Executive Summary
Conditional Use

HEARING DATE: FEBRUARY 1, 2018

Date Prepared: January 22, 2018
Case No.: 2015-009450CUA
Project Address: 1600 Ocean Avenue
Zoning: Ocean Avenue Neighborhood Commercial Transit (NCT) 45-X Height and Bulk District
Planning Area: Balboa Park
Block/Lot: 3196 / 011
Project Sponsor: Kenneth Gaskins
Jones Lang LaSalle
Bank of America Representative
1 Front Street, Suite 1100
San Francisco, CA 94111
Kenneth.Gaskins@am.jll.com
Property Owner: Frances Malakis 2012 Trust
183 Inverness Drive, San Francisco, CA 94132
Staff Contact: Natalia Kwiatkowska – (415) 575-9185
natalia.kwiatkowska@sfgov.org
Recommendation: Disapproval

PROJECT DESCRIPTION

This is a request for Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, and 755 to authorize a 325 square-foot Formula Retail Financial Services use (two ATMs d.b.a. Bank of America) previously occupied by a Retail Sales and Service use (furniture store d.b.a. Renaissance Furniture Restoration), at a one-story commercial building within the Ocean Avenue Neighborhood Commercial Transit (NCT) District, Balboa Park Planning Area, and 45-X Height and Bulk District. The total floor area of the space will not change with this Project; however, Bank of America is only occupying 325 square feet of the existing 905 square foot establishment. Bank of America is a multinational banking and financial services corporation headquartered in Charlotte, North Carolina, with more than 1,000 locations worldwide, with more than 25 other San Francisco locations. The Project will include signs and awnings.

SITE DESCRIPTION AND PRESENT USE

The Project Site, Lot 011 in Assessor’s Block 3196, is located on the north side of Ocean Avenue, between Faxon and Miramar Avenues in the Ocean Avenue NCT Zoning District in the West of Twin Peaks neighborhood. The property at 1600 Ocean Avenue is developed with a 6,165 square feet one-story commercial building. The building, constructed circa 1920, occupies the entire approximately 10,000
square foot lot, with street frontage on Ocean Avenue and includes five separate establishments. The property contains no off-street parking. The tenant space was occupied by a Retail Sales and Service use (furniture store d.b.a. Renaissance Furniture Restoration) until approximately 2013 and vacant until March 2015 when Bank of America began occupancy without a Conditional Use Authorization for Formula Retail. Existing to remain on-site are an adjacent hair salon (d.b.a. Diamond Hair Studio.) at 1604 Ocean Ave, and a hardware store (d.b.a. Win Long Ocean Hardware) at 1556 Ocean Ave.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Ocean Avenue NCT Zoning District extends along Ocean Avenue between Manor Drive and Howth Street. The neighborhood is characterized by one- to three- story commercial, mixed-use, and residential buildings. The subject block face includes one- to two-story commercial buildings including a Walgreens and a hardware store associated with True Value. The south size of Ocean Avenue, opposite the subject site, includes one- to two-story, commercial and mixed-use buildings including a Chase Bank. Zoning surrounding the Project Site is residential, including RH-1(D) to the north and RH-2 to the south.

ENVIRONMENTAL REVIEW

The denial of a Conditional Use Authorization is not defined as a “project” pursuant to the California Environmental Quality Act (“CEQA”) Guidelines Section 15050(c)(2) and 15378 because there is no corresponding action that would result in a physical change in the environment.

Should the Commission indicate intent to approve the Conditional Use Authorization, the project will return at a future hearing in order to provide the Commission with an approval motion and an amended CEQA analysis for the corresponding project.

HEARING NOTIFICATION

<table>
<thead>
<tr>
<th>TYPE</th>
<th>REQUIRED PERIOD</th>
<th>REQUIRED NOTICE DATE</th>
<th>ACTUAL NOTICE DATE</th>
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<td>30 days</td>
<td>January 2, 2018</td>
<td>January 2, 2018</td>
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The required Section 312 neighborhood notification process was conducted as part of this Project’s Conditional Use notice.

PUBLIC COMMENT

- The Planning Department has not received any correspondence for the proposed project.
ISSUES AND OTHER CONSIDERATIONS

- **Project History:** On July 24, 2014, Building Permit Application #2014.07.15.1295 was approved by the Planning Department. The scope of work included tenant improvements for a proposed walk-in ATM vestibule, the addition of an ADA button, and replacement of the existing awning for a new Financial Services establishment (d.b.a. Bank of America), which is considered a Formula Retail.

On December 26, 2014, Ordinance No. 235-14 became effective, which requires a Conditional Use Authorization for Formula Retail Uses including Financial Services. Building Permit Application #2014.07.15.1295 was issued on January 28, 2015, after the effective date of Ordinance No. 235-14; therefore, the subject Formula Retail Financial Services use requires a Conditional Use Authorization.

On March 16, 2015, Building Permit Application #2015.03.16.0948 was filed to install new signage, at which point the property owner was alerted that a Conditional Use Authorization was required for the Formula Retail use.

On June 5, 2014, Bank of America signed a lease for the subject space.

In March 2015, Bank of America began occupancy at the subject property.

On July 6, 2015, Conditional Use Authorization #2015-009450CUA was filed to legalize the existing use.

Between July 2015 and January 2017, the Project Sponsor conducted the required Pre-Application Meeting and the required Formula Retail Survey for the Conditional Use Authorization.

On January 3, 2017, Building Permit Application #2014.07.15.1295 was suspended per Planning Department’s request to allow time for the Permit Holder to meet all of the Planning Department requirements in their entirety and seek a Conditional Use Authorization.

- **Tenancy:** No commercial tenant will be displaced as the tenant space was vacant between approximately 2013 and March 2015 when Bank of America began occupancy. The tenant space has been occupied by an unauthorized Formula Retail use since April 2015, d.b.a. Bank of America without a Conditional Use Authorization for a Formula Retail use.

- **Active Use:** Planning Code Section 145.1 requires active uses within the first 25 feet of building depth on the ground floor in order to preserve, enhance, and promote attractive, clearly defined street frontages that are pedestrian-oriented, fine-grained, and which are appropriate and compatible with the buildings in Neighborhood Commercial Districts. The project includes a solid interior wall constructed within 13 feet of the front building wall. Therefore, the project is not complying with the Planning Code. Additionally, Bank of America is only occupying 325 square feet of the existing 905 square foot establishment, resulting in a 580 square foot vacant space.

- **Land Use:** Automated Teller Machines (ATMs) are intended to function as Limited Final Service use; however, due to the amount of street frontage and gross floor area, the Bank of America ATMs do not fit into the definition of Limited Financial Services and are therefore considered a Financial Service Use.
Financial Service: a Retail Sales and Service Use that provides banking services and products to the public, such as banks, savings and loans, and credit unions, when occupying more than 15 feet of linear frontage or 200 square feet of gross floor area. Any applicant for a financial service use shall provide the Planning Department with a true copy of the license issued to it by the State of California.

Limited Financial Service: a Retail Sales and Service Use that provides banking services, when not occupying more than 15 feet of linear frontage or 200 square feet of gross floor area. Automated teller machines, if installed within such a facility or on an exterior wall as a walk-up facility, are included in this category; however, these machines are not subject to the hours of operation, as defined in this Section of the Code and as set forth in the respective zoning district. Any applicant for a limited financial service use shall provide the Planning Department with a true copy of the license issued to it by the State of California.

- Conditional Use Authorization Criteria: with regard to Conditional Use Authorizations for Formula Retail Uses, the Planning Commission is required to consider the following additional criteria (Section 303.1(d)) in addition to the standard Conditional Use findings:
  o The existing concentration of Formula Retail uses;
  o The availability of other similar Retail uses;
  o The compatibility of the proposed Formula Retail use with the District’s architectural and aesthetic character;
  o The existing Retail vacancy rates; and
  o The existing mix of Citywide-serving and Daily Needs-serving Retail uses.

- There are 17 existing ground story Formula Retail establishments, excluding the subject property, out of 123 retail establishments within the Ocean Avenue NCT Zoning District. Therefore, the existing intensity of Formula Retail uses is approximately 13.82% of all businesses within the district. The proposed establishment would increase the concentration of Formula Retail to 14.63%, which is a nominal increase in the Formula Retail commercial frontage in this district.

- There are 21 existing ground story Formula Retail establishments excluding the subject property out of 123 retail establishments within the ¼ mile vicinity. Therefore, the existing intensity of Formula Retail uses is approximately 17.07% of all businesses within the vicinity. The proposed establishment would increase the concentration of Formula Retail to 17.89%, which is a nominal increase in the Formula Retail commercial frontage in this vicinity.

- Within the vicinity of the project site, there are two existing financial service establishments (d.b.a. Chase Bank and Unify Financial Credit Union).

- The project seeks to legalize the existing location occupying a commercial space previously occupied by a retail establishment (d.b.a. Renaissance Furniture Restoration) and no exterior alterations are proposed. The project includes a new awning and signage. The proposed wall signage is limited to one wall sign to comply with the Commission Guide for Formula Retail; however, it is inconsistent with the architectural and aesthetic character of the district as majority
of the establishments feature signage on an awning. Therefore, the proposed use will have a negative effect on the architectural and aesthetic character of the district.

- There are currently four (4) vacant lots or approximately 3.3% of storefronts within the Ocean Avenue NCT. There is currently one (1) vacant lot or approximately 0.8% within the ¼ mile vicinity.
- Daily Needs: There are currently 60 daily needs-businesses within a ¼ mile vicinity of the subject property. This is approximately 49% of the number of storefronts in this same area. There are currently 64 daily needs-businesses within the Ocean Avenue NCT. This is approximately 52% of the number of storefronts in the Ocean Avenue NCT.
- Citywide Services: There are currently 61 citywide service-businesses within a ¼ mile vicinity of the subject property. This is approximately 50% of the number of storefronts in this same area. There are currently 54 citywide service-businesses within the Ocean Avenue NCT. This is approximately 44% of the number of storefronts in the Ocean Avenue NCT.

REQUIRED COMMISSION ACTION

The Commission must adopt the attached Draft Motion to disapprove case No. 2015-009450CUA. The denial of the Conditional Use Authorization will result in enforcement action to remove the existing Formula Retail Financial Service Use (d.b.a. Bank of America).

BASIS FOR RECOMMENDATION

- The Project is not necessary, desirable for, or compatible with the surrounding neighborhood in that it eliminates an active ground floor tenant space.
- The Project does not meet all applicable requirements of the Planning Code.

RECOMMENDATION: Disapprove

Attachments:
Draft Motion
Exhibits:
- Parcel Map
- Sanborn Map
- Zoning Map
- Aerial Photograph
- Site Photograph
Project Sponsor Submittal, including:
- Map of Formula Retail Use and Financial Services Use Concentrations (1/4 Mile Radius)
- Reduced Plans, dated March 22, 2017
Attachment Checklist

☒ Executive Summary
☒ Draft Motion
☐ Environmental Determination
☒ Zoning District Map
☐ Height & Bulk Map
☒ Parcel Map
☒ Sanborn Map
☒ Aerial Photo
☐ Context Photos
☒ Site Photos

☒ Project Sponsor submittal
☐ Brief
☐ Letters in support
Drawings: Proposed Project
☒ Check for legibility

☐ RF Report
☐ Community Meeting Notice
☐ Inclusionary Affordable Housing Program: Affidavit for Compliance

Exhibits above marked with an “X” are included in this packet

NK
Planner’s Initials
ADOPTING FINDINGS RELATING TO THE DISAPPROVAL OF A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303, 303.1, AND 755 TO DENY A 325 SQUARE-FOOT FORMULA RETAIL FINANCIAL SERVICES USE (TWO ATMS D.B.A. BANK OF AMERICA) AT A ONE-STORY COMMERCIAL BUILDING WITHIN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT, BALBOA PARK PLANNING AREA, AND 45-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On July 6, 2015, Jones Lang LaSalle (JLL) (hereinafter “Project Sponsor”) filed an application with the Planning Department (hereinafter “Department”) for a Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, and 755 to legalize a 325 square-foot Formula Retail Financial Service use (two ATMs d.b.a. Bank of America) at a one-story commercial building within the Ocean Avenue Neighborhood Commercial Transit (NCT) District, Balboa Park Planning Area, and 45-X Height and Bulk District. The property was last operated by a Retail Sales and Service use (furniture store d.b.a. Renaissance Furniture Restoration).
The Planning Department Commission Secretary is the custodian of records; the file for Case No. 2015-009450CUA located at 1650 Mission Street, Suite 400, San Francisco, California.

On February 1, 2018, the San Francisco Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2015-009450CUA.

The denial of a Conditional Use Authorization is not defined as a “project” pursuant to the California Environmental Quality Act (“CEQA”) Guidelines Section 15050(c)(2) and 15378 because there is no corresponding action that would result in a physical change in the environment.

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 disapproves the Conditional Use requested in Application No. 2015-009450CUA, 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 and Present Use.** The Project Site, Lot 011 in Assessor’s Block 3196, is located on the north side of Ocean Avenue, between Faxon and Miramar Avenues in the Ocean Avenue NCT Zoning District in the West of Twin Peaks neighborhood. The property at 1600 Ocean Avenue is developed with a 6,165 square feet one-story commercial building. The building, constructed circa 1920, occupies the entire approximately 10,000 square foot lot, with street frontage on Ocean Avenue and includes five separate establishments. The property contains no off-street parking. The tenant space was occupied by a Retail Sales and Service use (furniture store d.b.a. Renaissance Furniture Restoration) until November 2013, and vacant until April 2015 when Bank of America began occupancy without a Conditional Use Authorization for Formula Retail. Existing to remain on-site are an adjacent hair salon (d.b.a. Diamond Hair Studio.) at 1604 Ocean Ave, and a hardware store (d.b.a. Win Long Ocean Hardware) at 1556 Ocean Ave.

3. **Surrounding Neighborhood.** The Ocean Avenue NCT Zoning District extends along Ocean Avenue between Manor Drive and Howth Street. The neighborhood is characterized by one- to three- story commercial, mixed-use, and residential buildings. The subject block face includes one- to two-story commercial buildings including a Walgreens and a hardware store associated with True Value. The south size of Ocean Avenue, opposite the subject site, includes one- to two-story, commercial and mixed-use buildings including a Chase Bank. Zoning surrounding the Project Site is residential, including RH-1(D) to the north and RH-2 to the south.

4. **Project Description.** This is a request for Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, and 755 to authorize a 325 square-foot Formula Retail Financial Services use (two ATMs d.b.a. Bank of America) previously occupied by a Retail Sales and Service use
(furniture store d.b.a. Renaissance Furniture Restoration), at a one-story commercial building within the Ocean Avenue Neighborhood Commercial Transit (NCT) District, Balboa Park Planning Area, and 45-X Height and Bulk District. The total floor area of the space will not change with this Project; however, Bank of America is only occupying 325 square feet of the existing 905 square foot establishment. Bank of America is a multinational banking and financial services corporation headquartered in Charlotte, North Carolina, with more than 1,000 locations worldwide, with more than 25 other San Francisco locations. The Project will include signs and awnings.

5. **Public Comment.** The Planning Department has not received any correspondence for the proposed project.

6. **Community Outreach.** A Pre-Application meeting was conducted on September 12, 2016; no one attended.

7. **Planning Code Compliance:** The Commission finds that the Project is inconsistent with the relevant provisions of the Planning Code in the following manner:

   A. **Use – Financial Services.** Planning Code Section 102 defines a financial services use as a retail sales and service use that provides banking services and products to the public, such as banks, savings and loans, and credit unions, when occupying more than 15 feet of linear frontage or 200 square feet of gross floor area.

   
   Bank of America is a multinational banking and financial services corporation headquartered in Charlotte, North Carolina. The project is considered Financial Services Land Use Category, as defined in Planning Code Section 102, which is a principally permitted use in the Ocean Ave NCT District per Planning Code Section 755.

   B. **Use Size.** Section 755 establishes size limits for all Retail Sales and Service uses in the Ocean Ave NCT District. Within the District, Conditional Use Authorization is required for any Retail Sales and Services use equal to or greater than 4,000 square feet.

   The project is occupying a 325 square-foot portion of an existing 905 square-foot ground floor establishment. The proposed use size is below the 4,000 square foot size limit and is therefore principally permitted.

   C. **Formula Retail.** Planning Code Section 303.1 and 755 requires a Conditional Use Authorization for the establishment or expansion of a new formula retail use in the Ocean Ave NCT District.

   Bank of America is a multinational banking and financial services corporation headquartered in Charlotte, North Carolina, with more than 1,000 locations worldwide, with more than 25 other San Francisco locations. Bank of America is therefore considered a formula retail establishment and is seeking a Conditional Use Authorization.

   D. **Off-Street Parking.** Pursuant to Planning Code Section 755, no off-street parking is required for non-residential uses in the Ocean Ave NCT Zoning District.
Bank of America is a non-residential use and thus does not require any off-street parking spaces. There will be no off-street parking added as part of this project.

E. **Street Frontage in Neighborhood Commercial Districts.** Planning Code Section 145.1 requires that within Neighborhood Commercial Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. In addition, the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Frontages with active uses that must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

The first 25 feet of building depth along Ocean Ave frontage is not devoted to an active retail use. The project includes a solid interior wall constructed within 13 feet of the front building wall. Therefore, the project is not complying with Planning Code Section 145.1. Bank of America occupies approximately 16 feet of street frontage along Ocean Avenue, where the majority is a transparent storefront. The windows will obstructed by a solid internal wall. There are no changes proposed to the commercial frontage other than the awning and signage work described below.

F. **Awnings.** Planning Code Section 136.1 requires that awnings shall be at least eight feet above finished grade, its valance at least seven feet above grade and no portions shall be higher than the windowsill level of the lowest story (if any) exclusive of the ground story and mezzanine, or extend above the bottom of a projecting upper-story window bay, or cover any belt cornice or horizontal molding, provided that no such awning shall in any case exceed a height of 16 feet or the roofline of the building to which it is attached, whichever is lower. Where external piers or columns define individual storefront bays, an awning may not cover such piers or columns. When the width of all awnings is ten feet or less along the direction of the street, the horizontal projection of such awnings shall not exceed six feet from the face of any supporting building and the vertical distance from the top to the bottom of such awnings shall not exceed six feet, including any valance. When the width of all awnings exceeds ten feet measured along the direction of the street, the horizontal projection of such awnings shall not exceed four feet from the face of the supporting building and the vertical distance from the top to the bottom of such awnings shall not exceed four feet, including any valance.

The proposed awning will be approximately 16 feet in width with a 4 foot horizontal projection from the face of the supporting building. The proposed awning complies with Planning Code Section 136.1.
5. **G. Signage.** Section 607.1 of the Planning Code permits business signs to be located within Neighborhood Commercial Districts with limitations based on the type of signage. In addition to the Planning Code, the *Commission Guide for Formula Retail* provides additional limitations for signs located on formula retail storefronts. One sign per tenant is permitted, unless the establishment is a corner storefront, in which case it may have one sign per frontage.

*Bank of America is proposing one business sign located on the wall above the awning. The proposed signage complies with Article 6 of the Planning Code and the Commission Guide for Formula Retail. However, the proposed signage is inconsistent with the architectural and aesthetic character of the district as majority of the establishments feature signs on awnings. Therefore, the proposed use will have a negative effect on the architectural and aesthetic character of the district.*

8. **Conditional Use Authorization.** Planning Code Section 303(c) establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use Authorization. On balance, the Project complies with said criteria in that:

   a. The proposed use or feature, 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 proposed Formula Retail use is incompatible with and undesirable for the surrounding community because it eliminates an active ground floor use in a commercial building in the Ocean Avenue NCT District.*

   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:

   *Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;*

   *The Project eliminates an active ground floor use in a commercial building and reduces the interior space. The size and shape of the site and the size, shape, and arrangement of the building, e.g. height and bulk, will not be altered as part of this Project. The proposed Project will not affect the building envelope. Because a Retail use existed until November 2013, a change from that vacant Retail furniture store (d.b.a. Renaissance Furniture Restoration) to a Formula Retail use will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. Within the vicinity, there are two other financial service establishments (d.b.a. Chase Bank and Unify Financial Credit Unit). The establishment of this Formula Retail Use is not anticipated to significantly affect the existing financial service institutions within the District.*

   c. 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 Planning Code does not require parking or loading for a 325 square-foot Formula Retail use. The Project is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicle trips from the immediate neighborhood or citywide. Existing metered street parking spaces will remain. The Project will not adversely affect public transit or overburden the existing supply of parking in the neighborhood.

d. 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, dust, or odor. The Formula Retail activities would be within an enclosed building, providing ample sound insulation.

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

The Project will not alter the site’s vehicle parking, loading areas, or service areas. Signs will require a permit and must comply with the requirements of Article 6 of the Planning Code and the Formula Retail sign guidelines.

f. 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 does not comply with all relevant requirements and standards of the Planning Code and is inconsistent with Objectives and Policies of the General Plan, as detailed below.

g. That the use as proposed would provide development that is in conformity with the stated purpose of the District.

The Project is inconsistent with the stated purpose of the Ocean Avenue NCT Zoning District in that it eliminates an active ground floor use in a commercial building.

9. Formula Retail Use. Formula Retail uses within the Ocean Avenue NCT Zoning District require a Conditional Use Authorization. Planning Code Section 303.1 provides additional criteria for the Planning Commission to consider when considering any conditional use pursuant Section 303.1, Formula Retail Uses:

a. The existing concentration of Formula Retail uses within the District.

There are 17 existing ground story Formula Retail establishments excluding the subject property out of 123 retail establishments within the Ocean Avenue NCT Zoning District. Therefore, the existing intensity of Formula Retail uses is approximately 13.82% of all businesses within the district. The proposed establishment would increase the concentration of Formula Retail to 14.63%, which is a nominal increase in the Formula Retail commercial frontage in this district.

There are 21 existing ground story Formula Retail establishments excluding the subject property out of 123 retail establishments within the ¼ mile vicinity. Therefore, the existing intensity of
Formula Retail uses is approximately 17.07% of all businesses within the vicinity. The proposed establishment would increase the concentration of Formula Retail to 17.89%, which is a nominal increase in the Formula Retail commercial frontage in this vicinity.

b. The availability of other similar retail uses within the District.

The Ocean Ave NCT District is a linear commercial street in the southwestern part of the City. Within the vicinity of the project site as shown on the Formula Retail Map, there are two existing financial service establishments (d.b.a. Chase Bank and Unify Financial Credit Union).

c. The compatibility of the proposed Formula Retail use with the existing architectural and aesthetic character of the District.

The project seeks to legalize the existing storefront previously occupied by a retail establishment (d.b.a. Renaissance Furniture Restoration). The district was originally designed to be, and functions as, a streetcar-oriented, small-scale, commercial district providing a variety of convenience goods and services to the surrounding neighborhoods with a strong daytime oriented atmosphere. The proposed Formula Retail Financial Service use eliminates an active, ground floor establishment from the small-scale commercial district. Therefore, the proposed use will have a negative effect on the architectural and aesthetic character of the district.

d. The existing retail vacancy rates within the District.

There are currently four (4) vacant lots or approximately 3.3% of storefronts within the Ocean Avenue NCT. There is currently one (1) vacant lot or approximately 0.8% within the ¼ mile vicinity.

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

Daily Needs: There are currently 60 daily needs-businesses within a ¼ mile vicinity of the subject property. This is approximately 49% of the number of storefronts in this same area. There are currently 64 daily needs-businesses within the Ocean Avenue NCT. This is approximately 52% of the number of storefronts in the Ocean Avenue NCT.

Citywide Services: There are currently 61 citywide service-businesses within a ¼ mile vicinity of the subject property. This is approximately 50% of the number of storefronts in this same area. There are currently 54 citywide service-businesses within the Ocean Avenue NCT. This is approximately 44% of the number of storefronts in the Ocean Avenue NCT.

Table 1. Ocean Avenue NCT Ground Floor Frontage Breakdown per Land Use

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<th>LAND USE TYPE</th>
<th>OCEAN AVE NCT FRONTAGE TOTAL (FT.)</th>
<th>OCEAN NCT %</th>
<th>¼ MILE VICINITY FRONTAGE TOTAL (FT.)</th>
<th>VICINITY %</th>
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<td>Animal Hospital</td>
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<td>0%</td>
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<td>Business / Professional</td>
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<td><strong>8064</strong></td>
<td><strong>9608</strong></td>
<td><strong>100%</strong></td>
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The use mix is varied in the Ocean Avenue NCT. Institutional uses comprise 34% of the ground floor frontage, followed by other retail establishments comprising 26% of the ground floor frontage and eating establishments (limited restaurants and restaurants combined) comprising 14%. These calculations do not include non-retail establishments, such as residences, institutions, parking, or public services.

g. For Formula Retail uses of 20,000 square feet or more, except for General or Specialty Grocery stores as defined in Articles 2, 7, 8 of this Code, the contents of an Economic Impact Study prepared pursuant to Section 303(i) of the Planning Code.

As the proposed Formula Retail use is less than 20,000 square feet, an Economic Impact Study is not required for this Project. Section 303(i) only requires this study for the “establishment of large-scale retail uses.”

10. **General Plan Compliance.** The Project is, on balance, inconsistent with the Objectives and Policies of the General Plan.

**BALBOA PARK AREA PLAN**

Objectives and Policies

**OBJECTIVE 1.2:**
STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT.

Policy 1.2.3:

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1 The Ocean Avenue NCT Land Use table was developed using data collected by the project sponsor and reviewed by Planning Department Staff in 2016.
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 Ocean Ave NCT District is a linear commercial street in the southwestern part of the City. Within the vicinity of the project site there are two existing financial service establishments (d.b.a. Chase Bank and Unify Financial Credit Union), that provide similar services to the neighborhood.

OBJECTIVE 1.3:
ESTABLISH AN ACTIVE, MIXED-USE NEIGHBORHOOD AROUND THE TRANSIT STATION.

Policy 1.3.1:
Mixed-use housing and retail should be the principal land use in the Transit Station Neighborhood.

The project eliminates an active ground floor use within a one-story commercial building in the Neighborhood Commercial District.

COMMERCE AND INDUSTRY

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 Project will not provide desirable goods or services to the neighborhood, since there are two other financial service establishments located within the vicinity and will not provide resident employment opportunities to those in the community.

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 eliminate an active ground floor use within a commercial building, which will weaken the street frontage of this Neighborhood Commercial District._

**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 Project will not provide employment opportunities to those in the community._

**NEIGHBORHOOD COMMERCCE**

Objectives and Policies

**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 the economic and technological innovation in the marketplace and society.

_The ground floor Formula Retail use would eliminate an active use at the ground floor, which will have a negative effect on the street frontage of this Neighborhood Commercial District._

11. **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 complies 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 project will adversely affect the existing mix of neighborhood-serving retail uses and will not provide future opportunities for resident employment. The Project eliminates an active use at the..._
ground floor of a commercial building by installing two Bank of America ATMs within an existing 905 square foot retail space.

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 will adversely affect the character or diversity of the neighborhood, by eliminating an active ground floor use; thus negatively effecting the pedestrian-oriented street frontage and by installing a wall business sign that is inconsistent with the architectural and aesthetic character of the district.

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

The Project would not have any adverse effect on the City’s supply of affordable housing.

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

There is no off-street parking as part of the existing property, and there will be no off-street parking added as part of this Project. The Project would not adversely affect public transit or place a burden on the existing supply of parking in the neighborhood.

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.

Although the Project did not displace any service or industrial business, it does eliminate a potential active ground floor use within a commercial building and that does provide future opportunities for resident employment.

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

This Project will not adversely affect the property’s ability to withstand an earthquake. The Project will comply with the requirements of the San Francisco Building Code.

G. That landmarks and historic buildings be preserved.

The existing building is not a landmark or historic resource. No changes are proposed for the façade other than the signs and awnings.

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

The Project will have no negative effect on existing parks and open spaces, and will not adversely affect their access to sunlight, or vistas.
12. The Project is inconsistent with and would not promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would not contribute to the character and stability of the neighborhood and would not constitute a beneficial development.

13. The Commission hereby finds that disapproval 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 **DISAPPROVES** Conditional Use Application No. 2015-009450CUA under Planning Code Sections 303, 303.1, and 755 to deny a 325 square-foot Formula Retail Financial Services use (two ATMs d.b.a. Bank of America), at a one-story commercial building within the Ocean Avenue Neighborhood Commercial Transit (NCT) District, Balboa Park Planning Area, and 45-X Height and Bulk District.

**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 **February 1, 2018**.

Jonas P. Ionin
Commission Secretary

AYES:
NAYS:
ABSENT:
ADOPTED:    February 1, 2018
Parcel Map

Conditional Use Authorization
Case Number 2015-009450CUA
1600 Ocean Avenue
Block 3196 Lot 011
The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

Conditional Use Authorization
Case Number 2015-009450CUA
1600 Ocean Avenue
Block 3196 Lot 011
Zoning Map

Conditional Use Authorization
Case Number 2015-009450CUA
1600 Ocean Avenue
Block 3196 Lot 011
Aerial Photo

Conditional Use Authorization
Case Number 2015-009450CUA
1600 Ocean Avenue
Block 3196 Lot 011
Bank of America
San Francisco Ocean: Vestibule ATMs  CARA-103

Issue for Permit       10/06/2014
Issue for Pricing      10/22/2014
Exterior Elev. revision 03/22/2017

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Architect Project #: 14.01639.00
JLL Project #: 10021576