Executive Summary
Planning Code Text & Special Use District Map Amendment

HEARING DATE: FEBRUARY 20, 2020
90-DAY DEADLINE: APRIL 27, 2020

Project Name: Bayview Industrial Triangle Cannabis Restricted Use District
Case Number: 2020-000585PCA/MAP / [Board File No. 200039]
Initiated by: Supervisor Walton / Introduced January 28, 2020
Staff Contact: Reanna Tong, Planner
reanna.tong@sfgov.org, 415-575-9193
Reviewed by: Susan Exline, Principal Planner
susan.exline@sfgov.org, 415-558-6332
Recommendation: Approval

PLANNING CODE AMENDMENT

The proposed ordinance would amend the San Francisco Planning Code to establish the Bayview Industrial Triangle Cannabis Restricted Use District (RUD) and incorporating all of the parcels in the Bayview Industrial Triangle Redevelopment project area into RUD; amend Special Use District Map SU10 to include the new Bayview Industrial Triangle Cannabis Restricted Use District; and making and adopting environmental findings and findings of consistency with the general plan and the priority policies of planning code section 101.1.

The Way It Is Now:
1. All parcels within the Bayview Industrial Triangle Redevelopment Area allow for Cannabis Retail uses in the underlying M-1 and NC-3 zoning districts, and in the PDR-1-G and NCT-3 zoning proposed under Board File No. 200086.

The Way It Would Be:
1. Planning Code Text Amendment establishing the Bayview Industrial Triangle Cannabis Restricted Use Special Use District under Section 248.88 of the Planning Code, prohibiting Cannabis Retail in the Bayview Industrial Triangle.
2. Special Use District Map Amendment applying the Bayview Industrial Triangle Cannabis Restricted Use District to the Bayview Industrial Triangle Redevelopment Area on sectional map sheet SU10.

BACKGROUND

The Bayview Industrial Triangle Redevelopment Area ("BIT"), comprised of approximately 75 parcels, was adopted on June 30, 1980 for a forty year time period. All real property in the Redevelopment Area is subject to the controls and requirements of the Redevelopment Plan. The intent of the Bayview Industrial Triangle...
Redevelopment Plan was to preserve and expand industrial uses and activities, limit office and residential uses, and allow for limited retail uses.

On June 30, 2020, the Bayview Industrial Triangle Redevelopment Plan will expire. As a result, the underlying M-1 and NC-3 zoning uses, and 65-feet height districts will take effect and all planning and entitlement responsibilities will transition from the Office of Community Infrastructure and Investment to the Planning Department. A separate ordinance, introduced by Supervisory Walton under Board of Supervisors File number 20008, is being proposed and pending approval to reclassify all parcels in the Bayview Industrial Triangle from M-1 and NC-3 to PDR-1-G and NCT-3.

This legislation aims to respond to Bayview community member concerns by restricting cannabis-related uses in the Bayview Industrial Triangle. A growing number of cannabis-related establishments are operating in San Francisco and applying for permits to operate in the Bayview. A Cannabis Restricted Use District would be applied to all parcels in the Bayview Industrial Triangle and prohibit certain cannabis-related uses within the Bayview Industrial Triangle.

**ISSUES AND CONSIDERATIONS**

**Neighborhood and Community Concerns of Cannabis Uses**

Since cannabis-related uses have generally become permitted in California, the Bayview neighborhood has experienced an influx of applications for cannabis-related uses, including retail, manufacturing, and cultivation. While cannabis applications exist in other areas of San Francisco, they are heavily concentrated in the SoMa and downtown areas, Mission, Downtown, and Bayview. Bayview community members have expressed concern over the disproportionate land use impacts on the neighborhood and its residents.

The Bayview neighborhood is currently reviewing and has approved multiple retail cannabis permits. According to the City’s Cannabis Retail Map, seven retail cannabis permits have been submitted for review, three permits are processing, and two are under construction. The only other neighborhoods in San Francisco with greater amounts of Cannabis Retail permits and applications than the Bayview, such as Mission and SoMa, are also neighborhoods with higher residential, office, and commercial density.

Due to the demand and desire to maintain the Bayview Industrial Triangle for PDR and community-serving establishments, limiting the use of vacant property for cannabis-related uses would benefit local residents by allowing the land to be used for these other purposes. In particular, Bayview residents have requested more neighborhood-serving, family-friendly businesses, such as grocery stores, health clinics, and space for nonprofit organizations in the neighborhood, all of which are permitted or conditionally permitted in the proposed zoning districts.

**General Plan Compliance**

The proposed Ordinance is supported by the following General Plan Objectives and Policies in the Commerce and Industry Element:

- 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 which has substantial undesirable consequences that cannot be mitigated.

- Objective 2: Maintain and Enhance a Sound and Diverse Economic Base and Fiscal Structure for the City.
  Policy 2.3: Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

- 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.

Racial and Social Equity Analysis
This restriction on cannabis-related uses in the Bayview Industrial Triangle Redevelopment Area is in direct response to requests from residents of the Bayview community. While owning and operating a cannabis business can now provide economic mobility for Bayview residents who have been negatively impacted by the War on Drugs, this proposed legislation also considers the concerns of the Bayview community over the large number of cannabis establishments in the neighborhood. Some cannabis-related business owners, particularly equity program participants, may be burdened by the proposed changes. This Ordinance will reduce the geographic boundaries within which they can apply for and operate certain types of cannabis-related establishments. The overall community will benefit from fewer allowed cannabis-related establishments, as this will allow for a greater diversity of land uses in the Bayview Industrial Triangle and Bayview

Implementation
The Department has determined that this ordinance will not impact our current implementation procedures.

RECOMMENDATION
The Department recommends that the Commission approve the proposed Ordinance and adopt the attached Draft Resolution to that effect.

BASIS FOR RECOMMENDATION
Recommendation 1: Amend Special Use District Map SU10. Staff recommends amending Special Use District Map SU10 with a Cannabis Restricted Use District for the Bayview Industrial Triangle Redevelopment Area because the restrictions will allow for a greater diversity of commercial and industrial land uses in a neighborhood that is increasingly receiving applications for cannabis-related uses. The ordinance is in direct response to community member concerns that were expressed over the course of outreach for the Bayview Industrial Triangle Zoning Update Project, which discussed land use and zoning issues in depth for the Redevelopment Area.

Recommendation 2: Add Section 249.88 to Planning Code. Section 249.88 outlines the basic parameters for the Bayview Industrial Triangle Cannabis Restricted Use District, which is staff supports as part of Recommendation 1: Amend Special Use District Map SU10.
REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

ENVIRONMENTAL REVIEW

The proposal to create Section 249.88 (Bayview Industrial Triangle Cannabis Restricted Use District), and amending Sectional Map Sheet SU10 is not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment. Therefore environmental review is not required. This determination was made on February 12, 2020.

PUBLIC COMMENT

As of the date of this report, the Planning Department has received one email in support of the proposed Ordinance.

Attachments:
Exhibit A: Draft Planning Commission Resolution
Exhibit B: Full-sized map of Bayview Industrial Triangle Cannabis Restricted Use District boundaries
Exhibit C: Board of Supervisors File No. 200039
Exhibit D: Letters of Support/Opposition or other supporting documentation, etc.
RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE SAN FRANCISCO PLANNING CODE BY AMENDING SECTIONAL MAP SHEET SU10 TO ESTABLISH THE BAYVIEW INDUSTRIAL TRIANGLE CANNABIS RESTRICTED USE DISTRICT UNDER NEW SECTION 249.88; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on January 28, 2020, Supervisor Walton introduced a proposed ordinance under Board of Supervisors (hereinafter “Board”) File number 200039, which would amend Sheet SU10 of the Special Use District Map to establish the Bayview Industrial Triangle Cannabis Restricted Use District under new section 249.88; and,

WHEREAS, the Planning Commission (hereafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on February 20, 2020; and,

WHEREAS, the proposed Ordinance has been determined not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment; and,

WHEREAS, the Planning 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 Department staff and other interested parties; and,

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

www.sfplanning.org
WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and,

WHEREAS, the Planning Commission finds the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and,

MOVED, that the Commission hereby recommends that the Board of Supervisors approves of the proposed Ordinance.

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:

The Commission finds the proposed Ordinance is in accordance with the General Plan as it will maintain and enhance a sound and diverse economic base and fiscal structure for the city.

COMMERCE AND INDUSTRY ELEMENT

1. In the City’s FY 12-13 budget, responsibility for providing strategic direction, planning and oversight of early care and education programs was consolidated in the new agency, OECE.

2. The proposed Ordinance will correct the Planning Code so that it is in line with the City’s current practices and adopted budget.

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

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANACEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

OBJECTIVE 2

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

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.
OBJECTIVE 6
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

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 6.10
Promote neighborhood commercial revitalization, including community-based and other economic development efforts where feasible.

The proposed Ordinance would create the Bayview Industrial Triangle Cannabis Restricted Use District in order to address concerns of an increasing number of applications for cannabis-related uses in the Bayview. The proposal would provide oversight for certain cannabis-related uses within a specific and limited geographic area. With the proposed modifications, the proposed Ordinance will prohibit Industrial Agriculture, which includes cannabis cultivation, and Cannabis Retail within the Bayview Industrial Triangle.

4. Planning Code Section 101 Findings. The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

   The proposed amendments will not have a negative effect on existing neighborhood-serving retail uses in the area and will not decrease opportunities for resident employment in and ownership of neighborhood-serving retail.

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

   The proposed amendments will help preserve existing neighborhood character by prohibiting cannabis-related uses within the Bayview Industrial Triangle Cannabis Restricted Use District.

3. That the City’s supply of affordable housing be preserved and enhanced;

   The proposed amendments will have no adverse effect on the City’s supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;
The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. 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 proposed amendments would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired. Indeed, the reason for this proposed legislation is to ensure these uses can continue.

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

The proposed Ordinance would not have an adverse effect on City’s preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City’s Landmarks and historic buildings.

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

The proposed Ordinance would not have an adverse effect on the City’s parks and open space and their access to sunlight and vistas.

5. Planning Code Section 302 Findings. The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on February 20, 2020.

Jonas P. Ionin
Commission Secretary
AYES:

NOES:

ABSENT:

ADOPTED: February 20, 2020
Ordinance amending the Planning Code and Zoning Map to create the Bayview Industrial Triangle Cannabis Restricted Use District; affirming the Planning Department’s determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance are excluded from review under the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) because CEQA applies only to projects which have the potential for causing a significant effect on the environment under CEQA Guidelines section 15061(b)(3). Said determination is on file with the Clerk of the Board of Supervisors in File No. ________ and is incorporated herein by reference. The Board affirms this determination.

(b) On __________, the Planning Commission, in Resolution No. __________, adopted findings that the actions contemplated in this ordinance are consistent, on balance,
with the City’s General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. __________, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, the Board finds that this ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. __________, and incorporates such reasons by this reference thereto. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. __________.

Section 2. General Findings.

(a) Since cannabis-related uses were permitted in California, the City has experienced an influx of applications for cannabis-related uses, including retail, manufacturing, and cultivating, especially in the Bayview neighborhood. Although cannabis-related use applications exist in other areas of San Francisco, applications are heavily concentrated in the SoMa and downtown areas, the Mission, and Bayview neighborhoods. Bayview neighborhood community members have expressed concern over the impacts of cannabis-related uses on the neighborhood and its residents, and the disproportionate concentration of cannabis-related uses in their neighborhood.

(b) The City is currently reviewing multiple applications for retail cannabis permits, and has already approved multiple cannabis retail permits. According to the City’s Cannabis Retail Map, prepared by the Office of Cannabis, in the Bayview neighborhood, seven retail cannabis permits have been submitted for review, three permits are processing, and two are under construction. The only other neighborhoods in San Francisco with greater amounts of Cannabis Retail permits and applications than the Bayview, including the Mission and SoMa, have higher residential, office, and commercial density. Areas of San Francisco with high
concentration of cannabis retail establishments have, as a result, experienced health, safety, and general welfare problems, including increased youth cannabis usage, and undesirable odors and loitering near cannabis establishments. These problems negatively impact the quality of life for residents of nearby single- and multiple-family homes, as well as patrons of nearby recreation and community facilities. The high concentration of cannabis-related storefronts and the associated problems discourage more neighborhood-serving businesses that are also needed and desired in the Bayview.

(c) Due to the demand and desire to maintain the Bayview Industrial Triangle for Production, Distribution and Repair (PDR) and community-serving establishments, limiting the use of vacant property for cannabis-related uses will benefit local residents by preserving retail and other types of space for these other purposes. In particular, Bayview residents have requested more neighborhood-serving, family-friendly businesses, such as grocery stores, community centers, movie theaters, health clinics, and space for nonprofit organizations in the neighborhood, all of which are permitted or conditionally permitted in the proposed zoning districts.

Section 3. The Planning Code is hereby amended by adding new Section 249.88, to read as follows:

SEC. 249.88. BAYVIEW INDUSTRIAL TRIANGLE CANNABIS RESTRICTED USE DISTRICT.

(a) Purpose and findings. As of January 2020, there are a large number of establishments applying for cannabis-related use permits in Bayview Neighborhood. Further, the number of already-permitted cannabis-related establishments in Bayview, compared to other areas of San Francisco, is a health, safety, and equity concern. In order to preserve the neighborhood-serving commercial uses of the area, the Bayview Industrial Triangle Cannabis Restricted Use District is hereby established, the
boundaries of which are shown on Sectional Map SU10 of the Zoning Map and are stated in Section 4 of the ordinance in Board File No. ______ enacting this Section 249.88.

(b) **Controls.** No new Cannabis Retail establishment shall be permitted in the Bayview Industrial Triangle Cannabis Restricted Use District.

Section 4. The Planning Code is hereby amended by revising Sectional Map SU10 of the Special Use District Map of the City and County of San Francisco to establish the boundaries of the Bayview Industrial Triangle Cannabis Restricted Use District. The following block and lots shall be the complete list of blocks and lots included in the Bayview Industrial Triangle Cannabis Restricted Use District:

- Assessor’s Block 5235, Lot 003;
- Assessor’s Block 5242, Lots 015, 016, 020, 021, 022, 023, 024, 042;
- Assessor’s Block 5253, Lots 008, 009, 013, 015, 016, 017, 018, 020, 028, 029, 030, 031, 032, 033, 034, 039;
- Assessor’s Block 5260, Lots 001, 004, 010, 019, 030, 031, 032, 034, 035, 036, 037, 038, 041, 042;
- Assessor’s Block 5272, Lots 011, 014, 015, 016, 017, 018, 019, 020, 043, 044, 045, 048;
- Assessor’s Block 5278, Lot 015;
- Assessor’s Block 5279, Lots 001, 002, 003, 004, 033, 034, 035, 036, 037, 039, 041, 042, 043, 044, 045, 048, 049, 051, 053, 054.
Section 5. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: __________________________
AUDREY W. PEARSON
Deputy City Attorney
Hi Reanna,

Glad to hear the proposal is to prohibit cannabis activity. I think cannabis activity can easily overrun the area and protecting the industrial triangle for other uses is important.

Thank you for your clarification and response.

Shirley

Hi Shirley,

Thanks for your email. The project proposal is to prohibit (disallow) cannabis cultivation, retail, and medical cannabis dispensaries. We heard feedback during initial rounds of outreach that Bayview was already reviewing many cannabis-related use applications in the community and that there is a desire for other types of uses instead, such as community facilities and health services.

While not required, it is helpful for us to include public comment as part of our project to provide to the Planning Commission. If you or anyone you know in the Bayview Industrial Triangle would like to send any further comments, please feel free to email me.

Thank you,

Reanna
Hi Reanna,

Are you performing an environmental review to DISALLOW cannabis cultivation, dispensary, and retail in the Bayview Industrial Triangle? It wasn’t clear to me. I am in support of NOT having any cannabis in the area.

Thank you for the clarification,
Shirley