Executive Summary Conditional Use

HEARING DATE: APRIL 19, 2012

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception:

415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

Date: April 11, 2012
Case No.: **2011.1420 C**

Project Address: **1266 – 9**th **Avenue**

Zoning: Inner Sunset NCD (Neighborhood Commercial District)

40-X Height and Bulk District

Block/Lot: 1742/043
Project Sponsor: JP Lachance

Bay Bread, LLC 2325 Pine Street

San Francisco, CA 94115

Staff Contact: Elizabeth Watty – (415) 558-6620

Elizabeth.Watty@sfgov.org

Recommendation: Approval with Conditions

PROJECT DESCRIPTION

The Project Sponsor proposes to establish a formula retail full-service restaurant, known as "La Boulange Café and Bakery" on the ground floor of an approved mixed-use development (that is not yet under construction), pursuant to Planning Code Sections 303, 703.3(b), 703.4, and 730.42. La Boulange is a locally-owned French café and bakery, with 11 San Francisco locations and 6 others throughout the Bay Area. They serve breakfast, lunch and afternoon fare from 7:00 am to 7:00 pm, daily.

The mixed-use development was approved by the Planning Commission in 2008, through Case No. 2007.1397C, for the demolition of a vacant two-story funeral home (formerly occupied by Sullivan Funeral Home) and surface parking lot on an approximately 12,000 sf lot, and for the construction of a new 15-unit, four-story, mixed-use building with a 16-space subterranean garage (including one car share space). The ground floor commercial area was approved unprogramed, with no single tenant exceeding 4,999 sf of occupied floor area.

The proposed project would occupy approximately 3,199 sf of occupied floor area ('osf"), including the 341 sf outdoor dining area (resulting in 2,858 osf of interior space and 341 osf of exterior space). The 2,858 osf of interior space includes 983 osf of back-of-house operations. The project would not result in any expansion to the approved ground floor commercial space, although it would result in minor alterations to the approved façade to create one primary business entrance and to accommodate outdoor dining at the front of the property.

SITE DESCRIPTION AND PRESENT USE

The Project is located on the east side of 9th Avenue, between Irving Street and Lincoln Way. The subject property is located within the Inner Sunset NCD (Neighborhood Commercial District) and 40-X Height and Bulk District.

Until recently, this Property was occupied by a two-story non-operating mortuary and paid surface parking lot open to the public. On October 16, 2008, the Planning Commission approved a mixed-use project that would demolish the existing mortuary and parking lot, and construct a four-story mixed-use building with 15 dwelling units and a 5,650 sf ground floor. Construction of the new mixed-use building has not yet begun but is expected to begin soon and be complete in late 2012.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Inner Sunset NCD provides convenience goods and services to the local Inner Sunset residents as well as comparison shopping goods and services to a larger market area. The district is frequented by users of Golden Gate Park (approximately one block from the subject site), UCSF, and others for its eating, drinking and entertainment establishments.

The surrounding development consists of a variety of multi-story, mixed-use buildings. Nearby ground-floor uses include residential garages, eating and drinking establishments, the Park Animal Hospital, and small-scale retail establishments, such as T-Mobile. The upper stories are generally occupied by residential dwelling units, and the overall scale of development throughout the area is predominantly two-to-four stories tall.

The adjacent parcel to the north is developed with a three-story residential building, while the adjacent parcel to the south is developed with a two-story commercial building (dba Hotei Japanese Restaurant). The surrounding zoning is primarily Inner Sunset NCD and RH-2.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption, and was issued an exemption on March 13, 2012.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	March 16, 2012	March 14, 2012	22 days
Posted Notice	20 days	March 16, 2012	March 16, 2012	20 days
Mailed Notice	20 days	March 16, 2012	March 8, 2012	28 days

The proposal requires a Section 312-neighborhood notification, which was conducted in conjunction with the Conditional Use Authorization process.

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PUBLIC COMMENT

■ To date, the Department has received approximately 250 written comments supporting the project, as well as a petition in support of the project signed by 25 Inner Sunset merchants; the Department has also received approximately 49 written comments opposing the Project. The opposition is on the basis of it being a formula retail business, being proximate to other bakeries and full-service restaurants, and utilizing most of the approved ground floor commercial space that fronts 9th Avenue.

ISSUES AND OTHER CONSIDERATIONS

- Although the exterior design of the previous approval lent itself to accommodating three separate ground floor tenant spaces with three separate ground floor commercial entrances, the previous approval, through Motion No. 17718, authorized any single ground floor tenant to occupy up to 4,999 occupied square feet.
- With regard to Conditional Use authorizations for Formula Retail Uses, the Planning Commission is required to consider the following additional criteria [Section 303(i)] in addition to the standard Conditional Use findings:
 - o The existing concentrations of formula retail uses within the district.
 - o The availability of other similar retail uses within the district.
 - The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the district.
 - The existing retail vacancy rates within the district.
 - The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the district.

REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Commission must grant Conditional Use authorization to allow the establishment of a Formula Retail Full-Service Restaurant within the Inner Sunset NCD, pursuant to Planning Code Sections 303, 703.3(b), 703.4, and 730.42.

BASIS FOR RECOMMENDATION

- Other Formula Retail within Inner Sunset NCD: Currently, there are nine (9) other formula retail uses within the Inner Sunset NCD. These businesses include T-Mobile, Pure Beauty, Starbucks, Posh Bagel, Supercuts, Jamba Juice, Rexall Drugs, Radioshack, and The UPS Store. Please see attached map for locations.
- Similar Business Types in the Inner Sunset NCD: There are 49 other Full-Service Restaurants within the Inner Sunset NCD (this excludes businesses that are only bakeries, since they do not typically operate as full-service restaurants). The addition of La Boulange resits in 20% of the non-residential frontages in the Inner Sunset NCD being dedicated to eating and drinking establishments, which according to the General Plan, is not considered an over-concentration.
- Architectural Compatibility: The Project will remain compatible with the architectural and aesthetic character of the surrounding neighborhood. The project will retain the general appearance of the previously approved design, including the rhythm of three-bays at the ground

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Executive Summary Hearing Date: April 19, 2012

floor; however, the storefront in two of the three bays will be recessed to accommodate outdoor seating, with the storefront in the third bay being dedicated to the commercial entrance. The addition of outdoor seating will be an improvement to the project, as it will help to activate the street.

- Commercial Vacancy in Inner Sunset NCD: In addition to the subject tenant space, which has been vacant (other than its use as a surface parking lot) since the funeral home closed in 1997, there are approximately four (4) other vacant commercial storefronts throughout the Inner Sunset NCD. Please see the attached map for locations of vacant storefronts.
- The Project would contribute to the diversity of restaurant options in the area, and would not result in an overconcentration of eating and drinking establishments. The project would result in 20% of the commercial frontage in the Inner Sunset NCD being dedicated to such uses.
- The Project has been found to be both necessary and desirable at the proposed location as it would enliven the ground floor of the new mixed-use building. This block of 9th Avenue is the gateway to the Inner Sunset Neighborhood from Lincoln Way and Golden Gate Park and it is critical to keep ground floor commercial spaces occupied by tenants who operate active uses that will attract foot traffic throughout the day.
- La Boulange remains a relatively small, local company, with 16 locations: 11 locations are in San Francisco, 3 are in the East Bay, one is in the North Bay, and one is on the Peninsula. Over the past few years, La Boulange, which began in San Francisco, has become successful, and is now considered a "Formula Retail" establishment. Many of the concerns articulated in the Small Business Protection Act do not apply to La Boulange: their corporate headquarters is located at their first bakery location, at 2325 Pine Street in San Francisco; and many of their vendors are also located in San Francisco¹.
- La Boulange is a regional company rather than a national chain.
- The Project meets all applicable requirements of the Planning Code.

RECOMMENDATION: Approval with Conditions

Attachments:

Block Book Map
Sanborn Map
Zoning Map
Aerial Photographs
Site Photographs
Polk NCD Formula Retail and Vacancy Map
Project Sponsor Submittal, including:
- Reduced Plans

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¹ Their vendors include Greenleaf Produce, Gourmet & More, and Bassian Farms. All of their baked goods are made at their South San Francisco plant.

EW

Planner's Initials

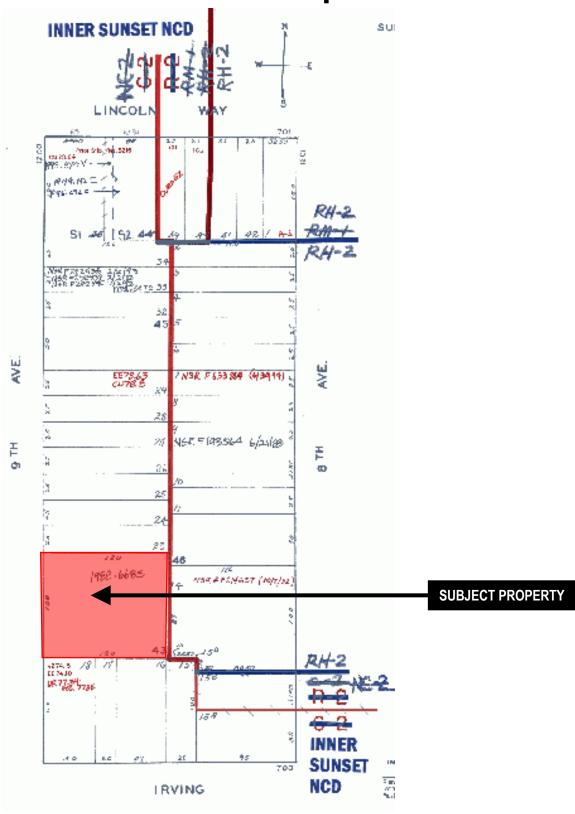
Attachment Checklist

\boxtimes	Executive Summary	\boxtimes	Contex	ct Photos
	Draft Motion		Project	t sponsor submittal
	Block Book Map		Draw	ings: Existing Conditions
	Sanborn Map			Check for legibility
	Zoning District Map		Drawi	ngs: <u>Proposed Project</u>
	Formula Retail/Vacancy Map			Check for legibility
	Aerial Photo			Site Photos

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

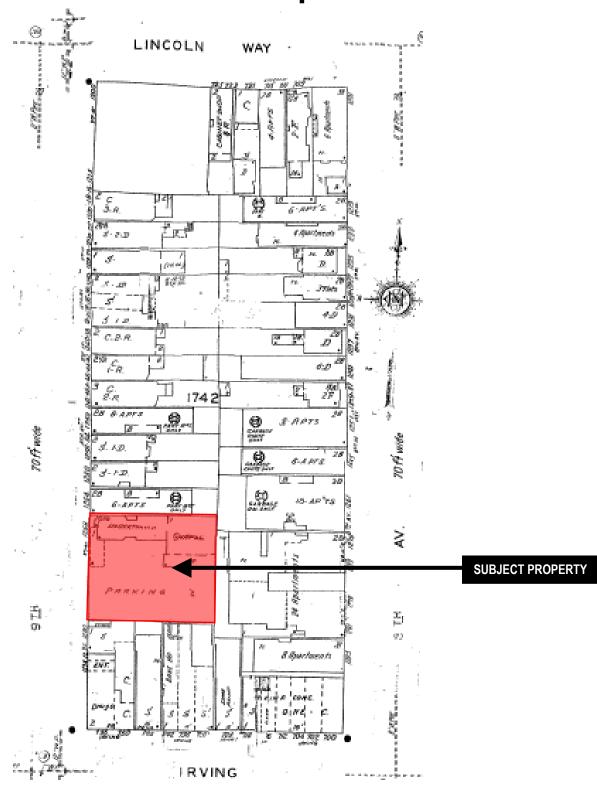
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Block Book Map





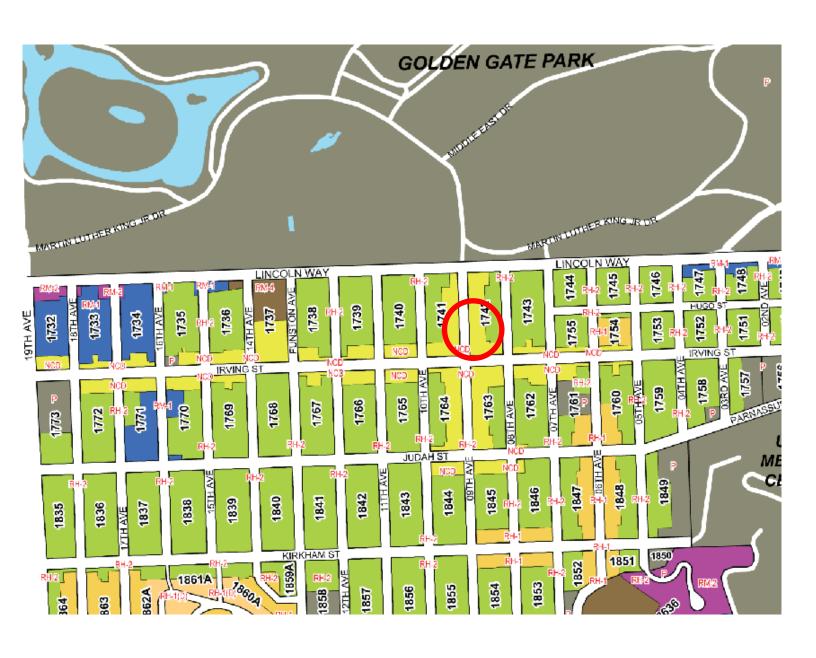
Sanborn Map*



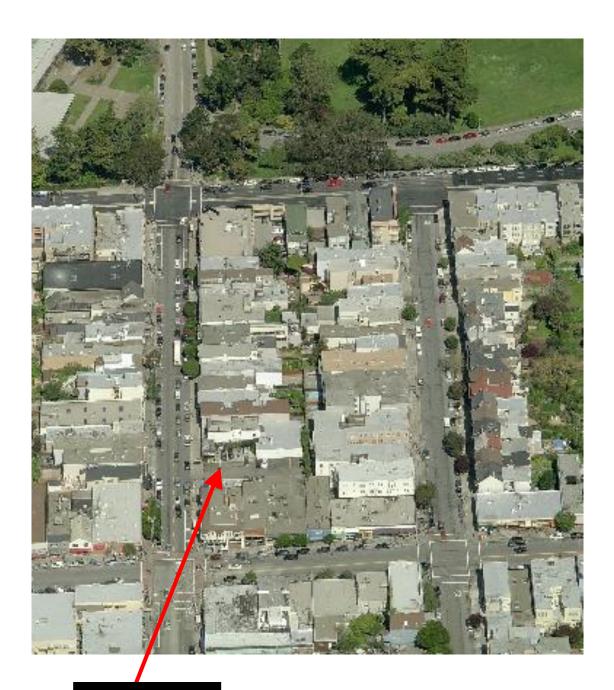
*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Zoning Map







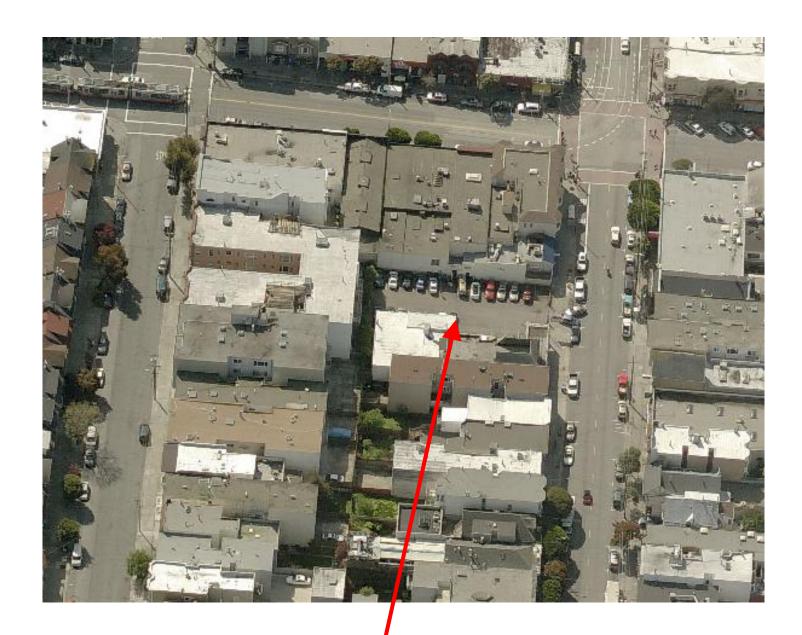
SUBJECT PROPERTY





SUBJECT PROPERTY





SUBJECT PROPERTY





SUBJECT PROPERTY





SUBJECT PROPERTY



Site Photo



SUBJECT PROPERTY

1266 - 9th Avenue - Case No. 2011.1420C



REUBEN & JUNIUS ...

March 26, 2012

VIA MESSENGER

Mr. Rodney Fong, President San Francisco Planning Commission 1650 Mission Street, 4th Floor San Francisco, CA 94103

Re: La Boulange – 1266 9th Avenue

Planning Department Case No. 2011.1420C

Hearing Date: April 5, 2012

Our File No.: 6602.02

Dear President Fong and Commissioners:

This office represents Bay Bread, LLC, the project sponsor of a proposed La Boulange Café-Bakery (the "Project") to be located at the building currently under construction at 1266 Ninth Avenue (the "Property"). The Project will not increase the floor area or otherwise expand the envelope of the previously-approved building being constructed at the Property.

The Property is currently improved with a non-operating mortuary and paid parking lot open to the public. On October 16, 2008, the Planning Commission approved a mixed-use development project at the Property that will demolish the existing mortuary and parking lot, and will construct a four-story building with 15 dwelling units and 5,650 square feet of ground floor retail space. The approval limited the maximum floor area of any single retail tenant to 4,999 square feet. Demolition and construction of the mixed-use development project has recently begun and is expected to be completed in late 2012.

The Property is located in a portion of the Inner Sunset Neighborhood that is one of the main neighborhood gateways to Golden Gate Park. The Project is less than a block from the corner of Lincoln Way and Ninth Avenue. Traveling north on Ninth Avenue, crossing Lincoln Way, you enter Golden Gate Park on Martin Luther King Jr. Drive. This proximity makes this block of Ninth Avenue, between Irving Street and Lincoln Way, an extremely important commercial block. This block is composed of a vibrant mix of various retail uses, including many restaurants, the Park Animal Hospital across the street, retail establishments like a T-Mobile store, a local garage directly across the street, and other uses.

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Tuija I. Catalano | David Silverman | Sheryl Reuben¹ | Jay F. Drake

One Bush Street, Suite 600 San Francisco, CA 94104

A. Benefits of the Project

Benefits of the Project will include:

- Activating a new retail space along an important block of Ninth Avenue with a use that provides outdoor seating, thereby making the sidewalk more lively;
- Providing another popular restaurant in a busy neighborhood commercial district;
- Creating new construction jobs during store construction;
- Creating management and entry-level jobs in the city;
- Generating new economic activity and production of business tax revenue to the City.

B. The Project will Benefit the Neighborhood

La Boulange is a locally-owned French café and bakery. There are currently 11 La Boulange restaurants in San Francisco, and six more throughout the Bay Area. La Boulange prides itself on providing customers with homemade specialties that are baked fresh everyday. The owners pride themselves on delivering to their customers truly authentic and traditional French baked goods and light meals that include a variety of French-style open-face sandwiches, salads, and brunch items. La Boulange serves breakfast, lunch and afternoon fare from 7am to 7pm, but does not serve dinner.

The proposal is to occupy roughly 3,495 square feet of the total 5,650 square feet in the soon-to-be-constructed mixed-use development at the Property. La Boulange will split its retail space between dining areas and the back of house area. The large doors at the retail space's frontage will be opened to provide outdoor dining areas. The approved frontage design from the to-be-constructed building has been be slightly modified, by moving the center and south bay inward 10 feet. This will allow for more outdoor seating for customers. Security gates will be installed in the facade that will close when the La Boulange is not in operation, so as not to create space amenable to loitering.

The Sunset is an area characterized by large residential neighborhoods and is only served by a handful of retail corridors. The Inner Sunset Neighborhood Commercial District includes many restaurants and shops, demonstrating the Sunset's demand for a large number and variety of retail services in the few commercial areas it has. The Project proposes to add a new full

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Mr. Rodney Fong March 26, 2012 Page 3

service restaurant at the Property. La Boulange's outdoor dining area will provide an additional outdoor dining experience to the neighborhood and will improve the pedestrian experience from the existing, non-operational mortuary.

C. Community Outreach

Early on in the process La Boulange engaged an outreach consultant and conducted significant community outreach on the Project. A timeline of these efforts since November 2011 is as follows:

• November 2011

La Boulange contacts leaders with the Inner Sunset Action Committee, Inner Sunset Merchants Association, Inner Sunset Park Neighbors, Ninth Avenue Neighbors, and SHARP (Sunset Heights Association of Responsible People) to introduce the project one-on-one, and gain initial feedback.

December 2011

La Boulange distributes a project fact sheet to area merchants and neighborhood organization leaders, with contact information available at all times. La Boulange conducted a community meeting on December 15. More than 25 attendees representing a variety of interested merchants, residents and associations attended. La Boulange followed up after the meeting with all neighborhood groups and gave a project presentation to the SHARP Board of Directors.

• March 2012

La Boulange collects a local merchant petition with 25 businesses signing in support of the Project. (See **Exhibit A**.)

D. Conclusion

The Project requires conditional use authorization for a formula retail use and a full service restaurant use. It provides substantial benefits to the City by activating a retail space along the Ninth Avenue corridor. The Project will build upon the existing restaurant uses in the area with outdoor seating, creating a lively environment for residents and visitors of the neighborhood. For all of these reasons and those listed in the application, we respectfully request this Commission grant this conditional use authorization for this Project.

One Bush Street, Suite 600 San Francisco, CA 94104

tel: 415-567-9000 fax: 415-399-9480 Very truly yours,

REUBEN & JUNIUS, LLP

John Kevlin

Encls.

cc: Vice-President Cindy Wu

Commissioner Michael Antonini Commissioner Gwen Borden Commissioner Ron Miguel Commissioner Kathrin Moore Commissioner Hisashi Sugaya John Rahaim - Planning Director

John Rahaim - Planning Director Scott Sanchez - Zoning Administrator

Linda Avery - Commission Secretary Elizabeth Watty - Planner

Tom Bensel – Bay Bread, LLC

Exhibit A



Dear San Francisco Planning Commissioners and Board of Supervisors,

As a business operator along the 9th Avenue/Irving corridor, I support bringing a La Boulange to 1266 9th Avenue. La Boulange will add to the diversity of the neighborhood, and will contribute to the vibrancy of our merchant corridor.

Name	Business	Address
Dana Klussm	yan Park Smile	1244 9th Ave. SF.
Mark	ywan Le Video	1231 9th Ave
MINNY	9th Aue Hon	da 1259 974 Ave.
Ada Mora	gles beferliving the	oux D. 1317 9the
Natasha Rempe	Ambiance	756 Irving St., SFCA94122
Giganlangeek	Walter Adams all	2ry 1262-94hAve
frey Fru	Sunsel Sais	oue 1248-9+8 ave
Sarah Dur	n Osso & Co.	1232 941 Ave.
Michaelyn Smith	n The Cuttery	1239 914 Ave
A Mara 1		ingola 1255 9th Ana
Pays No	Great Stof	(377 9h due)
EVELYNE ETCHA	RREN PIERRE'S AUTO	BUDY, INC. 1349 NINTH AVE
Valire anch	- Pierce's puto 6004	INC 1223 9th AVE
VICTORIA PLOE	nix learl gallery	839 Irving St
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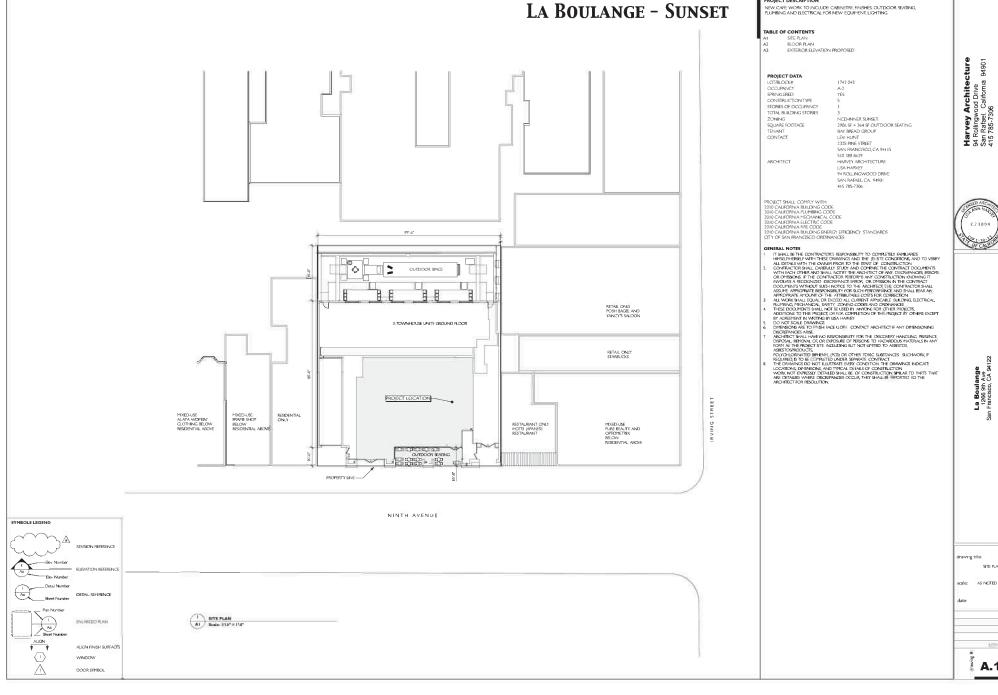
Dear San Francisco Planning Commissioners and Board of Supervisors,

As a business operator along the 9th Avenue/Irving corridor, I support bringing a La Boulange to 1266 9th Avenue. La Boulange will add to the diversity of the neighborhood, and will contribute to the vibrancy of our merchant corridor.

Name	Business	Address	
Siyoung Sung	parks Farmens A	larket \$40 Irving	5+ 94102
L' Bonnatte	Optometrix	750 Irving S	+ 94122
O Dang		to 750 Irving S	
A Polk	<u> </u>	724 Irving	
Rtink	Tut, Frutti		
Bo Cross	AMAZING FANTASY	<i>''</i>	94122
Jane Mª Intyre	Chloe's Closet	6/6 Imy 51.	94122
Hung Join	Beauty Supplies E	to Got Irving At.	94122
gherr 7	Sherry Cheme		**************************************
Sunset SHOE Re	PAIN-TONY KAMEL	-621 IRVINGST	7 94122
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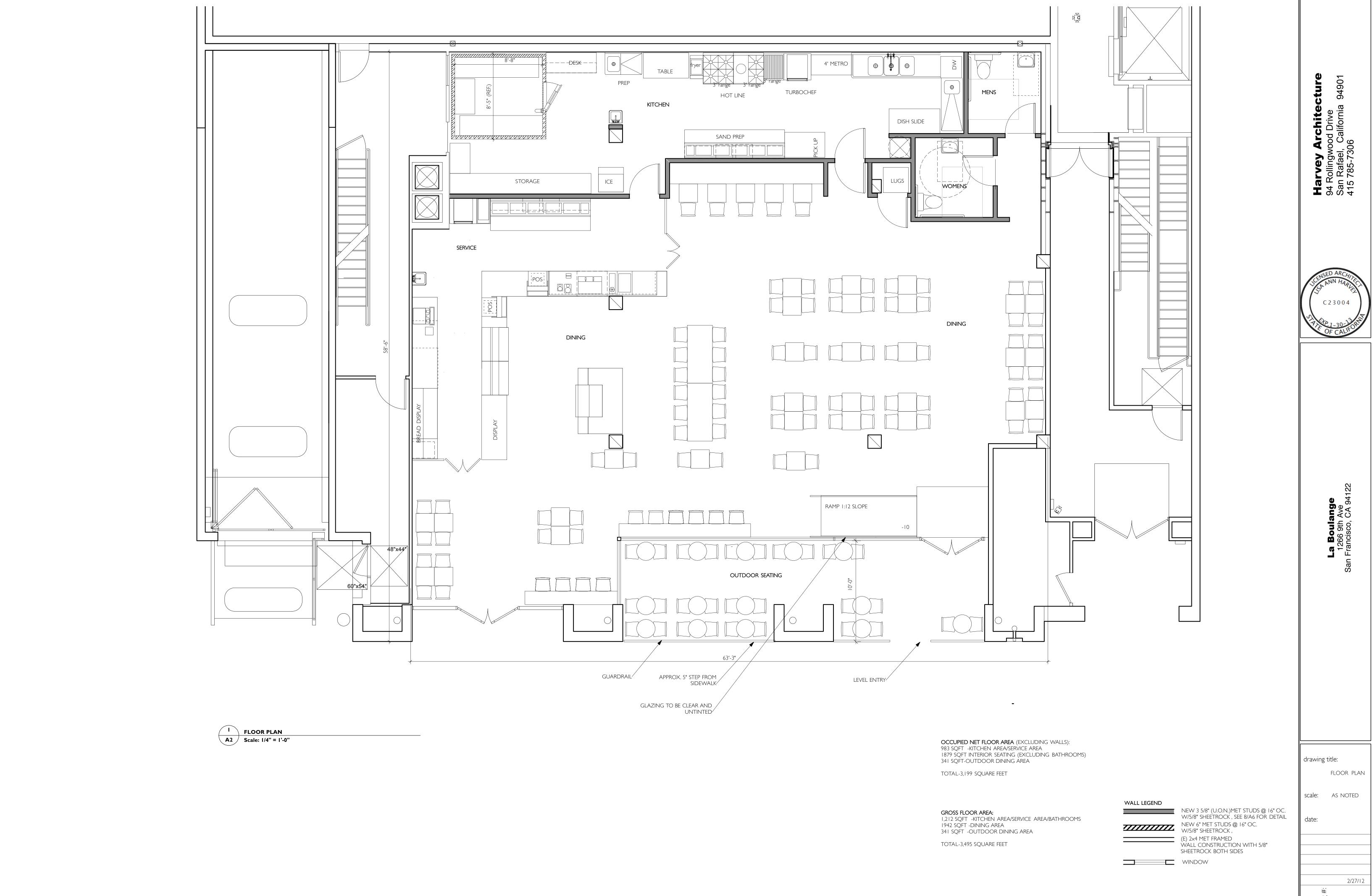






PROJECT DESCRIPTION

A.1



drawing drawing A.2

