From:	Nick Ferris
To:	Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)
Cc:	Carroll, John (BOS); Sauter, Danny (BOS)
Subject:	THD: OPPOSITION TO PROPOSED USE SIZE LIMIT ORDINANCE
Date:	Monday, July 28, 2025 1:09:27 PM
Attachments:	Letter to PC opposition to Use Size limit legislation.pdf THD OPPOSITION TO PROPOSED USE SIZE LIMIT ORDINANCE.pdf

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Dear Chair Melgar and Members of the Land Use Committee,

I am writing on behalf of the Telegraph Hill Dwellers to request that the existing limits on Non Residential Use sizes in the North Beach Neighborhood Commercial District be retained. Supervisor Sauter, a co-sponsor of this legislation, has not reached out to our organization to discuss implications of this specific legislation to our neighborhood corridors.

The justification for eliminating the existing size limits on Non-Residential Use sizes does not apply to the commercial corridors in North Beach, which has led the way to economic recovery in the City as evidenced by the low vacancy rate in North Beach - lower today than before the pandemic. We join with and share the position of the North Beach Business Association, the Castro Merchants Association and the West Portal Merchants Association, as set forth in their joint letter to the Planning Commission (attached).

The use size cap has been in place for over a quarter of a century and has prevented the incursion of larger retail uses and helped stabilize commercial rents thereby minimizing displacement of our existing businesses. As a result of the size limitations, our small neighborhood-serving business, many of them Legacy Businesses, are thriving. And because of the vibrancy of our commercial corridors, vacancies are filled up quickly. The current regulations are working as intended and don't need to be changed.

Lastly, Supervisor Sauter recently introduced other legislation specific to use size and other policies in North Beach and other District 3 commercial districts (File No. 250682). Please don't take a piecemeal approach. Please remove North Beach from this legislation so that we may have an opportunity to engage in meaningful discussions and negotiations with Supervisor Sauter on his recently proposed legislation.

Thank you for your consideration.

Sincerely,
Nick Ferris
President, Telegraph Hill Dwellers

July 28, 2025
Via email

Myrna Melgar, Chair
Chyanne Chan, Vice-Chair
Bilal Mahmood, Member
Land Use and Transportation Committee
San Francisco Board of Supervisors

RE: OPPOSITION TO PROPOSED USE SIZE LIMIT ORDINANCE
Board File No. 250634 – Land Use Committee Item #3

Dear Chair Melgar and Members of the Land Use Committee,

I am writing on behalf of the Telegraph Hill Dwellers to request that the existing limits on Non-Residential Use sizes in the North Beach Neighborhood Commercial District be retained. Supervisor Sauter, a co-sponsor of this legislation, has not reached out to our organization to discuss implications of this specific legislation to our neighborhood corridors.

The justification for eliminating the existing size limits on Non-Residential Use sizes does not apply to the commercial corridors in North Beach, which has led the way to economic recovery in the City as evidenced by the low vacancy rate in North Beach - lower today than before the pandemic. We join with and share the position of the North Beach Business Association, the Castro Merchants Association and the West Portal Merchants Association, as set forth in their joint letter to the Planning Commission (attached).

The use size cap has been in place for over a quarter of a century and has prevented the incursion of larger retail uses and helped stabilize commercial rents thereby minimizing displacement of our existing businesses. As a result of the size limitations, our small neighborhood-serving business, many of them Legacy Businesses, are thriving. And because of the vibrancy of our commercial corridors, vacancies are filled up quickly. The current regulations are working as intended and don't need to be changed.

Lastly, Supervisor Sauter recently introduced other legislation specific to use size and other policies in North Beach and other District 3 commercial districts (File No. 250682). Please don't take a piecemeal approach. Please remove North Beach from this legislation so that we may have an opportunity to engage in meaningful discussions and negotiations with Supervisor Sauter on his recently proposed legislation.

Thank you for your consideration.

Sincerely,
Nick Ferris
President, Telegraph Hill Dwellers

cc: Jon Carroll, Clerk
Supervisor Sauter

July 17, 2025

Lydia So, President
San Francisco Planning Commission
49 South Van Ness Avenue, Suite 1400
San Francisco, CA 94103
(Via email: lydia.so@sfgov.org)

RE: OPPOSITION TO PROPOSED USE SIZE LIMIT ORDINANCE
2025-005221PCA [Board File No. 250634]

Dear President So and Commissioners,

On behalf of the West Portal Merchants Association, the North Beach Business Association, and the Castro Merchants Association we are writing to express our strong opposition to elimination of the existing limits on Non-Residential Use sizes in the Castro Street Neighborhood Commercial District (NCD), Pacific Avenue NCD, Polk Street NCD, West Portal Avenue NCD, North Beach NCD, and North Beach Special Use District (SUD).

The justifications set forth in Planning Department's staff report in support of the eliminating the existing size limits on Non-Residential Use sizes simply do not apply to the commercial corridors in our respective neighborhoods, which have been leading the way to economic recovery in the City as evidenced by their lower vacancy rates today than before the pandemic.

We note that the Department's staff report on this item states that with the *exception* of *Union Square and Van Ness Avenue* the vacancy rates in our commercial corridors are "healthy" with a citywide vacancy rate of 7.1%. Further, it is important to note that Union Square and Van Ness Avenue do not have Use Size limits and are largely characterized by larger ground floor commercial spaces. The staff report states that these are *"large, expensive spaces that small businesses often cannot afford or utilize."* So why is the City is proposing to allow for such spaces to be created in neighborhood commercial districts that have relatively healthy vacancy rates and use size limits that have proven effective in keeping the small business space typology?

The existing limits on non-retail use sizes are largely responsible for the successes of our commercial corridors by preventing the incursion of larger retail uses likely to catalyze rent increases that would result in displacement of our existing businesses. As a result, our small business, many of them Legacy Businesses, are thriving. And because of the vibrancy of our commercial corridors, any vacancies are filled up quickly. Local and out of town visitors alike fill our streets, drawn by our lively coffee shops, restaurants and bars, and our unique small shops and businesses.

As to the specific proposal to allow specified Non-Residential Uses that exceed the use size limits to divide into smaller spaces, we suggest this provision be amended to *only* apply to pre-existing spaces which exceed the Non-Residential Use sizes as of the effective date of the legislation. This suggestion addresses staff's case examples such as Lombardi's on Polk Street while preserving the intent and proven effectiveness of the existing Use Size limits to foster a healthy small businesses environment. This is especially important given the proposed massive upzoning of the City's commercial corridors which will undoubtedly result in the demolition of buildings that house multiple small businesses. It is critical that these buildings be replaced with the spaces that accommodate multiple small businesses and not extremely large spaces over 4,000 sq. ft. that will be unaffordable to small businesses that characterize these neighborhoods and make them thrive.

* * * * * * * *

Please reject the Planning Department's recommendations to eliminate the existing limits on Non-Residential Use sizes in the Castro Street Neighborhood Commercial District (NCD), Pacific Avenue NCD, Polk Street NCD, West Portal Avenue NCD, North Beach NCD, and North Beach Special Use District (SUD). And please support limiting, only to pre-existing spaces, the proposal to allow uses exceeding the use size limits to divide into smaller spaces.

Thank you very much for your consideration.

Sincerely,

Stuart Watts, President
North Beach Business Association

Nate Bourg, President
Castro Merchants Association

Deidre Von Rock, President
West Portal Merchants Association

cc: Kathrin Moore, Vice President kathrin.moore@sfgov.org
Theresa Imperial, Commissioner theresa.imperial@sfgov.org
Derek Braun, Commissioner derek.braun@sfgov.org
Amy Campbell, Commissioner amy.campbell@sfgov.org
Sean McGarry, Commissioner sean.mcgarry@sfgov.org
Gilbert Williams, Commissioner gilbert.a.williams@sfgov.org
Jonas Ionin, Secretary commissions.secretary@sfgov.org
Supervisor Danny Sauter danny.sauter@sfgov.org
Supervisor Myrna Melgar myrna.melgar@sfgov.org
Supervisor Stephen Sherill Stephen.sherill@sfgov.org
Audrey Merlone audrey.merlone@sfgov.org
Aaron Starr aaron.starr@sfgov.org

From: T Flandrich
To: Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)
Cc: MelgarStaff (BOS); ChenStaff; Carroll, John (BOS); Sauter, Danny (BOS); SauterStaff
Subject: 3. 250634 [Planning Code - Use Size Limits] In Opposition to Use Size Limits
Date: Monday, July 28, 2025 10:53:22 AM

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27. July 2025
Chair Melgar, Supervisors Chen & Mahmood,

I support the three Business/ Merchants Associations Letter-the main stakeholders who were left out of discussions regarding this legislation-in opposing the Use Size Limits legislation as it is currently written. I urge you to listen to the expertise of our business representatives. Preserving and supporting our small businesses today, maintaining built-in affordability levels due to the existing size controls, for existing & future businesses must be our goal.

It is alarming that the representatives of our small business community were ignored during the process, as well as those of us who live and shop in our neighborhoods. As a decades long resident of North Beach, I find it especially worrisome that our new District 3 supervisor signed on as a co-sponsor to this legislation prior to any discussions about the challenges, possible harm this legislation may cause us in North Beach. I do hope that an opportunity for further discussions take place, learning, knowing the history of challenges faced by small businesses, ie. the lived experience of foreign investors buying buildings and charging a 300% rent

increase resulting in permanent displacement. Only then, can it be said that the supervisor is representing their constituents.
I understand that Supervisor Mandelman has asked for a carve out for the Castro, North Beach should also be exempted from this legislation.
The current use sizes in North Beach have been working to create & maintain our small businesses-the system is not broken, does not require a one-size-fits-all solution. In fact, as noted in the letter we have a wide variety of thriving shops, businesses, because the existing limits actually support affordability levels for not only our existing businesses, but also for future businesses.

Supervisors, I urge you to retain the existing limits in North Beach.

Theresa Flandrich
North Beach Tenants Committee

From: North Beach Business Association
To: Melgar, Myrna (BOS); Chen, Chyanne (BOS); Mahmood, Bilal (BOS)
Cc: Sauter, Danny (BOS); Carroll, John (BOS)
Subject: USE SIZE LIMIT ORDINANCE REQUEST FOR AMENDMENT
Date: Monday, July 28, 2025 10:06:36 AM
Attachments: NBBA File No. 250634 Letter.pdf

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Good morning, Melgar and Members of the Land Use Committee,

We respectfully request that North Beach be excluded from the current use size limit legislation to allow time for a more tailored solution.

Please see our full letter attached to this email. If you have any questions, please don't hesitate to contact us at your convenience.

Thank you for your consideration,

Stuart Watts, President
North Beach Business Association

North Beach Business Association

July 28, 2025

Myrna Melgar, Chair
Chyanne Chan, Vice-Chair
Bilal Mahmood, Member
San Francisco Board of Supervisors
City Hall
San Francisco, CA 94102

RE: USE SIZE LIMIT ORDINANCE REQUEST FOR AMENDMENT
Board File No. 250634 – Land Use Committee Item #3

Dear Chair Melgar and Members of the Land Use Committee,

Following a productive meeting with District 3 Supervisor Danny Sauter earlier this week, I am writing on behalf of the North Beach Business Association to respectfully request that North Beach be excluded from the current use size limit legislation to allow time for a more tailored solution.

During our discussion, we expressed our willingness to explore a middle ground, including the possibility of increasing the current use size cap rather than eliminating it entirely. We believe this measured approach would better serve North Beach's unique character while still supporting business growth. With Supervisor Sauter's pending legislation specific to District 3 commercial districts (File No. 250682), we see an opportunity to craft a compromise that balances the need for business flexibility with the success of our community's small business ecosystem.

We respectfully request additional time to work collaboratively with Supervisor Sauter to develop this balanced solution. Rather than taking a piecemeal approach, removing North Beach from the current legislation would allow us to continue our productive negotiations.

As we wrote to the Planning Commission, it is our position that the justification for eliminating the existing size limits on Non-Residential Use sizes does not make sense for small businesses that occupy the commercial corridors in North Beach, which has led the way to economic recovery in the City as evidenced by our low vacancy rates that are even lower today than before the pandemic.

The existing limits on non-retail use sizes have been instrumental in our commercial district's success, preventing larger retail uses that could catalyze rent increases and displace existing

businesses. As a result, our small businesses, many of them Legacy Businesses, are thriving. Our vacancy rates, even lower today than before the pandemic, demonstrate this success. Local and out-of-town visitors alike fill our streets, drawn by our lively coffee shops, restaurants, bars, and unique small shops.

We look forward to continuing our dialogue with Supervisor Sauter to find a solution that works for all stakeholders.

Thank you for your consideration.

Sincerely,

Stuart Watts, President
North Beach Business Association

cc: Danny Sauter, District 3 Supervisor
John Carroll, Clerk