BOARD of SUPERVISORS



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MEMORANDUM

TO: Budget and Legislative Analyst

FROM: John Carroll, Assistant Clerk, Land Use and Transportation Committee

DATE: January 13, 2025

SUBJECT: LEGISLATION AMENDED - FISCAL IMPACT DETERMINATION

The Board of Supervisors' Land Use and Transportation Committee (a nonfiscal committee) amended the following legislation on January 13, 2025. Pursuant to Administrative Code, Section 2.6-3, the new version is being forwarded to you as it was initially determined not to have fiscal impact. The amendments made were substantive and another review for a fiscal impact determination is required.

File No. 240903

Ordinance amending the Planning Code to permit certain Health Service Uses up to 5,000 gross square feet without a conditional use permit in the West Portal Neighborhood Commercial District; 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 pursuant to Planning Code, Section 302.

If the new version is determined to have fiscal impact, the legislation will need to be referred to a fiscal committee before it can be referred to the full Board for approval.

Please send your determination or contact with me any questions at (415) 554-4445 or email: john.carroll@sfgov.org.

| RESPONSE FROM THE BUDGET AND LEGISLATIVE ANALYST - Date: | | | | | |
|--|--------------------------------|--|--|--|--|
| This matter has fiscal impact.This matter does not have fiscal impact.Additional information attached. | | | | | |
| | Budget and Legislative Analyst | | | | |

AMENDED IN COMMITTE 1/13/2025 ORDINANCE NO.

FILE NO. 240903

| 1 | [Planning Code - Health Service Uses in West Portal Neighborhood Commercial District] | | | | | |
|----|---|--|--|--|--|--|
| 2 | | | | | | |
| 3 | Ordinance amending the Planning Code to permit certain Health Service Uses up | | | | | |
| 4 | to 5,000 gross square feet without a conditional use permit in the West Portal | | | | | |
| 5 | Neighborhood Commercial District; affirming the Planning Department's determination | | | | | |
| 6 | under the California Environmental Quality Act; making findings of consistency with | | | | | |
| 7 | the General Plan and the eight priority policies of Planning Code, Section 101.1; and | | | | | |
| 8 | making findings of public necessity, convenience, and welfare pursuant to Planning | | | | | |
| 9 | Code, Section 302. | | | | | |
| 10 | NOTE: Unchanged Code text and uncodified text are in plain Arial font. | | | | | |
| 11 | Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. | | | | | |
| 12 | Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. | | | | | |
| 13 | Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables. | | | | | |
| 14 | | | | | | |
| 15 | Be it ordained by the People of the City and County of San Francisco: | | | | | |
| 16 | | | | | | |
| 17 | Section 1. Environmental and Land Use Findings. | | | | | |
| 18 | (a) The Planning Department has determined that the actions contemplated in this | | | | | |
| 19 | ordinance comply with the California Environmental Quality Act (California Public Resources | | | | | |
| 20 | Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of | | | | | |
| 21 | Supervisors in File No. 240903 and is incorporated herein by reference. The Board affirms | | | | | |
| 22 | this determination. | | | | | |
| 23 | (b) On December 5, 2025, the Planning Commission, in Resolution No. 21655, | | | | | |
| 24 | adopted findings that the actions contemplated in this ordinance are consistent, on balance, | | | | | |
| 25 | | | | | | |

(c) Pursuant to Planning Code Section 302, the Board finds that this Planning Code amendment will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 21655, and the Board incorporates such reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. 240903.

Section 2. General Findings.

- (a) As part of the 2023 Housing Element Update, the City studied its housing patterns and planned for increasing the number of residents in the areas of the City where residential construction has lagged over the last several decades.
- (b) Increasing the numbers of residents in the western portion of the City, including in the West Portal Neighborhood Commercial District, will cause an increase in the demand for neighborhood-serving retail uses. This demand could be met by increasing the number of locations or allowing larger sized locations for many uses, including health services uses.
- (c) The West Portal Avenue Neighborhood Commercial District limits retail uses to 4,000 square feet. It is possible that in certain neighborhood commercial districts, this size limitation could be an impediment to locating larger neighborhood-serving retail businesses in districts to meet this anticipated increased demand.
- (d) Recently, medical health service businesses have sought to open locations greater than 4,000 square feet because with a larger area it is possible to provide more services on site.

- (e) In the West Portal neighborhood, there is an existing strong demand for health services. It could be beneficial for the residents of West Portal and the surrounding areas to have integrated medical services in the district. Larger spaces could enable existing and future customers of the City's west side to obtain integrated health services without going downtown or other long distances, and make it easier for West Portal residents to access health services without having to go outside of the neighborhood.
- (f) The West Portal Avenue Neighborhood Commercial District (NCD) sets forth controls for various uses within the NCD. It is reasonable to amend the code to avoid unnecessary verbiage by deleting the entries in the Zoning Table that are duplicative of other existing controls.

Section 3. Articles 1.2 and 7 of the Planning Code are hereby amended by revising Sections 121.2 and 729, to read as follows:

SEC. 121.2. NON-RESIDENTIAL USE SIZE LIMITS IN NEIGHBORHOOD COMMERCIAL AND NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICTS.

(a) In order to protect and maintain a scale of development appropriate to each district, Non-Residential Uses of the same size or larger than the square footage stated in the table below may be permitted only as Conditional Uses. The use area shall be measured as the Gross Floor Area for each individual Non-Residential Use.

| District | Use Size Limits |
|----------------|-----------------|
| Castro Street | |
| North Beach | |
| Pacific Avenue | 2,000 sq. ft. |
| Polk Street* | |

| 1 | 24 th Street-Mission | | | | |
|----------|------------------------------------|---------------|--|--|--|
| 2 | | | | | |
| 3 | 24 th Street-Noe Valley | | | | |
| 4 | Haight Street | | | | |
| 5 | Inner Clement Street | | | | |
| 6 | Inner Sunset | | | | |
| 7 | Japantown | 2,500 sq. ft. | | | |
| 8 | Outer Clement Street | | | | |
| 10 | Sacramento Street | | | | |
| 11 | Union Street | | | | |
| 12 | Upper Fillmore Street | | | | |
| 13 14 | West Portal Avenue <u>*</u> | | | | |
| 15 | * * * * | | | | |

* Conditional Use not required for any Limited Restaurant use that relocates within the Polk Street NCD, and is designated as a Legacy Business as of the effective date of the ordinance in Board File No. 240411, or any Health Service use in the West Portal Avenue

Neighborhood Commercial District located at Assessor's Parcel Block No. 2989B, Lot 17.

20 * * * *

(b) In order to protect and maintain a scale of development appropriate to each district, Non-Residential uses that exceed the square footage stated in the table below shall not be permitted, except in the following circumstances:

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(1) In the Castro Street Neighborhood Commercial District, a Child Care Facility, School, Post-Secondary Educational Institution, Religious Institution, Social Service

- or Philanthropic Facility, Community Facility, or a Residential Care Facility as defined in Section 102 of this Code that is operated by a non-profit and is neighborhood-serving may exceed this *Ss*ubsection 121.2(b) with Conditional Use authorization.
 - (2) In the Regional Commercial District, Schools and Childcare Facilities as defined in Section 102 may exceed this $\underline{s_s}$ ubsection 121.2(b) with Conditional Use authorization.
 - (3) In the Polk Street Neighborhood Commercial District, this subsection 121.2(b) shall not apply to a Movie Theater use, or the expansion of an existing General Grocery Use, as defined in Section 102 of this Code, and pursuant to the controls of Section 723.
 - (4) In the West Portal Neighborhood Commercial District, Health Services Uses located at Assessor's Parcel Block No. 2989B, Lot 17 may exceed the limit in the table below, but shall not have a Gross Floor Area great than 5,000 square feet.

The use area shall be measured as the Gross Floor Area for each individual Non-Residential use.

| District | Use Size Limits | | |
|------------------------------|--------------------|--|--|
| West Portal Avenue | | | |
| North Beach | | | |
| Castro Street | 4,000 square feet | | |
| Polk Street | | | |
| Pacific Avenue | | | |
| Regional Commercial District | 25,000 square feet | | |

1 2 SEC. 729. WEST PORTAL AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT. 3 4 Table 729. WEST PORTAL AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT **ZONING CONTROL TABLE** 5 West Portal Avenue NCD 6 7 **Zoning Category** § References Controls 8 9 **NON-RESIDENTIAL STANDARDS AND USES** 10 **Development Standards** 11 12 Controls by Story 13 1st 2nd 3rd+ 14 15 Sales and Service Use Category 16 § § 102, <u>121.2,</u> Ρ Ρ NΡ Retail Sales and 17 Service Uses* 202.2(a), 18 202.3 19 * * * * 20 Animal Hospital § 102 ₽ ₽ NP21 22 Restaurant § § 102, ₽ ₽ NP23 202.2(a)24

| 1 | Restaurant, Limited | § § 102, | P | P | NP | |
|----|---|---------------------|----------|---|----|--|
| 2 | | 202.2(a) | | | | |
| 3 | * * * * | | | | | |
| 4 | Services, Health | § 102 | P | ₽ | NP | |
| 5 | * * * * | | | | | |
| 6 | * * * * | | | | | |
| 7 | Section 4. 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 5. 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 | | ODM. | | | | |
| 19 | APPROVED AS TO F DAVID CHIU, City Att | | | | | |
| 20 | D | | | | | |
| 21 | By: /s/ AUSTIN M. Yal | | <u> </u> | | | |
| 22 | Deputy City Att | omey | | | | |

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REVISED LEGISLATIVE DIGEST

(Amended in Committee – January 13, 2025)

[Planning Code - Health Service Uses in West Portal Neighborhood Commercial District]

Ordinance amending the Planning Code to permit certain Health Service Uses up to 5,000 gross square feet without a conditional use permit in the West Portal Neighborhood Commercial District; 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 pursuant to Planning Code, Section 302

Existing Law

The West Portal Avenue Neighborhood Commercial District (NCD) does not permit uses greater than 2,5000 square feet without a conditional use authorization. The NCD also does not permit any uses to be larger than 4,000 square feet.

Amendments to Current Law

This ordinance would create an exception from the conditional use authorization requirement and size limitation for certain Health Service Uses.

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