



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Resolution No. 18906

HEARING DATE: JUNE 13, 2013

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*Project Name:* **Amendments relating to the proposed Divisadero Street NCDs**  
*Case Number:* 2012.0950TZ [Board File No. 12-0796 Version 3]  
*Initiated by:* Supervisor Breed/ Reintroduced February 26, 2013  
*Staff Contact:* Aaron Starr, Legislative Affairs  
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*Reviewed by:* AnMarie Rodgers, Manager Legislative Affairs  
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*Recommendation:* **Recommend Approval with Modifications**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE WITH MODIFICATIONS THAT WOULD AMEND THE SAN FRANCISCO PLANNING CODE BY: 1) ADDING SECTION 743.1 TO ESTABLISH THE DIVISADERO NEIGHBORHOOD COMMERCIAL DISTRICT; 2) REPEALING THE DIVISADERO STREET ALCOHOL RESTRICTED USE DISTRICT ESTABLISHED IN SECTION 783; 3) AMENDING SECTION 151.1 AND A PORTION OF TABLE 151.1, SECTIONS 263.20, 607.1(F), AND 702.3, THE SPECIFIC PROVISIONS OF THE SECTION 711 ZONING CONTROL TABLE, AND SECTION 790.55 TO MAKE CONFORMING AND OTHER TECHNICAL CHANGES; 4) AMENDING SHEETS ZN02 AND ZN07 OF THE ZONING MAP TO INCLUDE THE DIVISADERO NEIGHBORHOOD COMMERCIAL DISTRICT; 5) AMENDING SHEET SU02 OF THE ZONING MAP TO DELETE THE DIVISADERO STREET ALCOHOL RESTRICTED USE SUD; AND 6) ADOPTING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

### **PREAMBLE**

Whereas, on July 24, 2012, Former District 5 Supervisor Olague introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 12-0796 which would amend the San Francisco Planning Code by 1) adding Section 743.1 to establish the Divisadero Neighborhood Commercial District; 2) repealing the Divisadero Street Alcohol Restricted Use District established in Section 783; 3) amending Section 151.1 and a portion of Table 151.1, Sections 263.20, 607.1(f), and 702.3, the Specific Provisions of the Section 711 Zoning Control Table, and Section 790.55 to make conforming and other technical changes; 4) amending Sheets ZN02 and ZN07 of the Zoning Map to include the Divisadero Neighborhood Commercial District; 5) amending Sheet SU02 of the Zoning Map to delete the Divisadero Street Alcohol Restricted Use SUD; and 6) adopting environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1; and

Whereas, on November 29, 2012, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance and recommended approval with modifications of the proposed Ordinance; and

Whereas, on February 26, 2013, Supervisor Breed introduced a substitute version of the proposed Ordinance incorporating the Planning Commission's recommendations as well as including a ban on all Formula Retail in the proposed Divisadero Street NCD; and

Whereas on April 25, 2013, Supervisor Breed send the Planning Department a memo outlining additional modifications to the proposed Ordinance; and

Whereas, on June 13, 2013, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed revised Ordinance; and

Whereas, on October 23, 2012, the Project was determined to be exempt from the California Environmental Quality Act ("CEQA") under the General Rule Exclusion (CEQA Guidelines Section 15061(b)(3)) as described in the determination contained in the Planning Department files for this Project; and

Whereas, the 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 the applicant, Department staff, and other interested parties; and

Whereas, the 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 Commission has reviewed the proposed Ordinance; and

**MOVED**, that the Commission hereby recommends that the Board of Supervisors recommends approval of the proposed Ordinance with modifications and adopts the attached Draft Resolution to that effect.

The proposed modifications include:

1. Recommend that the Board of Supervisor codify the pre-application meeting requirement in the Planning Code, by adding the following language to Planning Code Sections 303(i), 703.3 and 803.6 that states:

*"Prior to accepting a Conditional Use application for Formula Retail, the Planning Department will verify that the applicant has conducted a pre-application meeting, per the specifications outlined in the Planning Commission's Pre-Application Meeting policy."*

2. Recommend that a criteria be added to Section 303(i)(3) stipulating that the Planning Commission shall pay attention to the input of the community and merchants groups. This recommendation removes the "particular" from the language proposed by Supervisor Breed and makes it apply to all Formula Retail Conditional Use applications

3. Recommend that the Board of Supervisor not codify a “Planning staff predilection for disapproval such that staff only recommends approval of a formula retail application if there is a demonstrated overriding need or public support for the particular use.”
4. Eliminate the Formula Retail ban from the proposed Ordinance and state that the Commission will proceed with adopting a similar policy for the Divisadero NCD that was adopted for the Upper Market Neighborhood.

**Pending ordinances which should be accommodated in this draft ordinance:** This note is being provided as a courtesy to the City Attorney and the Clerk of the Board to help identify other Ordinances which may present conflicting amendments as the legislative process proceeds.

1. Sections 263.20 BF 120774 Permitting a Height Bonus in Castro Street and 24<sup>th</sup> Street NCDs
2. Sections 151.1, 702.1 BF Pending Western SoMa Plan
3. Sections 151.1, 263.20, 702.1, 702.3, 703.3 BF Pending Code Corrections Ordinance 2012
4. Sections 151.1, 263.20, 744.1, 607.1 BF 120796 Divisadero Street NCD

## **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:

- Individually named neighborhood commercial districts help to preserve and enhance the character of a neighborhood and a sense of identity.
- The Divisadero Street has been transformed over the past decade by changing demographics and increased involvement from merchants and residents. Creating a named neighborhood commercial district for the Divisadero Street would help continue this transformation and allow the neighborhood to more easily respond to emerging issues and concerns.
- The Commission’s role in evaluating Formula Retail applications is to take staff’s professional analysis and public comment into consideration when making its decision. Strict Formula Retail bans or numerical caps remove the Commission’s ability to take community sentiment into consideration.
- The Commission finds that Pre-application meetings are an important community outreach tool. They provide an opportunity for the community to hear and comment on proposals prior to their submittal to the Planning Department and they allow the applicant an opportunity to hear any concerns from the community prior to finalizing their proposal.
- Stipulating as a criteria that the Planning Commission shall pay attention to the input of the community and merchants groups for Formula Retail Conditional Use applications will reinforce the applicant’s responsibility to conduct appropriate levels of community outreach and give the issue greater attention in Staff’s analysis of the project; however the Commission does not recommend making this a weighted criteria. Placing greater emphasis on community input would hamper the Commission’s ability to weigh all of the criteria when making its decision. Certain public policy goals may be more important in any one case and the Commission is the Charter-authorized body to apply discretion to planning issues. As part of that the Commission is required to consider all factors when making its decision.

- The Commission finds that codifying a “planning staff predilection for disapproval unless there is overwhelming need or public support for the particular use” would be impractical to implement because it’s a highly subjective criterion. Further, a requirement like this would remove Staff’s impartiality and require planners to base their recommendation of approval or disapproval on a highly subjective criterion.

1. **General Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

**I. COMMERCE & INDUSTRY ELEMENT**

THE COMMERCE AND INDUSTRY ELEMENT OF THE GENERAL PLAN SETS FORTH OBJECTIVES AND POLICIES THAT ADDRESS THE BROAD RANGE OF ECONOMIC ACTIVITIES, FACILITIES, AND SUPPORT SYSTEMS THAT CONSTITUTE SAN FRANCISCO’S EMPLOYMENT AND SERVICE BASE.

**OBJECTIVE 4**

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

**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 legislation would create an individually named Neighborhood Commercial District on Divisadero Street, which would help to preserve and enhance the character of a neighborhood and create a sense of identity. The proposed changes will also allow this neighborhood to more easily respond to economic and technological innovation in the marketplace and society.*

**Policy 6.6**

Adopt specific zoning districts, which conform to a generalized neighborhood commercial land use and density plan.

*As amended, the proposed NCD conforms to the generalized neighborhood commercial land use and density plan published in the General Plan.*

2. The proposed replacement project is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:
  - A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced:

*The proposed Ordinance does not propose significant changes to the controls in the subject Neighborhood Commercial Districts. However, creating named NCDs will allow the district to*

*respond more easily to emerging issues that may impact opportunities for resident employment in and ownership of neighborhood-serving retail uses.*

- B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

*The proposed legislation would create individually named Neighborhood Commercial Districts on Divisadero Street, which help to preserve and enhance the character of the various neighborhoods.*

- C) The City's supply of affordable housing will be preserved and enhanced:

*The proposed Ordinance will have no adverse effect on the City's supply of affordable housing.*

- D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

*The proposed Ordinance will not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

- E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:

*The proposed Ordinance would not adversely affect the industrial or service sectors or future opportunities for resident employment or ownership in these sectors.*

- F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

*Preparedness against injury and loss of life in an earthquake is unaffected by the proposed Ordinance. Any new construction or alteration associated with a use would be executed in compliance with all applicable construction and safety measures.*

- G) That landmark and historic buildings will be preserved:

*Landmarks and historic buildings would be unaffected by the proposed Ordinance. Should a proposed use be located within a landmark or historic building, such site would be evaluated under typical Planning Code provisions and comprehensive Planning Department policies.*

- H) Parks and open space and their access to sunlight and vistas will be protected from development:

*The City's parks and open space and their access to sunlight and vistas would be unaffected by the proposed Ordinance. It is not anticipated that permits would be such that sunlight access, to public or private property, would be adversely impacted.*

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on April 25, 2013.

Jonas P Ionin  
Commission Secretary

AYES: Commissioners Borden, Hillis, Moore, Sugaya, Wu

NAYS: Commissioner Antonini

ABSENT: Commissioner Fong

ADOPTED: June 13, 2013