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

April 11, 2018

File No. 180320

Lisa Gibson Environmental Review Officer Planning Department 1650 Mission Street, Ste. 400 San Francisco, CA 94103

Dear Ms. Gibson:

On April 3, 2018, Supervisor Safai introduced the following proposed legislation:

File No. 180320

Ordinance amending the Planning Code to allow Catering as an Accessory Use to Limited Restaurants in Neighborhood Commercial Districts under certain conditions; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

n Major

By: Erica Major, Assistant Clerk Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Laura Lynch, Environmental Planning Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment. FILE NO. 180320

ORDINANCE NO.

[Planning Code - Catering as an Accessory Use in Neighborhood Commercial Districts]

Ordinance amending the Planning Code to allow Catering as an Accessory Use to Limited Restaurants in Neighborhood Commercial Districts under certain conditions; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302. NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. 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. Environmental and Land Use Findings.

(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 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.

Section 2. The Planning Code is hereby amended by revising Section 703, to read as follows:

SEC. 703. NEIGHBORHOOD COMMERCIAL DISTRICT REQUIREMENTS.

(a) Zoning Control Tables. Each Zoning District in Article 7 has a corresponding
Zoning Control Table that details the basic development standards and Use controls for the respective district. Zoning Control Tables are explained in Section 202.1 of this Code.
Permitted or Conditionally permitted *uUses* and Uses that are not permitted in the zoning districts described in this Section <u>703</u> are detailed in the corresponding Zoning Control Tables.

(b) **Uses in Enclosed Buildings.** All permitted uses shall be conducted within an enclosed building in Neighborhood Commercial Districts, unless otherwise specifically allowed in this Code. Exceptions from this requirement are: uses which, when located outside of a building, qualify as an Outdoor Activity Area or Open Air Sales, accessory off-street parking and loading, and other uses listed below which function primarily as open-air uses, or which may be appropriate if located on an open lot, outside a building, or within a partially enclosed building, subject to other limitations of this Article 7 and other sections of this Code.

33A. Wireless Telecommunications Services Facility

Public and Private Parking Lots

Gas Station

Automotive Service Station

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Automotive Wash 1 Automobile Sale or Rental 2 Institutional Uses (selected) 3 Public Facilities (selected) 4 **Open Recreation Area** 5 Outdoor Recreation Area 6 7 Neighborhood and Large Scale Urban Agriculture Utility and Infrastructure Uses (selected) 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

(c) Multiple Uses in One Structure. If there are two or more uses in a structure and none is classified under Section 703(d) below as an Accessory Use, then each of these uses will be considered separately as independent Principal, Conditional or temporary uses.

(d) Accessory Uses. 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, Accessory Uses as defined in Section 102 shall be permitted when located on the same lot. Any use that does not gualify as an Accessory Use shall be classified as a Principal or Conditional Use unless it qualifies as a temporary use under Sections 205 through 205.4 of this Code.

No Use will be considered accessory to a permitted Principal or Conditional Use that involves or requires any of the following:

(1) The use of more than *one-third* $\frac{1}{3}$ of the total floor area occupied by such use and the Principal or Conditional use to which it is accessory, except in the case of accessory off-street parking and loading and as specified in subsection (d)(3) below as accessory wholesaling, manufacturing, or processing of foods, goods, or commodities.

(2) Any Bar or Restaurant, or any other retail establishment which serves liquor for consumption on-site; however, this shall not prohibit take-out food activity which operates

Supervisor Safai **BOARD OF SUPERVISORS** in conjunction with a Limited Restaurant, Restaurant, General Grocery, and Specialty Grocery.

(3) The wholesaling, manufacturing, or processing of foods, goods, or commodities on the premises of an establishment that does not also use or provide for retail sale of such foods, goods, or commodities at the same location where such wholesaling, manufacturing, or processing takes place; *except, however in, with the following exceptions:*

(A) In the North Beach Special Use District where such activities are limited to 15% of the total floor area occupied by the Principal or Conditional Use to which it is accessory unless the Principal or Conditional Use is Specialty Foods Manufacturing as defined in Section 780.3 of this Code-; and

(B) A Catering Use limited to food and beverage Catering shall be permitted as an Accessory Use to Limited Restaurants if the following requirements are met:

(i) The Catering Use does not operate more than 75% of the total time within the Limited Restaurant's permitted Hours of Operation on any given day; and

(ii) The Catering Use does not distribute or deliver to customers directly from the subject lot unless the Catering Use also provides for the Retail Sale of its products directly on the premises.

(4) Any retail Liquor Store.

(5) Medical Cannabis Dispensaries.

(6) Any General Entertainment or Nighttime Entertainment use, except for one that involves a Limited Live Performance Permit as set forth in Police Code Section 1060 et seq.

(7) Within the North Beach SUD and NCD, a Limited Restaurant.

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

(9) Cannabis Retail that does not meet the limitations set forth in Section204.3(a)(3) <u>of this Code</u>.

(e) Uses Not Permitted.

(1) No use, even though listed as a Permitted Use, shall be permitted in a Neighborhood Commercial District which, by reason of its nature or manner of operation, creates conditions that are hazardous, noxious, or offensive through the emission of odor, fumes, smoke, cinders, dust, gas, vibration, glare, refuse, water-carried waste, or excessive noise.

(2) The establishment of a use that sells alcoholic beverages, other than beer and wine, concurrent with motor vehicle fuel is prohibited, and shall be governed by Section 202.2(b),- with the exception that Except in the SoMa NCT, where these uses are permitted Accessory Uses.

(f) **Conflicting Controls.** All uses, buildings, and features in Neighborhood Commercial Districts shall comply with all controls set forth for the district in which they are located. Where different controls conflict or overlap within the same District, the use, building, or feature shall abide by the most restrictive of all controls. For example, in an NC-2 District, a Dwelling Unit on the second story is proposed for conversion to a Personal Service use. Residential Conversions at the Second Story in an NC-2 District require Conditional Use authorization under Table 711, while Personal Services at the Second Story in an NC-2 District are permitted as Principal Uses under Table 711. Following the most restrictive control, the applicant must obtain Conditional Use authorization and all other necessary permits in order to legally convert the Dwelling Unit to a Personal Service use. 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 J. HERRERA, City Attorney

By:

y: AUSTIN M. YANG Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code - Catering as an Accessory Use in Neighborhood Commercial Districts]

Ordinance amending the Planning Code to allow Catering as an Accessory Use to Limited Restaurants in Neighborhood Commercial Districts under certain conditions; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

Existing Law

Planning Code Section 102 defines Accessory Use as a related minor Use that is either necessary to the operation or enjoyment of a lawful Principal or Conditional Use or appropriate, incidental, and subordinate to any such use, and is located on the same lot. Catering is defined as a Non-retail Sales and Service Use that involves the preparation and delivery of goods. A Limited Restaurant Use is defined as a Retail Sales and Service Use that serves ready-to-eat foods and/or drinks to customers for consumption on or off the premises, that may or may not have seating. A Limited Restaurant Use may include wholesaling, manufacturing, or processing of foods, goods, or commodities on the premises.

Planning Code Section 703 sets forth the permissible Accessory Uses in Neighborhood Commercial Districts and does not include Catering as a permissible Accessory Use.

Amendments to Current Law

This amendment would permit Catering as an Accessory Use to Limited Restaurants in Neighborhood Commercial Districts where: the Catering Use does not operate more than 75% of the total time permitted for the Limited Restaurant; and the Catering Use does not serve customers directly from the lot, unless it also provides retail sales of its products on the premises.

Background Information

Planning Code Section 703(d) governs Accessory Uses in Neighborhood Commercial Districts. Generally, this section does not permit the wholesaling, manufacturing, or processing of foods, goods, or commodities unless those same foods, goods, and commodities are sold on-site. This would create an exception for Catering Use under specific conditions and would allow catering companies to prepare foods on the premises of Limited Restaurants under specific conditions.

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