

BOARD of SUPERVISORS



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MEMORANDUM

TO: Katy Tang, Director
Small Business Commission, City Hall, Room 448

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

DATE: October 10, 2023

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 231006

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.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Senior Policy Analyst/Commission Secretary

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ **No Comment**

_____ **Recommendation Attached**

Chairperson, Small Business Commission

[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

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