



SMALL BUSINESS COMMISSION
OFFICE OF SMALL BUSINESS



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

July 20, 2012

Ms. Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4694

Re: Board of Supervisors File No. 120715 [Planning Code - Limited Commercial Uses in Residential Districts]

Small Business Commission Recommendation: **Approval**

Dear Ms. Calvillo:

On October 3, 2011, the Small Business Commission voted 5-1 to recommend that the Board of Supervisors approve selected parts of BOS File No. 110767. One of the sections of the ordinance recommended for approval pertained amendments proposed to Planning Code Sections 186 and 231. These proposed code amendments have been subsequently severed from the original file and re-introduced as Board of Supervisors File No. 120715. Since the scope and language of the modifications are consistent between the two ordinances, the Small Business Commissions recommendation for File No. 110767 applies to File No. 120715 and the Commission therefore recommends approval of this ordinance.

The Commission finds that allowing certain lapsed nonconforming commercial uses to be reestablished in RH, RM, RTO and RED districts is a pragmatic way to ensure that these commercial storefronts, defined as being in existence prior to January 1, 1960 do not remain vacant and underutilized. Filling these spaces increases neighborhood vitality and provides job and entrepreneur opportunities in residential areas of the City. These businesses also encourage pedestrian access to retail and food services as they are in close proximity to person's homes. The Commission is concerned that proposed changes to the Transit Impact Development Fee (TIDF) in BOS File No. 120523 may make these spaces undesirable to rent if passed as drafted. As introduced, File No. 120523 will decrease the square footage threshold that triggers this fee and a number of these spaces will then see the TIDF applied to them. This fee, which can be up to \$13.03 per square foot, will add to the cost of reestablishing these uses. Accepting the Small Business Commission and Planning Commissions recommendations on File No. 120523 will negate this concern.

The SBC agrees with the Planning Departments conclusion that allowing certain commercial uses on corners in RM-3 and RM-3 districts up to 2500 square feet will discourage inactive street fronting uses like storage or garage doors on prominent lots. It is also good policy since it will make more existing corner retail uses conforming.

Sincerely,

Regina Dick-Endrizzi



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Director, Office of Small Business

cc. Supervisors Chiu, Cohen, Mar, Wiener
Jason Elliott, Mayor's Office
Aaron Starr, San Francisco Planning Department