



December 27, 2023

Ms. Angela Calvillo, Clerk
Supervisor Peskin
Board of Supervisors
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 Number 2023-009433PCAMAP:
900 Kearny Street Special Use District
Board File No. 231006

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and President Peskin,

On November 30, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by President Peskin that would amend various sections of the Planning Code. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modification was as follows:

1. Revise Section 810 (Chinatown-Community Business District) to make it consistent with the Use Size limitations in Section 121.4.

The proposed amendments are not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because they do not result in a physical change in the environment.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the change 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: Heather Goodman, Deputy City Attorney
Sunny Angulo, Aide to Supervisor Peskin
John Carroll, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21453

HEARING DATE: NOVEMBER 30, 2023

Project Name: 900 Kearny Street Special Use District
Case Number: 2023-009433PCAMAP [Board File No. 231006]
Initiated by: Supervisor Peskin / Introduced September 26, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO CREATE THE 900 KEARNY STREET SPECIAL USE DISTRICT; 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 PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on September 26, 2023 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 231006, which would amend the Planning Code and Zoning Map to create the 900 Kearny Street Special Use District;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 30, 2023; and,

WHEREAS, the proposed Ordinance are not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because they do not result in a physical change in the environment; 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 **approves with modification** the proposed ordinance. The Commission's proposed recommendation is as follows:

1. Revise Section 810 (Chinatown-Community Business District) to make it consistent with the Use Size limitations in Section 121.4.

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 proposed Ordinance helps address storefront vacancies by providing more flexibility at the site.

General Plan Compliance

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

ARTS ELEMENT

OBJECTIVE I-1

RECOGNIZE THE ARTS AS NECESSARY TO THE QUALITY OF LIFE FOR ALL SEGMENTS OF SAN FRANCISCO.

Policy I-1.3

Increase public awareness of the arts in San Francisco by greater promotion of existing art programs and services in the community and schools.

OBJECTIVE IV-1

ADVOCATE AND ASSIST IN PROVIDING ARTS EDUCATION PROGRAMMING AT ALL LEVELS.

Policy IV-1.1

Advocate for arts education opportunities for all residents of San Francisco.

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.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

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.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

CHINATOWN AREA PLAN

OBJECTIVE 6

RETAIN CHINATOWN'S ROLE AS A CAPITAL CITY.

Policy 6.2

Provide for modest expansion of community business offices related to Capital City role.

The proposed Ordinance would allow Non-Retail Professional Services on the First Story and Basement and Arts Activities at the project site where it is currently prohibited helping fill the vacancy. This new opportunity supports the Arts Element goals of recognizing arts as necessary to the quality of life for all San Franciscans. Additionally, the proposed Ordinance provides more flexibility and finding new ways to attract new businesses to the neighborhood as outlined in the Commerce and Industry Element. This will support the property owner in filling the current vacancy. Further, the proposed Ordinance supports Chinatown Area Plan Policy 6.2 by providing a modest relaxation of existing controls to allow for compatible uses along Kearny Street.

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 APPROVES WITH MODIFICATION the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 30, 2023.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2023.12.11 16:14:34 -08'00'

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

NOES: None

ABSENT: Moore

ADOPTED: November 30, 2023

This page intentionally blank.



EXECUTIVE SUMMARY

PLANNING CODE TEXT AND ZONING MAP AMENDMENT

HEARING DATE: November 30, 2023

90-Day Deadline: January 1, 2024

Project Name: 900 Kearny Street Special Use District
Case Number: 2023-009433PCAMAP [Board File No. 231006]
Initiated by: Supervisor Peskin / Introduced September 26, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533
Environmental Review: Not a Project Under CEQA

Recommendation: Approval with Modification

Planning Code Amendment

The proposed Ordinance would amend the Planning Code and Zoning Map to create the 900 Kearny Street Special Use District (SUD).

The Way It Is Now:	The Way It Would Be:
The property at 900 Kearny Street is zoned Chinatown-Community Business (CCB).	The 900 Kearny Street SUD would be created at Assessor's Parcel No. 0176, Block Lot No. 011. The underlying zoning would remain CCB.
Non-Retail Professional Services are not permitted on the First Story. ¹	Non-Retail Professional Services would be permitted on the First Story and Basement.
Entertainment, Arts and Recreation Uses are generally not permitted in CCB, except for some exceptions listed in Sec. 810.	The SUD would permit an Arts Activity, a retail Entertainment, Arts and Recreation Use, on all floors.

¹ Non-Retail Professional Services are permitted on the Second Floor and above.

The maximum Use Size limit in the CCB District is up to 2,500 square feet, with legal, non-conforming Use Sizes as an exception. Use Sizes up to 5,000 square feet require a Conditional Use Authorization (CUA).	The SUD would not have a Use Size limit.
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------

Background

The proposed SUD is at 900 Kearny Street, the former location of a former Formula Retail Financial Services Use (d.b.a EastWest Bank) that vacated the space in 2021. The property owner approached Supervisor Peskin with concerns about the challenges they are facing filling the space. They recently filed an over-the-counter permit to subdivide the current space into four different code-complying spaces with each space not exceeding 2,500 square feet in size. The proposed SUD would provide more flexibility in terms of permitted Uses and allowable Use Size limits to assist the property owner in finding a new tenant(s).

Issues and Considerations

- A nonconforming Use Size may continue in perpetuity if the Use Size is not intensified.

Nonconforming Use Size

A legal, nonconforming Use Size may remain in perpetuity if the Use Size is not intensified or enlarged; however, this nonconformity only applies to one Use Size, not to all Uses on the parcel. In the example of 900 Kearny Street, the nonconforming Use Size can remain in place, but only for one tenant space. If the property owner were to subdivide the existing space into multiple tenant spaces, all other Uses would need to comply with the Code requirements. For the CCB Zoning District, this means that Use Sizes are only permitted up to 2,500 square feet, or up to 5,000 square feet with a CUA.

Rezoning

An alternative path that would achieve the same goals as the proposed Ordinance involves rezoning this parcel to C-2 District: Community Business (C-2). As seen in Figure 1, 900 Kearny Street is directly adjacent to the C-2, which is more permissive than the proposed SUD. This rezoning path would also allow for other Uses at this parcel such as

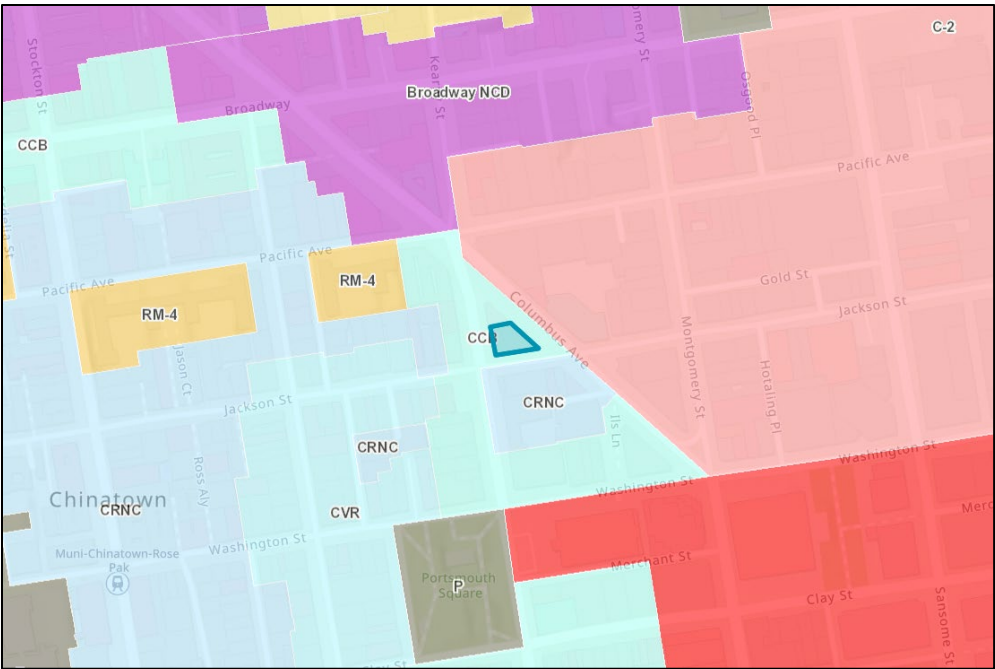


Figure 1: Zoning Districts at and around 900 Kearny Street

Entertainment, Arts and Recreation Uses (the umbrella Land Use category for Arts Activity). Rezoning this parcel (or even Block) would be more straightforward; however, the Department understands that the SUD approach was favored by the community since it was more targeted.

General Plan Compliance

The proposed Ordinance would allow Non-Retail Professional Services on the First Story and Basement and Arts Activities at the project site where it is currently prohibited helping fill the vacancy. This new opportunity supports the Arts Element goals of recognizing arts as necessary to the quality of life for all San Franciscans. Additionally, the proposed Ordinance provides more flexibility and finding new ways to attract new businesses to the neighborhood as outlined in the Commerce and Industry Element. This will support the property owner in filling the current vacancy. Further, the proposed Ordinance supports Chinatown Area Plan Policy 6.2 by providing a modest relaxation of existing controls to allow for compatible uses along Kearny Street.

Racial and Social Equity Analysis

The proposed amendments cannot be directly tied to a negative or positive impact in advancing the City's racial and social equity. There is not enough data to support the claim for the small number of businesses that it will affect.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures.

Recommendation

The Department recommends that the Commission *approve with modification* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendation is as follows:

1. Revise Section 810 (Chinatown-Community Business District) to make it consistent with the Use Size limitations in Section 121.4.

Basis for Recommendation

The Department endorses the proposed Ordinance as it addresses a significant vacancy in Chinatown, contributing to the preservation of the neighborhood's vibrancy. Notably, it does so in a targeted manner that respects the desires and needs of the Chinatown community. Aligned with the General Plan, the proposed ordinance introduces art-related uses to the neighborhood and grants the building owner greater flexibility in attracting new businesses. Further, the building's existing configuration, which was designed for one tenant in an open floor plan, makes it difficult to reconfigure the space so that it can comply with existing zoning. The relaxation of the use size controls in the proposed SUD, along with the new use allowances, will provide the necessary flexibility to help fill this unique space. In addition to recommending approval of the SUD, the Department would also like to use this opportunity to fix a code error, as described below.

Recommendation 1: Revise Section 810 (Chinatown-Community Business District) to make it consistent with the Use Size limitations in Section 121.4.

The current CCB Use Size controls are inconsistent in the Code:

- Section 121.4: Use Size limit permitted up to 2,500 square feet, or up to 5,000 square feet with a CUA and
- Section 810: Use Size limit permitted up to 5,000 square feet, or 5,000 square feet or greater with a CUA.

This is a clerical error created by Board File 210600, Ordinance No. 197-21. Section 810 should be revised to match Section 121.4 under this Ordinance. When there is a discrepancy between a zoning control table and another section of the Code, generally the other section trumps the zoning control table.

Required Commission Action

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) 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. 231006



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: November 30, 2023

Project Name: 900 Kearny Street Special Use District
Case Number: 2023-009433PCAMAP [Board File No. 231006]
Initiated by: Supervisor Peskin / Introduced September 26, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO CREATE THE 900 KEARNY STREET SPECIAL USE DISTRICT; 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 PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on September 26, 2023 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 231006, which would amend the Planning Code and Zoning Map to create the 900 Kearny Street Special Use District;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 30, 2023; and,

WHEREAS, the proposed Ordinance are not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because they do not result in a physical change in the environment; 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 **approves with modification** the proposed ordinance. The Commission's proposed recommendation is as follows:

1. Revise Section 810 (Chinatown-Community Business District) to make it consistent with the Use Size limitations in Section 121.4.

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 proposed Ordinance helps address storefront vacancies by providing more flexibility at the site.

General Plan Compliance

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

ARTS ELEMENT

OBJECTIVE I-1

RECOGNIZE THE ARTS AS NECESSARY TO THE QUALITY OF LIFE FOR ALL SEGMENTS OF SAN FRANCISCO.

Policy I-1.3

Increase public awareness of the arts in San Francisco by greater promotion of existing art programs and services in the community and schools.

OBJECTIVE IV-1

ADVOCATE AND ASSIST IN PROVIDING ARTS EDUCATION PROGRAMMING AT ALL LEVELS.

Policy IV-1.1

Advocate for arts education opportunities for all residents of San Francisco.

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.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

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.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

CHINATOWN AREA PLAN

OBJECTIVE 6

RETAIN CHINATOWN'S ROLE AS A CAPITAL CITY.

Policy 6.2

Provide for modest expansion of community business offices related to Capital City role.

The proposed Ordinance would allow Non-Retail Professional Services on the First Story and Basement and Arts Activities at the project site where it is currently prohibited helping fill the vacancy. This new opportunity supports the Arts Element goals of recognizing arts as necessary to the quality of life for all San Franciscans. Additionally, the proposed Ordinance provides more flexibility and finding new ways to attract new businesses to the neighborhood as outlined in the Commerce and Industry Element. This will support the property owner in filling the current vacancy. Further, the proposed Ordinance supports Chinatown Area Plan Policy 6.2 by providing a modest relaxation of existing controls to allow for compatible uses along Kearny Street.

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 APPROVES WITH MODIFICATION the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 30.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: November 30, 2023

This page intentionally blank.

EXHIBIT B

[Planning Code, Zoning Map - 900 Kearny Street Special Use District]

Ordinance amending the Planning Code and Zoning Map to create the 900 Kearny Street Special Use District; 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 pursuant to Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of

1 the Board of Supervisors in File No. _____, and is incorporated herein by reference. In
2 addition, the Board finds that the 900 Kearny Street SUD is consistent with the General Plan
3 because the Chinatown Area Plan, in which it is located, identifies Kearny Street as an area
4 for potential office development, in furtherance of plan objectives and policies. Objective 6 of
5 the plan (“Retain Chinatown’s Role as a Capital City”) provides that “Chinatown functions as a
6 capital city and center of civic, religious and political organization, as well as a specialized
7 shopping area for the larger Chinese population of the Bay Area.” Policy 6.2 of the plan
8 (“Provide for modest expansion of community business offices related to Capital City role”)
9 specifically states that, “Kearny Street and vicinity have more potential for added office
10 development than other parts of Chinatown.” The 900 Kearny Street SUD would allow Non-
11 Retail Professional Services uses to utilize vacant space and provide for the modest
12 expansion of community business uses consistent with planning goals, while expanding the
13 scope of tenants that may occupy the site. In addition, the 900 Kearny Street SUD will further
14 the City’s goal of facilitating economic diversification and revitalization by expanding the scope
15 of uses permitted at 900 Kearny Street.

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

21
22 Section 2. General Findings.

23 (a) The 900 Kearny Street Special Use District (SUD) is intended to facilitate reuse of
24 the property located at 900 Kearny Street. The property is located within the Chinatown
25 Community Business District, established in Planning Code Section 810, which prohibits

1 Non-Retail Professional Services uses on the first story and in the basement of buildings,
2 while allowing such uses on the second story and higher.

3 (b) The 900 Kearny Street SUD would facilitate the reuse of the ground and basement
4 floors of 900 Kearny Street and exempt the site from the non-residential use size limits and
5 use size maximums under Sections 121.4 and 810 of the Planning Code. All other applicable
6 Planning Code provisions would continue to apply to the SUD. In the face of the COVID-19
7 pandemic, commercial vacancy rates have risen to over 28% throughout the City. These high
8 vacancy rates have persisted, particularly in the area where 900 Kearny Street is located, in
9 the blocks generally at the intersection of Chinatown, North Beach, Jackson Square, and the
10 Financial District. The current restrictions applicable to Non-Retail Professional Services uses
11 within the Chinatown Community Business District exacerbate the difficulty of building owners
12 to support existing businesses and tenants, and to attract new business and tenants.

13
14 Section 3. Article 2 of the Planning Code is hereby amended by adding Section
15 249.95, to read as follows:

16 **SEC. 249.95. 900 KEARNY STREET SPECIAL USE DISTRICT.**

17 **(a) Purpose.** *The 900 Kearny Street Special Use District is intended to facilitate the reuse of the*
18 *ground and basement floors of 900 Kearny Street, which were previously occupied by a Formula Retail*
19 *Financial Services Use that vacated the space in 2021.*

20 **(b) Location.** *The 900 Kearny Street Special Use District consists of Assessor's Block 0176, Lot*
21 *011. Its boundaries are shown on Special Use District Map SU01 of the Zoning Map, and consists of*
22 *the area within a perimeter established by Columbus Street to the east, Jackson Street to the south, and*
23 *Kearny Street to the west, and adjacent to the Sentinel Building/Columbus Tower to the north.*

(c) **Controls.** Applicable provisions of the Planning Code shall apply to the 900 Kearny Street Special Use District except as otherwise provided in this Section 249.95. In the event of a conflict between other provisions of the Planning Code and this Section, this Section shall control.

(1) Non-Retail Professional Services Uses shall be permitted on all floors, including the First Story and Basement.

(2) The non-residential use size limits and use size maximums in Sections 121.4 and 810 shall not apply to Non-Retail Professional Services Uses.

(3) Arts Activities Uses shall be permitted on all floors.

Section 4. Zoning Map. The Planning Code is hereby amended by revising Special Use District Map SU01 of the Zoning Map of the City and County of San Francisco, as follows:

Description of Property	Special Use District Hereby Approved
Assessor's Block 0176, Lot 011	900 Kearny Street

Section 5. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ HEATHER GOODMAN
HEATHER GOODMAN
Deputy City Attorney

n:\legana\as2023\2400085\01707415.docx