ORDINANCE NO.

| 1  | [SSO Zoning District – Allowing Financial Service.]  |  |  |  |  |
|----|--|--|--|--|--|
| 2  |  |  |  |  |  |
| 3  | Ordinance amending the San Francisco Planning Code by amending Section 818 and   |  |  |  |  |
| 4  | adding Section 818.32 to Table 818 to allow a financial service use in an SSO  |  |  |  |  |
| 5  | (Service/Secondary Office) zoning district; adopting findings.   |  |  |  |  |
| 6  | Note: Additions are <u>single-underline italics Times New Roman</u> ;  |  |  |  |  |
| 7  | deletions are <i>strikethrough italics Times New Roman</i> .<br>Board amendment additions are <u>double underlined</u> . |  |  |  |  |
| 8  | Board amendment deletions are strikethrough normal.  |  |  |  |  |
| 9  | Be it ordained by the People of the City and County of San Francisco:  |  |  |  |  |
| 10 | Section 1. Findings.   |  |  |  |  |
| 11 | 1. This Board of Supervisors ("Board") has reviewed and considered the   |  |  |  |  |
| 12 | information contained in the Planning Department's environmental review document dated                                   |  |  |  |  |
| 13 | , 200_, contained in the Board of Supervisor's File No, concurs with   |  |  |  |  |
| 14 | the findings contained therein, and incorporates those findings herein as though fully set forth.                        |  |  |  |  |
| 15 | The Board further finds that there is no need to prepare additional environmental review unde                            |  |  |  |  |
| 16 | the California Environmental Quality Act for the actions contemplated herein.  |  |  |  |  |
| 17 | 2. Pursuant to Planning Code Section 302, the Board finds that this ordinance will                                       |  |  |  |  |
| 18 | serve the public convenience, necessity and welfare for the following reasons:   |  |  |  |  |
| 19 | A. The South of Market Area ("SOMA") has undergone dramatic changes around   |  |  |  |  |
| 20 | SBC Park (previously known as "Pacific Bell Park") and implementation of the Mission Bay                                 |  |  |  |  |
| 21 | Plan. Within three blocks of SBC Park, many new residential units and offices have been                                  |  |  |  |  |
| 22 | completed or are under construction.   |  |  |  |  |
| 23 | B. Approximately 4,185 dwelling units have been completed. An additional 1,845   |  |  |  |  |
| 24 | dwelling units are projected to be completed by mid-2004 and 681 dwelling units have been                                |  |  |  |  |
| 25 | approved within a three-block radius of the SBC Park.  |  |  |  |  |

1 C. Approximately 185,000 square feet of new office space has been completed. 2 An additional 48,000 square feet of office space is under construction within a three-block 3 radius of SBC Park or the Mission Bay Area.

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D. Financial institutions that provide full services are not a permitted use in any of 5 the SOMA sub-zoning districts; however, automatic bank teller machines ("ATMs") are 6 principally permitted in all SOMA sub-zoning districts.

7 Ε. Currently, the only full-service financial institutions in the SOMA are Wells Fargo 8 Bank and Bank of America, both of which are located at Fourth and Brannan Streets. The 9 prohibition of financial institutions in the SOMA has precluded smaller full-service financial 10 institutions from competing in the SOMA with two of San Francisco's largest banks. Current 11 and future residents and persons working in the area do not have easy access to financial 12 institutions near where they reside or work and are compelled to use ATMs and to pay ATM 13 fees to withdraw funds if they do not bank with Wells Fargo Bank or Bank of America. There 14 is a need for additional financial institutions, especially full-service institutions in the SOMA.

F. 15 There is a lack of ground floor commercial space available to financial service 16 use in the SOMA. Competition for available retail space by financial institutions has a 17 potential of increasing the rent, making such spaces less affordable to neighborhood-serving 18 businesses.

G. To ensure that adequate financial services will be available to persons residing 19 20 or working in the area without affecting current industrial users, the SSO (Service/Secondary 21 Office) zoning districts should be appropriately expanded and the Planning Code should be 22 amended to allow financial institution use in the SSO district. The limited expansion of the 23 SSO district will make available more spaces for retail and other permitted uses and will help 24 to stabilize ground floor commercial rents in the area around the SBC Park.

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1 Η. The area proposed to be reclassified from SLI (Service Light Industrial) to SSO 2 consists of the lots on the north side of Townsend Street between Third and Fourth Streets 3 and is outside of the South End Historic District. The south side of Townsend Street between 4 the Embarcadero and Seventh Street is zoned MB-O (Mission Bay Office), where financial 5 institutions are principal permitted uses. The north side of Townsend Street between Fourth 6 and Fifth Streets is zoned SSO. In all of the options presented in the Community Plan for the 7 Eastern Neighborhoods, the block face proposed to be rezoned to SSO is proposed to be 8 reclassified to Neighborhood Commercial Transit or Neighborhood Commercial Moderate 9 Scale.

I. The block face proposed to be rezoned would extend the SSO district, which
 currently ends on the north side of Townsend Street and the west side of Fourth Street, to the
 northwest corner of Townsend and Third Streets, and is one block north of the SBC park and
 within one-block of the CalTrain Station. The recently completed mixed-use (residential-retail)
 development bounded by Townsend Street, Third Street, King Street and Fourth Street will
 contain a Safeway, a Border's book store, a Starbucks Coffee, restaurants, a Wells Fargo
 Bank and other retail services.

J. During the Community Planning meetings, Planning Department staff indicated that they had no objection to including financial institutions as a principal permitted use in the SOMA and that the Planning Department would include financial institutions as a permitted use as part of the proposed permanent rezoning in the SOMA, especially in the area commonly referred to as East SOMA.

K. Permanent rezoning of the SOMA cannot take place without completion of an
environmental impact report. Adoption of permanent rezoning is not anticipated to be
completed for another eighteen months to two years.

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L. The proposed reclassification of a limited area in the SOMA from SLI to SSO will allow new full-service financial institutions to service this new residential area in the SOMA and protect the existing neighborhood-serving retail businesses and services and other industrial uses while the permanent rezoning for the SOMA is undertaken.

M. The proposed reclassification and the amendment to allow financial institutions
in SSO districts contain safeguards designed to preserve existing industrial and
neighborhood-serving retail businesses and services.

8 3. The proposed Planning Code amendment is consistent with the City's General
9 Plan, and is consistent with the Priority Policies of Planning Code Section 101.1(b) in that:

A. The area proposed to be reclassified from SLI to SSO is limited in size. The financial service use requires conditional use authorization if it will occupy more than 3,999 gross square feet, and is not permitted if it would displace existing neighborhood-serving uses or industrial uses. Therefore, the proposed reclassification and text amendment to allow a financial institutional use is unlikely to displace any neighborhood-serving uses and is consistent with the provisions of Section 101.1(b)(1).

B. The proposed ordinance, which limits financial services to ground floor
commercial area, will not displace any residential use and will have no significant effect on the
land use or visual effect of the area. Therefore, both the existing housing and neighborhood
character will be preserved, consistent with the provisions of Section 101.1(b)(2).

20 C. The proposed ordinance will have no effect on the City's affordable housing 21 supply in the SOMA because no dwelling units exist in the area proposed to be rezoned from 22 SLI to SSO. Therefore, the proposed ordinance is consistent with and will promote the 23 provisions of Section 101.1(b)(3).

D. The proposed ordinance allowing financial services in the limited area being rezoned from SLI to SSO is designed to provide workers and residents in the area with an

1 essential service. The proposed ordinance will not contribute to commuter traffic because the 2 area proposed to be rezoned is well served by public transit, including CalTrain, the MUNI L-3 line, and MUNI bus lines No. 10, 15, 30 and 45. It will not impede MUNI services or 4 overburden City streets because Fourth and Townsend Streets is the terminus for CalTrain 5 and MUNI bus lines 10, 15, 30 and 45 have ample capacity. The ordinance will not aggravate 6 existing on-street parking problems because financial institutions will serve the residents and 7 businesses in the area. The proposed ordinance is consistent with the provisions of Section 8 101.1(b)(4).

9 E. The proposed ordinance will not displace industrial or service sector uses 10 because displacement of such uses is not permitted. The proposed ordinance is therefore 11 consistent with the Section 101.1(b)(5).

F. The proposed ordinance will have no detrimental effect on the fire and seismic safety of existing buildings. Renovation of an existing building for financial service may require that the existing building be upgraded seismically. The proposed ordinance is consistent with the provisions of Section 101.1(b)(6).

16 G. The proposed ordinance will not have any affect on any architecturally or 17 historically significant or City-designated landmark buildings in or adjacent to the area 18 proposed to be rezoned. Renovation of the exterior of an architecturally- or historically-rated or City-designated landmark building located in the area proposed to be rezoned will require a 19 20 certificate of appropriateness or undergo review pursuant Planning Code Section 101.1(b)(7) 21 to ensure that the proposed renovations to such rated buildings are appropriate or would 22 enhance the architecturally- or historically-rated building. Therefore, the proposed ordinance 23 is consistent with the provisions of Section 101.1(b)(7).

H. The proposed ordinance will not increase the height of any existing building and
will not result in any new shadow on any park or recreational facilities subject to the provisions

1 of Planning Code Section 295 (Proposition K Shadow Ordinance) or impair any public vista.

2 Therefore, the proposed ordinance is consistent with the provisions of Section 101.1(b)(8).

3 Sec. 2. The San Francisco Planning Code is hereby amended by amending Section
4 818 and Table 818, to read as follows:

5

SEC. 818. SSO - SERVICE/SECONDARY OFFICE DISTRICT.

6 The Service/Secondary Office District (SSO) District is deigned to accommodate small-7 scale light industrial, home and business services, art activities, live/work units, and small-8 scale, professional office space and large-floor-plate "back office" space for sales and clerical 9 work forces. Nighttime entertainment is permitted as a conditional use. Dwelling units and 10 group housing are permitted as conditional uses. Demolition or conversion of existing group 11 housing or dwelling units requires conditional use authorization.

12 Office, general commercial, most retail, service and light industrial uses are principal

13 permitted uses. *Financial institutions are permitted as either principal permitted uses or as* 

*conditional uses.* Hotel, movie theater, adult entertainment and heavy industrial uses are not
 permitted.

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Table 818 SSO - SERVICE/SECONDARY OFFICE DISTRICT ZONING CONTROL TABLE

| 18 |         |                             |                          | Service/Secondary Office District                                  |
|----|---------|-----------------------------|--------------------------|--|
| 19 | No.     | Zoning Category             | § References             | Controls   |
| 20 | 818 .01 | Height Limit<br>Designation | See Zoning<br>Map        | As shown on Sectional Maps 1 and<br>7 of the Zoning Map; generally |
| 21 |         | Designation                 | map                      | ranging from 40 to 130 feet  |
| 22 | 818.02  | Bulk Limit                  | See Zoning               | As shown on Sectional Maps 1 and                                   |
| 23 |         | Designation                 | Map, §270                | 7 of the Zoning Map  |
| 24 | 818.03  | Residential Density         | §§ 124(b),<br>207.5, 208 | 1:200 for dwellings;<br>1 bedroom for each 70 sq. ft. of           |
| 25 |         |                             |                          | lot area for group housing   |

| 1        | 818.04               | Non-Residential<br>Density Limit            | §§102.9,                 | 3.0 to 1 floor area ratio in 40 or 50 foot height districts; 4.0 to 1 in 65 or |
|----------|----------------------|---|--------------------------|--|
| 2        |                      |   | 123, 124, 127            | 80 foot height districts, and 4.5 to 1   |
| 3        |                      |   |                          | in 130 foot height districts   |
| 4        | 818.05               | Usable Open Space<br>for Dwelling Units     | §135                     | 36 sq. ft. per unit  |
| 5        |                      | and Group Housing                           |                          |  |
| 6        | 818.06               | Usable Open Space<br>for Live/Work Units in | §135.2                   | 36 sq. ft. per unit  |
| 7        |                      | Newly Constructed                           | 3100.2                   |  |
| 8        |                      | Buildings or<br>Additions                   |                          |  |
| 9        | 818.07               | Usable Open Space                           | §135.3                   | Varies by use  |
| 10       |                      | for Other Uses                              |                          |  |
| 11       | 818.09               | Outdoor Activity Area                       | § 890.71                 | Р  |
| 12       | 818.10               | Walk-up facility, including Automated       | §§ 890.140,<br>803.5(d). | Р  |
| 13       |                      | Bank Teller Machine                         |                          |  |
| 14<br>15 | 818.11               | Residential<br>Conversion                   | § 803.5(b)               | C  |
| 16       | 818.12               | Residential<br>Demolition                   | § 803.5(b)               | С  |
| 17       |                      |   |                          |  |
| 18       | Residentia<br>818.14 | Dwelling Units                              | § 102.7                  | С  |
| 19       | 818.15               | Group Housing                               | §890.88(b)               | C C  |
| 20       | 818.16               | SRO Units                                   | §890.88(c)               | <u>Р</u>   |
| 21       | Institution          |   | 3000.00(0)               | ı  |
| 22       | 818.17               | Hospital, Medical                           | §890.44                  | Р  |
| 23       |                      | Centers                                     | 0                        |  |
| 24       | 818.18               | Residential Care                            | §890.50(c)               | С  |
| 25       | 818.19               | Educational<br>Services                     | §890.50(c)               | Р  |

| 1        | 818.20        | Religious Facility                       | §890.50(d)      | Р   |
|----------|---------------|--|-----------------|---|
| 2        | 818.21        | Assembly and Social<br>Service, except   | §890.50(a)      | С   |
| 2        |               | Open Recreation<br>and Horticulture      |                 |   |
|          | 818.22        | Child Care                               | §890.50(b)      | Р   |
| 4        |               |  | 3000100(0)      |   |
| 5        | Vehicle Pa    | arking<br>Automobile Parking             | \$000 <b>7</b>  | Р   |
| 6        | 818.25        | Lot, Community<br>Residential            | §890.7          | P   |
| 7        | 818.26        | Automobile Parking                       |                 |   |
| 8        |               | Garage, Community<br>Residential         | §890.8          | Р   |
| 9        | 818.27        | Automobile Parking                       | §890.9          | Р   |
| 10       |               | Lot, Community<br>Commercial             |                 |   |
| 11       | 818.28        | Automobile Parking                       | 8900 10         | Р   |
| 12       |               | Garage, Community<br>Commercial          | §890.10         | F   |
| 13       | 818.29        | Automobile Parking<br>Lot, Public        | §890.11         | Р   |
| 14<br>15 | 818.30        | Automobile Parking<br>Garage, Public     | §890.12         | С   |
| 16       | Retail Sal    | es and Services                          |                 |   |
|          | 818.31        | All Retail Sales and                     |                 |   |
| 17       |               | Services which are<br>not Office Uses or |                 |   |
| 18       |               | prohibited by<br>§803.4, including       | §890.104        | Р   |
| 19       |               | bars, full service and                   |                 |   |
| 20       |               | fast food<br>restaurants, take out       |                 |   |
| 21       |               | food services, and<br>personal services  |                 |   |
| 22       | Services, F   | inancial                                 |                 |   |
| 23       |               |  |                 | <u>P up to 3,999 sq. ft. C 4,000 sq. ft or</u><br>more; NP if premises were occupied by |
| 24       | <u>818.32</u> | <u>Financial Services</u>                | <u>§890.110</u> | neighborhood-serving uses, or industrial  |
|          |               |  |                 | <u>or manufacturing uses within the last 12</u><br><u>months.</u>                       |
| 25       | L             | ·  |                 | ·]  |

| 818.37   | Nighttime<br>Entertainment  | §102.17<br>803.5(a) | С |
|----------|---|---------------------|---|
| 818.38   | Meeting Hall, not<br>falling within<br>Category 818.21                | §221(c)             | Р |
| 818.39   | Recreation Building,<br>not falling within<br>Category 818.21         | §221(e)             | Р |
| 818.40   | Pool Hall, Card<br>Club, not falling<br>Category 818.21               | §§221(f)<br>803.4   | Р |
| 818.41   | Theater falling within<br>§221(d), except<br>Movie Theater            | §§221(d)<br>890.64  | Р |
| lome and | d Business Service  |                     |   |
| 818.42   | Trade Shop  | §890.124            | Р |
| 818.43   | Catering Service  | §890.25             | Р |
| 818.45   | Business Goods and<br>Equipment Repair<br>Service                     | §890.23             | Р |
| 818.46   | Arts Activities, other<br>than Theaters                               | §102.2              | Р |
| 818.47   | Business Services   | §890.111            | Р |
| Office   |   |                     |   |
| 818.48   | All Office Uses<br>including Work<br>Space of Design<br>Professionals | §890.70             | Р |
|          |   |                     |   |
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|          |   |                     |   |

| 4      | Live/Work | Units  |                                       |    |
|--------|-----------|--|---------------------------------------|----|
| 1<br>2 | 818.54    | Live/Work Units<br>where the work<br>activity is an Arts | §§102.2,<br>102.13,<br>209.9(f), (g), | Р  |
| 3      |           | Activity   | 233                                   |    |
| 4      | 818.55    | Live/Work Units where all work                           | §§102.13,                             | Р  |
| 5      |           | activity is otherwise<br>permitted                       | 233                                   |    |
| 6      | Automotiv | ve Services  |                                       |    |
| 7      | 818.57    | Vehicle Storage -<br>Open Lot                            | §890.131                              | NP |
| 8      | 818.58    | Vehicle Storage -  | §890.132                              | Р  |
| 9      |           | Enclosed Lot or<br>Structure                             |                                       |    |
| 10     | 818.59    | Motor Vehicle  | §§890.18<br>890.20                    | Р  |
| 11     |           | Service Station,<br>Automotive Wash                      | 890.20                                |    |
| 12     | 818.60    | Motor Vehicle<br>Repair                                  | §890.15                               | Р  |
| 13     | 818.61    | Motor Vehicle Tow<br>Service                             | §890.19                               | С  |
| 14     | 818.62    | Non-Auto Vehicle   | §890.69                               | Р  |
| 15     | 010.02    | Sale or Rental   | 3090.09                               | Г  |
| 16     | 818.63    | Public   | §890.80                               | Р  |
| 17     |           | Transportation<br>Facilities                             |                                       |    |
| 18     |           |  |                                       | ·  |
| 19     |           |  |                                       |    |
| 20     |           |  |                                       |    |
| 21     |           |  |                                       |    |
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| 23     |           |  |                                       |    |
| 24     |           |  |                                       |    |
| 25     |           |  |                                       |    |

| 818.64    | Wholesale Sales  | §890.54(b)            | Р  |
|-----------|--|-----------------------|----|
| 818.65    | Light Manufacturing  | §890.54(a)            | Р  |
| 818.66    | Storage  | §890.54(c)            | Р  |
| 318.67    | All Other<br>Wholesaling,<br>Storage Distribution<br>and Open Air<br>Handling of<br>Materials and<br>Equipment | §255                  | Р  |
| Other Use | es   |                       |    |
| 818.68    | Animal Services  | §224                  | Р  |
| 318.69    | Open Air Sales   | §§803.5(e),<br>890.38 | Р  |
| 818.70    | Ambulance Service  | §890.2                | Р  |
| 818.71    | Open Recreation<br>and Horticulture  | §209.5                | Р  |
| 818.72    | Public Use, except<br>Public<br>Transportation<br>Facility   | §890.80               | Р  |
| 818.73    | Commercial<br>Wireless<br>Transmitting,<br>Receiving or Relay<br>Facility                                      | §227(h)               | С  |
| 818.74    | Greenhouse or Plant<br>Nursery   | §227(a)               | Р  |
| 818.75    | Mortuary<br>Establishment  | §227(c)               | NP |
| 818.76    | General Advertising<br>Sign  | §607.2(b) &<br>(e)    | NP |
| 818.77    | Internet Services<br>Exchange  | §209.6(c)             | С  |

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| 1  | Section 3. SEVERABILITY   |
|----|---|
| 2  | If any part of provision of this ordinance, or the application thereof to any person or           |
| 3  | circumstance, is held invalid, the remainder of this ordinance, including the application of such |
| 4  | part of provision to other persons or circumstances, shall not be affected thereby and shall      |
| 5  | continue in full force and effect. To this end, provisions of this ordinance are severable.       |
| 6  |   |
| 7  | APPROVED AS TO FORM:<br>DENNIS J. HERRERA, City Attorney  |
| 8  |   |
| 9  | By:<br>JUDITH A. BOYAJIAN   |
| 10 | Deputy City Attorney  |
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