

# Citywide Expansion of Allowable Commercial, Restaurant, and Retail Uses

BOS File 230701

Sponsors: Mayor and Supervisors Engardio, Dorsey, Melgar, Stefani

# Legislative Goals to Help Small Businesses

- **Reduce the number of barriers** small businesses experience when trying to open a new storefront or expand into a new space
- Allow businesses – new and existing – **greater flexibility** to adapt to the changing times caused not only by the pandemic, but also due to shifts in consumer behavior as seen globally
- Allow more businesses to open without going through the months-long Conditional Use Authorization process by **principally permitting more uses** throughout the City, and reducing the ability for appeals to cause even longer delays
- Allow more business use types to open on the ground floor to provide **more options in filling vacant commercial ground floor spaces**
- **Address challenges for venues** that provide entertainment and/or alcohol

# Give businesses greater flexibility to adapt to the changing times

Expand **Flexible Retail** citywide and allow as principally permitted on the ground floor.

- Flexible Retail gives a business the ability to change between six different uses without going back to the City each time for permits.

Clarify in the Planning Code that **multiple uses are permitted** in the same space.



Glen Park... currently does not allow flexible retail. We believe passage of this ordinance would allow businesses to more easily pivot to adapt rapidly as customer and client patterns continue to change over time.

- Glen Park Merchants Association

# Allow more business uses on the ground floor

Allow **Non-Retail Professional Services** on the ground floor with a conditional use authorization in most neighborhoods.

- Currently, these uses are not permitted on the ground floor citywide.

Allow **Health Services** on the ground floor as principally or conditionally permitted in most neighborhoods.



I'm currently renting a coworking storefront space and share my (healthcare marketing and book publishing) business with a couple nonprofits. The mix of our interests and expertise is a great addition to the experience.

- Emily, small business owner

# Lift restrictions on Restaurants, Limited Restaurants and Bars



Many business uses are banned or require costly and onerous application processes to open. As a result... entrepreneurs are dissuaded from opening a business and investing in the city.

- Northern Neighbors Neighborhood Association

Currently, several commercial corridors have restrictions in place for Restaurants, Limited Restaurants, and Bars, such as not permitting them, imposing a cap on the number of restaurants that can be established, or requiring a Conditional Use Authorization.

- The ordinance will **lift restrictions on Restaurants and Limited Restaurants** in Chinatown, along Haight Street, and Taraval Street.

New bars are currently not permitted or are restricted along Haight Street, Sacramento Street, Union Street and in the Mission.

- The ordinance proposes to **lift restrictions on bars** in these areas.
- The Mission Street cap on restaurants/ limited restaurants/bars is proposed to increase from 167 to 179.

# Incorporate new state liquor license Type 90 into SF Planning Code



Having witnessed so many vacant retail spaces, and so many small businesses fail to get off the ground due to confusing or onerous or just plain silly planning and permitting issues, I am **STRONGLY IN FAVOR** of this legislation.

- Ben, small business owner

The CA Department of Alcoholic Beverage Control (ABC) adopted a new liquor license type, the Type 90, which needs to be incorporated into the San Francisco Planning Code.

The Type 90 Music Venue liquor license authorizes the sale of beer, wine, and distilled spirits at retail for consumption on the premises in a music entertainment facility. One key feature of this liquor license type is that minors are allowed on the premises.

# Remove public notice requirement in Eastern Neighborhoods Mixed Use Districts for change-of-use projects

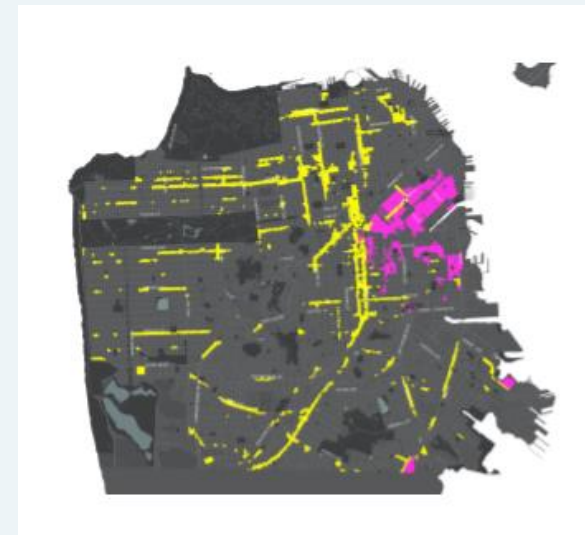
Expedites the permitting process by reducing the 30-day public notice and appeal process for businesses changing from one use to another (e.g., coffee shop changing to a plant shop)

This is current practice in other use districts due to Proposition H (Save our Small Business Initiative, adopted by voters in November 2020).



The permitting and zoning requirements desperately need an overall. Our city needs life and that comes through supporting small businesses.

- Nate, small business owner



# Enable Nighttime Entertainment, Bars, and Restaurants to benefit from priority processing at Planning Department/ Commission



Support for entertainment venues, bars, and outdoor patios directly contributes to a more vibrant social scene. With smoother operations for these businesses, we can expect a livelier city atmosphere and more enjoyable evenings out with friends and family.

- Steve, Resident

Currently, Nighttime Entertainment uses, Bar uses, and Restaurants with full liquor licenses are excluded from participation in the Planning Department's **Community Benefit Priority Processing Program (CB3P)** which guarantees:

- (1) a Planning Commission hearing date within 90 days of filing a complete application and
- (2) placement on the Planning Commission's consent calendar.

The ordinance will allow Nighttime Entertainment uses, Bar uses, Restaurants with full liquor licenses, and expansions of hours of operation to be eligible for expedited Conditional Use Authorization review through participation in CB3P.

- Exceptions: Mission District (existing restriction) and North Beach (new)



# Outreach

These recommendations were informed through:

- Weekly merchant walks
- Case by case business and permit counseling with prospective entrepreneurs and existing businesses seeking to expand
- Ongoing conversations with merchant organizations
- Discussions with Board of Supervisors offices



The changes this legislation will enable will dramatically reduce the challenges properties, brokers, and civic partners face in Mid-Market, a neighborhood with 40% ground floor retail vacancy.

- Mid-Market Business Association and Foundation