



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use

HEARING DATE: JUNE 5, 2014

Date: May 29, 2014
Case No.: 2014.0202C
Project Address: 1525 SLOAT BOULEVARD
Zoning: NC-S (Neighborhood Commercial Shopping Center) District
Lakeshore Special Use District
26-40-X Height and Bulk District
Block/Lot: 7255/004
Project Sponsor: Melinda Sarjapur
Reuben, Junius & Rose, LLP
One Bush Street, Suite 600
San Francisco, CA 94104
Staff Contact: Marcelle Boudreaux – (415) 575.9140
marcelle.boudreaux@sfgov.org
Recommendation: **Approval with Conditions**

1650 Mission St.
Suite 400
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CA 94103-2479

Reception:
415.558.6378

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Information:
415.558.6377

PROJECT DESCRIPTION

The project sponsor is requesting conditional use authorization pursuant to Planning Code Sections 703.4 and 303 to establish a formula retail beauty supply store (d.b.a. Sally Beauty Supply) in the approximately 1,600 square-foot tenant space previously occupied by a childcare facility use (d.b.a. Gymboree Play & Music) in the Lakeshore Plaza Shopping Center located within a NC-S (Neighborhood, Commercial, Shopping Center) District, the Lakeshore Plaza Special Use District, and a 26-40-X Height and Bulk District.

SITE DESCRIPTION AND PRESENT USE

The project site is located at 1525 Sloat Boulevard within the Lakeshore Plaza Shopping Center, south side of the street between Everglade and Clearfield Drives in NC-S (Neighborhood, Commercial, Shopping Center) District, the Lakeshore Plaza SUD (Special Use District), and a 26-40-X Height and Bulk District.

The project site is on a 2.3 acre parcel and one of 4 parcels, bounded by Sloat Boulevard, Ocean Avenue, Clearfield Drive, and Everglade Drive that form the 9 acre Lakeshore Shopping Plaza, an approximately 220,000- square-foot, two-story, auto oriented, commercial shopping center comprised of three buildings surrounding a large surface parking lot. The shopping center provides a variety of goods and services to the Lakeshore Acres, Crestlake, and Merced Manor neighborhoods. The shopping center is anchored by “Lucky” supermarket and includes many other national retailers. The subject tenant space is approximately 1,600 square-feet and located near the southern portion of the shopping center between “Supercuts Plus” and “Chipotle”. The address is 1525 Sloat Boulevard and was most recently occupied

by “Gymboree Play & Music”, a childcare facility use which is voluntarily relocating to a larger space within the shopping center.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The neighborhood surrounding the shopping center is characterized by mostly mid-century, detached, two-story, single-family dwellings with large front setbacks. The streets are wide to facilitate vehicular movement and aligned in a grid. The street grid becomes curvilinear as it nears Lake Merced. Sloat Boulevard is the primary east/west arterial street in the neighborhood.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act (“CEQA”) as a Class 1 categorical exemption.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	May 16, 2014	May 14, 2014	22 days
Posted Notice	20 days	May 16, 2014	May 13, 2014	23 days
Mailed Notice	20 days	May 16, 2014	May 15, 2014	21 days

The proposal requires a Section 312-neighborhood notification, which was conducted in conjunction with the conditional use authorization process.

PUBLIC COMMENT

- To date, the Department has not received any comments from the public regarding this project.

ISSUES AND OTHER CONSIDERATIONS

- The Planning Department is undergoing a study on Formula Retail establishments in the City. However, the Lakeshore Plaza Special Use District is not among the Zoning Districts under study. While the study does evaluate proposed legislation that expands the Citywide definition of formula retail to include business that have 11 or more outlets worldwide, and to include businesses that are at least 50% owned by a formula retail business, the subject project applicant would not be affected as Sally Beauty Supply is already considered formula retail. The proposed establishment is a formula retail use with more than 2,700 locations worldwide.
- The project would introduce a new formula retail use at the shopping center, and thus result in a net increase in the number of formula retail uses within the shopping center.
- There are approximately 23 existing formula retail establishments out of 30 retail uses within the Lakeshore Plaza Neighborhood Commercial Special Use District. The existing intensity of formula retail uses at the shopping center is approximately 76% of retail.
- There are no other beauty supply stores in the Lakeshore Plaza Neighborhood Commercial Special Use District, or within a mile of Lakeshore Plaza. Other retailers within the shopping

center such as Lucky supermarket, Supercuts and Ross sell cosmetics and/or hair supply products in limited supply or as incidental to their larger retail offerings.

- The district was originally designed to be and functions as a small neighborhood shopping center providing a variety of retail goods with a strong daytime and family orientation. The character of the Lakeshore Plaza NC SUD supports a high ratio of formula-retail establishments.
- The Lakeshore Plaza Shopping Center currently has 3 vacancies (including the subject site) out of 38 total commercial spaces.
- The project is part of a Planned Unit Development (PUD) which was authorized in 1988. The PUD placed restrictions on the type and size of eating establishments, as well as restrictions on the mix of commercial tenants occupying greater than 6,000 square feet at Lakeshore Plaza. The PUD controls do not apply to this project due to the project's proposed occupied square footage of significantly less than 6,000 square feet and use as non-eating establishment.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant conditional use authorization to allow the establishment of a formula retail beauty supply store d.b.a "Sally Beauty Supply" within the Lakeshore Plaza Shopping Center located within a NC-S District and the Lakeshore Plaza Special Use District, pursuant to Planning Code Sections 303 and 703.4.

BASIS FOR RECOMMENDATION

- The project would be the first store dedicated to hair care and beauty supply retail sales at the shopping center which will attract a diverse customer base and help contribute to the viability of the overall shopping center.
- The project would fill a vacancy created by the voluntarily relocation of another business within the shopping center.
- The project would result in a net increase of one formula retail use, however the shopping center is generally characterized by formula retail uses.
- The project meets all applicable requirements of the Planning Code.
- The project is desirable for, and compatible with the surrounding neighborhood.

RECOMMENDATION:	Approval with Conditions
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Attachments:

Parcel Map

Sanborn Map

Zoning Map

Aerial Photograph

Site Photograph

Project Sponsor Submittal, including:

- Letter from Sponsor
- Shopping Center Site Plan
- Reduced Plans, including sign plans

Attachment Checklist

- | | |
|---|---|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motion | <input checked="" type="checkbox"/> Shopping Center Site Plan |
| <input type="checkbox"/> Environmental Determination | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Zoning District Map | <input checked="" type="checkbox"/> Check for legibility |
| <input type="checkbox"/> Height & Bulk Map | Drawings: <u>Proposed Project</u> |
| <input checked="" type="checkbox"/> Parcel Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Sanborn Map | <input type="checkbox"/> Health Dept. review of RF levels |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> RF Report |
| <input type="checkbox"/> Context Photos | <input type="checkbox"/> Community Meeting Notice |
| <input checked="" type="checkbox"/> Site Photos | <input type="checkbox"/> Inclusionary Affordable Housing Program:
Affidavit for Compliance |

Exhibits above marked with an "X" are included in this packet

MWB

Planner's Initials

MWB G:\Documents\CUs\1525 Sloat Blvd_20140202C\Exec Summary - Motion\1525 Sloat Blvd -Sally Beauty-Exec Summary.docx



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other

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Planning Commission Draft Motion

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Recommendation: **Approval with Conditions**

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 703.4 AND 303 OF THE PLANNING CODE TO ESTABLISH A FORMULA RETAIL BEAUTY SUPPLY STORE (D.B.A. SALLY BEAUTY SUPPLY) IN THE 1,600 SQUARE-FOOT TENANT SPACE PREVIOUSLY OCCUPIED BY GYMBOREE PLAY & MUSIC CHILDCARE FACILITY USE WITHIN THE LAKESHORE PLAZA SHOPPING CENTER, LOCATED WITHIN A NC-S (NEIGHBORHOOD, COMMERCIAL, SHOPPING CENTER) DISTRICT, THE LAKESHORE PLAZA SPECIAL USE DISTRICT AND A 26-40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On February 7, 2014, Melinda Sarjapur on behalf of Sally Beauty Supply (hereinafter “Project Sponsor”) filed an application with the Planning Department (hereinafter “Department”) for Conditional Use Authorization under Planning Code Section(s) 703.4 and 303 to establish a formula retail beauty supply store (d.b.a. Sally Beauty Supply) in the 1,600 square-foot tenant space previously occupied by Gymboree Play & Music in the Lakeshore Plaza Shopping Center located within a NC-S (Neighborhood,

Commercial, Shopping Center) District, the Lakeshore Plaza Special Use District, and a 26-40-X Height and Bulk District.

On June 5, 2014, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014.0202C.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

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.

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2014.0202C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

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. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description.** The project site is located at 1525 Sloat Boulevard within the Lakeshore Plaza Shopping Center, south side of the street between Everglade and Clearfield Drives in NC-S (Neighborhood, Commercial, Shopping Center) District, the Lakeshore Plaza SUD (Special Use District), and a 26-40-X Height and Bulk District.

The project site is within a 2.3 acre parcel and one of 4 parcels, bounded by Sloat Boulevard, Ocean Avenue, Clearfield Drive, and Everglade Drive that form Lakeshore Shopping Plaza an approximately 220,000-square-foot, two-story, auto oriented, commercial shopping center comprised of three buildings surrounding a large surface parking lot. The shopping center provides a variety of goods and services to the Lakeshore Acres, Crestlake, and Merced Manor neighborhoods. The shopping center is anchored by "Lucky" supermarket and includes many other national retailers. The subject tenant space is approximately 1,600 square-feet and located at the southern portion of the shopping center between "Supercuts Plus" and "Chipotle". The address is 1525 Sloat Boulevard and was previously occupied by "Gymboree Play & Music", a business that is voluntarily relocating to a larger space within the shopping center.

3. **Surrounding Neighborhood.** The neighborhood surrounding the shopping center is characterized by mostly mid-century, detached, two-story, single-family dwellings with large front setbacks. The streets are wide to facilitate vehicular movement and aligned in a grid. The street grid becomes curvilinear as it nears Lake Merced. Sloat Boulevard is the primary east/west arterial street in the neighborhood.

4. **Project Description.** The applicant proposes to establish a formula retail beauty supply goods store, d.b.a. "Sally Beauty Supply". The project includes tenant improvements, including new signage. The proposed operation would have approximately 7 employees, including 2-3 managerial staff.
5. **Public Comment.** The Department has not received public comments regarding the proposed project.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Parking Requirement.** Section 151 requires retail stores to provide one parking space for every 500 square feet of occupied floor area, where the occupied floor area exceeds 5,000 square feet.

The project is part of a Planned Unit Development (PUD) which was authorized in 1988. The PUD authorization set forth the parking requirement for the shopping center based upon a specific mix of uses. This new use does not trigger an increase in the required number of parking spaces.

- B. **Loading.** Section 152 requires off-street freight loading for uses above a certain size. Retail uses up to 10,000 square feet in gross floor area are not required to provide off-street freight loading.

The project is part of a Planned Unit Development (PUD) which was authorized in 1988. The PUD authorization set forth the freight loading requirements for the shopping center based upon a specific mix of uses. This new use does not trigger an increase in the amount of off-street freight loading.

- C. **Use Size.** Section 713.21 establishes size limits on nonresidential uses in the NC-S District. Within the District, conditional use authorization is required for any nonresidential use that exceeds 6,000 square feet.

The project is approximately 1,600 square feet, thus does not require Conditional Use authorization.

- D. **Hours of Operation.** Pursuant to Sections 780.1 and 713.27 of the Code, the principally permitted hours of operation within the Lakeshore Plaza SUD are from 6 a.m. to 11 p.m.

- E. **NC-S (Neighborhood Commercial Shopping Center) District.** Section 713.1 of the Code defines NC-S Districts as areas that are intended to serve as small shopping centers or supermarket sites which provide retail goods and services for primarily car-oriented shoppers. They commonly contain at least one anchor store or supermarket, and some districts also have small medical office buildings. The range of services offered at their retail outlets usually is intended to serve the immediate and nearby neighborhoods. These districts encompass some of the most recent (post-1945) retail development in San Francisco's neighborhoods and serve as an alternative to the linear shopping street.

Shopping centers and supermarket sites contain mostly one-story buildings which are removed from the street edge and set in a parking lot. Outdoor pedestrian activity consists primarily of trips between the parking lot and the stores on-site. Ground and second stories are devoted to retail sales and some personal services and offices.

The NC-S standards and use provisions allow for medium-size commercial uses in low-scale buildings. Rear yards are not required for new development. Most neighborhood-serving retail businesses are permitted at the first and second stories, but limitations apply to fast-food restaurants and take-out food uses. Some auto uses are permitted at the first story. Limited storage and administrative service activities are permitted with some restrictions.

Housing development in new buildings is permitted. Existing residential units are protected by limitations on demolitions and prohibitions of upper-story conversions.

7. **Planning Code Section 303(c)** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:

- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The project is necessary and desirable because it maintains a balance of commercial uses within the shopping center. There is no other beauty supply store within the shopping center.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

- i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The size and shape of the site and the size, shape and arrangement of the shopping center will not be altered as part of this project. The proposed work will not affect the building envelope.

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Project will not affect public transit or overburden the existing supply of parking in the neighborhood. The Project is not intended to be a destination use but one that is meant to serve the needs of local residents who visit the shopping center for other goods and services. The general neighborhood is auto-oriented and the shopping center is well served with off-street parking in response.

- iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The Project will not produce noxious or offensive emissions related to noise, glare and dust.

- iv. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The project would not alter the site's landscaping, open spaces, parking and loading areas, service areas, and lighting. Any new signage will be required to comply with the requirements of the Planning Code.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed project is consistent with the stated purpose of the NC-S District in that the intended use is located at the ground floor, will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours, and is consistent with the limitations on certain uses within the Lakeshore Plaza SUD.

- 8. **Planning Code Section 703.3** provides additional criteria for the Planning Commission to consider when considering any discretionary review pursuant Section 703.3, Formula Retail Uses:

- a. The existing concentrations of formula retail uses within the district.

There are approximately 23 existing formula retail establishments, out of approximately 30 retail uses within the Lakeshore Plaza Neighborhood Commercial Special Use District, which is approximately a 76% concentration of formula retail. The proposed establishment is a formula retail use with more than 2,700 locations worldwide.

- b. The availability of other similar retail uses within the district.

None of the other establishments in the district are solely beauty supply stores in the Lakeshore Plaza Neighborhood Commercial Special Use District, though Lucky Supermarket, Supercuts and Ross sell cosmetics and/or hair supply products in limited supply or as incidental to their larger retail offerings.

- c. The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the district.

The Lakeshore Plaza Neighborhood Commercial Special Use District is located on a 9 acre parcel bounded by Sloat Boulevard, Ocean Avenue, Clearfield Drive and Everglade Drive surrounding by single-family neighborhoods. The district was originally designed to be and functions as a small neighborhood shopping center providing a variety of retail goods with a strong daytime and family orientation. The character of the Lakeshore Plaza NC SUD supports a high ratio of formula-retail establishments. No exterior improvements are proposed.

- d. The existing retail vacancy rates within the district.

There are currently 3 vacancies, including the subject site, out of 38 commercial spaces, amounting to a 7.8% vacancy rate. The project proposes to fill a vacancy at the shopping center, helping maintain the retail activity at the ground-floor of the shopping center.

- e. The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the district.

The district was originally designed to be and functions as a small neighborhood shopping center providing a variety of retail goods with a strong daytime and family orientation. While some establishments may serve the Citywide population, most establishments cater to the single family neighborhoods surrounding the shopping center.

- 9. **General Plan Compliance.** The Project is, on balance, consistent with the Objectives and Policies of the General Plan.

NEIGHBORHOOD COMMERCE

Objectives and Policies

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 that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2:

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3:

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The proposed development will provide desirable goods and services to the neighborhood and will provide resident employment opportunities to those in the community. The conditions of approval will ensure that the use meets minimum, reasonable performance standards. Further, the Project Site is located within a Neighborhood Commercial District and is thus consistent with activities in the commercial land use plan.

OBJECTIVE 2:

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

Policy 2.1:

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

The Project will add a new commercial retail activity and will enhance the diverse economic base of the City.

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.

No commercial tenant would be displaced and the project would enhance the district in achieving optimal diversity in the types of goods and services available in the neighborhood.

10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposal would introduce a new formula-retail use and would have a net increase of one formula retail use at the shopping center. Lakeshore Plaza currently exhibits 76% concentration of formula retail. The proposed alterations are within the existing building footprint.

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The Project would not impact the character or diversity of the neighborhood.

- C. That the City's supply of affordable housing be preserved and enhanced,

The Project would not have any impact on the City's supply of affordable housing.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project would not adversely impact public transit or place a burden on the existing supply of parking in the neighborhood. The Project Site is well-served by off-street parking.

- E. 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 Project will not displace any service or industry establishment. The project will not affect industrial or service sector uses or related employment opportunities. Ownership of industrial or service sector businesses will not be affected by this project.

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

The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

The existing building is not a landmark and it is not historically rated.

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

The project will have no negative impact on existing parks and open spaces. The Project does not have an impact on open spaces.

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

12. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby APPROVES Conditional Use Application No. **2014.0202C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives NOTICE that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 5, 2014.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: June 5, 2014

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow a formula retail beauty supply store (d.b.a. Sally Beauty Supply) located at 1525 Sloat Boulevard within the Lakeshore Plaza Shopping Center, Block 7255, Lot 004 pursuant to Planning Code Sections 703.4 and 303 within a NC-S District, the Lakeshore Plaza Special Use District and a 26-40-X Height and Bulk District, in general conformance with plans and stamped "EXHIBIT B" included in the docket for Case No. **2014.0202C** and subject to conditions of approval reviewed and approved by the Commission on **June 5, 2014** under Motion No **XXXXXX**. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **June 5, 2014** under Motion No **XXXXXX**.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **XXXXXX** shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Conditional Use authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity and Expiration.** The authorization and right vested by virtue of this action is valid for three years from the effective date of the Motion. A building permit from the Department of

Building Inspection to construct the project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed project and conveys no independent right to construct the project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within three (3) years of the date of the Motion approving the Project. Once a site or building permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved.

2. **Extension.** This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said tenant improvements is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s).

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.

DESIGN

3. **Signage.** Any signs on the property shall be made to comply with the requirements of Article 6 of the Planning Code.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org.

MONITORING

4. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

5. **Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the tenant space and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org/>

6. **Garbage, Recycling, and Composting Receptacles.** Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when

being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>

7. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

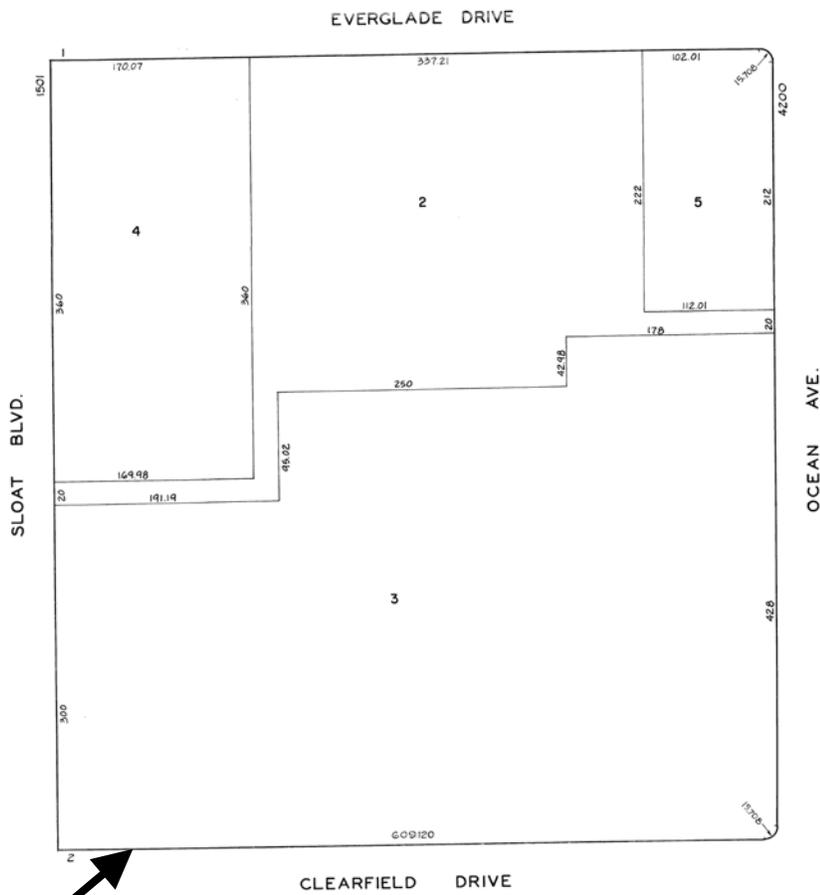
8. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

9. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parcel Map

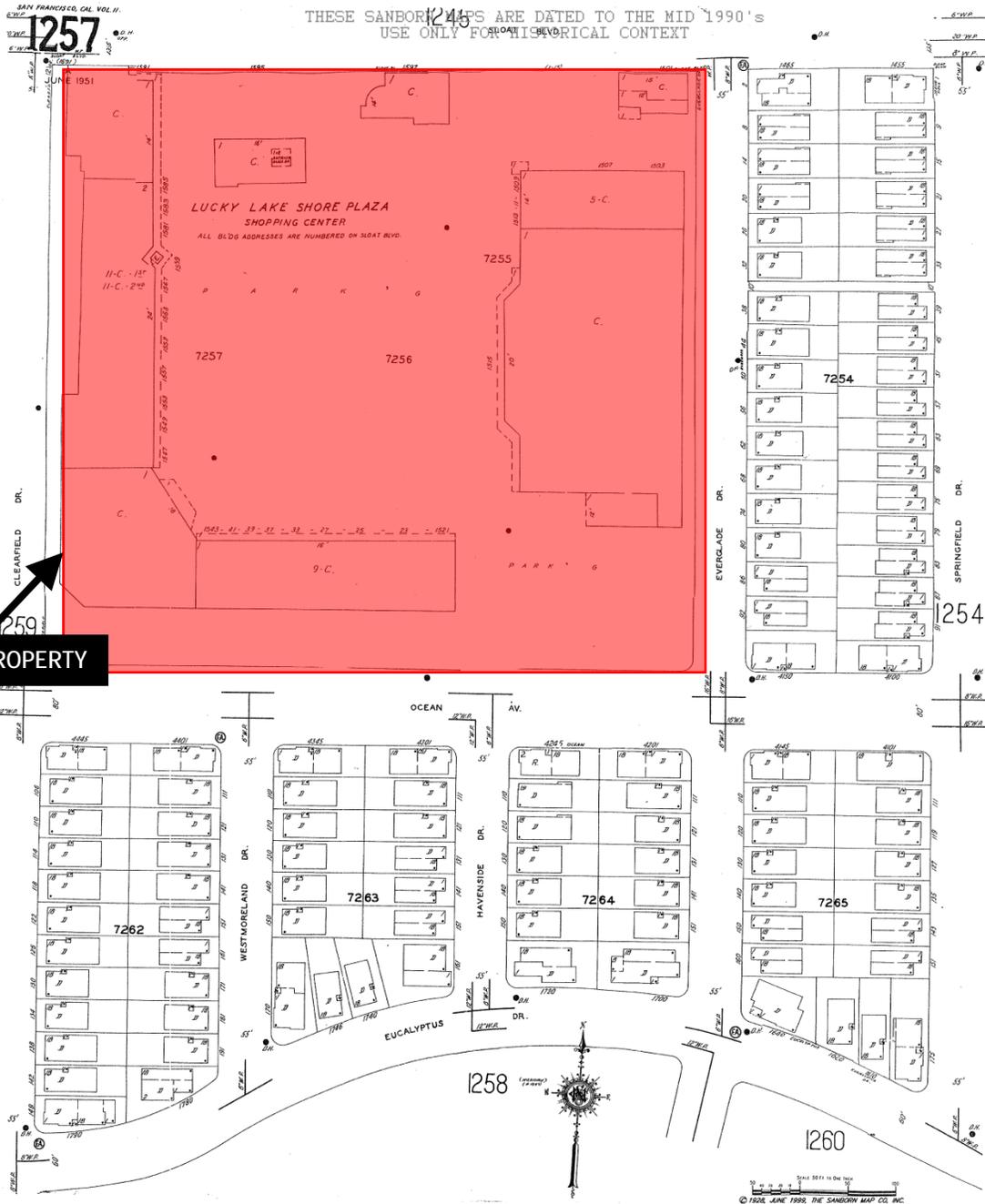


SUBJECT PROPERTY



Conditional Use Authorization Hearing
Case Number 2014.0202C
1525 Sloat Boulevard

Sanborn Map*



*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Conditional Use Authorization Hearing
Case Number 2014.0202C
1525 Sloat Boulevard

Zoning Map

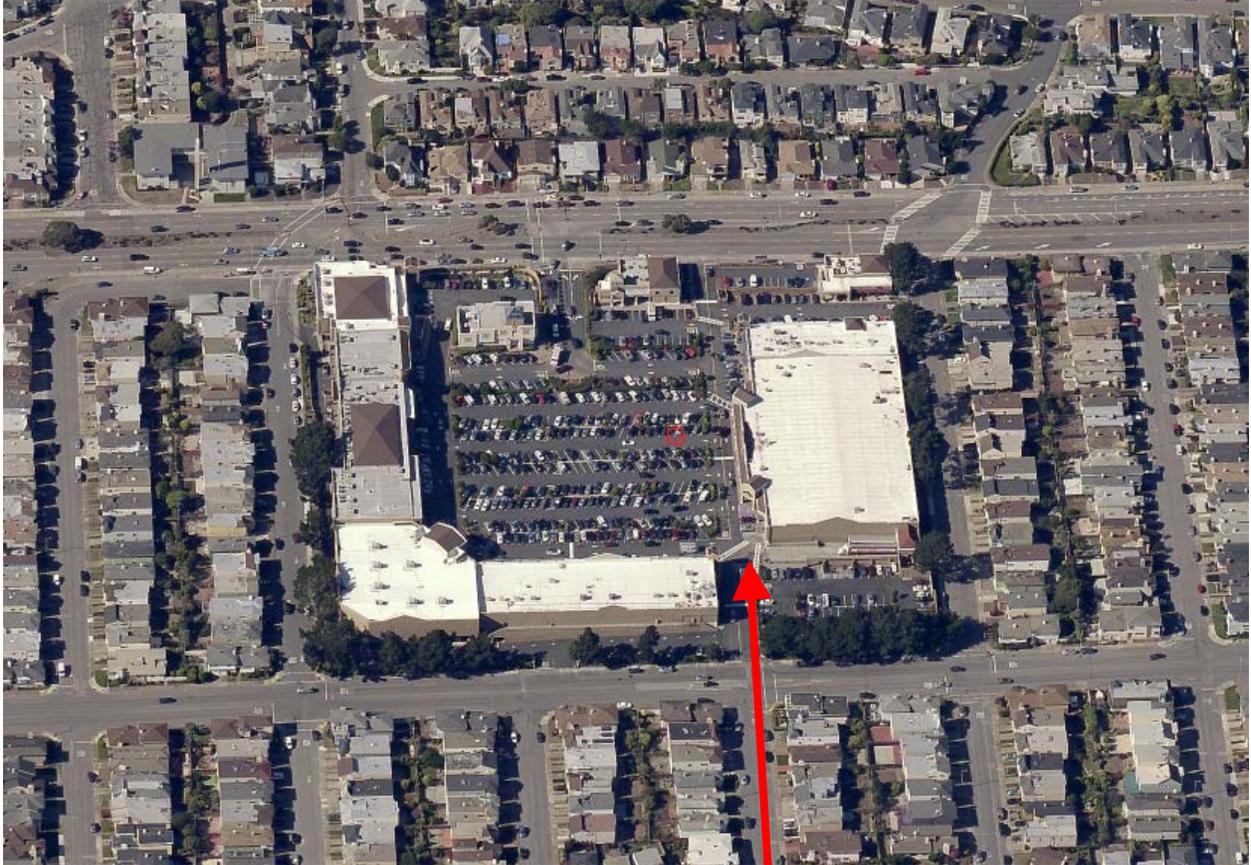


Lakeshore Plaza Neighborhood Commercial SUD



Conditional Use Authorization Hearing
Case Number 2014.0202C
1525 Sloat Boulevard

Aerial Photo



SUBJECT PROPERTY



Conditional Use Authorization Hearing
Case Number 2014.0202C
1525 Sloat Boulevard

Site Photo



Conditional Use Authorization Hearing
Case Number 2014.0202C
1525 Sloat Boulevard

REUBEN, JUNIUS & ROSE, LLP

May 23, 2014

By Messenger

President Cindy Wu
San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

**Re: Lakeshore Plaza – Sally Beauty
Planning Case No. 2014.2020C
Hearing Date: June 5, 2014
Our File No.: 3591.60**

Dear President Wu and Commissioners:

This office represents Sally Beauty Holdings, Inc., the project sponsor (“Sponsor”) for a project to locate a Sally Beauty Supply store in an existing vacant retail space within the Lakeshore Plaza Shopping Center (the “Center”). Sally Beauty is a national retailer of professional-quality beauty supplies, and requires conditional use authorization to operate a formula retail use at this location.

We look forward to presenting the Project to you on June 5th, 2014.

A. Lakeshore Plaza Shopping Center

Lakeshore Plaza is a 220,000 square foot, 2-story, car-oriented commercial shopping center that provides a variety of products and services to the Lakeshore Acres, Crestlake, and Merced Manor neighborhoods. The Center, which has successfully operated at this location for over 20 years, is anchored by a “Lucky” supermarket and includes a range of national retailers, including Big 5 Sporting Goods, Chipotle, Payless Shoes, Noah’s Bagels, Ross Dress For Less, Game Stop, and others. However, the Center contains no other beauty supply retailers or stores offering a range of professional hair care and beauty products similar to those offered by Sally Beauty.

B. Project Description

Sally Beauty proposes to occupy a vacant, approximately 1,600 square foot retail space within the Lakeshore Shopping Center that was most recently occupied by a Gymboree. The Project would involve interior tenant improvements, but would not expand the size of the existing unit or involve any exterior improvements aside from the installation of new signage that is consistent with other uses in the Center.

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Daniel A. Frattin
Sheryl Reuben¹ | David Silverman | Thomas Tunny | Jay F. Drake | John Kevin
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1. Also admitted in New York 2. Of Counsel 3. Also admitted in Massachusetts

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Sally Beauty is a successful national retailer dedicated to making high-quality beauty products available, accessible and affordable for everyone. **The proposed store would stock over 6,000 high-quality, hard-to-find, professional hair care and beauty items.** In fact, Sally Beauty has a heritage as the first choice for professional cosmetologists and consumers alike because of the broad range of products.

Sally Beauty began as a single location in New Orleans in 1964, and has since grown to become the world's leading supplier of professional hair and beauty products, with approximately 2,800 stores worldwide. The Project would represent Sally Beauty's second store in San Francisco. Its other location is six miles away at 2300 16th Street.

In addition to being a leader in the beauty industry, Sally Beauty is also a responsible national retailer that engages in a range of charitable activities and is committed to being a positive community presence. In 1996, Sally Beauty launched its SallyCares program, which provides much-needed personal care assistance and important guidance to women in need. To achieve this, SallyCares sponsors a Shelter Program which provides financial contributions and shipments of grooming and beauty products to nearly 50 women's shelters nationwide; maintains a SallyCares Seminar series; has raised more than \$2,000,000 to date to help fund breast cancer research through the City of Hope; and has partnered with the National Cosmetology Association Scholarship program to provide \$1,000 scholarships annually to a number of deserving applicants seeking to start new careers.

C. Benefits of the Project

The benefits of the Project will include:

- Interior renovation and reactivation of an existing vacant retail space;
- Contributing to the viability of the shopping center by offering a diverse range of professional, high-quality hair care and beauty products not otherwise available in the area;
- Creating new construction jobs during unit remodeling;
- Creating 5 new jobs in the City; and
- Generating of new economic activity and production of business tax revenue to the City.

D. Compliance with Conditional Use Criteria for a Formula Retail Use.

The Project meets and exceeds the requirements necessary to grant a conditional use authorization for a formula retail use at this location.

Lakeshore Plaza is a successful shopping center intended to provide a broad range of products and services to residents of the surrounding neighborhoods, and currently contains approximately 18 formula retail tenants. Sally Beauty would not displace any existing retail uses, as it would occupy one of the Center's four currently vacant retail spaces. The unit that

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President Wu and Commissioners
May 23, 2014
Page 3

Sally Beauty proposes to occupy is comparable in size and aesthetic character to other spaces in the Center, and was most recently contained a Gymboree.

A Sally Beauty at this location would not result in a net increase of formula retail, and would **provide a use that is appropriate for the Center and compatible with the presence of other national retailers.** The Project would not involve any exterior renovations and would not expand the existing commercial space. It would have no effect on the Center's existing mix of Citywide and neighborhood-serving and retail uses.

In addition, Sally Beauty would contribute to the overall viability of the Center by **offering a desirable range of professional beauty and hair care products that are not otherwise available in the area.** The Project would represent Sally Beauty's second store in San Francisco, with its first location approximately six miles away at 2300 16th Street in the Mission neighborhood. There are currently no other retailers in the Center offering a variety of professional, high-end hair care and beauty products comparable to those provided by Sally Beauty.

E. Conclusion

The Project requires conditional use authorization to operate a formula retail Sally Beauty store in a vacant retail unit within the Lakeshore Plaza Shopping Center. Sally Beauty is a desirable new retail presence within the Center and would provide residents of the surrounding neighborhoods with access to a wide variety of high-quality, professional hair care and beauty projects not otherwise available. Sally Beauty would also create approximately 5 new jobs, most of which are anticipated to be filled by San Francisco residents. For all of these reasons and those listed in the application, we respectfully request that this Commission grant this conditional use authorization for this Project.

Sincerely,

REUBEN, JUNIUS & ROSE, LLP



Melinda A. Sarjapur

Enclosures

cc: Vice-President Rodney Fong

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President Wu and Commissioners

May 23, 2014

Page 4

Commissioner Michael Antonini
Commissioner Gwyneth Borden
Commissioner Rich Hillis
Commissioner Kathrin Moore
Commissioner Bill Sugaya
Jonas P. Ionin – Commission Secretary
John Rahaim – Planning Director
Scott Sanchez – Zoning Administrator
Paul Myrick – Sally Beauty

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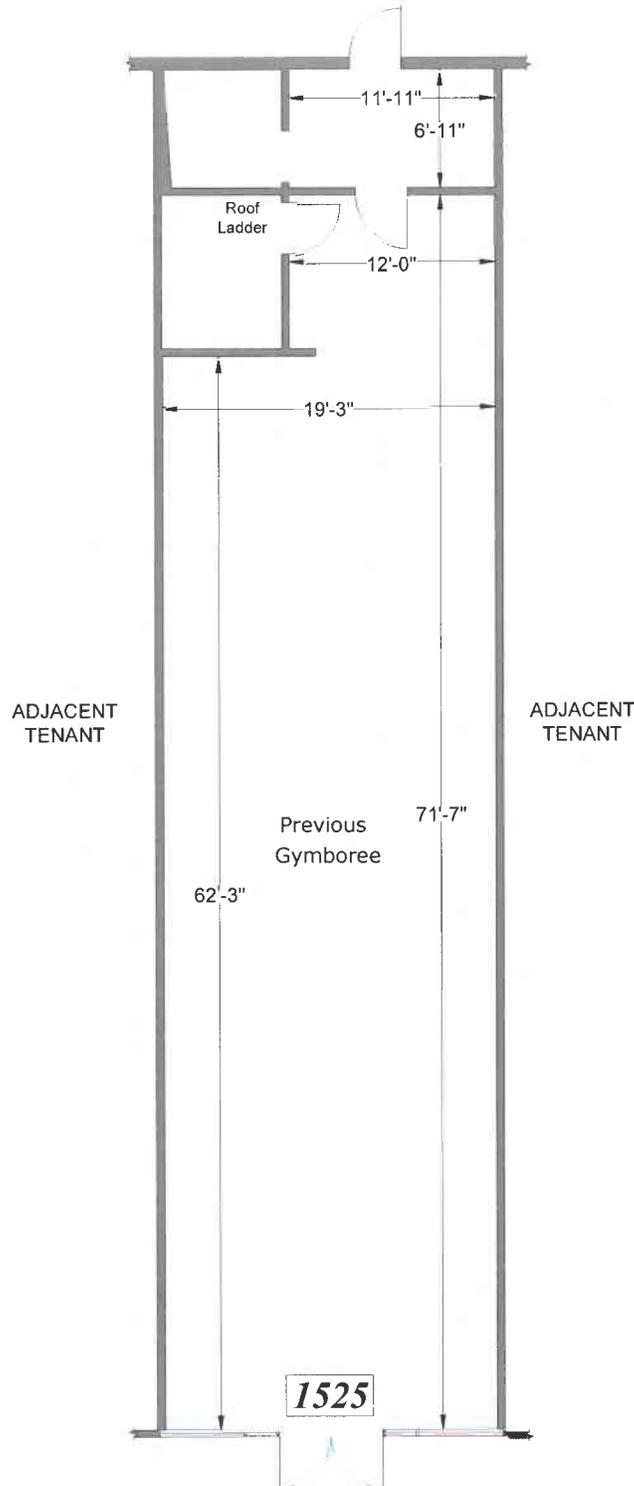
PREPARED FOR:

Crosspoint Realty
260 California Street, 4th Floor
San Francisco, CA 94111
Tel (415) 288-6888

**LAKESHORE PLAZA
1525 SLOAT BLVD
SAN FRANCISCO, CA**

(As Measured: June 2013)

FLOOR PLAN



SCALE: 3/32" = 1'-0"



Note: All dimensions shown are rounded to the nearest inch, for informational purposes only. All measurements are recorded to 1/8" accuracy as documented in the final CAD drawing supplied.

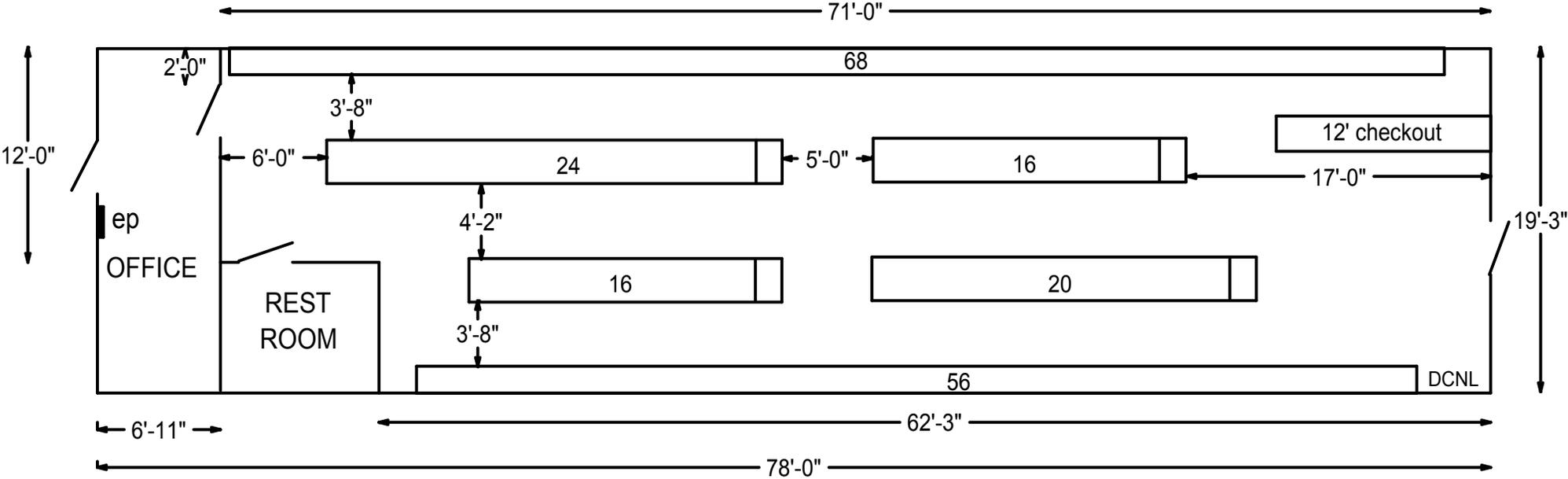
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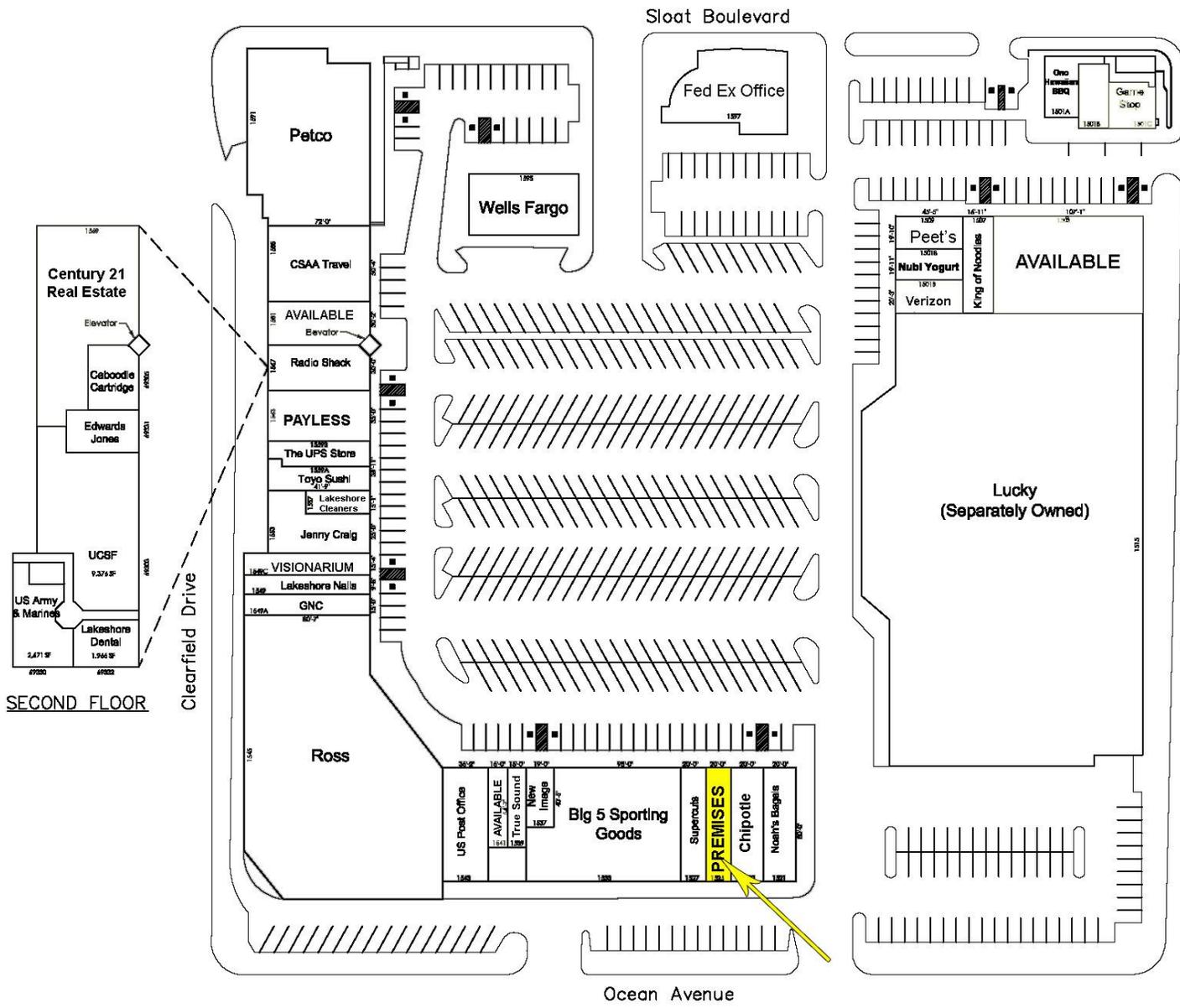
TEL: (415) 892-6808
FILE: Lakeshore Plaza (13-221)

Survey Accuracy: +/- 0.02%

Sally Beauty- Proposed Floorplan

#10374 SAN FRANCISCO, CA





Lucky	49,500 sf
Ross Dress for Less	27,846 sf
Petco	9,996 sf
CSAA Travel & Insurance	3,527 sf
AVAILABLE	2,618 sf
Radio Shack	2,100 sf
Payless	2,520 sf
Toyo Sushi	1,728 sf
The UPS Store	1,150 sf
Lakeshore Cleaners	630 sf
Jenny Craig	2,181 sf
Lakeshore Nails	800 sf
Visionarium	1,255 sf
GNC	1,290 sf
US Postal Service	3,550 sf
AVAILABLE - June 2013	825 sf
True Sound	766 sf
New Image Salon	800 sf
Big 5 Sporting Goods	8,640 sf
Supercuts	1,600 sf
PREMISES	1,577 sf
Chipotle	1,600 sf
Noah's Bagels	1,600 sf
Century 21 Real Estate	8,886 sf
Cartridge Innovations	600 sf
Edward Jones	650 sf
UCSF	9,376 sf
US Army & Marines	2,671 sf
Lakeshore Dental	1,965 sf
Peet's Coffee & Tea	900 sf
Nubi Yogurt	900 sf
Verizon	900 sf
King of Noodles	996 sf
AVAILABLE	6,120 sf
Ono Hawaiian BBQ	1,126 sf
PREMISES	876 sf
Gamestop	1,192 sf
Fed Ex Office	4,000 sf
Well's Fargo	3,500 sf