BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
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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:

February 13, 2017

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. 170156

Ordinance amending the Planning Code and Zoning Map to prohibit Gym and Massage uses in the Production, Distribution, and Repair (PDR) zoning districts, eliminate the Transit-Oriented Retail Special Use District, which includes all parcels in PDR districts along 16th Street from Mission Street to Potrero Avenue, and correct the height limits on certain parcels in the Urban Mixed Use (UMU) District to allow for groundfloor PDR uses; 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.

RESF	SPONSE FROM SMALL BUSINESS COMMIS	SION - Date:
	No Comment	
	Recommendation Attached	
	Chairper	son, Small Business Commission
C	Menaka Mahajan, Small Business Commiss	sion

[Planning Code, Zoning Map - Production, Distribution, and Repair Controls; Eliminating the Transit-Oriented Retail Special Use District, and Correcting Height Limits in the UMU District]

Ordinance amending the Planning Code and Zoning Map to prohibit Gym and Massage uses in the Production, Distribution, and Repair (PDR) zoning districts, eliminate the Transit-Oriented Retail Special Use District, which includes all parcels in PDR districts along 16th Street from Mission Street to Potrero Avenue, and correct the height limits on certain parcels in the Urban Mixed Use (UMU) District to allow for groundfloor PDR uses; 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 and Purpose.

(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 the Board of Supervisors in File No. _____, and is incorporated herein by reference.
- (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this Planning Code Amendment will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____ and the Board incorporates such reasons herein by reference.
- (d) In 2008, the City adopted the Eastern Neighborhoods Plan and related zoning, in part to refine the City's approach to Production, Distribution, and Repair (PDR) uses and to preserve and encourage such uses in the southeastern neighborhoods of the city. (See e.g. Ordinance No. 297-08 (General Plan Amendments) and Ordinance No. 298-08 (Planning Code Amendments), among others.) Since the adoption of this Plan and its associated zoning, the continued establishment, evolution, and adaptation of these uses demands a more responsive set of zoning controls in the Planning Code.
- (e) The zoning controls proposed in this ordinance are intended to satisfy the following policy goals: (1) Reduce land use pressures on PDR from competing uses; (2) Permit new forms of cross-subsidization for PDR uses; and, (3) Expand opportunities for PDR uses to locate in ground-floor locations.

Section 2. The Planning Code is hereby amended by revising Sections 210.3 and 210.3C, and deleting 249.38, to read as follows:

SEC. 210.3. PDR DISTRICTS.

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These Districts provide space for a wide variety of PDR (production, distribution and repair) and other non-residential activities in districts where these uses are free from inherent economic and operational competition and conflicts with housing, large office developments, and large-scale retail, which are not permitted in these Districts. Other uses that share operational characteristics with PDR uses are permitted in these Districts, as they require large flexible spaces and prefer separation from intensive housing districts. PDR-zoned land is also an important reservoir of space in San Francisco for new and evolving industry and activity types that cannot be foreseen today and cannot practically function or compete for space in a typical downtown office or neighborhood commercial environment. Business and activities allowed in PDR Districts generally share a need for flexible operating space that features large open interior spaces, high ceilings, freight loading docks and elevators, floors capable of bearing heavy loads, and large (often uncovered exterior) storage areas. These uses are often not ideally compatible with housing for operational reasons, including the need for significant trucking and delivery activities, 24-hour operation, and emission of noise, odors and vibrations. Importantly, PDR uses are limited in the amount of rent they can afford relative to office, retail, and residential uses, yet are important sectors of the City's economy.

PDR-1-B District: Light Industrial Buffer. The intent of this District is to create a buffer area between residential neighborhoods and light industrial areas, primarily in the Bayview Hunters Point neighborhood. Thus, this District prohibits residential uses and limits Office, Retail, and Institutional uses. Generally, all other uses are permitted. This zone allows for less intensive production, distribution, and repair activities that will not compromise the quality of life of nearby residents. These uses generate less external noise, odors, and vibrations and engage in fewer trucking activities than those permitted in PDR-2 Districts. Uses in this District are generally conducted completely within enclosed structures. Small-scale Retail and Office uses are permitted, as are other activities that may serve well to buffer

existing residential neighborhoods from areas of concentrated industrial operations. In considering any new land use not contemplated in this District, the Zoning Administrator shall take into account the intent of this District as expressed in this Section and in the General Plan.

PDR-1-D District: Design. The intention of this District is to retain and encourage less-intensive production, distribution, and repair businesses, especially the existing clusters of design-related businesses. Thus, this District prohibits Residential and Office uses, and limits Retail and Institutional uses. Additionally, this District prohibits heavy industrial uses, which generate external noise, odors, and vibrations and engage in frequent trucking activities. Generally, all other uses are permitted. In considering any new land use not contemplated in this District, the Zoning Administrator shall take into account the intent of this District as expressed in this Section and in the General Plan.

PDR-1-G District: General. The intention of this District is to retain and encourage existing production, distribution, and repair activities and promote new business formation. Thus, this District prohibits Residential and Office uses, and limits Retail and Institutional uses. Additionally, this District allows for more intensive production, distribution, and repair activities than PDR-1-B and PDR-1-D but less intensive than PDR-2. Generally, all other uses are permitted. In considering any new land use not contemplated in this District, the Zoning Administrator shall take into account the intent of this District as expressed in this Section and in the General Plan.

PDR-2 District: Core Production, Distribution, and Repair. The intent of this District is to encourage the introduction, intensification, and protection of a wide range of light and contemporary industrial activities. Thus, this District prohibits new housing, large office developments, large-scale retail, and the heaviest of industrial uses, such as incinerators. Generally, all other uses are permitted. The conservation of existing flexible industrial

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buildings is also encouraged. This District permits certain non-industrial, non-residential uses, including small-scale Retail and Office, Entertainment, certain institutions, and similar uses that would not create conflicts with the primary industrial uses or are compatible with the operational characteristics of businesses in the area. Light industrial uses in this District may be conducted entirely within an enclosed structure, partly within enclosed structures, or some functions may occur entirely in open areas. These uses may require trucking activity multiple times per day, including trucks with up to 18 wheels or more, and occurring at any time of the day or night. As part of their daily operations, PDR activities in these areas may emit noises, vibrations, odors, and other emissions, as permitted by law. Within the requirements of local, state, and federal health and safety regulations, and within the stipulation of this Code, which may impose additional use size maximums and minimum distance requirements on certain activities, raw materials used for production, manufacturing, repair, storage, research, and distribution may be stored on site and may include chemical, biological, and other hazardous, explosive, or flammable materials. In considering any new land use not contemplated in this District, the Zoning Administrator shall take into account the intent of this District as expressed in this Section and in the General Plan.

Table 210.3
ZONING CONTROL TABLE FOR PDR DISTRICTS

Zoning Category	§ References	PDR-1-B	PDR-1-D	PDR-1-G	PDR-2	
* * * *						
RESIDENTIAL STANDARDS AND USES						
* * * *						
Residential Uses						

Homeless Shelter	§§102, 208	C (18) (19)	C (18) (19)	C (18) (19)	C (18) (19)	

* * * *					
NON-RESIDENTIAL STAN	DARDS AND US	ES			
* * * *					
Sales and Service Catego	ry				
Retail Sales and Service	§§ 102,	P (1)	P (10)	P (9)	P (1)
Uses*	202.2(a)				
Adult Business	§102	NP	Р	Р	Р
Animal Hospital	§102	Р	Р	Р	Р
Cat Boarding	§102	P	Р	Р	Р
Grocery Store, General	§§102, 202.3	P (1)	P (13)	P (12)	P (1)
Gym	§§102 <u>, 210.3C</u>	P (1)NP	P (13)NP	P (12)NP	<u>P (1)NP</u>
e es	,		(20)	(20)	
Hotel	§102	NP	NP	NP	NP
Kennel	§102	NP	Р	Р	Р
Massage Establishment	§102	€ <u>NP</u>	<u>CNP</u>	<u>C-NP</u>	<u>CNP</u>
Massage, Foot/Chair	§102	P <u>NP</u>	<u>PNP</u>	<u>P-NP</u>	P <u>NP</u>
Mortuary	§102	Р	NP	Р	Р
Motel	§§102, 202.2	NP	NP	NP	NP
* * * *					

- * Not listed below.
- (1) See Table <u>2</u>10.3A.
- (2) See Table <u>2</u>10.3A.
- (3) NP above 7,500 Gross Square Feet.
- (4) Required to be in an enclosed building, NP if operated on open lot.

- (5) NP above 5,000 Gross Square Feet.
- (6) More than 3 screens NP.
- (7) NP above 20,000 Gross Square Feet. Housing is not permitted.
- (8) C if above 5,000 Gross Square Feet.
- (9) In this District, all uses with this reference number are limited to a cumulative total of 2,500 Gross Square Feet per lot.
- (10) In this District, all uses with this reference number are limited to a cumulative total of 5,000 Gross Square Feet per lot.
 - (11) Printing shop and newspaper publication limited to 5,000 Gross Square Feet.
- (12) C required if larger than 2,500 Gross Square Feet per lot; Gyms greater than 2,500 Gross Square Feet must include equipment and space for weightlifting and cardiovascular activities.
- (13) C required if larger than 5,000 Gross Square Feet per lot; *Gyms greater than 5,000 Gross Square Feet must include equipment and space for weightlifting and cardiovascular activities*.
 - (14) C if in a designated landmark per Section 210.3B.
- (15) C required if taller than 25 feet above roof, grade or height limit depending on site or if within 1,000 feet of an R District and includes a parabolic antenna with a diameter in excess of three meters or a composite diameter of antennae in excess of six meters. See definition in § 102 for more information.
 - (16) NP Aabove 2,500 Gross Square Feet.
- (17) C required for properties within the Third Street Formula Retail Restricted Use District (§ 786), which includes properties fronting Third Street between Williams Avenue and Paul Street.
 - (18) C if a Macro WTS Facility; P if a Micro WTS Facility.
- (18)(19) In this District, Homeless Shelter uses are permitted only with Conditional Use authorization and only if each such use (a) would operate for no more than four years,

and (b) would be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco. If such a use is to be located within a building or structure, the building or structure must be either (a) preexisting, having been completed and previously occupied by a use other than a Homeless Shelter, or (b) temporary. In this District, construction of a permanent structure or building to be used as a Homeless Shelter is not permitted.

(20) NP except as provided in Section 210.3C.

* * * *

SEC. 210.3C. ALLOWANCE FOR USES TO SUPPORT THE DEVELOPMENT OF NEW PDR SPACE IN THE PDR-1-D AND PDR-1-G DISTRICTS.

* * * *

- (b) **Geography.** This provision applies to parcels that meet all of the following criteria:
 - (1) Are located in either the PDR-1-D or PDR-1-G Districts;
 - (2) Are located north of 20th Street;
- (3) Contain a floor area ratio of 0.3 gross floor area or less as of January 1, 2014; and
 - (4) Are 20,000 square feet or larger.
- (c) **Controls.** The Planning Commission may permit, per the procedures described below in Subsection (d), non-PDR uses on the subject lot pursuant to the following provisions:
- (1) At least 1/3 of the total Gross Floor Area developed on the parcel shall contain PDR Uses, as defined in Section 102.
- (2) For purposes of this Subsection, every square foot of Small Enterprise Workspace, as defined in Section 102, shall count as 0.5 square feet of PDR space and 0.5 square feet of non-PDR space as specified in Subsection (3) below.

(a) The Transit Oriented Retail Special Use District, formerly Planning Code Section 249.38, having been repealed by this ordinance, Sectional Maps SU07 and SU08 are amended accordingly, as follows:

Description of Property	Special Use District Deleted
Assessor's Block 3551, Lots 001, 003;	Transit Oriented Retail Special Use District
Assessor's Block 3552, Lot 012-013;	
Assessor's Block, 3553, 014; Assessor's	
Block 3571, Lots 001-002, 002A, 014;	
Assessor's Block 3572, Lots 001, 019-020,	
020A, 020B, 020C, 021; Assessor's Block	ij
3926, Lot 002; Assessor's Block 3927, Lot	
004; Assessor's Block 3928, Lots 013-015;	
Assessor's Block 3966, Lot 001.	

(b) Sectional Maps HT07 and HT08 are amended as follows:

Description of Property	Height and Bulk Districts to	Height and Bulk Districts
	<u>be Superseded</u>	Hereby Approved
Assessor's Block 3526, Lots	40-X	48-X
005-006; Assessor's Block		
3548, Lots 028, 048, 050,		
052, 063-064, 085, 094-098,		
111-118, 124-126, 167-170;		

1	Assessor's Block 3570, Lots		
2	042-043, 045-047, 137-140;		
3	Assessor's Block 3575, Lots		
4	099; 104-106; Assessor's		
5	Block 3612, Lots 007-008,		
6	010-012, 082-109, 117-119;		
7	Assessor's Block 3613, Lots		
8	011-012, 056-070;		
9	Assessor's Block 3639, Lots	10	
10	001, 004A, 004B, 006, 025,		
11	027-030, 035-036, 039-112,		
12	Assessor's Block 3640, Lots		
13	036-039; Assessor's Block		
14	3781, Lots 001A, 003, 011;		
15	Assessor's Block 3985, Lot		
16	024; Assessor's Block 3986,		
17	Lots 008, 011, 014, 016-041;		
18	Assessor's Block 3987, Lots	4	
19	003A, 007, 009A, 009B, 012-		
20	013, 017-022, 024, 036-038;		
21	Assessor's Block 3999, Lots		8
22	006-007, 010, 013-014;		
23	Assessor's Block 4000, Lots		
24	024, 028-050, 053-074;		
25	Assessor's Block 4001, Lots		

1	001, 001A, 023-024;	
2	Assessor's Block 4005, Lots	
3	001B, 004, 006-007;	
4	Assessor's Block 4006, Lots	
5	006, 010-020; Assessor's	
6	Block 4008, Lots 001, 001A,	
7	002; Assessor's Block 4025,	
8	Lots 013, 015-020;	
9	Assessor's Block 4034, Lots	
10	006-100; Assessor's Block	
11	4084, Lots 026-029, 031-	
12	032, 049-068; Assessor's	
13	Block 4106, Lots 023-024,	
14	030-176; Assessor's Block	
15	4107, Lots 001B, 022, 026-	
16	057; Assessor's Block 4108,	
17	Lots 003C, 003E, 003H,	
18	003P, 015, 017-018, 022-	
19	031, 038-040; Assessor's	
20	Block 4147, Lots 001, 035-	
21	065; Assessor's Block 4167,	
22	Lot 013; Assessor's Block	
23	4224, Lots 047-048, 051-	
24	060, 063-088, 094-119, 125-	
25	149, 154-157, 163-170	

1	Assessor's Block 4108, Lot	40-X/45-X	48-X
2	003O		
3	Assessor's Block 3987, Lot	40-X/48-X	48-X
4	902		
5	Assessor's Block 3575, Lot	40-X/58-X	48-X/58-X
6	101		
7	Assessor's Block 3948, Lots	45-X	48-X
8	001A, 003B; Assessor's		
9	Block 3995, Lots 020, 045-		
10	052, 073-088; Assessor's		
11	Block 4043, Lots 011B, 014-	*	
12	016; Assessor's Block 4060,		
13	Lots 001, 004, 006-063;		
14	Assessor's Block 4084, Lots		
15	001, 036, 044-048;	Ti .	
16	Assessor's Block 4108, Lots		
17	003, 003A, 003B, 003F,		
18	003J, 003L, 003M, 003N,		
19	003R		
20	Assessor's Block 4080, Lots	45-X/58-X	48-X/58-X
21	015-059, 067-142		of the state of th
22	Assessor's Block 4044, Lot	45-X/58-X/68-X	48-X/58-X/68-X
23	052		
24	Assessor's Block 3549, Lots	50-X	58-X
25	024-026, 045-047, 050A,		

1	051-057, 059-064, 084, 090-		
2	091; Assessor's Bock 3552,		
3	Lots 026-029, 029A, 029B,		
4	030-035, 037-038;		
5	Assessor's Block 3571, Lot		
6	004C; Assessor's Block		
7	3574, Lots 087-088;		
8	Assessor's Block 3575, Lots		
9	097, 100; Assessor's Block		
10	3591, Lots 019-022;		
11	Assessor's Block 3996, Lots		
12	012, 017-018; Assessor's		
13	Block 4042, Lots 003-004;		
14	Assessor's Block 4043, Lot		
15	012A		
16	Assessor's Block 3552, Lot	50-X/58-X	58-X
17	020		
18	Assessor's Block 3930A, Lot	85-X	88-X
19	002; Assessor's Block 3962,		
20	Lots 007, 011, 015-086		
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Section 4. Exemption. Any project for which a development application, as defined in Planning Code Section 401, was submitted by February 7, 2017, shall be exempt from the amendments related to Gym use contained in this ordinance (specifically, the amendments to

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Planning Code Table 210.3 and its footnotes and Section 210.3C(c)(3)(C)) and shall be considered under the law related to such use in effect prior to the effective date of this ordinance.

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.

Section 6. Scope of Ordinance. Except as stated in Section 3 with reference to the Zoning Map, 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-J. HERRERA, City Attorney

By:

MARLENA BYRNE Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code, Zoning Map - Production, Distribution, and Repair Controls; Eliminating the Transit-Oriented Retail Special Use District, and Correcting Height Limits in the UMU District]

Ordinance amending the Planning Code and Zoning Map to prohibit Gym and Massage uses in the Production, Distribution, and Repair (PDR) zoning districts, eliminate the Transit-Oriented Retail Special Use District, which includes all parcels in PDR districts along 16th Street from Mission Street to Potrero Avenue, and correct the height limits on certain parcels in the Urban Mixed Use (UMU) District to allow for groundfloor PDR uses; 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

San Francisco Planning Code Section 210.3 regulates the use permitted within the Production, Distribution, and Repair (PDR) zoning districts, which are generally located within the South of Market neighborhoods. Existing law allows Gym and Massage, Foot/Chair uses, both as defined in Planning Code Section 102, and permits with a conditional use authorization Massage Establishment use, also as defined in Section 102.

Planning Code Section 210.3C currently allows the Planning Commission to permit certain otherwise prohibited uses (specifically Office and Institutional Uses) within the PDR-1-D (Design) and PDR-1-G (General) zoning districts if the proposed project also includes new PDR uses, covering at least 1/3 of the total gross floor area developed.

Amendments to Current Law

The proposed legislation would prohibit new Gym use within the PDR districts, except as provided in Planning Code Section 210.3C.

The proposed legislation would also amend Section 210.3C to allow the Planning Commission to approve Gym use in the PDR zoning districts if the proposed project also includes new PDR uses, covering at least 1/3 of the total gross floor area developed.

The proposed legislation would also delete the Transit-Oriented Retail Special Use District, which runs along 16th Street from Mission to Potrero, and revise the height limits in the UMU (Urban Mixed Use) District, as defined in Planning Code Section 843, to allow from ground-floor PDR uses.

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