



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Transportation Sustainability Fee (Sec. 411A)
- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other

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Planning Commission Draft Motion HEARING DATE: JUNE 1, 2017

Date Prepared: May 16, 2017
Case No.: [2016-010632CUA](#)
Project Address: 201 Steiner Street
Zoning: [RM-1](#) (Residential - Mixed, Low Density) District
 40-X Height and Bulk District
Block/Lot: 0861 / 007
Project Sponsor: Arion Paylo, Blue Bottle Coffee Co., 300 Webster St, Oakland, CA 94067
Arion@BlueBottleCoffee.com or (718) 387-4160
Property Owner: Scher Revocable Trust (Daniel Scher, Trustee) c/o Sugar Plum Properties
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Recommendation: **Disapproval**

ADOPTING FINDINGS RELATING TO THE DISAPPROVAL OF A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 AND 303.1 TO ESTABLISH A 1,387 SQUARE-FOOT FORMULA RETAIL LIMITED-RESTAURANT USE (D.B.A. [BLUE BOTTLE COFFEE](#)) ON THE GROUND FLOOR OF THE EXISTING THREE-STORY MIXED-USE BUILDING WITHIN THE [RM-1](#) (RESIDENTIAL - MIXED, LOW DENSITY) DISTRICT, AND 40-X HEIGHT AND BULK DISTRICT, AND WITHIN ONE-QUARTER-MILE OF THE UPPER MARKET NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT.

PREAMBLE

On August 17, 2016, Blue Bottle Coffee Co. c/o Arion Paylo (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for a **Conditional Use Authorization** pursuant to Planning Code Sections [303](#) and [303.1](#), to establish a Formula Retail Limited-Restaurant use (d.b.a. [Blue Bottle Coffee](#)) in the existing 1,387 square-foot tenant space (previously occupied by a Limited-Restaurant d.b.a. Bean There Café) in the existing three-story mixed-use building within the [RM-1](#) (Residential - Mixed, Low Density) Zoning District and 40-X Height and Bulk District, and within one-quarter-mile of the Upper Market Neighborhood Commercial Transit District. The property was last occupied by a legal nonconforming Limited-Restaurant use (coffee shop d.b.a. Bean There Café).

The Planning Department Commission Secretary is the custodian of records; the file for Case No. [2016-010632CUA](#) is located at 1650 Mission Street, Suite 400, San Francisco, California.

On May 11, 2017, the San Francisco Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. [2016-010632CUA](#). At the hearing on April 13, 2017, this Project was not heard, but continued to the May 11th hearing, per the Project Sponsor’s request.

The Project (a change from an independent Limited-Restaurant to a Formula Retail Limited-Restaurant) was determined to be “Not a Project” under the California Environmental Quality Act (“CEQA”), as described in the determination contained in the Planning Department files for this Project.

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. [2016-010632CUA](#), 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 007 in Assessor’s Block 0861, is located at the northwest corner of Waller Street in the [RM-1](#) Zoning District in the Western Addition neighborhood. The property at 201 Steiner Street is developed with a 14,910 square feet three-story mixed-use building. The building, constructed circa 1900, occupies the entire 5,313 square foot lot, with street frontage on Steiner and Waller Streets. The primary façade faces west onto Waller Street, with the façade’s first story dominated by a transparent storefront along Waller Street, and a transparent storefront along Steiner Street. The property contains no off-street parking. The 1,387 square-foot subject tenant space was occupied by a Limited-Restaurant use (d.b.a. Bean There Café) until a seismic retrofit in 2015, and was thereafter vacant (see attached letter from the owner describing the use, soft-story retrofit, and tenant lease history). Existing to remain on-site are the adjacent beauty salon (d.b.a. Q-Spa at 211 Steiner Street) in the northeast tenant space, the retail bicycle shop (d.b.a. Wiggle Bicycles at 518 Waller Street) in the southwest tenant space, and the ten dwelling-units located throughout the second and third floors.
3. **Surrounding Neighborhood.** Zoning surrounding the Project Site is [RM-1](#), with RH-3 Zoning to the north, east, and west; and RTO Zoning to the south. The [RM-1](#) Zoning District includes the subject parcel and the parcel to the west. Duboce Park is 0.2-miles south of the Site. The Site is not on the Vision Zero high injury network for Steiner or Waller Streets. The Project is [within 1/4-mile walking distance](#) of the J, N, 6, 7, 7R, 7X, 22, 24, and 37 MUNI lines. Cycling is widely used in this area due to the site’s proximity within one block of the (“Wiggle”) bikeway along Waller and Steiner Streets, and several other bikeways within one-half-mile. The nearest BART station is 1.1-miles away at either Civic Center or 16th Street & Mission Street (equidistant). Given the area’s

central location and accessibility to the City's transit network, parking is not required. This District generally contains a mixture of the dwelling types found in RH Districts, but in addition has apartment buildings that broaden the range of unit sizes and the variety of structures. A pattern of 25-foot to 35-foot building widths is retained, however, and structures rarely exceed 40 feet in height. The overall density of units remains low, buildings are moderately scaled and segmented, and units or groups of units have separate entrances. Shopping facilities and transit lines may be found within a short distance of this District. Nonresidential uses are often present to provide for the needs of residents.

4. **Project Description.** This is a request for **Conditional Use Authorization** pursuant to Planning Code Sections [303](#) and [303.1](#), to establish a Formula Retail Limited-Restaurant use (d.b.a. [Blue Bottle Coffee](#)) in the existing 1,387 square-foot tenant space (previously occupied by a Limited-Restaurant d.b.a. Bean There Café) in the existing three-story mixed-use building within the [RM-1](#) (Residential - Mixed, Low Density) Zoning District and 40-X Height and Bulk District, and within one-quarter-mile of the Upper Market Neighborhood Commercial Transit District. The total floor area of the space would not change with this Project. The Project would include new signs, and the store would employ approximately 6-12 full-time employees. The locally owned [Blue Bottle Coffee](#) Company, which had its first shop in Hayes Valley in San Francisco, is headquartered in Oakland, with more than 34 locations worldwide, including seven (7) other San Francisco locations.
5. **Public Comment.** The Planning Department has received approximately 46 letters of support, and approximately 380 petition signatures in support of the Project, 41 letters in opposition to the Project (including one merchant, the Lower Haight Merchant & Neighbor Association, the Duboce Triangle Neighborhood Association, and District-5 Neighbors United), 1 voicemail in opposition, and approximately 1,300 petition signatures in opposition to the Project, for a total of approximately 1,342 people in opposition and 426 people in support. The petition states, "Stop Formula Retail in the Lower Haight!! An application has been made to the SF Planning Dept. for a special exemption to allow Formula Retail (chain stores) at the corner of Steiner & Waller (201 Steiner St). – Many Lower Haight residents oppose this exemption because they have seen firsthand the negative impact of Formula Retail on other SF neighborhoods:
 - 1) One Formula Retail chain encourages others [sets a precedent].
 - 2) It makes neighborhood merchants in small storefront spaces vulnerable to steep rent increases and evictions. Property owners will evict tenants and leave spaces vacant while waiting for a higher-paying tenant.
 - 3) The corner of Steiner & Waller is already a problem intersection. The Formula Retail applicant – Blue Bottle – will make it a destination, adding to traffic and parking woes, and increasing the potential for collisions along The Wiggle."
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. **Hours of Operation.** Planning Code Section [186](#) states that permitted hours of operation are from 6AM – 10PM, daily.

The proposed hours of operation were from 6 AM - 7 PM, daily. Because members of the public commented that the business should be open later, [Blue Bottle Coffee](#) offered to stay open until 9 PM.

- B. **Parking.** Pursuant to Planning Code Sections [151](#), [186](#), and [209.2](#), no off-street parking is required for commercial uses in the [RM-1](#) Zoning District.

There is no off-street parking as part of the existing property, and there would be no off-street parking added as part of this Project.

- C. **Street Frontage in Residential-Commercial and Mixed-Use Districts.** Planning Code Section [145.1](#) requires that, within Residential-Commercial and Mixed-Use 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 the Steiner Street frontage are devoted to an active retail use. The subject commercial space has approximately 18 feet of frontage on Steiner Street, where the majority is a transparent storefront, and approximately 47 feet of frontage on Waller Street, where the majority is a transparent storefront. The windows would be clear and unobstructed. The Project would include changes to the façade to restore the storefront windows; no other changes are proposed for the façade other than the signs. The storefront has unpermitted (lower) sliding windows throughout its storefront along Waller and Steiner Streets; those windows would be replaced with architecturally appropriate (e.g. fixed or casement) windows below the transom windows.

7. **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 does not comply 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 Limited-Restaurant is anticipated to attract a large volume of customers and may increase the number of pedestrian, bicycle, and vehicular conflicts, potentially making the existing conditions less safe around the "Wiggle" bikeway. Furthermore, with approximately five (5) other similar (independently operated) coffee shops within one-quarter-mile, and strong public opposition to this Project in the neighborhood, the proposed Formula

Retail Limited-Restaurant, at the size and intensity proposed at this location, is not necessary or desirable with the community.

- 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 proposed Formula Retail Limited-Restaurant is anticipated to attract a large volume of customers and may increase the number of pedestrian, bicycle, and vehicular conflicts, potentially making the existing conditions less safe around the "Wiggle" bikeway for residents, workers, and visitors in the vicinity.

The Project would allow the continued use of an existing ground floor commercial tenant space in a mixed-use building. The size and shape of the site, and the size, shape, and arrangement of the building, would not be altered as part of this Project.

- 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 1,387 square foot square-foot Formula Retail use, and the existing 12 Class-II bicycle parking spaces in front of the business will remain. The proposed Formula Retail Limited-Restaurant is anticipated to attract a large volume of customers and may increase the number of pedestrian, bicycle, and vehicular conflicts, potentially making the existing conditions less safe around the "Wiggle" bikeway.

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

The Project would not produce noxious or offensive emissions related to noise, glare, dust, or odor. The Formula Retail activities would be mostly (other than sidewalk tables and chairs) within an enclosed building, providing ample sound insulation. Dedicated exhaust from the back of house, kitchen area, and restroom would all vent to the exterior trash area. No coffee roasting or cooking would take place on-site, which would help limit the noise emission from the premises. The Project Sponsor would incorporate sound reduction measures to minimize the sound levels and comply with the San Francisco Noise Ordinance and would provide adequate ventilation within the structure.

- e. 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 vehicle parking, loading areas, or service areas. Signs would require a permit and would be required to comply with the requirements of Article 6 of the Planning Code and the [Formula Retail sign guidelines](#). The proposed Formula Retail Limited-

Restaurant is anticipated to attract a large volume of customers and may increase the number of pedestrian, bicycle, and vehicular conflicts, potentially making the existing conditions less safe around the "Wiggle" bikeway.

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

Although the Project generally complies with other relevant requirements and standards of the Planning Code, the Commission finds that the Project does not, on balance, comply with Planning Code Sections [101.1](#) and [303](#) as well as 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.

Although the [RM-1](#) District often contains nonresidential uses to provide for the needs of residents, it is a residential zoning district, containing apartment buildings. The overall density of units in the [RM-1](#) District remains low, with buildings moderately scaled and segmented. The Limited-Restaurant use, although permitted, is considered a legal nonconforming use (LCU: limited commercial use per Section [186](#)), and any change to a Formula Retail establishment must demonstrate a necessity and desirability with the neighborhood.

7. **Additional Findings for Eating and Drinking Uses.** Pursuant to Section [303\(o\)](#), for Conditional Use Authorization applications for a Restaurant, Limited-Restaurant, and Bar uses, the Planning Commission shall consider the existing concentration of eating and drinking uses in the area. Such concentration should not exceed 25 percent of the total commercial frontage as measured in linear feet within the immediate area of the subject site. For the purposes of this Section of the Code, the immediate area shall be defined as all properties located within 300-feet of the subject property and also located within the same Zoning District.

Within a 300-foot radius, there are two (2) other eating and drinking uses. The existing concentration of eating and drinking uses within the 300-foot radius and also within the [RM-1](#) Zoning District is 54% (based on commercial linear feet), meaning that the concentration exceeds the 25% threshold recommended by Section [303\(o\)](#). However, because the small subject [RM-1](#) Zoning District only includes the subject property (including Wiggle Bicycle Repair, MX3 Fitness, and Q-Spa) and the western adjacent residential property, and given the spirit of the Planning Code's intent, the existing concentration of eating and drinking uses within the 300-foot radius (including uses outside the [RM-1](#) Zoning District) is 13% (based on commercial linear feet), meaning that the concentration is well below the 25% threshold recommended by Section [303\(o\)](#). The concentration of eating and drinking uses within the 300-foot radius and also within the [RM-1](#) Zoning District, based on quantity of storefronts, is 25%. With the proposed Formula Retail eating and drinking use at 201 Steiner Street, the concentration of eating and drinking uses would not increase (a Limited-Restaurant, d.b.a. Bean There Café, occupied the proposed Limited-Restaurant space). The change to a Formula Retail Limited-Restaurant would not significantly affect the existing eating and drinking uses within the Upper Market Neighborhood Commercial Transit District, which is within one-quarter-mile proximity.

8. **Formula Retail Use.** Formula Retail uses within the [RM-1](#) 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.

The Project includes a change from a vacant independent Limited-Restaurant to a Formula Retail Limited-Restaurant. A Formula Retail use may be conditionally permitted per Planning Code Sections [303](#) and [303.1](#).

There are 160 commercial establishments within a one-quarter-mile radius, three (3) of which are within the same Zoning District ([RM-1](#)), excluding the proposed Formula Retail use at 201 Steiner Street.

There are nine (9) Formula Retail establishments within a one-quarter-mile radius, zero (0) of which are within the same Zoning District ([RM-1](#)), excluding the proposed Formula Retail use at 201 Steiner Street.

There are approximately 6,950 commercial linear feet within a one-quarter-mile radius, 55-feet of which are within the same Zoning District ([RM-1](#)), excluding the proposed Formula Retail use at 201 Steiner Street.

There are 725.45 Formula Retail linear feet within a one-quarter-mile radius, zero (0) feet of which are within the same Zoning District ([RM-1](#)), excluding the proposed Formula Retail use at 201 Steiner Street.

*The existing **concentration** of Formula Retail businesses within the one-quarter-mile vicinity **and also** within the [RM-1](#) Zoning District, excluding the proposed Formula Retail use at 201 Steiner Street, is 0% (0/4). With the proposed Formula Retail use at 201 Steiner Street, the concentration of Formula Retail businesses would increase to 25% (1/4).*

*The existing **percentage of commercial linear frontage dedicated to Formula Retail** businesses, excluding the proposed Formula Retail use at 201 Steiner Street, is 10.44% (725.45/6,950) of total commercial linear frontage, within the one-quarter-mile vicinity and also within the [RM-1](#) Zoning District. With the proposed Formula Retail use at 201 Steiner Street, the concentration of Formula Retail businesses would increase to 11.37% (790.75/6,950).*

The Project would not significantly increase the concentration of total eating and drinking use frontage within a one-quarter-mile radius.

*The Project would not significantly increase the concentration of total Formula Retail frontage within a one-quarter-mile radius, or within the same Zoning District, i.e. [RM-1](#) (Residential - Mixed, Low Density). There is a high concentration of commercial storefronts in the District, with approximately **five (5) similar coffee shops** (listed below) nearby, but no similar coffee shops within the same District. This District has a low concentration of Formula Retail businesses, and the frontage dedicated to Formula Retail would not significantly increase as a result of this Project. The Commission finds that the change from Retail to Formula Retail would adversely affect the existing commercial uses within the [RM-1](#) District and within a one-quarter-mile proximity.*

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

Within the one-quarter-mile vicinity of the Project Site as shown on the Formula Retail Map (within the plan set), there are approximately five (5) similar coffee shops:

- *Café du Soleil, 200 Fillmore Street, 0.1 miles away (NC-1 District)*
- *Café International, 508 Haight Street, 0.1 miles away (NC-2 District)*
- *Emanuel Coffee, 488 Haight Street, 0.2 miles away (NC-2 District)*
- *Repose Coffee, 262 Divisadero Street, 0.3 miles away (NCT District)*
- *[The Grind Café](#), 783 Haight Street, 0.2 miles away (NC-1 District)*

Members of the public commented that there are at least five (5) other similar coffee shops within the area that already adequately provide the neighborhood's coffee demand.

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

The proposed Formula Retail Limited-Restaurant use would occupy a vacant Limited-Restaurant space that was formerly occupied by a non-Formula-Retail coffee shop d.b.a. Bean There Café. Storefront Transparency guidelines are met: greater than 60% of ground floor street frontage allows visibility into the building with transparent glass. Any signs and awnings would be required to have a permit and comply with the requirements of the Planning Code and the [Formula Retail sign guidelines](#). Storefront modifications would restore the building's architectural character; those storefront changes as well as new signs would be the only exterior changes to the building.

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

Including the subject tenant space, there is one vacant storefront (out of four total storefronts) within the [RM-1](#) District and also within the one-quarter-mile vicinity (25% vacancy rate). Within the one-quarter-mile vicinity, there are 15 additional vacancies (out of 160 storefronts, for a 9.38% storefront vacancy rate). Approximately 65 of 120 linear feet, or 54.28% of the total street frontage, are vacant within the [RM-1](#) District and also within the one-quarter-mile vicinity. This Project would reduce the overall vacancy rate within the District.

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

Of the occupied storefronts in the [RM-1](#) District, 2/2 (100%) are considered "Daily-Needs," or neighborhood-serving; of these, 0/2 (0%) are Formula Retail. The proposed Formula Retail use qualifies as a "Daily-Needs" use. The remaining 0% (0/0 locations) of locations serve "Citywide" (0/0 locations, or 0%) or are vacant (1/4 locations, or 25%).

- f. Additional data and analysis set forth in the [Performance-Based Design Guidelines](#) adopted by the Planning Commission.

Table 1. RM-1 District Ground Floor Frontage Breakdown per Land Use^[1]

Land Use Type	RM-1 District Frontage Total (linear feet)	RM-1 District % Concentration	One-Qtr-Mile Vicinity Frontage Total (linear feet)	Vicinity % Concentration
Bar	0	0%	469.39	6.83%
Entertainment	0	0%	305.44	1.86%
Financial Service	0	0%	75.00	1.24%
Retail	19	16%	2,242.68	27.33%
Limited-Restaurant	65	54%	799.76	13.66%
Restaurant	0	0%	781.16	11.80%
Medical Service	0	0%	245.50	2.48%
Personal Service	36	30%	945.80	21.12%
Professional Service	0	0%	716.00	4.97%
Vacant	0	0%	368.84	8.70%
Total	120	100%	6,949.57	100%

The small subject [RM-1](#) Zoning District only includes the subject property (including Wiggle Bicycle Repair, MX3 Fitness, and Q-Spa) and the western adjacent residential property. The use mix is varied in the [RM-1](#) District. Limited-Restaurant uses comprise 54% of the ground floor frontage, Retail 16% (e.g. Wiggle Bicycle Repair), and 30% Personal Service (e.g. Q-Spa, MX3 Fitness). These calculations do not include non-retail establishments, such as residences, institutions (e.g. schools, churches, hospitals, etc.), parking lots and garages, 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.”

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

COMMERCE AND INDUSTRY

Objectives and Policies

^[1] The table was developed using data collected by the Project Sponsor in 2016.

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 would be incompatible with the unique character of the surrounding neighborhood, and would not provide desirable goods and services to 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 would not enhance the diverse economic base of the City because there are approximately five (5) existing similar coffee shop uses in close proximity to the Project Site.

NEIGHBORHOOD COMMERCE

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.

Although the Project is a Formula Retail use, [Blue Bottle Coffee](#) is a locally owned company (based in Oakland). The Commission finds that it would not be a positive contributor to the commercial area's primarily independently owned businesses, which already includes approximately five (5) similar uses. The Project is not desirable or compatible with the neighborhood, in part due to the unique characteristics of the Lower Haight area, and strong neighborhood opposition to the Project from residents and merchants. The Commission finds that the business would not predominantly serve local neighborhood residents and may become a destination with many trips originating outside of the area, thereby potentially worsening traffic safety and circulation around the "Wiggle" bikeway.

Policy 6.3:

Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

No commercial tenant would be displaced as the tenant space was previously vacant. The Project would not promote a mixed commercial residential character, as there are sufficient Limited-Restaurant uses within 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 not 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.

Although the Project would not directly displace any existing neighborhood-serving retail uses, it would be replacing an independent coffee shop with a Formula Retail coffee shop, replacing a neighborhood-serving coffee shop with a coffee shop that draws from a larger geographic area.

- 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 conserve the unique neighborhood 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 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.

Although the proposed Formula Retail Limited-Restaurant is not anticipated to generate significant additional commuter traffic, it may increase the number of pedestrian, bicycle, and vehicular conflicts, around the "Wiggle" bikeway, due to the additional customer base anticipated at this Formula Retail location.

- 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 does not include any commercial office development, and the Project is a locally owned Formula Retail business.

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

This Project would not adversely affect the property's ability to withstand an earthquake. The Project would 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 a historic resource. The Project would include changes to the façade to restore the storefront windows; no other changes are proposed for the façade other than the signs. The storefront has unpermitted (lower) sliding windows throughout its storefront along Waller and Steiner Streets; those windows would be replaced with architecturally appropriate (e.g. fixed or casement) windows below the transom windows. All exterior alterations would be reviewed by the Department's historic preservation staff prior to final permit approval.

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

The Project would have no adverse effect on existing parks and open spaces, nor their access to sunlight, or vistas.

11. 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 or constitute a beneficial development.
12. The Commission hereby finds that approval of the Conditional Use Authorization would not 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. [2016-010632CUA](#).**

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 1, 2017**.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: June 1, 2017