



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

OFFICE OF SMALL BUSINESS
REGINA DICK-ENDRIZZI, DIRECTOR

August 18, 2017

Ms. Angela Calvillo, Clerk of the Board
City Hall Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: BOS File No. 170514 [Planning Code - Fulton Street Grocery Store Special Use District]

Small Business Commission Recommendation to the Board of Supervisors: **Approval**

Dear Ms. Calvillo,

On July 24, 2017, the Small Business Commission voted (5-0, 2 absent) to recommend that the Board of Supervisors approve BOS File No. 170514.

The Commission appreciates Supervisor Breed's diligence in drafting this ordinance, as it believes that amending the Planning Code to allow a formula retail grocer in the Fulton Street SUD helps to maintain and aid the economic diversity in the area. Planning Code, Article 7, Section 701.1 states that the purpose of Neighborhood Commercial Districts "is to provide a comprehensive and flexible zoning system for Neighborhood Commercial Districts which is consistent with the objectives and policies set forth in the San Francisco Master Plan." The ordinance allows a one-time exception to the formula retail use ban in the Hayes Valley NCD in order to establish an affordable grocery store in the Fulton Street Grocery Store Special Use District at 555 Fulton Street.

The Hayes Valley / Western Addition area has a high concentration of low-income and senior populations which would best be served by an affordable grocer. The Commission supports the additional requirements set for the Special Use District's formula retail controls as noted in Section 249.35A (d) (5) (A) and (B) that address payment assistance acceptance and food affordability projection, respectively. Supervisor Breed and her staff conducted research, engaged the community, and included various safeguards to protect the intent of the legislation. Given the limited scope of the formula retail exception and its non-transferability, if the chosen grocer is sold or leaves the parcel, the legislation appears to be neutral to small business, but would benefit the residents significantly.

Thank you for considering the Commission's comments. Please feel free to contact me should you have any questions.

Sincerely,

Regina Dick-Endrizzi
Director, Office of Small Business

cc: London Breed, Board of Supervisors
Mawuli Tugbenyoh, Mayor's Office
John Rahaim, Planning Department
Lisa Pagan, Office of Economic and Workforce Development
Erica Major, Land Use & Transportation Committee