Street itself. California Street and Hyde Street also have active, pedestrian-oriented, and commercial frontage that is 4 5 small-scale. The district is well served by transit and includes the historic California Cable Car. 6 To preserve and maintain the district's small-scale, fine grain storefronts, the consolidation or 7 merger of existing retail or commercial spaces or storefronts is generally prohibited and lot 8 mergers are controlled. The district provides convenience goods and services to the 9 residential communities in the Polk Gulch neighborhood and to the residents on the west slopes of Nob and Russian Hills. It has many apparel and specialty stores, as well as some 10 11 automobile uses, which serve a broader trade area. Commercial uses also include offices, as 12 well as movie theaters, restaurants, and bars which keep the district active into the evening. 13 (b) **Controls**.

14

\* \* \*

Merger of Storefronts Prohibited. To preserve and maintain the district's 15 (3) 16 small-scale, fine grain storefronts, the consolidation or merger of existing ground floor retail or 17 commercial spaces or storefronts shall be prohibited, except that two adjacent storefronts may 18 be consolidated or merged if: (A) the storefronts are for a Legacy Business on a corner lot within the same building and Block and Lot number, and provided that the consolidation or 19 20 merger of storefronts would not result in a use size in excess of the principally permitted use 21 size within the Polk Street NCD, or (B) the storefronts are merged by a General Grocery use in association with the replacement of a Legacy Business that is also a General Grocery use, 22 23 and the expansion of the General Grocery use is within a building on the same Lot, and is consistent with the size limitations in Section 121.2, or (C) the storefronts are merged by a Limited 24

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the effective date of the ordinance in Bo	<u>uru 1 ne 110, 21011</u>	<u>1</u> .		
* * * *				
Table 723. POLK STR	EET NEIGHBOR	HOOD COI		ISTRICT
	ZONING CONTR	OL TABLE		
			Polk Stre	et NCD
Zoning Category	§ References		Controls	
NON-RESIDENTIAL STANDARDS	S AND USES (7)			
* * * *				
		Co	ontrols by Sto	ory
		1st	2nd	3rd
* * * *				
Sales and Service Use Category				1
Retail Sales and Service Uses*	§§ 102,	Р	Р	NF
	202.2(a),			
	202.3			
* * * *				
Restaurant, Limited	§§ 102,	P <u>(2)</u>	Р	NF
	<u>121.2,</u>			
	202.2(a)			
* * * *				
(2) USE SIZE EXEMPTION	: <u>Per Planning Cod</u>	e Section 12	1.2(a), a Condit	ional Use
Authorization is not required for any Li				

1	square feet except that a Movie Theater as defined in Section 102 may exceed 4,000 square
2	feet. In addition, the enlargement of an existing General Grocery use on the same Lot, and in
3	association with the replacement of a Legacy Business that is also a General Grocery use,
4	may exceed 4,000 square feet.
5	* * * *
6	
7	Section 3. Effective Date. This ordinance shall become effective 30 days after
8	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
9	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
10	of Supervisors overrides the Mayor's veto of the ordinance.
11	
12	Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
13	intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
14	numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
15	Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
16	additions, and Board amendment deletions in accordance with the "Note" that appears under
17	the official title of the ordinance.
18	
19	APPROVED AS TO FORM:
20	DAVID CHIU, City Attorney
21	By: /s./
22	AUSTIN M. YANG Deputy City Attorney
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