



April 2, 2025

Ms. Angela Calvillo, Clerk
Honorable Supervisor Dorsey
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 2025-001365PCA/MAP:**
600 Townsend Street West Special Use District
Board File No. 250125

Planning Commission Recommendation: Approval

Dear Ms. Calvillo and Supervisor Dorsey,

On March 27, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Dorsey. The proposed Ordinance would establish Planning Code Section 249.10 as the 600 Townsend Street West Special Use District and amend Planning Code Sections 249.45, 803.9, and 838. At the hearing the Planning Commission adopted a recommendation for approval.

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,

Aaron D. Starr
Manager of Legislative Affairs

cc: Austin Yang, Deputy City Attorney
Madison Tam, Aide to Supervisor Dorsey
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21712

HEARING DATE: MARCH 27, 2025

Project Name: 600 Townsend Street West Special Use District
Case Number: 2025-001365PCA/MAP [Board File No. 250125]
Initiated by: Supervisor Dorsey / Introduced February 12, 2025
Staff Contact: Rebecca Salgado, Legislative Affairs
Rebecca.Salgado@sfgov.org, 628-652-7332
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO ESTABLISH THE 600 TOWNSEND STREET WEST SPECIAL USE DISTRICT, ENCOMPASSING THE REAL PROPERTY CONSISTING OF ASSESSOR'S PARCEL BLOCK NO. 3783, LOT NO. 008, TO ALLOW THE LEGALIZATION OF THE LONGSTANDING OFFICE USES AT THE SITE BY PRINCIPALLY PERMITTING OFFICE USES ON ALL FLOORS AND WAIVING OR REDUCING BICYCLE PARKING, OPEN SPACE, STREETScape, TRANSPORTATION DEMAND MANAGEMENT PROGRAM, AND IMPACT FEE REQUIREMENTS; 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 UNDER PLANNING CODE, SECTION 302.

WHEREAS, on February 12, 2025, Supervisor Dorsey introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250125, which would amend the Planning Code to create the 600 Townsend West Special Use District (hereinafter the "600 TW SUD"), amend Section Map No. SU08 of the Zoning Map to add the 600 TW SUD and apply it to the Project Site, recognize the existing open space, class 2 bicycle parking and street trees at the Project Site, and establish certain impact fees (the "Proposed Ordinance"). The Proposed Ordinance would apply to the property at 600 Townsend West (Assessor's Block 3783, Lot 008) (the "Project Site"), and would operate as an overlay district in addition to the underlying base zoning of Urban Mixed Use (UMU);

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on March 27, 2025; and

WHEREAS, the proposed Ordinance is not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does 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 adopts a **recommendation for approval** of the proposed ordinance.

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 Commission supports the proposed ordinance because it allows for the continuation of a longstanding existing use that promotes commercial activity and provides economic benefits to the City. The Proposed Ordinance would not displace any existing uses, or result in any introduction of incompatible uses.

General Plan Compliance

The proposed Ordinance 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.

The Proposed Ordinance will promote retention of existing commercial activity and help ensure its continuing viability and ability to attract office tenants and employees. It also will solidify the economic benefits the City

has received from the ongoing Office uses at the project site, and ensure that those benefits continue into the future.

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 the cultural and economic diversity of our neighborhoods.

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, as the subject property's existing office uses have been in place since the 1990s, 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 the 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 ADOPTS A RECOMMENDATION FOR APPROVAL of the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on March 27, 2025.



Jonas P. Ionin
Commission Secretary

AYES: Campbell, Williams, Braun, Imperial, Moore, So

NOES: None

ABSENT: McGarry

ADOPTED: March 27, 2025



EXECUTIVE SUMMARY

PLANNING CODE TEXT & ZONING MAP AMENDMENT

HEARING DATE: March 27, 2025

90-Day Deadline: May 12, 2025

Project Name: 600 Townsend Street West Special Use District
Case Number: 2025-001365PCA/MAP [Board File No. 250125]
Initiated by: Supervisor Dorsey / Introduced February 12, 2025
Staff Contact: Rebecca Salgado, Legislative Affairs
Rebecca.Salgado@sfgov.org, 628-652-7332
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533
Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval

Planning Code Amendment

The proposed Ordinance would amend the Planning Code and Zoning Map to establish the 600 Townsend Street West Special Use District, encompassing the real property consisting of Assessor’s Parcel Block No. 3783, Lot No. 008. The SUD would allow the legalization of the longstanding office uses at the site by principally permitting office uses on all floors and waiving or reducing bicycle parking, open space, streetscape, Transportation Demand Management program, and impact fee requirements.

The Way It Is Now:

1. The parcel at 600 Townsend Street (APN 3783/008) is zoned UMU.
2. In the UMU District, Office uses are subject to the vertical controls of Planning Code Section 803.9(c),

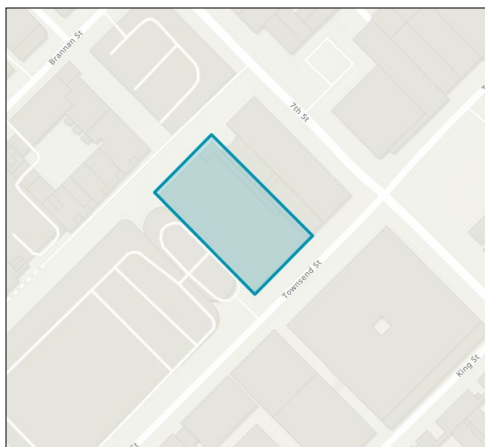
which limits the maximum number of designated Office stories at a property and prohibits Office uses on the ground floor.

The Way It Would Be:

1. The parcel at 600 Townsend Street would be rezoned to 600 Townsend Street West Special Use District.
2. The 600 Townsend Street West Special Use District Office would allow Office uses on all floors and would waive or reduce bicycle parking, open space, streetscape, Transportation Demand Management program, and impact fee requirements.



600 Townsend Street, west (left) and east (right) buildings.



Proposed boundaries of the 600 Townsend Street West Special Use District.

Background

The proposed Special Use District would be located at 600 Townsend Street West (the “Project Site”). Adjacent to the Project Site is 600 Townsend Street East (APN 3783/007). The building occupying the Project Site contains five stories over a basement. A gallery/arcade and pedestrian bridge connect 600 Townsend Street East and West, and cross-easements allow for pedestrian and vehicular access in certain areas of both lots. As originally constructed, the Project Site contained Production, Distribution, and Repair uses, and particularly Wholesale Sales uses. The building at 600 Townsend Street East was determined to have legally converted to Office use in the 1980s. However, the building at the Project Site converted to Office use in the 1990s without the benefit of a permit.

Prior to 2008, the zoning applicable to the Project Site allowed Office use on all floors as a principally permitted use. In 2008, both the Project Site and 600 Townsend Street East were rezoned to the Urban Mixed Use (UMU) District as part of the Eastern Neighborhoods Area Plan. Office uses in the UMU District are subject to vertical controls that restrict the amount of office space in a building relative to the number of building stories. For buildings five to seven stories in height (including the Project Site), Office uses are limited to two floors and are not permitted on the ground floor.

On November 7, 2019, the Zoning Administrator issued a Letter of Determination finding that 600 Townsend Street East contained both legal conforming and legal non-conforming Office uses. However, the Office use at the Project Site (600 Townsend Street West) was never legally established under the Planning Code. Consequently, 600 Townsend Street East can operate Office uses on all floors of the building, while Office use at 600 Townsend Street West is restricted to two floors and is not permitted on the ground floor. The proposed Ordinance will legalize the existing Office uses on all five floors at 600 Townsend West.

Issues and Considerations

Rezoning

The proposed Ordinance creates the 600 Townsend Street West Special Use District (“600 TW SUD”), which would principally permit Office uses on all floors of the building. The 600 TW SUD also reduces the usable open space requirement for non-residential uses at the site, waives the requirement for enrollment in the Transportation Demand Management program, and waives Class 2 bicycle parking requirements and streetscape and pedestrian improvements, to match the existing open space, bicycle parking, and streetscape currently at the Project Site.

The 600 TW SUD also reduces development impact and in lieu fees to the levels that would have been required in 2012 under the Eastern Neighborhoods Legitimization Program (Planning Code Section 179.1), adjusted for inflation per the Consumer Price Index for All Urban Consumers. The Eastern Neighborhoods Legitimization Program was a time-limited program that enabled existing uses operating without the benefit of a required permit to obtain those permits. It also fixed certain impact fee rates at those amounts applicable immediately prior to the Eastern Neighborhoods rezoning. Though the Program expired in 2012, applying these fee rates (in Planning Code Section 179.1), adjusted for inflation, is consistent with the treatment of other legitimized Office uses in the Eastern Neighborhoods Area Plan.

Additionally, in 2023, the City enacted Ordinance No. 20-23 (Planning Code Section 403), which provides a time-limited 33% reduction of impact fees for projects that meet prescribed milestones. The proposed Ordinance applies the 33% reduction to the adjusted 2012 Eastern Neighborhood Legitimization Program rates and provides that no further reductions or offsets are available under the Planning Code.

The proposed Ordinance also corrects clerical errors in certain Planning Code sections regarding references to the subsection of Planning Code Section 803.9 that contains the vertical controls on Office uses.

General Plan Compliance

Objective 2 of the Commerce and Industry Element of the General Plan seeks to “maintain and enhance a sound and diverse economic base and fiscal structure for the city.” Policy 2.1 is to “Seek to retain existing commercial and industrial activity and to attract new such activity to the city.” The proposed Ordinance will promote retention of existing commercial activity and help ensure its continuing viability and ability to attract office tenants and employees. It also will solidify the economic benefits the City has received from the ongoing Office uses at the project site, and ensure that those benefits continue into the future.

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. As the Ordinance would only affect a single parcel, there is not enough data to support a claim of racial or social equity.

Implementation

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

Recommendation

The Department recommends that the Commission ***adopt a recommendation for approval*** of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

Basis for Recommendation

The Department supports the proposed Ordinance because it allows for the continuation of a longstanding existing use that promotes commercial activity and provides economic benefits to the City. The proposed Ordinance would not displace any existing uses, or result in any introduction of incompatible uses.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 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. 250125