Executive Summary
Conditional Use Authorization

HEARING DATE: FEBRUARY 6, 2020

Record No.: 2019-014039CUA
Project Address: 1735 Polk Street
Zoning: Polk Street Neighborhood Commercial District (NCD) Zoning District
65-A Height and Bulk District
Block/Lot: 0619/002
Project Sponsor: Chris Vance
MadRM, LLC
1735 Polk Street
San Francisco, CA 94109
Property Owner: Nguyen Venture, LLC
1735 Polk Street
San Francisco, CA 94109
Staff Contact: Bridget Hicks – (415) 575-9054
Bridget.Hicks@sfgov.org
Recommendation: Approval with Conditions

PROJECT DESCRIPTION

The Project includes the establishment of Cannabis Retail and Personal Service uses measuring approximately 4,200 square feet in an existing ground floor commercial space currently use as a Restaurant (dba Polk Gulch BBQ) in a three-story mixed-use building. The proposal will involve interior tenant improvements with no expansion to the existing tenant space or building envelope.

REQUIRED COMMISSION ACTION

For the Project to proceed, the Commission must grant a Conditional Use Authorization, pursuant to Planning Code Sections 202.2, 303, and 723 to establish a Cannabis Retail use within the Polk Street Neighborhood Commercial Zoning District.

ISSUES AND OTHER CONSIDERATIONS

- Public Comment & Outreach.
  - Support/Opposition:
    - The Department has received five letters of support for the Project from adjacent neighbors and businesses referencing that this business with increase commercial foot traffic, improve lighting and public safety, advance the City’s social equity goals, and provide opportunities for San Franciscans.
    - The Department has received no opposition.

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- Outreach: The Project Sponsors have held four community meetings with the Polk Merchants Association, the Middle Polk Neighborhood Association, and with owners and occupants within 300 feet of the site.

- Planning Section 202.2(a)(5)(B) Compliance. The subject parcel is not located within a 600-foot radius of a parcel containing an existing private or public school or within a 600-foot radius of a parcel for which a valid permit from the City’s Office of Cannabis for a Cannabis Retailer or a Medicinal Cannabis Retailer has been issued. However, the following sites are identified as potentially sensitive uses:
  - Tiny Giants Day Care, 1748 Clay Street, 22 feet from site
  - Academy of Art University-School of Industrial Design, 1849 Washington Street, 410 feet from site
  - Spring Valley Elementary School, 1451 Jackson Street, 708 feet from site
  - Deafeasy, 1510 Pacific Avenue, 903 feet from site
  - Telegraph Hill Cooperative Nursery School, 1401 Broadway Street, 976 feet from site
  - Gough School, 1945 Washington Street, 996 feet from site

- On-Site Consumption. Cannabis may be consumed or smoked on site subject to accessory use limits. Additionally, a project sponsor must obtain a permit from the Department of Public Health (DPH) for the consumption type requested, pursuant to the requirements of Health Code Article 8A:
  - A ‘Type A’ permit authorizes consumption of pre-packaged cannabis products on-site.
  - A ‘Type B’ permit authorizes consumption of pre-packed cannabis products on-site and limited preparation of cannabis products for consumption on-site.
  - A ‘Type C’ permit authorizes on-site smoking and vaporizing of cannabis products.

The Planning Commission has discretion to prohibit an establishment from obtaining approval for on-site consumption of cannabis products, either fully or partially by prohibiting approval of a specific consumption type. In determining whether to recommend such a Condition of Approval, the Department considers:
  - Whether applicable zoning districts include prohibitions on similar on-site consumption uses, such as bars.
  - Whether the site is adjacent to public or publicly accessible open spaces which may be impacted by illegal consumption which may otherwise occur on-site.
  - The nature of other site uses, including whether residential uses exist at the site.
  - The nature of public and neighborhood group comment on the matter to align the Department’s recommendation with the unique needs of each neighborhood.

Based on the criteria described above, The Department does not recommend a limitation on Type A or Type B permits given that the types of on-site consumption authorized under these permit types has low potential for impact and may easily be conducted off-site in unauthorized locations. Given that a Type C (on-site smoking and vaporizing) permit is not being pursued at this time, but may be pursued in the future, the Department recommends adding a Condition of Approval to
require neighborhood notification for any building permit to establish a smoking or vaporizing room at the site.

- **Equity Program.** The Project Sponsor has been verified by the City’s Office of Cannabis to meet the Cannabis Equity Program Requirements of [Police Code Section 1604](#).

**ENVIRONMENTAL REVIEW**

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 and Class 3 categorical exemption.

**BASIS FOR RECOMMENDATION**

The Department finds that the Project is, on balance, consistent with the Polk Street Neighborhood Commercial Zoning District and the Objectives and Policies of the General Plan. The Project adds diversity to an existing neighborhood-serving retail corridor and supports the City’s equity program, administered by the Office of Cannabis. The Department also finds the project to be necessary, desirable, and compatible with the surrounding neighborhood, and not to be detrimental to persons or adjacent properties in the vicinity.

**ATTACHMENTS:**

- Draft Motion – Conditional Use Authorization with Conditions of Approval
- Exhibit B – Plans and Renderings
- Exhibit C – Environmental Determination
- Exhibit D – Maps and Context Photos
ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORORIZATION PURSUANT TO SECTIONS 202.2, 303 AND 723 OF THE PLANNING CODE TO ESTABLISH A CANNABIS RETAIL USE MEASURING 4,200 SQUARE FEET IN AN EXISTING THREE-STORY MIXED-USE BUILDING AT 1735 POLK STREET (ASSESSOR’S BLOCK 0619 LOT 002) WITHIN THE POLK STREET NEIGHBORHOOD COMMERCIAL ZONING DISTRICT AND A 65-A HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On July 17, 2019, Chris Vance of MadRM, LLC (hereinafter "Project Sponsor") filed Application No. 2019-014039CUA (hereinafter “Application”) with the Planning Department (hereinafter “Department”) for a Conditional Use Authorization to establish a Cannabis Retail use (hereinafter “Project”) at 1735 Polk Street, Block 0619 Lot 002 (hereinafter “Project Site”).

The Project is exempt from the California Environmental Quality Act (“CEQA”) under Class 1 and Class 3 categorical exemptions.

On February 6, 2020, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2019-014039CUA.

The Planning Department Commission Secretary is the custodian of records; the File for Record No. 2019-014039CUA is located at 1650 Mission Street, Suite 400, San Francisco, California.

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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 Authorization as requested in Application No. 2019-014039CUA, 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. **Project Description.** The Project includes the establishment of Cannabis Retail and Personal Service uses measuring 4,200 square feet at the ground level of a three-story mixed-use building. The proposal will involve interior tenant improvements with no expansion of the existing tenant space or building envelope and no alterations to the façade. The proposed use will provide natural and holistic treatments to clients which include holistic nutritional counseling, cannabis sommelier, meditation groups, yoga classes, educational seminars, infrared light therapy and sauna room. Although the Project would provide a mix of Cannabis Retail and Personal Service uses, only persons over the age of 21 would be able to access any of the services provided, pursuant to State law.

3. **Site Description and Present Use.** The Project is located on a 5,161 square foot parcel on the west side of Polk Street between Washington Street and Clay Street. The site is developed with a three-story mixed-use building with one ground floor commercial tenant space and eleven residential units above. The subject tenant space is currently occupied by a Restaurant (dba Polk Gulch BBQ).

4. **Surrounding Properties and Neighborhood.** The Project Site is located within the Polk Street Neighborhood Commercial Zoning District. The immediate context is comprised of one to five story mixed-use buildings with ground floor commercial space and residential units above. The surrounding streets are mostly comprised of residential buildings in the RC-4 and RM-3 Zoning Districts.

5. **Public Outreach and Comments.** The Department has received five letters of support for the Project referencing that this business with increase commercial foot traffic, improve lighting and public safety, advance the City’s social equity goals, and provide opportunities for San Franciscans. The Department has received no opposition. The Project Sponsors have held four community meetings with the Polk Merchants Association, the Middle Polk Neighborhood Association, and with owners and occupants within 300 feet of the site.
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. **Use.** Cannabis Retail requires a Conditional Use Authorization to establish in the Polk Street Neighborhood Commercial Zoning District.

   The Project Sponsor is requesting Conditional Use Authorization to establish a Cannabis Retail use in the Polk Street Neighborhood Commercial Zoning District.

   B. **600-Foot Buffer Rule:** Planning Code Section 202.2(a)(5)(B) states that the parcel containing the Cannabis Retail Use shall not be located within a 600-foot radius of a parcel containing an existing public or private School or within a 600-foot radius of a parcel for which a valid permit from the City’s Office of Cannabis for a Cannabis Retailer or a Medicinal Cannabis Retailer has been issued. There shall be no minimum radius from a Cannabis Retail Use to an existing day care center or youth center unless a State licensing authority specifies a minimum radius.

   The subject parcel is not located within a 600-foot radius of a parcel containing an existing private or public school or within a 600-foot radius of a parcel for which a valid permit from the City’s Office of Cannabis for a Cannabis Retailer or a Medicinal Cannabis Retailer has been issued.

   C. **On-Site Consumption.** Planning Code Section 202.2 allows for on-site consumption of cannabis as an accessory use, if approved by the Department of Public Health.

   The Project Sponsor has not proposed on-site consumption as part of this request but may seek authorization for on-site consumption in the future. To allow residents of the Project Site and the general vicinity to receive notice of any proposed addition of on-site smoking and/or vaporizing, this approval is conditioned to require neighborhood notification of any building permit to establish an on-site smoking and/or vaporizing room.

   D. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that within NC 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-facing 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 subject commercial space is in compliance with this requirement and shall be maintained in compliance with this Section.

7. Conditional Use Findings. Planning Code Section 303 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 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 size of the proposed use is in keeping with other storefronts on the block face. The proposed Cannabis Retail establishment will not impact traffic or parking in the District as it will occupy an existing retail space. This use will complement the mix of goods and services currently available in the district and contribute to the economic vitality of the neighborhood by adding a unique retail establishment.

The impact of increased access and visibility of cannabis to youth is a paramount concern for the City. While there are no sensitive uses (as defined in Planning Code Section 202.2) within 600 feet of the proposed site, it is noted that there are schools and youth services within the general neighborhood. However, the retail storefront has been specifically designed to have a security check in at the main entryway to prevent the entrance of minors. Additionally, display cases and sales areas are setback from the front façade to limit the visibility of products. A reception and waiting area are proposed at the front façade to continue to activate the space. With this configuration, the visibility of products and potential impact to youth passing by is minimal.

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:

(1) Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The height and bulk of the existing building will remain the same and will not alter the existing appearance or character of the project vicinity.

(2) 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 4,200 square-foot Cannabis Retail Establishment and Personal Service use. The proposed use is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicular trips from the immediate neighborhood or citywide.

(3) 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 and will meet all applicable requirements from the Department of Building Inspection and the Department of Public Health. All products will be sealed in air tight, odor resistant packaging. If a permit to authorize on-site smoking or vaporizing is sought in the future, enhanced mechanical ventilation will be required to be installed in compliance with the Department of Health guidelines. The sponsor will post notices reminding patrons that smoking cannabis in public is prohibited.

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

The Project site has no parking, open spaces or loading area and there will be no addition of parking spaces, loading facilities, open space or service areas. All Project signage and projections will be consistent with the controls 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 Polk Street NC Zoning District in that the intended use is located at the ground floor, will provide diversity to the retail corridor and a compatible retail service to the public in the immediately surrounding neighborhoods and to a larger market area during daytime hours.

8. Additional Conditional Use Findings for Cannabis Retail. Planning Code Section 303(w) outlines additional findings for the Commission when reviewing proposals for new Cannabis Retail establishments. The Commission shall consider “the geographic distribution of Cannabis Retail Uses throughout the City, the concentration of Cannabis Retail and Medical Cannabis Dispensary Uses within the general proximity of the proposed Cannabis Retail Use, the balance of other goods and services available within the general proximity of the proposed Cannabis Retail Use, any
increase in youth access and exposure to cannabis at nearby facilities that primarily serve youth, and any proposed measures to counterbalance any such increase.”

Cannabis Retail is a newly created land use definition, and as such the distribution of sites that are permitted as Cannabis Retail is limited. However, it is expected that most or all existing Medical Cannabis Dispensaries will convert to Cannabis Retail uses once authorized by the Office of Cannabis to do so, likely in 2020. Currently, most sites are operating as Medical Cannabis Dispensaries with temporary authorization from the Department of Public Health to sell cannabis products to adult-use consumers.

Currently, such dispensaries and retailers (collectively outlets) are extremely concentrated in the eastern neighborhoods of the City, particularly in the South of Market and Mission neighborhoods. There are no currently operating outlets in the Polk Street neighborhood and few outlets north of Market street. The nearest outlet is located along Cedar Street between Polk Street and Larkin Street and two outlets under construction off of Hyde Street. The distribution of such outlets can be reviewed using the City’s Cannabis Retail Map.

The immediate area is characterized by neighborhood serving uses such as small markets, restaurants, bars, personal services, and retail stores. The proposed use will maintain an active retail sales and service use that will provide goods that are desirable for the neighborhood and may serve as an anchor to other adjacent businesses by increasing customer traffic. As such, the use is supportive of creating a thriving business community on the corridor.

The impact of increased access and visibility of cannabis to youth is a paramount concern for the City. While there are no sensitive uses (as defined in Planning Code Section 202.2) within 600 feet of the proposed site, there are multiple outlets providing services to youth, including college preparatory services. However, the retail storefront has been specifically designed to have a security check in at the main entryway to prevent the entrance of minors. Additionally, display cases and sales areas are setback from the front façade to limit the visibility of products. A reception and waiting area are proposed at the front façade to continue to activate the space. With this configuration, the visibility of products and potential impact to youth passing by is minimal.

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

**COMMERCE AND INDUSTRY ELEMENT**

Objectives and Policies

**OBJECTIVE 2:**
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

**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.

Policy 3.2:
Promote measures designed to increase the number of San Francisco jobs held by San Francisco residents.

OBJECTIVE 4:
IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

Policy 4.8:
Provide for the adequate security of employees and property.

OBJECTIVE 6:
MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.2:
Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship, and which are responsive to economic and technological innovation in the market place and society.

Cannabis is one of the fastest growing job categories in the country and one of the few retail uses that is burgeoning even in the face of e-commerce. The proposed business is entirely owned by local residents and will hire directly from the community. The business has commitments in its Operating Agreement, as well as obligations under City policy, to source products and services from local businesses, particularly those owned by and employing residents who meet the Cannabis Equity Criteria. As such, the business aims to increase employment and resident ownership both in its own Cannabis Retail business and in the cannabis cultivation, manufacturing, and distribution businesses that are provided hundreds of skilled, unskilled, and semi-skilled jobs to San Francisco residents.

Cannabis retailers are proven to improve security for the entire neighborhood they serve. A UCLA study funded by the National Institutes of Health demonstrated that neighborhoods with cannabis stores have no more crime than other neighborhoods and that “measures dispensaries take to reduce crime (i.e., doormen, video cameras), may increase guardianship” of the area. The project will have professional security and multiple cameras, as required by law, and will partner with SFPD, local merchants, and the community to increase safety on the corridor.
Additionally, the City Controller’s Office released a report in December of 2019 after analyzing the City’s permitting process for cannabis businesses as well as the impact of existing cannabis businesses on the City’s neighborhoods. The report found a net decrease in property crimes in the areas surrounding Cannabis Retail and Medical Cannabis Dispensary uses relative to the City overall.

Regulated cannabis is a burgeoning industry specifically because it is at the innovative edge, not just of technology but of government regulation and laws. This is a field that can create small business ownership and employment opportunities for San Francisco residents, renewed vitality on commercial corridors, and destination locations for tourists. Additionally, the Project is not a Formula Retail use.

The proposed Cannabis Retail use will provide an active use within an existing storefront. The Project will maintain a small-scale neighborhood-serving retail use in a neighborhood commercial district and active a retail corner, increasing foot traffic to adjacent neighborhood businesses.

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 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.

Existing neighborhood-serving retail uses are not impacted by the establishment of the proposed Cannabis Retail use. This Project will maintain an active retail space which is desirable for the neighborhood. The addition of this business will enhance foot traffic to the benefit of neighboring businesses. Cannabis is one of the fastest growing job categories in the country and one of the few retail uses that is burgeoning even in the face of e-commerce.

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

Existing residential units on upper floors and in the surrounding neighborhood would not be adversely affected by the Project. The proposal does not affect housing or change the character of the building. If on-site consumption is added in the future, the Department of Public Health will review the proposed plans to ensure that other site uses and the general neighborhood are not impacted by odors, vapors, or smoke from the site.

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

The Project has no effect on housing and does not convert housing to a non-residential use.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.
The Project Site is served by nearby public transportation options and is located along a key walking street, Polk Street. The Project is located within a quarter of a mile of the following Muni lines: 1, 10, 12, 19, 27, 30, 21, 38, 47, 49, 76, C, and PH. These transit lines provide a variety of options for transportation for employees and patrons of the proposed cannabis retail use.

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.

There is no commercial office development associated with the proposed project and there would be no displacement of any existing industrial or service businesses in the area.

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

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

G. That landmarks and historic buildings be preserved.

The Project site is a potential historic resource. No exterior changes are proposed to the building. Two security cameras will be added for compliance with the Office of Cannabis requirements, the camera locations and mountings have been approved by a historic preservation planner.

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.

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 Authorization Application No. 2019-014039CUA** subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated July 11, 2019, 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. 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 6, 2020.

Jonas P. Ionin  
Commission Secretary

**AYES:**  

**NAYS:**  

**ABSENT:**  

**ADOPTED:** February 6, 2020
EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow a Cannabis Retail use (d.b.a. Mad River) located at [1735 Polk Street, Block 0619, and Lot 002] pursuant to Planning Code Section(s) 202.2, 303, and 723 within the Polk Street Neighborhood Commercial Zoning District and a 65-A Height and Bulk District; in general conformance with plans, dated July 11, 2019, and stamped “EXHIBIT B” included in the docket for Record No. 2019-014039CUA and subject to conditions of approval reviewed and approved by the Commission on February 6, 2020 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 February 6, 2020 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.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

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

2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

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

3. **Diligent Pursuit.** 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. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

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

4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

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

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

   For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
6. **Additional Project Authorization.** The Project Sponsor shall obtain operating licenses from the City’s Office of Cannabis and the State of California prior to commencing any cannabis sales or other activities per Planning Code Section 202.2(a)(5).
   For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

7. **Transparency and Fenestration.** Pursuant to Planning Code Section 145.1, the site shall be maintained 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.
   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
OPERATION

10. **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 and all registered neighborhood groups for the area with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator and registered neighborhood groups 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*

11. **On-Site Consumption.** On-site consumption of cannabis products is permitted as an accessory use to the Cannabis Retail use. The operation may seek authorization from the Department of Public Health for any available on-site consumption permits. Any building permit to establish an on-site smoking or vaporizing room at the Project Site shall be subject to the neighborhood notification procedures of Planning Code Section 311.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org*
MAD RIVER WELLNESS
TENANT IMPROVEMENT

PROJECT DATA

CHANGE OF USE PERMIT APPLICATION
PROJECT DESCRIPTION:
CHANGE OF USE FROM RESTAURANT TO CANNABIS RETAIL & WELLNESS SPA

PROJECT LOCATION:
1735 POLK STREET, SAN FRANCISCO CA 94109

BLOCK/LOT:
0819/002
LOT SIZE = 5,161 S.F. (NO CHANGE)

ZONING:
POLK STREET NEIGHBORHOOD COMMERCIAL DISTRICT

CONSTRUCTION TYPE:
EXISTING = V-8
PROPOSED = NO CHANGE

AUTOMATIC SPRINKLER SYSTEM:
EXISTING = YES
PROPOSED = NO CHANGE

OCCUPANCY GROUP:
EXISTING = A-2 (RESTAURANT)
PROPOSED = M (MERCHANTILE)
AND B (BUSINESS)

AREA OF WORK:
4,400 S.F. (NO CHANGE)

NUMBER OF FLOORS:
EXISTING = 3 STORY BUILDING COMPRISING OF 2 LEVELS
OF RESIDENTIAL ABOVE (E) GROUND FLOOR TENANT SPACE
PROPOSED = (NO CHANGE)

SHEET LIST

CUA-00 PROJECT DATA COVER SHEET
CUA-01 PLOT PLAN (NO CHANGE)
CUA-02 ASSESSOR'S MAP
CUA-02 EXISTING & DEMOLITION FLOOR PLAN
CUA-03A PROPOSED FLOOR PLAN - DISPENSARY
CUA-03B PROPOSED FLOOR PLAN - WELLNESS CENTER
CUA-04 EXTERIOR ELEVATION - PREVIOUS
CUA-05 PHOTOS OF EXISTING BLDG EXTERIOR

PROJECT DIRECTORY

PROPERTY OWNER:
NGUYEN VENTURE, LLC
1735 POLK ST.
SAN FRANCISCO, CA 94109

TENANT:
MAD RIVER WELLNESS
1300 RALSTON AVE.
BELMONT, CA 94002
CHRIS VANCE
(650) 640-3756

ARCHITECT:
JOHNSON LYMAN ARCHITECTS
1375 OCEST STREET, SUITE 202
WALNUT CREEK, CA 94596
(925) 930-2690

PROJECT DATA COVER SHEET
CANNABIS - RETAIL
1735 POLK STREET, SAN FRANCISCO CA

CUA-00
JULY 11, 2019
EXISTING EXTERIOR ELEVATION
EXISTING BUILDING PHOTOS
## CEQA Categorical Exemption Determination

### PROPERTY INFORMATION/PROJECT DESCRIPTION

<table>
<thead>
<tr>
<th>Project Address</th>
<th>Block/Lot(s)</th>
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</thead>
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<td>1735 POLK ST</td>
<td>0619002</td>
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</table>

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<tr>
<th>Case No.</th>
<th>Permit No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-014039PRJ</td>
<td>0619002</td>
</tr>
</tbody>
</table>

### Project description for Planning Department approval.

To establish a Cannabis Retail and Wellness Center operated by MadRM, LLC (d/b/a Mad River) at the ground level of a mixed-use building.

### STEP 1: EXEMPTION CLASS

The project has been determined to be categorically exempt under the California Environmental Quality Act (CEQA).

- **Class 1 - Existing Facilities.** Interior and exterior alterations; additions under 10,000 sq. ft.

- **Class 3 - New Construction.** Up to three new single-family residences or six dwelling units in one building; commercial/office structures; utility extensions; change of use under 10,000 sq. ft. if principally permitted or with a CU.

- **Class 32 - In-Fill Development.** New Construction of seven or more units or additions greater than 10,000 sq. ft. and meets the conditions described below:
  - (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
  - (b) The proposed development occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses.
  - (c) The project site has no value as habitat for endangered rare or threatened species.
  - (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
  - (e) The site can be adequately served by all required utilities and public services.

**FOR ENVIRONMENTAL PLANNING USE ONLY**

- **Class _____**
### STEP 2: CEQA IMPACTS
TO BE COMPLETED BY PROJECT PLANNER

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Air Quality:</strong></td>
<td>Would the project add new sensitive receptors (specifically, schools, day care facilities, hospitals, residential dwellings, and senior-care facilities within an Air Pollution Exposure Zone? Does the project have the potential to emit substantial pollutant concentrations (e.g., backup diesel generators, heavy industry, diesel trucks, etc.)? (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Air Pollution Exposure Zone)</td>
</tr>
<tr>
<td><strong>Hazardous Materials:</strong></td>
<td>If the project site is located on the Maher map or is suspected of containing hazardous materials (based on a previous use such as gas station, auto repair, dry cleaners, or heavy manufacturing, or a site with underground storage tanks): Would the project involve 50 cubic yards or more of soil disturbance - or a change of use from industrial to residential?</td>
</tr>
<tr>
<td><strong>Transportation:</strong></td>
<td>Does the project involve a child care facility or school with 30 or more students, or a location 1,500 sq. ft. or greater? Does the project have the potential to adversely affect transit, pedestrian and/or bicycle safety (hazards) or the adequacy of nearby transit, pedestrian and/or bicycle facilities?</td>
</tr>
<tr>
<td><strong>Archeological Resources:</strong></td>
<td>Would the project result in soil disturbance/ modification greater than two (2) feet below grade in an archeological sensitive area or eight (8) feet in a non-archeological sensitive area? If yes, archeo review is required (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Archeological Sensitive Area)</td>
</tr>
<tr>
<td><strong>Subdivision/Lot Line Adjustment:</strong></td>
<td>Does the project site involve a subdivision or lot line adjustment on a lot with a slope average of 20% or more? (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Topography). If yes, Environmental Planning must issue the exemption.</td>
</tr>
<tr>
<td><strong>Slope = or &gt; 25%:</strong></td>
<td>Does the project involve any of the following: (1) square footage expansion greater than 500 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Topography). If box is checked, a geotechnical report is required and Environmental Planning must issue the exemption.</td>
</tr>
<tr>
<td><strong>Seismic: Landslide Zone:</strong></td>
<td>Does the project involve any of the following: (1) square footage expansion greater than 500 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Seismic Hazard Zones) If box is checked, a geotechnical report is required and Environmental Planning must issue the exemption.</td>
</tr>
<tr>
<td><strong>Seismic: Liquefaction Zone:</strong></td>
<td>Does the project involve any of the following: (1) square footage expansion greater than 500 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap &gt; CEQA Catex Determination Layers &gt; Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required and Environmental Planning must issue the exemption.</td>
</tr>
</tbody>
</table>

**Comments and Planner Signature (optional):**
### STEP 3: PROPERTY STATUS - HISTORIC RESOURCE
TO BE COMPLETED BY PROJECT PLANNER

**PROPERTY IS ONE OF THE FOLLOWING:** (refer to Property Information Map)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Next Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Category A</td>
<td>Known Historical Resource. GO TO STEP 5.</td>
<td></td>
</tr>
<tr>
<td>☑ Category B</td>
<td>Potential Historical Resource (over 45 years of age). GO TO STEP 4.</td>
<td></td>
</tr>
<tr>
<td>☐ Category C</td>
<td>Not a Historical Resource or Not Age Eligible (under 45 years of age). GO TO STEP 6.</td>
<td></td>
</tr>
</tbody>
</table>

### STEP 4: PROPOSED WORK CHECKLIST
TO BE COMPLETED BY PROJECT PLANNER

Check all that apply to the project.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ 1. Change of use and new construction. Tenant improvements not included.</td>
<td></td>
</tr>
<tr>
<td>☐ 2. Regular maintenance or repair to correct or repair deterioration, decay, or damage to building.</td>
<td></td>
</tr>
<tr>
<td>☐ 3. Window replacement that meets the Department’s Window Replacement Standards. Does not include storefront window alterations.</td>
<td></td>
</tr>
<tr>
<td>☐ 4. Garage work. A new opening that meets the Guidelines for Adding Garages and Curb Cuts, and/or replacement of a garage door in an existing opening that meets the Residential Design Guidelines.</td>
<td></td>
</tr>
<tr>
<td>☐ 5. Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way.</td>
<td></td>
</tr>
<tr>
<td>☐ 6. Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way.</td>
<td></td>
</tr>
<tr>
<td>☐ 7. Dormer installation that meets the requirements for exemption from public notification under Zoning Administrator Bulletin No. 3: Dormer Windows.</td>
<td></td>
</tr>
<tr>
<td>☐ 8. Addition(s) that are not visible from any immediately adjacent public right-of-way for 150 feet in each direction; does not extend vertically beyond the floor level of the top story of the structure or is only a single story in height; does not have a footprint that is more than 50% larger than that of the original building; and does not cause the removal of architectural significant roofing features.</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Project Planner must check box below before proceeding.

- Project is not listed. GO TO STEP 5.
- Project does not conform to the scopes of work. GO TO STEP 5.
- Project involves four or more work descriptions. GO TO STEP 5.
- Project involves less than four work descriptions. GO TO STEP 6.

### STEP 5: CEQA IMPACTS - ADVANCED HISTORICAL REVIEW
TO BE COMPLETED BY PROJECT PLANNER

Check all that apply to the project.

<p>| | |</p>
<table>
<thead>
<tr>
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</tr>
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<tbody>
<tr>
<td>☐ 1. Project involves a known historical resource (CEQA Category A) as determined by Step 3 and conforms entirely to proposed work checklist in Step 4.</td>
<td></td>
</tr>
<tr>
<td>☐ 2. Interior alterations to publicly accessible spaces.</td>
<td></td>
</tr>
<tr>
<td>☐ 3. Window replacement of original/historic windows that are not “in-kind” but are consistent with existing historic character.</td>
<td></td>
</tr>
<tr>
<td>☐ 4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features.</td>
<td></td>
</tr>
<tr>
<td>☐ 5. Raising the building in a manner that does not remove, alter, or obscure character-defining features.</td>
<td></td>
</tr>
<tr>
<td>☐ 6. Restoration based upon documented evidence of a building’s historic condition, such as historic photographs, plans, physical evidence, or similar buildings.</td>
<td></td>
</tr>
</tbody>
</table>
7. **Addition(s)**, including mechanical equipment that are minimally visible from a public right-of-way and meet the Secretary of the Interior’s Standards for Rehabilitation.

8. **Other work consistent** with the Secretary of the Interior Standards for the Treatment of Historic Properties (specify or add comments):

Addition of security cameras at the front. No changes to or removal of character-defining features. Cameras are reversible.

9. **Other work** that would not materially impair a historic district (specify or add comments):

(Rquires approval by Senior Preservation Planner/Preservation Coordinator)

10. **Reclassification of property status.** (Requires approval by Senior Preservation Planner/Preservation Coordinator)

   - Reclassify to Category A
     - a. Per HRER or PTR dated
     - b. Other (specify):
   - Reclassify to Category C
     (attach HRER or PTR)

Note: If ANY box in STEP 5 above is checked, a Preservation Planner MUST sign below.

- Project can proceed with categorical exemption review. The project has been reviewed by the Preservation Planner and can proceed with categorical exemption review. **GO TO STEP 6.**

**Comments (optional):**

Preservation Planner Signature: Stephanie Cisneros

**STEP 6: CATEGORICAL EXEMPTION DETERMINATION**

TO BE COMPLETED BY PROJECT PLANNER

- No further environmental review is required. The project is categorically exempt under CEQA. There are no unusual circumstances that would result in a reasonable possibility of a significant effect.

<table>
<thead>
<tr>
<th>Project Approval Action: Planning Commission Hearing</th>
<th>Signature: Bridget Hicks</th>
</tr>
</thead>
<tbody>
<tr>
<td>If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project.</td>
<td>01/23/2020</td>
</tr>
</tbody>
</table>

Once signed or stamped and dated, this document constitutes a categorical exemption pursuant to CEQA Guidelines and Chapter 31 of the Administrative Code.

In accordance with Chapter 31 of the San Francisco Administrative Code, an appeal of an exemption determination can only be filed within 30 days of the project receiving the approval action.

Please note that other approval actions may be required for the project. Please contact the assigned planner for these approvals.
STEP 7: MODIFICATION OF A CEQA EXEMPT PROJECT
TO BE COMPLETED BY PROJECT PLANNER

In accordance with Chapter 31 of the San Francisco Administrative Code, when a California Environmental Quality Act (CEQA) exempt project changes after the Approval Action and requires a subsequent approval, the Environmental Review Officer (or his or her designee) must determine whether the proposed change constitutes a substantial modification of that project. This checklist shall be used to determine whether the proposed changes to the approved project would constitute a “substantial modification” and, therefore, be subject to additional environmental review pursuant to CEQA.

PROPERTY INFORMATION/PROJECT DESCRIPTION

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<th>Plans Dated</th>
<th>Previous Approval Action</th>
<th>New Approval Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Commission Hearing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Modified Project Description:

DETERMINATION IF PROJECT CONSTITUTES SUBSTANTIAL MODIFICATION

Compared to the approved project, would the modified project:

☐ Result in expansion of the building envelope, as defined in the Planning Code;

☐ Result in the change of use that would require public notice under Planning Code Sections 311 or 312;

☐ Result in demolition as defined under Planning Code Section 317 or 19005(f)?

☐ Is any information being presented that was not known and could not have been known at the time of the original determination, that shows the originally approved project may no longer qualify for the exemption?

If at least one of the above boxes is checked, further environmental review is required.

DETERMINATION OF NO SUBSTANTIAL MODIFICATION

☐ The proposed modification would not result in any of the above changes.

If this box is checked, the proposed modifications are categorically exempt under CEQA, in accordance with prior project approval and no additional environmental review is required. This determination shall be posted on the Planning Department website and office and mailed to the applicant, City approving entities, and anyone requesting written notice. In accordance with Chapter 31, Sec 31.08j of the San Francisco Administrative Code, an appeal of this determination can be filed within 10 days of posting of this determination.

Planner Name:               Date:
Parcel Map

Conditional Use Authorization Hearing
Case Number 2019-014039CUA
NCD – Polk Street Neighborhood Commercial
1735 Polk Street
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 2019-014039CUA
NCD – Polk Street Neighborhood Commercial
1735 Polk Street