**BOARD of SUPERVISORS** 



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

## MEMORANDUM

TO: Regina Dick-Endrizzi, Director Small Business Commission, City Hall, Room 448 FROM: Alisa Somera, Legislative Deputy Director Land Use and Transportation Committee

DATE: November 17, 2016

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

The Board of Supervisors' Land Use and Transportation Committee has received the following substitute 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. 160656

Ordinance amending the Planning Code to prohibit a change of use from a business or professional service use to a medical service use on the first floor or below in the Sacramento Street Neighborhood Commercial District; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under 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.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: \_\_\_\_\_

No Comment

\_\_\_\_ Recommendation Attached

Chairperson, Small Business Commission

### c: Menaka Mahajan, Small Business Commission

FILE NO. 160656

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

#### SUBSTITUTED 11/8/2016

[Planning Code - Medical Service Use - Sacramento Street Neighborhood Commercial District1 Ordinance amending the Planning Code to provide that in the Sacramento Street Neighborhood Commercial District a Medical Service use, whether Principal or Accessory, requires a Conditional Use authorization on the ground story and is permitted above the ground story; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1. and findings of public necessity, convenience, and welfare under 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 strikethrough 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. The Planning Department has determined that the actions contemplated in this (a) 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. On , the Planning Commission, in Resolution No. , adopted (b) 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 the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board of Supervisors finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. \_\_\_\_\_ and the Board hereby incorporates such reasons herein by reference. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

Section 2. The Planning Code is hereby amended by revising Sections 703.2 and 724, to read as follows:

SEC. 703.2. USES PERMITTED IN NEIGHBORHOOD COMMERCIAL DISTRICTS.

A <u>*uUse*</u> is <u>defined in Section 102 of this Code as</u> the <u>specific</u> purpose for which <u>land or</u> a <u>structure property</u> or <u>both</u> <u>building</u> is <u>are legally designed</u>, <u>constructed</u>, <u>arranged</u>, <u>or intended</u>, <u>or for</u> <u>which they are legally</u> used, occupied, maintained, or leased. Whether or not a use is permitted in a specific district is set forth or summarized and cross-referenced in Article 7 of this Code for each district class.

\* \* \* \*

(b) Use Limitations. The <u>uU</u>ses permitted in Neighborhood Commercial Districts are either <u>pP</u>rincipal, <u>eC</u>onditional, <u>aA</u>ccessory, or temporary uses as stated in this Section <u>703.2</u>, and include those <u>uU</u>ses set forth or summarized and cross-referenced in the zoning control categories as listed in this Code for each district class.

\* \* \* \*

(C) Accessory Uses. Except as prohibited in Section 728 and subject to the limitations set forth below and in Sections 204.1 (Accessory Uses for Dwelling Units in R and NC Districts), 204.4 (Dwelling Units Accessory to Other Uses), and 204.5 (Parking and Loading as Accessory Uses) of this Code, a related minor use which is either necessary to the operation or enjoyment of a lawful *pP*rincipal *use* or *eC*onditional *uUse*, or is appropriate, incidental and subordinate to any such use, shall be permitted as an *aAccessory uUse* when located on the same lot. Any *uUse* which does not qualify as an *aAccessory uUse* shall be classified as a *pP*rincipal or *eC*onditional *uUse*, unless it qualifies as a temporary use under Sections 205 through 205.4 of this Code.

No  $\#\underline{U}$ se will be considered accessory to a permitted  $p\underline{P}$ rincipal or  $e\underline{C}$  onditional  $\#\underline{U}$ se which involves or requires any of the following:

\* \* \* \*

(ix) <u>A Medical Service use as an Accessory Use in the Sacramento</u> <u>Street Neighborhood Commercial District requires a Conditional Use authorization on the ground</u> <u>story and is permitted above the ground story pursuant to Section 724 of this Code.</u>

#### SEC. 724. SACRAMENTO STREET NEIGHBORHOOD COMMERCIAL DISTRICT.

Located in the Presidio Heights neighborhood in north-central San Francisco, the Sacramento Street Neighborhood Commercial District functions as a small-scale linear shopping area. It extends along Sacramento Street between Lyon and Spruce <u>Streets</u>. Interspersed among residential buildings and garages, the district's daytime-oriented retail stores provide a limited array of convenience goods to the immediate neighborhood. Sacramento Street also has many elegant clothing, accessory, and antique stores and services, such as hair salons, which attract customers from a wider trade area. Its numerous medical and business offices draw clients from throughout the City. Evening activity in the

district is limited to one movie theater, a few restaurants, and some stores near Presidio Avenue.

The Sacramento Street District controls are designed to promote adequate growth opportunities for development that is compatible with the surrounding low-density residential neighborhood. The building standards monitor large-scale development and protect rear yards at the grade level and above. Most new commercial development is permitted at the first story; general retail uses are permitted at the second story only if such use would not involve conversion of any existing housing units. Special controls are designed to protect existing neighborhood-serving ground-story retail uses. New *mM*edical *sService* uses, *whether Principal* or Accessory, require a Conditional Use authorization on the ground story and are permitted above the ground story prohibited at all stories except a change of use is permitted on the first story or below from a business or professional service use to medical service use under certain circumstances. Personal and business services are restricted at the ground story and prohibited on upper stories. Limits on new ground-story eating and drinking uses, as well as new entertainment and financial service uses, are intended to minimize the environmental impacts generated by the growth of such uses. The daytime orientation of the district is encouraged by prohibiting bars and restricting late-night commercial activity. New hotels and parking facilities are limited in scale and operation to minimize disruption to the neighborhood. Most new automobile and drive-up uses are prohibited to promote continuous retail frontage.

Housing development in new buildings is encouraged above the second story. Existing residential units are protected by limitations on demolitions and prohibitions of upper-story conversions.

# Table 724. SACRAMENTO STREET NEIGHBORHOOD COMMERCIAL DISTRICT ZONING CONTROL TABLE

\* \* \*

No.	Zoning Category	§ References	Sacramento Street Controls by Story		
		§ 790.118	1st	2nd	3rd+
Retail S	ales and Services	2			
* * * *					
724.51	Medical Service	§ 790.114	# <u>C</u>	<u>P</u>	<u>P</u>
* * * *					

#### SPECIFIC PROVISIONS FOR THE SACRAMENTO STREET NEIGHBORHOOD COMMERCIAL DISTRICT

Article 7 Code Section	Other Code Section	Zoning Controls	
* * * *		•	
§ 724.51		Boundaries: Sacramento Street Neighborhood Commercial District Controls: <u>A Medical Service use requires a Conditional use</u> authorization on the ground story whether it is Principal or <u>Accessory</u> . <u>A business or professional service use may be</u> converted to a medical service use on the first story or below if no residential use or active street frontage is lost.	
* * * *			

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.

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

APPROVED AS TO FORM: DENNIS . HERRERA, City Attorney

19/1an By: THA ROY וחו

Deputy City Attorney n:\legana\as2016\1600752\01148530.docx

#### **REVISED LEGISLATIVE DIGEST**

(Substituted, 11/8/2016)

[Planning Code - Medical Service Use - Sacramento Street Neighborhood Commercial District]

Ordinance amending the Planning Code to provide that in the Sacramento Street Neighborhood Commercial District a Medical Service use, whether Principal or Accessory, requires a Conditional Use authorization on the ground story and is permitted above the ground story; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

#### Existing Law

Planning Code Section 703.2 sets forth the uses that are permitted or not permitted in Neighborhood Commercial Districts as principal, conditional, accessory, or temporary uses. Section 724 establishes the Sacramento Street Neighborhood Commercial District. It prohibits new medical service uses at all stories, except that a business or professional service use may be converted to a medical service use on the first story or below if no residential use or active street frontage is lost.

#### Amendments to Current Law

Section 724 is amended to provide that medical service uses, whether principal or accessory, require a Conditional Use authorization on the ground story and are permitted above the ground story. The exception that allows conversion of a business or professional service use to a medical service use on the first story or below is deleted. Section 703.2 is amended to conform to the amendment to Section 724.

#### **Background Information**

The limited exception that is proposed to be deleted was added to the Planning Code in 2013. Adoption of this ordinance will return to the previous working and allow a medical service use but require a Conditional Use authorization for a medical use on the ground story.

n:\legana\as2016\1600752\01149565.docx