FILE NO. 170028

AMENDED IN BOARD 3/14/2017

ORDINANCE NO. 85-17

[Planning Code, Zoning Map - Calle 24 Special Use District]

Ordinance amending the Planning Code to create the Calle 24 Special Use District and revising the Zoning Map to reflect the Calle 24 Special Use District generally bounded by 22nd Street, Potrero Avenue, Cesar Chavez Street, and Capp Street, as well as 24th Street to Bartlett Street, and as more specifically defined in this Ordinance; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italies Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 170028 and is incorporated herein by reference. The Board affirms this determination.

(b) On February 9, 2017, the Planning Commission, in Resolution No. 19851, 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. 170028 and is incorporated herein by reference.

(c) <u>Pursuant to Planning Code Section 302, this Board finds that the Planning Code</u> <u>and Zoning Map amendments will serve the public necessity, convenience, and welfare for</u> <u>the reasons set forth in Planning Commission Resolution No. 19851, and the Board</u> <u>incorporates such reasons herein by reference.</u>

(d) The Board of Supervisors wishes to establish the Calle 24 Special Use District along and adjacent to the 24th Street corridor in the Mission District to balance preservation of the neighborhood character of the Calle 24 Latino Cultural District with accommodating new uses and recognizing the contributions of the Latino community to the neighborhood and San Francisco as a whole. The mix of businesses and uses, including Legacy Businesses, murals, festivals and architectural neighborhood design and character in the Calle 24 Special Use District contribute to a strong sense of neighborhood and a unifying identity. The variety of goods and services offered within the Calle 24 Special Use District serves the local needs of residents and visitors alike. Many of the businesses have been owned and operated by the same family for generations and have continued to serve the local needs of the community with their services, whether they be bakeries, butcher shops, grocery stores, salons, non-profit institutions, or restaurants. Currently there are at least 22 businesses and institutions on 24th Street that have been in operation for 30 years or more.

(de) 24th Street has retained much of its distinctive character and reputation as the cultural heart of the Mission, thanks to the corridor's unique mix of arts and cultural destinations, institutions, and murals and other public art. Moreover, the retail and restaurants in this neighborhood benefit from the visitors attracted by the arts and cultural institutions, murals, and public art along the corridor.

(ef) As set forth in the Strategic Economics Calle 24 Retail Study (December 2016), while some of the arts and cultural organizations on the corridor serve a citywide or even regional constituency, the groceries, restaurants, and other retail establishments have historically served a primarily local customer base. Many restaurants, cafés, grocery stores, salons, and other businesses remain affordable and continue to serve the daily needs of residents from the Mission District and adjacent neighborhoods, even as the corridor attracts more visitors.

(fg) Additionally, and as discussed the Strategic Economics Calle 24 Retail Study, the Calle 24 Special Use District area generally has smaller, narrower retail spaces than other parts of the Mission neighborhood, particularly compared to Mission Street. Smaller spaces tend to be more affordable overall than larger spaces and can serve both new, independent businesses with lower profit margins as well as more established businesses that do not require much space. At the same time, the small storefronts that are generally available on Calle 24 make the corridor a less attractive location for upscale or formula retailers and restaurants that require larger spaces to display their inventory or provide extensive seating for diners.

(<u>gh</u>) Supporting these smaller, neighborhood-serving non-residential uses, including Legacy Businesses, and the cultural, arts, and institutional uses found in the Calle 24 corridor furthers the Planning Code Section 101.1(b) priority policy goals that "existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced" and that "existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods."

(<u>hi</u>) According to a September 2014 report by San Francisco Architectural Heritage entitled "Sustaining San Francisco's Living History: 9 Strategies for Conserving Cultural

Heritage Assets," long-operating businesses foster civic engagement and pride as neighborhood gathering spots and contribute to the City's cultural identity. Additionally, the report found that many otherwise successful long-standing businesses are at risk of displacement, despite continued value and a record of success, due to San Francisco's current economic climate.

(ij) San Francisco has established the Legacy Business Registry, maintained by the Office of Small Business, to recognize that these long-standing, community-serving businesses are a valuable cultural asset to the City. The controls included in the Calle 24 Special Use District will further recognize and protect these important economic and cultural assets.

Section 2. The Planning Code is hereby amended by adding Section 249.59 to read as follows:

SEC. 249.59. CALLE 24 SPECIAL USE DISTRICT.

(a) General. A Special Use District entitled the Calle 24 Special Use District, the boundaries of which are shown on Sectional Maps SU07 and SU08 of the Zoning Map, is hereby established for the purposes set forth below.

(b) Purpose. The Calle 24 Special Use District is intended to preserve the prevailing neighborhood character of the Calle 24 Latino Cultural District while accommodating new uses and recognizing the contributions of the Latino community to the neighborhood and San Francisco. Realizing the purpose of the Calle 24 Special Use District will require the participation and coordination of residents, businesses, public agencies, and other community stakeholders. City agencies, including the Office of Economic and Workforce Development, will actively engage with new commercial uses to help achieve the purposes of the Calle 24 Special Use District. Such City agencies may act as resource for residents, businesses, and other community stakeholders when realizing and

promoting the purposes of the Calle 24 Special Use District, including coordinating business partnerships, product offerings, and employment commitments. Specifically, the Calle 24 Special Use District is established to: Preserve and enhance the unique character of the Calle 24 Special Use District (1) and recognize Latino cultural heritage through contextual architectural design, storefront size, signage, streetscape enhancements, artwork, and other elements of the built environment; Support the production or offerings of local or Latino artwork, arts activities, (2)and crafts by retaining, developing, promoting, or offering these within the Calle 24 Special Use District; (3) Preserve the contributions of Legacy Businesses to the history and identity of the Special Use District and the Calle 24 Latino Cultural District by preserving a Legacy Business; (4)Retain, enhance and promote neighborhood serving businesses and institutions that serve a variety of households by making services and products available and accessible to residents, including immigrant and low-income and moderate-income households; (5) Retain, enhance, and promote neighborhood-serving businesses and institutions that strengthen economic opportunities for local residents by developing partnerships amongst existing and new local businesses, institutions, vendors, and micro entrepreneurs; and *Retain, enhance and promote neighborhood-serving businesses and institutions* (6) that enhance economic and workforce opportunities for local residents by coordinating with the Office of Economic and Workforce Development to engage with the City's workforce system to provide employment opportunities, career trainings, and formal partnerships to identify and address both business and community workforce needs. Definitions. Whenever used in this Section 249.59, the following words and phrases (c)*shall have the definitions provided here:*

1	"Calle 24 Latino Cultural District" shall refer to that area as established by Board of
2	Supervisors Resolution No. 201-14;
3	"Cultural Heritage" shall refer to those elements, both tangible and intangible, that
4	help define the beliefs, customs and practices of a particular community. Tangible elements may
5	include land, buildings, public spaces, or artwork. Intangible elements may include organizations and
6	institutions, businesses, and cultural activities and events. These elements are rooted in the
7	community's history and are important in maintaining its identity.
8	"Legacy Business" shall refer to a business as defined under the Administrative Code
9	Section 2A.242 and included in the Legacy Business Registry.
10	(d) Controls. The following provisions, in addition to all other applicable provisions of the
11	Planning Code, shall apply within the Calle 24 Special Use District:
12	(1) Eating and Drinking Establishments. In addition to other prohibitions on such
13	uses found within this Code, <u>a new Restaurant use, new Limited-Restaurant use, new Bar use, or the</u>
14	physical expansion of any such existing use shall be prohibited where the concentration of those uses
15	exceeds, or would exceed with the proposed use or physical expansion of an existing use, 35% of the
16	total commercial frontage as measured in linear feet within the immediate area of the subject site. For
17	the purpose of calculating the concentration of commercial frontage, the "immediate area" shall mean
18	all properties located within 300 feet of the subject property within the Calle 24 Special Use District
19	and in a zoning district that is not Residential or Public Use. Any project for which a development
20	application, as defined in Section 401, was submitted by March 31, 2017 or any change in use from
21	an existing Limited-Restaurant use to a Restaurant use shall be exempt from the requirements of
22	this Section 249.59(d)(1).
23	(2) Conditional Use Authorization. The following, if not otherwise prohibited, shall
24	require Conditional Use authorization from the Planning Commission pursuant to Section 303:

require Conditional Use authorization from the Planning Commission pursuant to Section 303:

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1	(A) First Story Commercial Use Space Mergers. Any merger of first story
2	commercial use space where the merger would result in first story commercial use space greater than
3	<u>799 gross square feet.</u>
4	(B) Legacy Business. Any new non-residential use where the immediately
5	prior use was a Legacy Business. This requirement shall not apply:
6	(i) where the subject non-residential space has had no occupant and has
7	not been open to the public for three or more years from the date the application for the new use is
8	<u>filed; or</u>
9	(ii) where the Legacy Business has removed itself or otherwise been
10	removed from the Legacy Business Registry.
11	(C) First Story Medical Service Use as defined in Section 790.114.
12	(3) Compatibility of Uses. For any commercial use that is subject to Conditional
13	Use authorization under this Section 249.59 or any other section of the Planning Code, the Planning
14	Commission shall make the following additional findings:
15	(A) Any physical improvements associated with the proposed use are, on
16	balance, in conformity with any Calle 24 Design Guidelines adopted by the Planning Commission; and
17	(B) The use supports at least four of the purposes for establishing the Calle
18	24 Special District set forth in Section 249.59(b) above.
19	Section 3. The Planning Code is hereby amended by revising Sectional Maps SU07
20	and SU08 of the Zoning Maps of the City and County of San Francisco as follows:
21	The Calle 24 Special Use District ("Calle 24 SUD") is bounded by the following streets:
22	(a) To the north, all lots fronting the southern side of 22nd Street from Mission
23	Street to Potrero Avenue;
24	(b) To the east, all lots fronting the western side of Potrero Avenue from 22nd Street
25	to Cesar Chavez Street;

(c) To the south, all lots fronting the northern side of Cesar Chavez Street, from Potrero Avenue to Capp Street;

(d) To the west, all lots fronting the western side of Capp Street from Cesar Chavez
to 24th Street, then all lots fronting both sides of 24th Street to the eastern side of Bartlett
Street, then all lots fronting the western side of Capp Street from 24th Street to 22nd Street;
and

(e) The Calle 24 SUD additionally includes the following lots adjacent to the above boundaries: Lots 019D and 046A in Assessor's Block 3637; Lots 005 and 017A in Assessor's Block 6517; Lot 035 in Assessor's Block 6528; and Lot 003A in Assessor's Block 6570.

Section 4. No less than five years and no more than six years from the effective date of this ordinance, the Office of Economic and Workforce Development and the Planning Department shall review Planning Code Section 249.59 and shall make a report to the Board of Supervisors on that section's effectiveness in serving the purposes of the Calle 24 Special Use District as set forth therein, which report may include recommendations for including suggesting any recommended amendments.

Section 5. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

MARLENA BYRNE Deputy City Attorney

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City and County of San Francisco Tails Ordinance

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

File Number: 170028

Date Passed: March 21, 2017

Ordinance amending the Planning Code to create the Calle 24 Special Use District, and revising the Zoning Map to reflect the Calle 24 Special Use District generally bounded by 22nd Street, Potrero Avenue, Cesar Chavez Street, and Capp Street, as well as 24th Street to Bartlett Street, and as more specifically defined in this Ordinance; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

March 06, 2017 Land Use and Transportation Committee - AMENDED

March 06, 2017 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

March 14, 2017 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

March 14, 2017 Board of Supervisors - PASSED ON FIRST READING AS AMENDED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

March 21, 2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170028

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/21/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Mayor

Date Approved