AMENDED IN COMMITTEE 4/14/2025 ORDINANCE NO. 62-25

FILE NO. 250101

1	[Planning Code - Removing Conditional Use Requirement for Formula Retail Uses on Van Ness Avenue <u>and for Certain Pre-existing Formula Retail Uses</u> , between Broadway and		
2	Redwood Street]		
3			
4	Ordinance amending the Planning Code to remove the conditional use authorization fo		
5	formula retail uses in the Residential-Commercial zoning districts along Van Ness		
6	Avenue , between Broadway and Redwood Street , for properties <u>lots</u> fronting Van Ness		
7	Avenue, and to establish that a change of owner or operator of a pre-existing formula		
8	retail use that had not previously received a conditional use authorization is not an		
9	intensification of such use that would require conditional use authorization; affirming		
10	the Planning Department's determination under the California Environmental Quality		
11	Act; and making public necessity, convenience, and welfare findings under Planning		
12	Code, Section 302, and findings of consistency with the General Plan and the eight		
13	priority policies of Planning Code, Section 101.1.		
14	NOTE: Unchanged Code text and uncodified text are in plain Arial font.		
15	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> .		
16	Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font.		
17	Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.		
18			
19	Be it ordained by the People of the City and County of San Francisco:		
20			
21	Section 1. Environmental and Land Use Findings.		
22	(a) The Planning Department has determined that the actions contemplated in this		
23	ordinance comply with the California Environmental Quality Act (California Public Resources		
24	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of		
25			

Supervisors in File No. 250101 and is incorporated herein by reference. The Board affirms this determination.

- (b) On April 3, 2025, the Planning Commission, in Resolution No. 21720, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 250101, and is incorporated herein by reference.
- (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 21720, and the Board adopts such reasons as its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. 250101 and is incorporated herein by reference.

Section 2. General Legislative Findings.

- (a) The Van Ness Avenue commercial corridor (between Chestnut Street and Redwood Street) has special historical significance for San Francisco. After serving as a vital natural fire break during the fire that destroyed most of the City following the massive earthquake that struck on April 18, 1906, many major department stores and banks relocated from downtown to the Van Ness commercial corridor.
- (b) Following the rebuilding of downtown San Francisco after the fire, major retail stores along Van Ness Avenue moved back to downtown, ushering in a new era for the commercial identity of the corridor. Rather than returning to residential uses common before 1906, Van Ness Avenue again transformed this time into a diverse boulevard featuring auto body, commercial, industrial, and institutional uses.

- (c) Starting in the 1920s, Van Ness Avenue was designated as part of U.S. Highway 101, and from the 1920s to the 1970s, and particularly following World War II, the Van Ness corridor rapidly grew as a commercial hub in San Francisco. Automobile showrooms emerged as the most common use on Van Ness between City Hall and Jackson Street, while movie theaters and restaurants also opened alongside these showrooms.
- (d) However, since the late 1970s, the automobile showrooms have largely relocated elsewhere, leaving their large commercial spaces vacant and often difficult to fill with other retailers.
- (e) Compounding these economic trends along Van Ness Avenue, commercial and retail vacancies have remained persistently high in San Francisco following the COVID-19 pandemic, so that the City, which had one of the nation's lowest retail vacancy rates prepandemic, now has one of the highest in the post-pandemic period.
- (f) Still part of U.S. Highway 101, the Van Ness commercial corridor serves as a vital north-south arterial in San Francisco, relied upon by both visitors and residents for travel within and through the City. Due to its high traffic volume, vacancies along Van Ness Avenue negatively and disproportionately impact public perception of the City's economic health.
- (g) In November 2006, San Francisco voters passed Proposition G, which created formula retail controls across all Neighborhood Commercial Districts. However, these restrictions were not applied to Residential-Commercial Districts the zoning district controls that govern the Van Ness corridor.
- (h) Given Van Ness's long standing commercial identity, its history of hosting brandname retailers classified as formula retail, and the need to revitalize downtown corridors, allowing formula retail uses along Van Ness Avenue would stimulate the local economy by easing restrictions that contribute to retail vacancies. This approach would align with the

1	historical character of the Van Ness commercial corridor and promote the public interest
2	without compromising the historical legacy of the corridor.
3	
4	Section 3. Articles <u>1.7.</u> 2, and 3 of the Planning Code are hereby amended by revising
5	Sections <u>178,</u> 209.3, and 303.1, to read as follows:
6	
7	SEC. 178. CONDITIONAL USES.
8	* * * *
9	(c) Enlargement, Alteration, or Intensification.
10	* * * *
11	(3) Formula Retail. With regard to Formula Retail uses, a change of owner or
12	operator of a Formula Retail establishment is determined to be an intensification of use and a
13	new Conditional Use authorization shall be required if one or more of the following occurs:
14	* * * *
15	(D) Installation of a commercial kitchen, including but not limited to:
16	ovens, open ranges or stoves, fryers, oven hoods or kitchen ventilation systems, heating
17	stations, steam tables or cabinets, cold food storage, increased food preparation areas or self
18	service drink dispensers ;
19	(E) A pre-existing Formula Retail use that had not previously been
20	authorized via a Conditional Use from the Commission.
21	* * * *
22	
23	SEC. 209.3. RC (RESIDENTIAL-COMMERCIAL) DISTRICTS.
24	* * *
25	Table 209.3
1	

ZONING CONTROL TABLE FOR RESIDENTIAL-COMMERCIAL DISTRICTS

Zoning Category	§ References	RC-3	RC-4			
* * * *						
NON-RESIDENTIAL STANDARDS AND USES						
* * * *						
Use Characteristics						
* * * *						
Formula Retail	§§ 102, 303.1	C <u>(14)</u>	C (13) (14)			
* * * *						

(13)(14) P on properties lots in the RC-3 District that front Van Ness Avenue, beginning immediately north of Chestnut Street to the north, to Broadway to the south, and on properties lots in the RC-4 Zoning District that front on Van Ness Avenue, from Broadway to Redwood Street.

SEC. 303.1. FORMULA RETAIL USES.

- (e) Conditional Use Authorization Required. A Conditional Use Authorization shall be required for a Formula Retail use in the following zoning districts unless explicitly exempted:
 - (1) All Neighborhood Commercial Districts in Article 7;
 - (2) All Mixed Use-General Districts in Section 840;
 - (3) All Urban Mixed Use Districts in Section 843;

1		
2	properties	
3	Chestnut	
4	District the	
5	* *	
6		
7	Sec	
8	enactmen	
9	ordinance	
10	Board of S	
11		
12	Sec	
13	intends to	
14	numbers,	
15	Code that	
16	additions,	
17	the officia	
18	:	
19	APPROV	
20	DAVID CH	
21	By: <u>/s/</u>	
22	De	
23	n:\legana\as20	
~ 4		

(4) All Residential-Commercial Districts as defined in Section 209.3, except for properties lots in the RC-3 District that front Van Ness Avenue, beginning immediately north of Chestnut Street to the north, to Broadway to the south, and properties lots in the RC-4 Zoning District that front on Van Ness Avenue, from Broadway to Redwood Street;

* * * *

Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within 10 ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: /s/ Andrea Ruiz-Esquide ANDREA RUIZ-ESQUIDE Deputy City Attorney

n:\legana\as2024\2500080\01834521.docx

2425



City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Ordinance

File Number: 250101

Date Passed: April 29, 2025

Ordinance amending the Planning Code to remove the conditional use authorization for formula retail uses in the Residential-Commercial zoning districts along Van Ness Avenue, for lots fronting Van Ness Avenue, and to establish that a change of owner or operator of a pre-existing formula retail use that had not previously received a conditional use authorization is not an intensification of such use that would require conditional use authorization; affirming the Planning Department's determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

April 14, 2025 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

April 14, 2025 Land Use and Transportation Committee - CONTINUED AS AMENDED

April 21, 2025 Land Use and Transportation Committee - RECOMMENDED AS COMMITTEE REPORT

April 22, 2025 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

April 29, 2025 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250101

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/29/2025 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Daniel Lurie Mayor 5.1.2025

Date Approved