

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: January 17, 2024
To: Planning Department/Planning Commission
From: John Carroll, Assistant Clerk, Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Re-Referral - File No. 231223 – VERSION 2
Planning Code - Parcel Delivery Service

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - ☒ Ordinance / Resolution
 - ☐ Ballot Measure
- ☒ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - ☒ General Plan ☒ Planning Code, Section 101.1 ☒ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
 - ☐ Landmark (*Planning Code, Section 1004.3*)
 - ☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - ☐ Mills Act Contract (*Government Code, Section 50280*)
 - ☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

[Planning Code - Parcel Delivery Service]

Ordinance amending the Planning Code to require Conditional Use authorizations for establishing Parcel Delivery Service uses, prohibit Parcel Delivery Service as an accessory use, and revise zoning control tables to reflect these changes; affirming the Planning Department's determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

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. 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

1 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
2 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
4 amendments will serve the public necessity, convenience, and welfare for the reasons set
5 forth in Planning Commission Resolution No. _____, and the Board adopts such
6 reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
7 Supervisors in File No. _____ and is incorporated herein by reference.

8
9 Section 2. The Planning Code is hereby amended by revising Sections 102, 210.1,
10 210.2, 210.3, 210.4, 303, 712, 830, 831, 832, 833, 836, 838, 839, and 840, to read as follows:

11
12 **SEC. 102. DEFINITIONS.**

13 * * * *

14 **Service, Parcel Delivery.** A Non-Retail Automotive Use limited to facilities for the
15 unloading, sorting, and reloading of local retail merchandise for deliveries, including but not
16 limited to cannabis and cannabis products, where the operation is conducted entirely within a
17 completely enclosed building, including garage facilities for local delivery trucks, but excluding
18 repair shop facilities. Within ~~Where permitted in~~ PDR Districts, this use is not required to be
19 operated within a completely enclosed building. *Parcel Delivery Service use requires a*
20 *Conditional Use authorization pursuant to Section 303(cc) and is not allowed as an accessory use to*
21 *any other principal use.*

22 * * * *

23 **SEC. 210.1. C-2 DISTRICTS: COMMUNITY BUSINESS.**

24 * * * *

25 **Table 210.1**

ZONING CONTROL TABLE FOR C-2 DISTRICTS

<i>Zoning Category</i>	<i>§ References</i>	<i>C-2</i>
* * * *		
<i>NON-RESIDENTIAL STANDARDS AND USES</i>		
* * * *		
<i>Automotive Use Category</i>		
* * * *		
Service, Parcel Delivery	§§ 102, <u>303(cc)</u>	C
* * * *		

* * * *

SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.

* * * *

Table 210.2

ZONING CONTROL TABLE FOR C-3 DISTRICTS

<i>Zoning Category</i>	<i>§ References</i>	<i>C-3-O</i>	<i>C-3-O(SD)</i>	<i>C-3-R</i>	<i>C-3-G</i>	<i>C-3-S</i>
* * * *						
<i>NON-RESIDENTIAL STANDARDS AND USES</i>						
* * * *						
<i>Automotive Use Category</i>						
* * * *						
Service, Parcel Delivery	§§ 102, <u>303(cc)</u>	C	C	C	C	<u>CP</u>

* * * *

SEC. 210.3. PDR DISTRICTS.

* * * *

Table 210.3

ZONING CONTROL TABLE FOR PDR DISTRICTS

<i>Zoning Category</i>	<i>§ References</i>	<i>PDR-1-B</i>	<i>PDR-1-D</i>	<i>PDR-1-G</i>	<i>PDR-2</i>
<i>* * * *</i>					
<i>NON-RESIDENTIAL STANDARDS AND USES</i>					
<i>* * * *</i>					
<i>Automotive Use Category</i>					
<i>* * * *</i>					
Service, Motor Vehicle Tow	§ 102	P	P	P	P
<u>Service, Parcel</u> <u>Delivery</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>
<i>* * * *</i>					

* * * *

SEC. 210.4. M DISTRICTS: INDUSTRIAL.

* * * *

Table 210.4

ZONING CONTROL TABLE FOR M DISTRICTS

Zoning Category	§ References	M-1	M-2
* * * *			
NON-RESIDENTIAL STANDARDS AND USES			
* * * *			
Automotive Use Category			
* * * *			
Parking Lot, Public	§§ 102, 142, 156	C	C
<u>Service, Parcel Delivery</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>	<u>C</u>
* * * *			

* * * *

SEC. 303. CONDITIONAL USES.

* * * *

(bb) **Social Service and Philanthropic Facilities in Chinatown Visitor Retail, Chinatown Residential Neighborhood Commercial, and Chinatown Community Business Districts.** With regard to a Conditional Use application for a Social Service or Philanthropic Facility use pursuant to Section 121.4 of this Code, in addition to consideration of the criteria set forth in subsection (c) above, the Planning Commission shall, in order to grant a Conditional Use Authorization, find that the proposed use will primarily serve the Chinatown neighborhood.

(cc) Parcel Delivery Services.

(1) Criteria. *With respect to a Conditional Use application for Parcel Delivery Service use as defined in Section 102 of the Planning Code, in addition to the criteria in subsections (c) and (d) above, the Planning Commission shall consider the following:*

1 (A) The extent to which the use will adversely impact traffic patterns and
2 queuing times and add total vehicle miles traveled, including by delivery drivers and couriers operating
3 to and from the site;

4 (B) The greenhouse gas emissions resulting from operating of the site, including
5 from indirect sources such as courier and delivery vehicles;

6 (C) The impact that the use will have on public transit, public safety, and
7 emergency response, with particular attention paid to the rate of workplace injury associated with the
8 use and moving violations and traffic accidents requiring public safety or emergency service response;
9 and

10 (D) An economic impact study. The Planning Department shall prepare an
11 economic impact study using City staff or shall, consistent with the Charter, select a consultant from a
12 pool of pre-qualified consultants to prepare the economic impact study required by this subsection (cc).
13 The economic impact study shall be considered by the Planning Commission in its review of the
14 application. In the event a consultant is used, the applicant shall bear the cost of paying the consultant
15 for their work preparing the economic impact study, and any necessary documents prepared as part of
16 that study. The study shall evaluate the potential economic impact of the applicant's proposed project,
17 including:

18 (i) **Employment Analysis.** The report shall include the following
19 employment information: a projection of both construction-related and permanent employment
20 generated by the proposed project, and a discussion of whether the employer of the proposed project
21 will pay a living wage, inclusive of non-salary benefits expected to be provided, relative to San
22 Francisco's cost of living. The employment analysis shall also include a discussion of the past
23 employment practices of the proposed operator, if any.

24 (ii) **Fiscal Impact.** The report shall itemize public revenue created by the
25 proposed project and public services needed because of the proposed project, relative to net fiscal

1 impacts to the General Fund. The impacts to the City's public facilities and infrastructure shall be
2 estimated using the City's current assumptions in existing nexus studies (including area plan, transit,
3 open space in-lieu fee and other impact fees), and should account for any contributions the proposed
4 project would make through such impact fee payments.

5 (2) **Required Additional Conditions.** All Parcel Delivery Service facilities shall be
6 subject to at least the following conditions of project approval:

7 (A) **Electrification.** Facilities shall include necessary infrastructure and
8 electrical capacity to accommodate and charge electric vehicles—including electric heavy-duty
9 delivery trucks, employee vehicles, and all other zero-emission vehicles accessing the facility; power
10 refrigeration for refrigerated spaces; and serve any other processes that would otherwise rely upon
11 fossil fuel combustion. Facilities shall install battery storage to address power disruption. Diesel
12 back-up generators shall only be permitted if the facility demonstrates battery storage is infeasible and
13 shall meet CARB's Tier 4 emission standards or meet the most stringent in-use standard, whichever has
14 the least emissions.

15 (B) **Idling of Vehicles.** To reduce idling emissions from transport trucks, the
16 facility shall have signage placed at truck access points, loading docks, and truck parking areas that
17 clearly notes idling for more than three minutes is strictly prohibited on the subject property. The
18 facility shall fund placement of similar signs installed by the City in the adjacent streets used for
19 access. Each sign placed outside the property should note the California Air Resources Board idling
20 prohibitions on the adjacent streets and include telephone numbers of the building facilities manager
21 and the California Air Resources Board to report violations. All signage should be made of weather-
22 proof materials. All site and architectural plans submitted to the City shall note the locations of these
23 signs.

24 **SEC. 712. NC-3 – MODERATE-SCALE NEIGHBORHOOD COMMERCIAL**
25 **DISTRICT.**

* * * *

Table 712. MODERATE-SCALE NEIGHBORHOOD COMMERCIAL DISTRICT NC-3

ZONING CONTROL TABLE

		NC-3		
Zoning Category	§ References	Controls		
* * * *				
NON-RESIDENTIAL STANDARDS AND USES				
* * * *				
NON-RESIDENTIAL USES		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				
Automotive Uses*	§§ 102, 187.1, 202.2(b) ₂ <u>303(cc)</u>	C	NP	NP
* * * *				

* * * *

SEC. 830. CMUO—CENTRAL SOMA MIXED USE-OFFICE DISTRICT.

* * * *

Table 830

CMUO—CENTRAL SOMA MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE

Central SoMa Mixed Use-Office District Controls		
Zoning Category	§ References	Controls
NON-RESIDENTIAL STANDARDS & USES		

* * * *		
Automotive Use Category		
* * * *		
Service, Motor Vehicle Tow	§ 102	C
<i>Service, Parcel Delivery</i>	<i>§§ 102, 303(cc)</i>	<u>C</u>
* * * *		

* * * *

SEC. 831. MUG – MIXED USE-GENERAL DISTRICT.

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Table 831

MUG – MIXED USE-GENERAL DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Mixed Use-General District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Service, Motor Vehicle Tow	§ 102	C(1)
<i>Service, Parcel Delivery</i>	<i>§§ 102, 303(cc)</i>	<u>C</u>
* * * *		

* * * *

SEC. 832. MUO – MIXED USE-OFFICE DISTRICT.

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Table 832

MUO – MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Mixed Use-Office District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Public Parking Lot	§ 102	NP
<i>Service, Parcel Delivery</i>	<i>§§ 102, 303(cc)</i>	<u>C</u>
* * * *		

* * * *

SEC. 833. MUR – MIXED USE-RESIDENTIAL DISTRICT.

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Table 833

MUR – MIXED USE-RESIDENTIAL DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Mixed Use-Residential District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		

Public Parking Lot	§ 102	NP
<i>Service, Parcel Delivery</i>	<i>§§ 102, 303(cc)</i>	<u>C</u>
* * * *		

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SEC. 836. SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT.

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Table 836

SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Service/Artis/Light Industrial District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Public Parking Lot	§ 102	NP
<i>Service, Parcel Delivery</i>	<i>§§ 102, 303(cc)</i>	<u>C</u>
* * * *		

* * * *

SEC. 838. UMU – URBAN MIXED USE DISTRICT.

* * * *

Table 838

UMU – URBAN MIXED USE DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Urban Mixed Use District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Public Parking Lot	§ 102	NP
<u>Service, Parcel Delivery</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>
* * * *		

* * * *

SEC. 839. WMUG – WSOMA MIXED USE-GENERAL DISTRICT.

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Table 839

WMUG – WSOMA MIXED USE-GENERAL DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Western SoMa Mixed Use- General District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Public Parking Lot	§ 102	NP

<i>Service, Parcel Delivery</i>	<u>§§ 102, 303(cc)</u>	<u>C</u>
* * * *		

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SEC. 840. WMUO – WSOMA MIXED USE-OFFICE DISTRICT.

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Table 840

WMUO – WSOMA MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE

Zoning Category	§ References	Western SoMa Mixed Use-Office District Controls
* * * *		
NON-RESIDENTIAL STANDARDS AND USES		
* * * *		
Automotive Use Category		
* * * *		
Public Parking Lot	§ 102	NP
<i>Service, Parcel Delivery</i>	<u>§§ 102, 303(cc)</u>	<u>C</u>
* * * *		

* * * *

Section 3. 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.

1 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the “Note” that appears under
6 the official title of the ordinance.

7
8
9 APPROVED AS TO FORM:
10 DAVID CHIU, City Attorney

11 By: /s/ Robb Kapla
12 ROBB KAPLA
 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST

(Substituted, 1/9/2024)

[Planning Code - Parcel Delivery Service]

Ordinance amending the Planning Code to require Conditional Use authorizations for establishing Parcel Delivery Service uses, prohibit Parcel Delivery Service as an accessory use, and revise zoning control tables to reflect these changes; affirming the Planning Department's determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Section 102 of the Planning Code includes many definitions of uses that are permitted, conditional, or not permitted under the City's zoning and planning regulations. Parcel Delivery Service ("PDS") is defined as a non-retail automotive use where parcels can be loaded, unloaded, and sorted for delivery. PDS is either permitted or subject to a conditional use authorization in most manufacturing, PDR, mixed use, and commercial districts and not permitted in all other zoning districts. PDS is currently subject to interim controls that require a conditional use authorization in all areas where, under the code, it would otherwise be principally permitted. The interim controls expire on March 30, 2024.

Amendments to Current Law

The Proposed Legislation would amend the definition of PDS and all applicable zoning districts to require a conditional use authorization where formerly it was principally permitted. The Proposed Legislation lists specific criteria the Planning Commission must consider and findings it must make in determining whether to grant a conditional use authorization for PDS uses. The criteria include assessing transit and traffic impacts, greenhouse gas emissions, and public and worker safety of the PDS use, and the results of an economic impact study of the proposed project. The Proposed Legislation would also require that any conditional authorization include electrification measures and adherence to vehicle idling limitations.

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Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- ☐ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☐ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor [] inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. [] from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☒ 8. Substitute Legislation File No. [231223]
- ☐ 9. Reactivate File No. []
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on []

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Chan

Subject:

Planning Code - Parcel Delivery Service

Long Title or text listed:

Ordinance amending the Planning Code to require Conditional Use authorizations for establishing Parcel Delivery Service uses, prohibit Parcel Delivery Service as an accessory use, and revise zoning control tables to reflect these changes; affirming the Planning Department's determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

Signature of Sponsoring Supervisor:

