

PLANNING COMMISSION RESOLUTION NO. 21333

HEARING DATE: JUNE 15, 2023 CORRECTED DATE: JUNE 28, 2023

Project Name: Nighttime Entertainment Castro Street Neighborhood Commercial District

Case Number: 2022-005693PCA [Board File No. 220709]

Initiated by: Supervisor Mandelman / Introduced June 7, 2022

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RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO CHANGE THE ZONING CONTROLS IN THE CASTRO STREET NEIGHBORHOOD COMMERCIAL DISTRICT TO ALLOW NIGHTTIME ENTERTAINMENT WITH A CONDITIONAL USE AUTHORIZATION ON THE SECOND FLOOR; AND 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 FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on June 7, 2022 Supervisor Mandelman introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 220709, which would amend the Planning Code to change the zoning controls in the Castro Street Neighborhood Commercial District to allow Nighttime Entertainment with a Conditional Use authorization on the second floor);

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 15, 2023; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15060(c) and 15378; and

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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 **approves with modifications** the proposed ordinance. The Commission's proposed recommendation is as follows:

1. Remove non-residential use size limitations for Article 10 Landmarks in the Castro NCD.

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 Castro NCD is both a neighborhood-serving shopping district and a destination for regional and national visitors. It has a vibrant mix of uses that meet daily needs - coffee shops, a hardware store, banks, a bookstore, a grocer, and pharmacies. And like all San Francisco neighborhoods, it has felt the impact of the pandemic and a changing retail sector. One of the few remaining business types that have been able to stay profitable are experiential in nature, for example Entertainment, Personal Service, and Eating & Drinking Establishments. The City also has an interest in land use policies that support a mix of retail so that the neighborhood can continue to both serve residents and draw visitors. The proposed Ordinance achieves this balance. A CUA process for new Nighttime Entertainment will ensure each proposed new Nighttime Entertainment use can be reviewed on a case-by-case basis to determine whether it would be appropriate for the neighborhood in its specific context.

General Plan Compliance

The proposed Ordinance and the Commission's recommended modification is 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.

Policy 2.3

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

Citywide data over the past decades shows that dining/drinking, personal services, and entertainment are the only retail subsections that have grown in the City's neighborhood commercial areas. Increasing the types of uses that may operate on the 2^{nd} story in the Castro NCD to include Nighttime Entertainment will allow a use type to establish in the district that is known for bringing in tourists and locals alike. The residual effects of increased visitors to the district will benefit the struggling commercial businesses and potentially assist in reducing the number of storefront vacancies in the Castro NCD.

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



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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 APPROVES 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 15, 2023 and Arrected on June 28, 2023.

Jonas P. Ionin

Jonas P Ionin Date: 2023.06.29 10:49:52 -0700'

Commission Secretary

AYES: Braun, Diamond, Imperial, Koppel, Moore, Tanner

NOES: None Imperial, Moore

ABSENT: Ruiz

ADOPTED: June 15, 2023

CORRECTED: June 28, 2023

