File No	_200214	Committee Item No	2	
		Board Item No.	11	

COMMITTEE/BOARD OF SUPERVISORS

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Committee:	Land Use and Transportation Committee	ee Date July 27, 2020
Board of Su	pervisors Meeting	Date August 18, 2020
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1		de - Conditional Use Review and Approval Process: Priority Processing and blication Fee for Certain Uses of Commercial Space]
2	•	
3	Ordinance a	mending the Planning Code to expedite the Conditional Use authorization
4	review and a	pproval process and reduce the application fee for certain uses of
5	commercial	space; affirming the Planning Department's determination under the
6	California Er	nvironmental Quality Act; making findings of consistency with the General
7	Plan, and the	e eight priority policies of Planning Code, Section 101; and adopting
8	findings of p	public necessity, convenience, and general welfare under Planning Code,
9	Section 302.	
10	NOTE	· · · · · · · · · · · · · · · · · · ·
11		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> .
12		Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Actorisks (* * * *) indicate the emission of unabanged Code.
13		Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
14		
15	Be it o	rdained by the People of the City and County of San Francisco:
16		
17	Section	n 1. Findings.
18	(a)	The Planning Department has determined that the actions contemplated in this
19	ordinance co	mply with the California Environmental Quality Act (California Public Resources
20	Code Section	s 21000 et seq.). Said determination is on file with the Clerk of the Board of
21	Supervisors i	n File No. 200214 and is incorporated herein by reference. The Board affirms
22	this determina	ation.
23	(b)	On May 28, 2020, the Planning Commission, in Resolution No. 20725, adopted
24	findings that t	the actions contemplated in this ordinance are consistent, on balance, with the
25	City's Genera	al Plan and eight priority policies of Planning Code Section 101.1. The Board

1	adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
2	Board of Supervisors in File No. 200214, -and is incorporated herein by reference.
3	(c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this
4	ordinance will serve the public necessity, convenience, and general welfare for the reasons
5	set forth in Planning Commission Resolution No. 20725.
6	
7	Section 2. Article 3 of the Planning Code is hereby amended by adding Section 303.2,
8	to read as follows:
9	SEC. 303.2. PRIORITY PROCESSING FOR CERTAIN USES IN COMMERCIAL SPACE:
10	EXPEDITED CONDITIONAL USE REVIEW AND APPROVAL PROCESS AND REDUCED
11	APPLICATION FEE.
12	(a) Findings.
13	(1) In April 2013, the Planning Commission adopted the Small Business Priority
14	Processing Pilot Program. The stated goal of the pilot program was to accelerate the review of certain
15	small business applications without compromising the review times of other applications.
16	(2) Building on the success of the pilot program, Planning Department staff in
17	consultation with staff from the Office of Small Business proposed expanding the program to additional
18	types of applications. The expanded program was adopted by the Planning Commission in February
19	2015 and renamed the Community Business Priority Processing Program. As expressed in the
20	Commission's adoption Resolution No. 19323, the intent was to support the business community –
21	especially small and mid-sized businesses – and to increase efficiencies in the way the Commission and
22	Department handle related applications.
23	(3) By enacting this Section 303.2, the Board of Supervisors underscores the
24	importance of small and mid-sized businesses to the economic vitality of San Francisco's
25	neighborhoods and to the City as a whole, its residents, and visitors. The intent of this Section 303.2 is

1	to expedite the review and hearing process for these vital small and mid-sized businesses without
2	compromising public notice and input or the review times of other applications, and to build upon the
3	success of the Community Business Priority Process Program by expanding the scope of eligible
4	projects and ensuring that all eligible projects are considered accordingly, while preserving critical
5	opportunities for community input and accountability to the legislative branch of government.
6	(4) The Calle 24 Special Use District is still in its infancy. and due to its
7	unique history and special identity the projects within its boundaries require special
8	consideration in order to retain, enhance, and support its character. It is, therefore, exempted
9	from the priority processing provisions of this Section 303.2.
10	The City first recognized the area's unique history and special character in 2014, when
11	in Resolution No. 168-14 it established the Calle 24 ("Veinticuatro") Latino Cultural District.
12	The Resolution memorialized "a place whose richness of culture, history and entrepreneurship
13	is unrivaled in San Francisco." A 2014 report by San Francisco Architectural Heritage found
14	that many of the long-standing community-serving businesses within the area were at risk of
15	displacement due to San Francisco's volatile economic climate despite continued value and a
16	record of success.
17	The special character of the area was further recognized in 2017 when Ordinance No.
18	85-17 was enacted to establish the Calle 24 Special Use District. In enacting that ordinance,
19	the Board specifically found, among other things, that "[t]he mix of businesses and uses,
20	including Legacy Businesses, murals, festivals and architectural neighborhood design and
21	character in the Calle 24 Special Use District contribute to a strong sense of neighborhood
22	and a unifying identify." This area continues to require special consideration in order to retain,
23	enhance, and support its unique history and character, including providing economic and
24	workforce opportunities for local residents, supporting the production and offering of local or
25	Latino artwork, and making sure that the area offers a range of goods and services available

1	and accessible to residents, including immigrant and low-income and moderate-income		
2	households.		
3	(b) Priority Processing for Certain Uses. Applications for Conditional Use authorization		
4	that comply with the requirements of subsection (c) are eligible for priority processing and a prorated		
5	application fee. Eligibility for priority processing shall not require any application separate from a		
6	completed application for Conditional Use authorization. Unless modified by this Section 303.2, the		
7	provisions of Section 303 shall apply.		
8	(c) Eligibility for Priority Processing. An application for a Conditional Use authorization		
9	qualifies for priority processing ("eligible application") pursuant to this Section 303.2 if it complies		
10	with all of the following requirements:		
11	(1) It pertains exclusively to Non-Residential Uses;		
12	(2) It is limited to changes of use, tenant improvements, or other interior or		
13	storefront work;		
14	(3) It does not involve the removal of any Dwelling Units;		
15	(4) It does not involve a Formula Retail use;		
16	(5) It does not propose or require the consolidation of multiple storefronts;		
17	(6) It does not seek to provide off-street parking in a quantity beyond that allowed a		
18	of right;		
19	(7) It does not seek to establish, expand, or intensify activities during hours of		
20	operation beyond those permitted as of right;		
21	(8) It does not seek to sell alcoholic beverages for either on-site or off-premises		
22	consumption, excepting beer and/or wine sold in conjunction with the operation of a Bona Fide Eating		
23	Place; and		
24	(9) It does not seek to establish or expand any of the following uses:		
25	(A) Adult Entertainment.		

1	<u>(B) Bar.</u>
2	(C) Drive-up Facility.
3	(D) Fringe Financial Service.
4	(E) Medical Cannabis Dispensary.
5	(F) Nighttime Entertainment.
6	(G) Non-Retail Sales and Service that is closed to the general public.
7	(H) Tobacco Paraphernalia Establishment.
8	(I) Wireless Communication Facility; and
9	(10) Is not within the Calle 24 Special Use District, as described and set forth
10	in Section 249.59 of this Code.
11	If the application qualifies for priority processing, the Department shall notify the applicant of the date
12	of acceptance of the complete application and of the applicant's eligibility for priority processing. The
13	application fee shall be prorated pursuant to subsection (f).
14	(d) Expedited Commission Hearing. An eligible application shall be scheduled for a public
15	hearing on the Planning Commission's consent calendar within 90 days from the date that the
16	application has been deemed complete, unless the hearing date is extended pursuant to subsection (e).
17	An application is deemed complete when the application and filing fee have been accepted by the
18	Department. The Planning Commission shall develop rules and regulations to ensure that eligible
19	applications are heard and determined within 90 days without compromising the review times of other
20	applications.
21	(e) Extension of Commission Hearing Date. The Planning Commission may at any time
22	adopt a one-time extension of not more than 60 days of the hearing date for an eligible application
23	beyond 90 days if:
24	(1) the Planning Director or the Director's designee requests in writing that the item
25	be removed from the Commission's consent calendar; or

1	(2) any member of the Planning Commission requests that the item be removed from
2	the Commission's consent calendar; or
3	(3) any neighborhood organization maintained on a list by the Planning Departmen
4	pursuant to subsection 311(d)(4) submits within 60 days of the submission of a complete Conditional
5	Use authorization application, or at any point prior to the Planning Commission's scheduled hearing,
6	a letter of opposition or written request that the item be removed from the Commission's consent
7	<u>calendar.</u>
8	(f) Reduced Application Fee; Fee Refund. The fee for an application that meets the
9	priority processing requirements of subsection (c) shall be 50% of the otherwise applicable fee
10	established by Section 350 of this Code. If the Planning Commission does not hold a hearing on a
11	Conditional Use application that is eligible for priority processing within 90 days of the date the
12	application is deemed complete, or within the additional time allotted if the Commission continues the
13	matter pursuant to subsection (e), the applicant shall be entitled to a full refund of the application fee.
14	(g) Report to the Board of Supervisors. One year from the effective date of this Section
15	303.2 and for three years thereafter on an annual basis, the Planning Department shall submit to the
16	Board of Supervisors a report showing the number and percentage of eligible applications that are
17	considered within 90 days of the date the Department has deemed the application complete and the
18	reason or reasons why eligible applications were not heard within 90 days, if any.
19	
20	Section 3. Effective Date. This ordinance shall become effective 30 days after
21	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
22	///
23	///
24	///
25	///

1	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Boar		
2	of Supervisors overrides the Mayor's veto of the ordinance		
3	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney		
4			
5	By: <u>/s/ JUDITH A. BOYAJIAN</u> JUDITH A. BOYAJIAN		
6	Deputy City Attorney		
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REVISED LEGISLATIVE DIGEST

(Amended in Committee, 7/27/2020)

[Planning Code - Conditional Use Review and Approval Process: Priority Processing and Reduced Application Fee for Certain Uses of Commercial Space]

Ordinance amending the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space; 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; and adopting findings of public necessity, convenience, and general welfare under Planning Code, Section 302.

Existing Law

Planning Code Section 303 establishes procedures for the Planning Commission's review and determination of applications for Conditional Use authorization.

Amendments to Current Law

This ordinance adds a new section that expedites the Conditional Use authorization review and approval process for certain uses of commercial space. Applications that comply with the eligibility requirements are entitled to a Planning Commission hearing within 90 days of the application's submittal, unless that time is extended by the Commission, and a reduced application fee.

In order to be qualify for priority processing and a reduced fee, an application must: 1) pertain exclusively to non-residential uses, 2) be limited to interior or store-front work, 3) not involve a Formula Retail use or the removal of any dwelling units, 4) not propose or require the consolidation of multiple storefronts, 5) not seek additional off-street parking, or the expansion or intensification of hours of use, beyond those permitted as of right, 6) not seek to sell alcoholic beverages except for beer and/or wine sold in conjunction with a Bona Fide Eating Place, and-7) not seek to establish or expand an adult entertainment use, bar, drive-up facility, fringe financial service, medical cannabis dispensary, nighttime entertainment, non-retail sales and service closed to the public, a tobacco paraphernalia establishment, or a wireless communication facility, and not be within the Calle 24 Special Use District.

Background Information

In April, 2013, the Planning Commission adopted the Small Business Priority Processing Pilot Program, the stated goal of which was to accelerate the review of certain small business applications without compromising the review times of other applications. Building on the success of the pilot program, Planning Department staff in consultation with

BOARD OF SUPERVISORS Page 1

staff from the Office of Small Business proposed expanding the program to additional types of applications. In February, 2017, the Planning Commission adopted the expanded program, which was renamed the Community Business Priority Processing Program. This ordinance builds upon the success of the Community Business Priority Process Program by expanding the scope of eligible projects and ensuring that all eligible projects are considered. The intent of this ordinance is to expedite the review and hearing process for vital small and mid-sized businesses without compromising public notice and input or the review times of other applications, and its enactment underscores the importance of small and mid-sized businesses to the economic vitality of San Francisco's neighborhoods and to the City as a whole, its residents and visitors. Projects within the Calle 24 Special Use District are excluded from the priority processing provided by this ordinance because of its unique history and special character, as described in subsection (a)(4) of the ordinance.

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BOARD OF SUPERVISORS

Page 2

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

March 3, 2020

File No. 200214

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

Dear Ms. Gibson:

On February 25, 2020, Supervisor Peskin submitted the following legislation:

File No. 200214

Ordinance amending the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space; 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; and adopting findings of public necessity, convenience, and general welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

By: Erica Major, Assistant Clerk

Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Don Lewis, Environmental Planning

> Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

4/2/2020

Joy Navarrete

June 4, 2020

Ms. Angela Calvillo, Clerk Honorable Supervisor Peskin Board of Supervisors City and County of San Francisco City Hall, Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception:

415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

Re: Transmittal of Planning Department Case Number 2020-003041PCA

Conditional Use Review and Approval Process

Board File No. 200214

Planning Commission Recommendation: <u>Approval with Modification</u>

Dear Ms. Calvillo and Supervisor Peskin,

On May 28, 2020, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Peskin that would amend Planning Code to expedite the Conditional Use Authorization review and approval process and reduce the application fee for certain uses of commercial space. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modifications were as follows:

- In lieu of codifying the CB3P program, principally permit at the 1st story uses that contribute to retail corridor vitality for a period of three years; and
- Maintain controls on specific uses when existing restricted use districts or other measures quantitatively limit them.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

Aaron D. Starr

Manager of Legislative Affairs

cc:

Judith A. Boyajian, Deputy City Attorney Lee Hepner, Aide to Supervisor Peskin Erica Major, Office of the Clerk of the Board

Attachments:

Planning Commission Resolution
Planning Department Executive Summary

Planning Commission Resolution No. 20725

HEARING DATE: MAY 28, 2020

Conditional Use Review and Approval Process

Case Number: **2020-003041PCA** [Board File No. 200214]

Initiated by: Supervisor Peskin / Introduced February 25, 2020

Staff Contact: Diego Sanchez, Legislative Affairs

Project Name:

diego.sanchez@sfgov.org, 415-575-9082

Reviewed by: Aaron D Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 415-558-6362

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: **415.558.6378**

Fax:

415.558.6409

Planning Information: **415.558.6377**

RESOLUTION APPROVING A PROPOSED ORDINANCE WITH MODIFICATIONS THAT WOULD AMEND THE PLANNING CODE TO EXPEDITE THE CONDITIONAL USE AUTHORIZATION REVIEW AND APPROVAL PROCESS AND REDUCE THE APPLICATION FEE FOR CERTAIN USES OF COMMERCIAL SPACE; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on February 25, 2020 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 200214, which would amend the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on May 21, 2020; and,

WHEREAS, at its May 21, 2020 the Commission voted unanimously to continue its consideration of the proposed Ordinance to its May 28, 2020 hearing; and

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15060(c)(2) and 15378; and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby approves with modifications the proposed ordinance. Modifications include:

- 1. In lieu of codifying the CB3P program, principally permit at the 1st story uses that contribute to retail corridor vitality for a period of three years; and
- 2. Maintain controls on specific uses when existing restricted use districts or other measures quantitatively limit them.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. Lowering the barriers to entry for small businesses into the City's retail corridors can help address multiple challenges afflicting those corridors.
- 2. In addition to providing permit review prioritization for small businesses, increasing the permissibility of commercial and institutional uses that effectively compete with e-commerce is another worthwhile strategy that would prove beneficial to the City's retail corridors.
- 3. General Plan Compliance. The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The proposed Ordinance and modifications would help facilitate the entry of non-residential uses into the City's Neighborhood Commercial Districts that can attract patrons and that can survive the rise of ecommerce

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

2

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance and modifications would help attract new commercial activity in the City's Neighborhood Commercial Districts by relaxing existing Planning Code permit review and approval processes.

OBJECTIVE 3

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 3.1

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

The proposed Ordinance and modifications would help expand the number of commercial firms locating in San Francisco that could provide employment opportunities for unskilled and semi-skilled workers by relaxing existing Planning review and approval processes

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Policy 6.2

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

The proposed Ordinance and modifications would facilitate the entry of new retail establishments that provide neighborhood serving goods and services. The selected retail establishments are those found to be responsive to the rise of e-commerce in that they are largely experiential and do not sell objects that can be purchased online.

BALBOA PARK STATION AREA PLAN

OBJECTIVE 1.2

STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT.

Policy 1.2.2

Encourage mixed-use residential and commercial infill within the commercial district.

Policy 1.2.3

Retain and improve the neighborhood's existing businesses while also attracting new businesses that address unmet retail and service needs of the diverse local neighborhoods.

The proposed Ordinance and modifications would help facilitate commercial infill within the Ocean Avenue NCT of businesses that could address unmet retail and service needs.

BAYVIEW HUNTERS POINT AREA PLAN

OBJECTIVE 2

IMPROVE USE OF LAND ON THIRD STREET BY CREATING COMPACT COMMERCIAL AREAS, ESTABLISHING NODES FOR COMPLEMENTARY USES, AND RESTRICTING UNHEALTHY USES.

Policy 2.4

Encourage new mixed-use projects in defined nodes along Third Street to strengthen the corridor as the commercial spine of the neighborhood

The proposed Ordinance and modifications would help facilitate viable mixed use projects, and in particular the non-residential component of a mixed use project, along Third Street as it relaxes the existing Planning Code permit review and approval processes for non-residential uses.

GLEN PARK COMMUNITY PLAN

OBJECTIVE 1

PROTECT AND STRENGTHEN THE QUALITIES THAT MAKE DOWNTOWN GLEN PARK SPECIAL.

Policy 1.2

Update existing neighborhood zoning to strengthen Glen Park's commercial district and reinforce the area's pedestrian and transit oriented character.

The proposed Ordinance and modifications would help strengthen Glen Park's commercial district by facilitating the entry of uses that can withstand the rise of e-commerce and its effect on the retail sector.

SHOWPLACE SQUARE/POTRERO AREA PLAN

OBJECTIVE 1.1

ENCOURAGE THE TRANSITION OF PORTIONS OF SHOWPLACE / POTRERO TO A MORE MIXED USE AND NEIGHBORHOOD-SERVING CHARACTER, WHILE PROTECTING THE CORE OF DESIGN-RELATED PDR USES

Policy 1.1.4

Permit and encourage greater retail use on the ground floor on parcels that front 16th Street to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses

The proposed Ordinance and modifications would facilitate the entry of a wide range of retail uses that can add to a mixed use character and that are capable of surviving the rise of e-commerce.

WESTERN SOMA AREA PLAN

OBJECTIVE 2.1

RETAIN AND ENCOURAGE GROWTH OPPORTUNITIES FOR EXISTING NEIGHBORHOOD BUSINESSES

Policy 2.1.2

Promote a wide range of neighborhood-serving commercial uses north of Harrison Street

OBJECTIVE 2.2

PROMOTE APPROPRIATE NEW NEIGHBORHOOD BUSINESS OPPORTUNITIES THAT CREATIVELY RESPOND TO NEIGHBORHOOD, CITYWIDE AND REGIONAL ECONOMIC NEEDS AND TRENDS

Policy 2.1.12

Develop land use controls that promote Folsom Street as the main neighborhood shopping and ceremonial street in the Western SoMa SUD

The proposed Ordinance and modifications would facilitate the entry of a wide range of uses and bolster existing retail corridors

- 4. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:
 - 1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
 - The proposed Ordinance and modifications would have a beneficial effect on neighborhood serving retail uses and on opportunities for resident employment in and ownership of neighborhood-serving retail because it facilitates the entry of neighborhood serving retail uses.
 - 2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance and modifications would have a positive effect on neighborhood character and promote the cultural and economic diversity of the City's neighborhoods as it seeks to facilitate the entry of many neighborhood serving retail and institutional uses.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance and modifications would not have an adverse effect on the City's supply of affordable housing because they concern themselves with regulatory changes to the entry of neighborhood serving retail and institutional uses.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance and modifications would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking because they deal with expediting the review and approval of non-residential uses.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance and modifications would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired as they propose amendments to the review and approval processes for retail and institutional uses.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance and modifications would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake as they concern themselves with changing the regulations on the review and approval of retail and institutional uses.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings as they maintain all existing regulations on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

5. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on May 28, 2020.

Jonas P. Ionin

Commission Secretary

AYES: Diamond, Fung, Johnson, Koppel

NOES: Chan, Imperial, Moore

ABSENT: None

ADOPTED: May 28, 2020

Executive Summary Planning Code Text Amendment

HEARING DATE: MAY 21, 2020 90-DAY DEADLINE: JUNE 1, 2020 1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax: **415.558.6409**

Planning Information: **415.558.6377**

Project Name: Conditional Use Review and Approval Process

Case Number: 2020-003041PCA [Board File No. 200214]

Initiated by: Supervisor Peskin / Introduced February 25, 2020

Staff Contact: Diego Sanchez, Legislative Affairs

diegorsanchez@sfgov.org,415-575-9082

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 415-558-6362

Recommendation: Approval with Modifications

PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code to expedite the Conditional Use Authorization review and approval process and reduce the application fee for certain uses of commercial space.

The Way It Is Now

The Way It Would Be

The Planning Commission allows, as a policy, priority processing for certain uses requiring Conditional Use authorization under the Community Business Priority Processing Program (CB3P). The uses afforded priority processing are generally small to mid-sized businesses, including smaller Formula Retail, and businesses that do not use outdoor areas at the rear or side of the property, or are Massage Establishments or Entertainment uses.

Priority processing for certain uses requiring Conditional Use authorization would be required and codified in the Planning Code under a new Section 303.2, Priority Processing for Certain Uses in Commercial Space. Uses afforded priority processing would closely match those allowed under the CB3P with four differences. Massage Establishments, General Entertainment uses and the use of an outdoor area at the rear or side of a property would be afforded priority while Formula Retail uses of any size would not.

The Planning Commission is not limited in the number of continuances it may grant, nor are the continuances time limited when hearing a request for Conditional Use authorization under CB3P.

The Planning Commission would not be allowed to grant more than one continuance when considering a request for Conditional Use authorization under the proposed priority processing procedures. Further, this continuance could not be scheduled more than 60 days after the initial hearing date.

Fee Rates for Conditional Use authorizations are based upon construction cost and are not tied to the date the Planning Commission holds a hearing

Fee Rates for Conditional Use authorizations that meet the newly proposed priority processing requirements would be 50% of the applicable fee

on a complete Conditional Use authorization application. These fees are not typically refundable.

The Planning Department is not required to report to the Board of Supervisors on the performance of the CB3P.

and would be entirely refundable if the Planning Commission does not hold a hearing within 90 days of the Conditional Use authorization application being deemed complete.

The Planning Department would be required to annually report to the Board of Supervisors on the number and percentage of applications eligible for the codified prioritization program that are considered within 90 days of the date the Department has deemed the application complete and the reason or reasons why eligible applications were not heard within 90 days, if any. This reporting requirement would begin one year after the effective date of the Ordinance and continue for three years.

BACKGROUND

Priority Processing Programs

Expeditiously reviewing land use applications to establish small businesses in the City's retail corridors has been a concern for many years. In 2013 the Planning Commission (Commission) adopted Resolution 18842, creating the Small Business Priority Processing Pilot Program (SB4P), as one response to this concern. As a Commission policy, SB4P allowed the Planning Department (Department) to accelerate the review of specific small business applications requiring Conditional Use authorization (CU).

Two years later the Commission adopted the Community Business Priority Processing Program (CB3P). CB3P is the successor Commission policy to SB4P for noncontroversial small business applications requiring CU. CB3P affords eligible proposals a Commission hearing within 90 days of receipt of a complete application as well as placement on the Commission's consent calendar. There are no additional fees associated with participation in CB3P and the applicant simply pays the standard CU fees which are based on construction costs. To be eligible, a proposal must submit the CB3P checklist confirming compliance with eight criteria. Very broadly, these criteria assure the business is small to mid-sized; seeks principally permitted operating hours and off-street parking; does not consolidate multiple tenant spaces or remove Dwelling Units; involves only typical tenant improvements; and is a use that is family friendly and not exclusively adult oriented.¹

ISSUES AND CONSIDERATIONS

Current CB3P Implementation

Planning Department staff (Staff) currently processes approximately 18 CB3P applications per year. It takes Staff an average of 68 days from receipt of a *complete* application to have the Commission hear the proposal. This is well within the targeted 90-day timeline. It is also exceedingly rare that the Commission deny a CB3P proposal. This is in large part because Staff has effectively communicated the program's constraints

¹ Community Business Priority Processing Program Checklist for Eligibility: https://sfplanning.org/sites/default/files/forms/CB3P Application.pdf

and helped shape and refine proposals to increase their likelihood of approval. Taken together, this demonstrates that the Commission's policy is being effectively implemented as designed.

Planning Code Amendments and Commission Policies

In its role guiding the City's physical development, the Commission frequently considers ordinances amending the Planning Code. These ordinances typically stem from the Board of Supervisors (BOS) or the Mayor's Office. The Commission's consideration results in a non-binding recommendation to the BOS. The Commission's recommendation is only one step in the months-long legislative process. It is not uncommon for other City commissions to comment upon ordinances and for the BOS, in committee or as a whole, to disregard Commission recommendations. All told, the legislative process can be protracted and politicized and is one over which the Commission has little control.

The Commission may also adopt policies to help guide the City's physical development. In this case, the Commission directs Staff to formulate and/or implement new land use controls or procedures. An example is the CB3P establishing permit review procedures for small- and mid-sized businesses. Adoption of such policies may occur in a matter of weeks and subsequent refinements can occur in a similar timeframe. For example, expanding the eligible retail use types in a permit prioritization program to include Formula Retail uses with fewer than 20 establishments can occur in weeks. Further, Commission policies often provide Staff with discretion on how best to implement a new procedure. This allows for policies to quickly respond to changes in real estate markets or to community concerns. As an example, Senior Staff can be afforded the discretion to exclude from participation in permit prioritization programs specific use types because of on-going work with community stakeholders around retail corridor composition. This contrasts with the legislative process, as it is far lengthier and involves many more decision makers and divergent policy interests. The difficulties are further compounded when the legislative process codifies Department procedures, essentially stripping Staff of beneficial discretion.

Attracting Viable Retail and Institutional Uses

Even prior to the COVID-induced crisis, San Francisco's retail corridors were facing monumental challenges. The rise and prevalence of e-commerce, difficulties securing a stable workforce, escalating operating costs, and persistent vacancies all contributed to an increasingly bleak retail environment.

While limited in extent, land use controls can help resolve certain aspects of the retail corridor crises. For example, facilitating the entry of uses that effectively compete with e-commerce can help fill vacancies and lower initial operating costs. This would entail lowering permit requirements from CU for uses that, broadly speaking, sell experiences rather than objects, diversify the offerings along a retail corridor, and attract foot traffic to the retail corridor. In the Planning Code these would be eating and drinking uses like Limited Restaurants and Restaurants; entertainment uses like General Entertainment and Arts Activities; health/wellness uses like Health Services, Instructional Services (dance, exercise, music, martial arts), Personal Services (tattoo, cosmetic services, hair and nail salons), and Gymnasiums; and foot traffic generators like Community Facilities, Religious Institutions, Social Service Uses, Public Facilities, and Post-Secondary Educational Institutions.

It is important for these uses to have lowered permitting barriers to entry at the street level. This is where the lion's share of activity occurs within a retail corridor, and ultimately defines a corridor's viability.

Concerns over prolonged or rapid change in corridor composition can be allayed by making these modifications temporary and in response to the current COVID-induced shocks to the retail sector.

Permitting for the Retail Sector

One challenge to opening a new small business in the City's retail corridors is the time and cost of securing land use permits.² This is heightened when CU is required, including under the CB3P. CU requires a Commission hearing that, under best circumstances, occurs between three to six months after initial application submission. Principally permitting most small businesses can significantly reduce permit review times and procedures. There is no hearing requirement when a use is principally permitted. This avoids expending the effort coordinating a Commission hearing, producing a case report and collaborating on a presentation. This speed also benefits businesses seeking to combine multiple retail uses in one space, something that the current retail market is driving many to explore. Even when neighborhood notice is required, permit review and approval times are generally less than those for CU.

Public Input on Neighborhood Commercial District Composition

Currently the Planning Code affords the public multiple ways in which to opine upon and help craft the composition of the City's Neighborhood Commercial Districts (NCD). One way is through the CU process. This occurs when a small business operator is required to secure authorization from the Commission at a public hearing. Often a member of the public receives notice of the hearing and can provide the Commission with oral or written remarks about the proposed business. The Commission is required to consider these remarks as it deliberates whether the proposal is necessary and desirable. As stated above, this can take months to complete.

The neighborhood notice process is another means for the public to provide input on NCD composition. While the Planning Code principally permits many uses, some are required to undergo a 30-day notice period. This alerts neighbors of an impending Planning Department approval and allows neighbors to enquire and comment upon the proposal. It also allows the public to request that the Commission exert its Discretionary Review power on the proposal. In these instances, the Commission must find some aspect of the proposal extraordinary and exceptional in order to modify, impose conditions upon, or even deny the project.

Still another way the public process shapes the City's NCD's is through imposed quantitative limits on retail uses. For example, the Mission Neighborhood Commercial Transit District sets a limit on the number of eating and drinking establishments. This provides clarity to prospective retail establishments and avoids the arduous hearing processes. Similarly, in the North Beach Special Use District regulations only allow new eating and drinking establishments in locations where one already legally exists. This also serves as a de facto limit, providing certainty without the need of protracted hearings.

General Plan Compliance

² Strategic Economics, 2018. State of the Retail Sector: Challenges and Opportunities for San Francisco's Neighborhood Commercial Districts.

 $[\]frac{https://oewd.org/sites/default/files/Invest\%20In\%20Neighborhoods/State\%20of\%20the\%20Retail\%20Sector\%20-\%20Final\%20Report.pdf$

The Ordinance and recommended modifications align with several of the City's General Plan Objectives and Policies. For example, the proposed Ordinance and recommended modifications satisfy policies concerning the attraction of small businesses in the Commerce and Industry Element, the Balboa Park Station Area Plan, the Bayview Hunters Point Area Plan, the Showplace Square/Potrero Area Plan, and the Western SoMa Area Plan.

Racial and Social Equity Analysis

Understanding the benefits, burdens and opportunities to advance racial and social equity that proposed Planning Code and Zoning Map amendments provide is part of the Department's Racial and Social Equity Initiative. This is also consistent with the Mayor's Citywide Strategic Initiatives for equity and accountability and with the Office of Racial Equity, which requires all Departments to conduct this analysis.

What are the Racial and Social Equity Impacts of this Ordinance?

The Ordinance essentially codifies existing Planning Department permit review prioritization procedures for small businesses. Because of this, in large measure there would be no new impacts, beneficial or burdensome, on racial and social equity should the Ordinance become effective. Codification, however, would eliminate the slight degree of discretion Staff maintains over prioritization. This could adversely affect on-going Planning Department efforts with neighborhoods reeling from commercial gentrification and displacement. In these neighborhoods the Department has occasionally elected to not provide prioritization to seemingly controversial proposals. Instead the Department has requested project sponsors dedicate the additional time to Commission hearing for continued outreach with neighborhood stakeholders.

Who Will Benefit or Be Burdened by the Ordinance?

Entrepreneurs seeking to establish new businesses will generally continue to benefit from codifying the existing prioritization procedures. Because immigrants and minorities start new businesses at higher rates than other demographic groups, they would stand to benefit at a disproportionate level.³ This has the possibility of improving racial and social equity in San Francisco. Further, the General Plan has various Objectives or Policies that seek to encourage the location of the firms typically owned or operated by racial and ethnic minorities in San Francisco and as such the prioritization procedures would align with these goals.⁴

Are there Strategies to Mitigate the Unintended Consequences or Enhance the Benefits of the Ordinance? The Ordinance does not propose any strategies or measures to further enhance benefits from the Planning Code amendments. Possible measures could include dedicating resources to small business incubators to

³ Robert W. Fairlie. *Immigrant Entrepreneurs and Small Business Owners, and their Access to Financial Capital*. https://www.sba.gov/sites/default/files/rs396tot.pdf

Minority Entrepreneurs. https://www.sbc.senate.gov/public/index.cfm/minorityentrepreneurs

⁴ Commerce and Industry Element, Policy 2.3: Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

Mission Area Plan, Objective 7.3: Reinforce the importance of the Mission as the center of Latino life in San Francisco.

Western SoMa Area Plan, Objective 9.4: Reinforce the importance of the South of Market as a center for Filipino-American and LGBTQ life in San Francisco.

create a pipeline of businesses ready to occupy brick and mortar locations. Resources could also provide technical assistance for these burgeoning businesses, especially with lease negotiation, scoping and managing tenant improvements, and navigating the City permitting process, among other areas.

Implementation

The Department has determined that the Ordinance would impact current procedures. The codified 90-day threshold for Commission hearing and limit on continuances would require Staff to shift permit review toward eligible applications.

RECOMMENDATION

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

- 1. In lieu of codifying the CB3P program, principally permit at the 1st story uses that contribute to retail corridor vitality for a period of three years; and
- 2. Maintain controls on specific uses when existing restricted use districts or other measures quantitatively limit them.

BASIS FOR RECOMMENDATION

The Department supports the ordinance intention of streamlining the CU process for small businesses and provide them with a more certain timeline for approval; however, the existing CB3P program already provides this certainty by meeting or even exceed thing the 90-day timeline. Further, codifying the program will remove the Commission's ability to nimbly respond to small business needs. This is even more necessary in the COVID-19 context. Rather than codifying's a process that already is working and therefore will not drastically improve the approval process, the Department is instead proposing the following modifications which will allow small businesses to, in some cases, receive a approval within a couple of hours instead of a couple of months.

Recommendation 1: In lieu of codifying the CB3P program, principally permit at the 1st story uses that contribute to retail corridor vitality for a period of three years. Given the pre-existing challenges to the retail sector and new COVID-induced constraints, it is exceedingly important that land use controls adjust in response. This entails lowering the barrier to entry for uses that effectively compete with e-commerce and that contribute to corridor vitality. These uses include:

- •Limited Restaurant
- Restaurant
- •General Entertainment
- Arts Activities
- Health Services
- •Instructional Services
- Personal Services

- Gymnasium
- Community Facility
- •Religious Institution
- Social Service
- Public Facility
- •Post-Secondary Educational Institution

Being that these changes are, at least in part, a response to COVID-induced pressures, Staff is recommending that they sunset in three years unless extended by the BOS. The three-year period matches the duration of the proposed reporting requirements in the Ordinance.

Recommendation 2: Maintain controls on specific uses when existing restricted use districts or other measures limit them. Public input on corridor composition is a staple in San Francisco. However, this can require enormous amounts of time, and result in a disincentive to open a small business in the City. To both provide certainty to small businesses and express community input on corridor composition, Staff is recommending that existing quantitative limits on specific uses, like eating and drinking uses in the Mission Street NCT, remain.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

ENVIRONMENTAL REVIEW

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

PUBLIC COMMENT

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

Attachments:

Draft Planning Commission Resolution Exhibit A: Exhibit B: Board of Supervisors File No. 200214

7



CITY AND COUNTY OF SAN FRANCISCO LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

July 28, 2020

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. 200214 – Planning Code - Conditional Use Review and Approval Process - Priority Processing and Reduced Application Fee for Certain Uses of Commercial Space

Small Business Commission Recommendation to the Board of Supervisors: **Support with modifications.**

Dear Ms. Calvillo,

On July 02, 2020 the Small Business Commission (SBC or Commission) heard BOS File No. 200214 – Planning Code - Conditional Use Review and Approval Process - Priority Processing and Reduced Application Fee for Certain Uses of Commercial Space. Lee Hepner, Legislative Aide to Supervisor Aaron Peskin provided the SBC with an overview of the legislation. After a robust discussion, the SBC voted (7-0) to recommend that the Board of Supervisors support the legislation with modifications.

The Commission engaged in a substantive discussion regarding the legislation with Mr. Hepner and with Aaron Starr, Manager of Legislative Affairs with the Planning Department. Mr. Hepner, Mr. Starr, and the Commission agreed that at present, the Conditional Use process is inefficient. The Commission expressed particular discomfort with reports of the process taking 300+ days or more to complete for some small businesses. The Commission had additional concerns regarding Section 303.2(e) of the legislation, which would permit the Planning Director, the Planning Commission, or authorized Neighborhood Organizations to adopt a one-time 60-day extension of the Planning Commission hearing date required of such projects that this legislation would affect. Specifically, that this provision may be used to add unnecessarily delay to projects. The Commission also discussed how the codification of the Community Business Priority Processing Program could unintentionally contribute to further gentrification of Cultural Districts, particularly Calle 24. Mr. Hepner shared that the sponsor's office would be open to amendments regarding those concerns.

Ultimately, the Commission voted unanimously to support the legislation, with the following modifications:

- Eliminate Sec. 303.2(e). Extension of Commission Hearing Date.
- Exempt the Calle 24 Cultural District from the legislation

The Commission shared their appreciation for the opportunity to discuss this matter with the

sponsor's office in the public forum. They also asserted the importance of streamlining legislation in light of challenges small businesses are facing and will be facing due to the local emergency.

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

Sincerely,

Regina Dick-Endrizzi

Director, Office of Small Business

ZMDick Endergy

cc: Aaron Peskin, Member, Board of Supervisors

Sophia Kittler, Mayor's Liaison to the Board of Supervisors

Rich Hillis, Director, SF Planning

Lisa Pagan, Office of Economic and Workforce Development

Erica Major, Clerk, Land Use and Transportation Committee

From: Peskin, Aaron (BOS)

To: Betty Louie

Cc: <u>Hepner, Lee (BOS)</u>; <u>Major, Erica (BOS)</u>

Subject: RE: CU streamlining

Date: Monday, July 27, 2020 12:05:05 PM

Thank you Betty. We'll add your email to the file.

Aaron

From: Betty Louie <bjlouie@att.net>
Sent: Monday, July 27, 2020 11:54 AM

To: Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>

Subject: CU streamlining

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I will be busy with the Mayor's Task Force today. I want to let you know that I wholeheartedly support your legislation that will streamline the permitting process for small businesses. We are all struggling and I suspect many of us will not survive this pandemic. Anything that can give the small business community a lifetime would be so appreciated.

Thank you. Betty Louie

From: <u>Jessica Furui</u>
To: <u>Major, Erica (BOS)</u>
Subject: Support for CU Sooner

Date: Monday, July 27, 2020 12:48:14 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello Ms Major,

I'm emailing to communicate my support for the CU Sooner legislation to streamline the process for conditional use changes for eating establishments. I believe the City needs to do whatever they can to support small business at this time.

Thank you, Jessica Furui SoMa resident

Any typos courtesy of iPhone.

 From:
 Meghan Monahan

 To:
 Major, Erica (BOS)

Subject: Please streamline conditional use for beer and wine licenses in San Francisco

Date: Monday, July 27, 2020 1:24:01 PM

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Sorry, I found out about this meeting late. I am excited that the city is considering streamlining the process for beer and wine licenses in San Francisco. Small restaurants are struggling and they need all the help they can get. Please let's do this!

Thank you so much, Meghan Monahan North Beach resident Librarian and disaster service worker
 From:
 gemma addison

 To:
 Major. Erica (BOS)

 Subject:
 146 729 4222 meeting ID

 Date:
 Monday, July 27, 2020 1:29:55 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I support the changes! It would be lovely to have our small favourite restaurants to also have beer and wine on the menu!

Best Gemma Addison

Please phone or email your support for changes to the conditional use legislation that will allow business ike our to change to a "full restaurant" so we ca apply for a beer & wir Meeting is today at 1:30pm Call: 415-655-0001 Meeting ID: 146 729 4222 Email: Erica.Major@sfgov.org Thank you! Please share and repost! We need your

From: tracy andreassen

To: Major, Erica (BOS)

Subject: Conditional use legislation

Date: Monday, July 27, 2020 1:33:13 PM

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Just a North Beach resident and fellow small business owner emailing my support for changes to the conditional use legislation. These changes will allow restaurants like Family Cafe to change status to a "full restaurant" where they can apply for a beer and wine license. Please help us save our small businesses!

Thanks!
Tracy Andreassen

--

Tracy Andreassen owner at RENDEZVOUS North Beach www.rendezvousnb.com IG @rendezvousnorthbeach
 From:
 Sam Engel

 To:
 Major, Erica (BOS)

Subject:Small business & full restaurantsDate:Monday, July 27, 2020 1:35:47 PM

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Hi there,

I'm Sam Engel and I live in Laurel Heights. I would like to voice my support for changes to the Conditional Use Legislation to allow small businesses to change their registration as a "full restaurant" so they can apply for beer and wine license.

I support this because I would like to support the small family owned restaurants throughout the city, as they adapt to the pandemic, and change their business needs. What once may have been a thriving small cafe during lunch hours downtown may now be an outdoor eatery with a parklet, and no better place to enjoy a cocktail.

Thank you!

--

Sam Engel sam13e@gmail.com

 From:
 Kati Kasch

 To:
 Major, Erica (BOS)

Subject: The Family Cafe - What Every SF Restaurant Should Strive For

Date: Monday, July 27, 2020 1:40:10 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Good Afternoon Erica,

My name is Kati Kasch and I am a resident of the North Beach neighborhood in San Francisco. Originally from Colorado, I'd always had a yearning to live in the City by the Bay and I finally answered that calling nearly two years ago. While there are innumerous things I love about the city, for some reason there was a sense of community that I was missing. Maybe it was because everyone is so transient or maybe it's just the digital age we live in, but I wasn't finding the unique and interesting connections I had in other cities, like New York.

Then, one day on my walk to work (a walk I'd been doing for over a year), a storefront with white subway tile, welcoming counter seating, luscious plant life and unique decor caught my attention. It was as if I was being pulled through the front door by an unknown energy. Well, I soon came to find out that that "energy" was Jessica. Jessica and Tada (owners of The Family Cafe) are incredibly welcoming, hospitable, creative, and talented. They have a keen eye for aesthetics and an even greater attention to detail when it comes to the incredible food and beverages they serve.

I frequent their store not only because of the amazing eats but more so because of the sense of community it provides. Sit at their counter bar and you're sure to make friends - the personalities are endless. They bring together recent transplants and longlife residents, they bring together people of all ages, races, wages and languages.

I tell you this because The Family Cafe has the heart and soul that every restaurant should strive for and their patrons (what they call family) are forever grateful. So, it is because of this that I am asking that you allow them to apply for a beer and wine license so that they can serve their community even better than they already are. It is an incredibly difficult time for restaurateurs and small business owners but allowing them to serve will provide additional revenue that is so greatly needed. From one neighbor to another, I'm hoping you can help!

Thank you in advance for your consideration and if you have any further questions, I'd be happy to chat.

Have a great week,

Kati

--

Kati Kasch 970.445.0511 From: <u>Hideaki Mizuno</u>
To: <u>Major, Erica (BOS)</u>

Subject: Supporting Family Cafe and changes to the conditional use laws in SF

Date: Monday, July 27, 2020 1:43:37 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I hereby support Family Cafe and the changes to the conditional use laws in SF, so that it will give the opportunity to apply for a beer and wine license.

Hideaki Mizuno 269 24th Ave, San Francisco, CA 94121 From: <u>Dana Wolheim</u>
To: <u>Major, Erica (BOS)</u>

Subject: Support for Changes to Conditional Use Legislation (for Family Cafe)

Date: Monday, July 27, 2020 1:45:31 PM

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Hello,

I am writing to express my support for the changes to the conditional use legislation, which will allow establishments like Family Cafe (362 Columbus Ave, San Francisco, CA 94133) to run as "full restaurants," enabling them to apply for beer/wine licenses.

Thank you, Dana K. Wolheim 1438 Green Street, Unit 7B San Francisco, CA 94109 From: Sara Whitman
To: Major, Erica (BOS)
Subject: support small business

Date: Monday, July 27, 2020 1:57:37 PM

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Hi Erica,

I'm emailing to support the "see you sooner" legislation trying to get passed. This would allow for restaurants with a limited restaurant licence, apply for a full restaurant licence. I've been working in the SF restaurant industry For 10 plus years and I hate seeing small businesses fail simply because of red tape. Now is the time for the city to lift up small businesses that are clearly struggling due to covid 19. We want to keep our City the way it was before the pandemic, not the ghost town it's turning into.

Sincerely, Sara Whitman From: <u>Tamara Setiady</u>
To: <u>Major, Erica (BOS)</u>

Subject:Support for Conditional Use LegislationDate:Monday, July 27, 2020 1:59:30 PM

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Hello Erica and San Francisco Board of Supervisors,

My name is Tamara Setiady and I have been a resident of North Beach for the past 2 years. I reside at 564 Lombard Street. I am a teacher at St. Ignatius College Prep in the Sunset District, where I have worked for the last 4 years.

I am writing to express my support for my favorite locally-owned business in my neighborhood, Family Cafe, located at 362 Columbus Avenue. I support changes to the conditional use legislation that will allow businesses like Family Cafe to change to a full restaurant so they can apply for a beer and wine license.

Over the past year, I have had the opportunity to get to know the owners, Jessica and Tada Furui. They are passionate about serving the community through offering fresh, well-cooked Japanese food. Even though they are a relatively new business, they have developed authentic relationships with other North Beach business owners and many local residents. It is truly a family-friendly, community space! During the pandemic, they have pivoted to offering household staples and grocery items to our neighborhood, which has been valuable to me personally. Not to mention their take out offerings of lattes, katsu sandwiches, and delicious ramen!

I know that Jessica is excited to share her love of sake with the community. During this pandemic, a change to the conditional use legislation would be highly beneficial to sustaining their small business. Family Cafe embodies the spirit of North Beach as a small business, respectful and responsive to the needs of its customers. I would hate to see it go out of business as a result of the current economic crisis.

Please do not hesitate to contact me with any questions. I appreciate your service to our community during this time of pandemic!

Thank you, Tamara Setiady From: <u>Tadayuki Furui</u>
To: <u>Major, Erica (BOS)</u>
Subject: Support familycafe

Date: Monday, July 27, 2020 2:19:41 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I supoort familycafe for change conditional use legislation Thank you

Tadayuki furui

Sent from my iPhone

From: sarah borruso
To: Major, Erica (BOS)

Subject: Support for The Family Cafe in North Beach

Date: Monday, July 27, 2020 3:02:32 PM

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Hi,

I am writing to support the Family Cafe in North Beach in their efforts to become a "full restaurant" and be able to apply for a beer and wine license.

Thanks so much,

Sarah

From: <u>Liz Christiano</u>
To: <u>Major, Erica (BOS)</u>

Subject: In support of Family Cafe in North Beach

Date: Monday, July 27, 2020 3:14:49 PM

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Hi!

I adore Family Cafe in North Beach and fully support them becoming a full restaurant and being able to apply for a beer and wine license. They are amazing. Please help them stay in business.

Thanks!

Liz Christiano 520 Filbert St SF CA 94133 (650)759-6140
 From:
 Burns, Steven

 To:
 Major, Erica (BOS)

 Subject:
 146 729 4222 meeting ID

 Date:
 Monday, July 27, 2020 3:24:02 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi Erica	Н
I support the changes.	1:
It would be great to have our small favourite restaurants to also have beer and wine on the menu!	lt
Thanks	Т
Steve Burns	S

Please phone or email your support for changes to the conditional use legislation that will allow businesses ke our to change to a restaurant" so we apply for a beer & wi Meeting is today at 1:30pm Call: 415-655-0001 Meeting ID: 146 729 4222 Email: Erica.Major@sfgov.org Thank you! Please share and repost! We need your

From: Victoria Lin
To: Major, Erica (BOS)

Subject: In Support of Family Cafe: Conditional Use Change to Fully-Operating Restaurant

Date: Monday, July 27, 2020 8:25:20 PM

Attachments: In Support of Family Cafe Conditional Use Change to Fully-Operating Restaurant .msg

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

 From:
 Pindie Dhaliwal

 To:
 Major, Erica (BOS)

 Subject:
 CU Sooner

Date: Monday, July 27, 2020 8:35:27 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Ms Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

Restaurants, like my neighborhood spot Family Cafe, are struggling to stay afloat during this telling time. I think however we can help small businesses survive is our duty.

Thank you for consideration.

Best, Pindie Dhaliwal From: Keelyn Nori
To: Major, Erica (BOS)
Subject: Re: Conditional use

Date: Monday, July 27, 2020 9:04:10 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Ms Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

Reform on this point can help many struggling businesses at a critical time.

Thanks for the consideration Keelyn Nori North Beach From: Gagan Singh
To: Major, Erica (BOS)

Subject: CU Sooner Conditional Use Streamlining Legislation

Date: Monday, July 27, 2020 9:17:29 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Ms. Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner

Thank you!

From: Cameo Wood
To: Major, Erica (BOS)
Subject: Conditional us e legislation
Date: Monday, July 27, 2020 10:29:45 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Ms Major,

I am a longtime (20 years) SF Résident in Noe Valley, a business owner and investor, and an active community leader.

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

-Cameo Wood

From: <u>Mahati Chintapalli</u>
To: <u>Major, Erica (BOS)</u>

Cc: <u>jessica@family-northbeach.com</u>
Subject: Support for CU Sooner

Date: Monday, July 27, 2020 10:37:50 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To whom it concerns:

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner. I personally know a budding new business, Family Cafe in North Beach, that would benefit from this legislation.

Mahati Chintapalli, PhD Mountain View, CA From: <u>Jee-Hee Haar Farris</u>
To: <u>Major, Erica (BOS)</u>

Subject:CUSooner Legislation SupportDate:Monday, July 27, 2020 11:28:24 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi Erica,

I am writing to you to give my full support for the CU Sooner legislation which would allow small businesses to get beer and wine licenses. We need each of these small business to SURVIVE. What will the city be without a diversity of businesses. We need to help them have more pathways to make money and make it through this pandemic.

I appreciate your time in reading this. I missed the earlier meeting today, Meeting ID: 146 729 4222.

Thanks,

Jee-Hee Haar Farris

 From:
 James Lin

 To:
 Major, Erica (BOS)

 Subject:
 CU Sooner

Date: Tuesday, July 28, 2020 6:47:06 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Ms. Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner. By enacting this measure, it will help small businesses such as Family Café in North Beach the opportunity to optimally program their operations to create a sustainable business model and become part of the long-term social fabric of the North Beach community and neighborhood.

With so much going on in everyone's world, I thank you for your time and consideration.

Best,

James

James Lin

President and Co-CEO
Ozumo Concepts International, LLC
161 Steuart Street, San Francisco, CA 94105
jlin@oc-intl.com | 415.828.0816

From: <u>Katy Greenspan</u>
To: <u>Major, Erica (BOS)</u>

Subject: CU Sooner Conditional Use Streamlining Legislation

Date: Tuesday, July 28, 2020 10:17:08 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Ms Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant. I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

Sincerely,

Katy Greenspan

From: Sam Purtill

To: Major, Erica (BOS)

Subject: CU Conditional Use Streamlining Legislation Letter of Support

Date: Tuesday, July 28, 2020 10:32:53 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Dear Ms. Major,

Thanks for taking the time to read this. I am 13+ year resident of San Francisco, business owner, startup investor, and board chair of the local non-profit <u>Mission Bit</u>.

I am writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant.

I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

I received information about this legislation from Jessica at Family Cafe in North Beach. They need this legislation to pass in order to keep their business alive.

COVID has ripped up the playbook so I am hoping San Francisco will quickly adapt in order to save businesses like Family Cafe.

Thank you for your time and consideration.

Sincerely, Sam

--

Sam Purtill 415 367 5181

From: Ryan Breen
To: Major, Erica (BOS)
Subject: In favor of CU Sooner

Date: Tuesday, July 28, 2020 3:09:47 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Hi Erica,

I'm writing to express my support for CU Sooner. I know a number of boutique restaurant owners in San Francisco who are struggling to keep their doors open and make ends meet, and I've spoken with one of them personally about how much this legislation would affect the viability of her business. We are all struggling to adapt to this new environment, and CU Sooner is an excellent opportunity to lend our SF restaurants, closing by the dozens, a hand so that we don't continue to see the homogenization of San Francisco residents and businesses. Please help small business owners survive!

Thank you for your consideration.

Best, Ryan Breen 2586 Post Street San Francisco, CA 94115



235 Montgomery St., Ste. 760, San Francisco, CA 94104 tel: 415.352.4520 • fax: 415.392.0485 sfchamber.com • twitter: @sf_chamber

March 9, 2020

Board of Supervisors, Planning Commission, and Small Business Commission San Francisco City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA

Re: Planning Code - Conditional Use Review and Approval Process - Priority Processing and Reduced Application Fee for Certain Uses of Commercial Space

Dear Supervisors and Commissioners,

On behalf of the San Francisco Chamber of Commerce, I am writing in support of the recently introduced legislation to expedite and reduce fees for Conditional Use permits. The SF Chamber feels this is a positive, impactful, and much-needed step in the right direction for alleviating the burdens on the small business community.

With a changing economy, it is imperative that we continue to find ways to streamline permitting for small businesses looking to thrive in San Francisco. Allowing for an expedited process for conditional use permits will allow for such flexibility. Further, the increasing cost of doing business in the City has greatly impacted small business, and we are thrilled to see the City take steps to alleviate burdens where possible.

On behalf of the hundreds of small business members the Chamber represents, we thank Supervisors Peskin, Ronen, Fewer, and Haney for sponsoring this legislation and support its passage.

Sincerely,

Rodney Fong President & CEO

BOARD of SUPERVISORS



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

March 3, 2020

Planning Commission Attn: Jonas Ionin 1650 Mission Street, Ste. 400 San Francisco, CA 94103

Dear Commissioners:

On February 25, 2020, Supervisor Peskin introduced the following legislation:

File No. 200214

Ordinance amending the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space; 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; and adopting findings of public necessity, convenience, and general welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

By: Erica Major, Assistant Clerk

Land Use and Transportation Committee

c: Dan Sider, Interim Director
Scott Sanchez, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
Adam Varat, Acting Director of Citywide Planning
Aaron Starr, Manager of Legislative Affairs
Andrea Ruiz-Esquide, Deputy City Attorney
Joy Navarrete, Major Environmental Analysis
Georgia Powell, Planning Misc. Permits Routing

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

March 3, 2020

File No. 200214

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

Dear Ms. Gibson:

On February 25, 2020, Supervisor Peskin submitted the following legislation:

File No. 200214

Ordinance amending the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space; 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; and adopting findings of public necessity, convenience, and general welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

By: Erica Major, Assistant Clerk

Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Don Lewis, Environmental Planning

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:

Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE:

March 3, 2020

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. 200214

Ordinance amending the Planning Code to expedite the Conditional Use authorization review and approval process and reduce the application fee for certain uses of commercial space; 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; and adopting findings of public necessity, convenience, and general 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.

 From:
 William Foss

 To:
 Major, Erica (BOS)

Subject: cu sooner

Date: Thursday, July 30, 2020 4:59:57 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello Ms. Major,

I am very concerned about the situation of restaurants closing in SF. As a life time resident I would urge the passage of the CU Sooner legislation that would help restaurants survive this unprecedented time.

Thank you, William Foss 8 Putnam St. SF From: Ken Woodard

To: Major, Erica (BOS)

Subject: STREAMLINING POLICY

Date: Thursday, July 30, 2020 9:37:38 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Ms Major,

I'm writing in to support the proposed legislative changes (CU Sooner) to the conditional use policies governing Limited/Full Restaurant.

I fully support the City doing what is necessary to streamline the processes for small businesses to update their conditional use in this manner.

Lets make every resource available to save small restaurants in the midst of this historic pandemic

With regards, Ken Woodard San Francisco

KENW

villainstandard.com

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

I hereby submit the following item for introduction (select only one):

RECEIVED 2/25/2020 @ 5:28pm

Time stamp or meeting date

1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).			
2. Request for next printed agenda Without Reference to Committee.			
3. Request for hearing on a subject matter at Committee.			
4. Request for letter beginning:"Supervisor	inquiries"		
5. City Attorney Request.	_		
6. Call File No. from Committee.			
7. Budget Analyst request (attached written motion).			
8. Substitute Legislation File No.			
9. Reactivate File No.			
10. Topic submitted for Mayoral Appearance before the BOS on	9 × 2 9		
Please check the appropriate boxes. The proposed legislation should be forwarded to the following	g:		
Small Business Commission	ssion		
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.			
Sponsor(s):			
Peskin, Ronen Fewer, HANEY			
Subject:			
[Planning Code - Conditional Use Review and Approval Process: Priority Processing and Reduced for Certain Uses of Commercial Space]	Application Fee		
The text is listed:	8		
Ordinance amending the Planning Code to expedite the Conditional Use authorization review and a and reduce the application fee for certain uses of commercial space; affirming the Planning Departm determination under the California Environmental Quality Act; making findings of consistency with and the eight priority policies of Planning Code, Section 101; and adopting findings of public neces and general welfare under Planning Code, Section 302.	nent's the General Plan		
Signature of Sponsoring Supervisor:			
For Clerk's Use Only			