

August 25, 2025

Cynthia Huie
President, Small Business Commission
1 Dr. Carlton B. Goodlett Place, Room 400
San Francisco, CA 94102
Sent Via Email

Re: Opposition to File No. 250808- Legacy Businesses in Neighborhood Commercial Districts

Dear President Huie and Members of the Small Business Commission,

The San Francisco Apartment Association writes to you to express opposition to File Number 250808-Legacy Businesses in Neighborhood Commercial Districts. This legislation proposes to amend the planning code to require conditional use authorization prior to replacing a Legacy Business with a new business in certain Neighborhood Commercial, Named Neighborhood Commercial, Neighborhood Commercial Transit Districts, and in the Chinatown Mixed Use Districts. In short, it requires a new business to gain conditional use authorization and approval from the Planning Department prior to opening in the space where a Legacy Business once existed.

We agree with the Planning Department's May 9, 2025 report, which states: "regulating (Legacy Businesses) through land use entitlements may not effectively support preservation goals. Instead, it may create uncertainty for prospective tenants and buyers unfamiliar with a location's Legacy Business history."

Indeed, this legislation does not offer a single protection for existing Legacy Businesses. Instead, it makes it more difficult and costly for a new business to open in the space where a legacy business once existed, even if the operator of a Legacy Business has voluntarily chosen to retire and close their business.

Our analysis of the legislation aligns with the Planning Department's report, which notes that "(i)n other instances where the City has required CU authorization for the removal of a use...the outcome has often been prolonged vacancies, resulting in either empty lots or unoccupied commercial buildings. These vacancies can undermine neighborhood vitality and lead to a loss of tax revenue, compounding the negative economic impact on the community."

While we acknowledge the cultural importance of Legacy Businesses and their contributions to San Francisco, this legislation does not provide any protections or benefits to existing Legacy Businesses. Instead, it merely makes it more difficult and more expensive for a new business to open in a location where a Legacy Business once existed. At a time when the City is focused on cutting red-tape and making it easier to open and operate a small business, this proposal should be a non-starter.



We respectfully ask that you do not recommend approval of File Number 250808 at your August 25, 2025 meeting.

Sincerely,

Charley Goss

Government and Community Affairs Manager

Cc: Kerry Birnbach, Commission Secretary

Kerry.Birnbach@sfgov.org