



Member, Board of Supervisors
District 6

City and County of San Francisco

JANE KIM

FOR IMMEDIATE RELEASE

Tuesday, July 9th, 2013

Contact: Sunny Angulo, 415-554-7969

***** PRESS RELEASE *****

Supervisor Kim Introduces Mid-Market Formula Retail Controls

Community Pushes For Increased Protections Against Displacement

San Francisco – Supervisor Kim introduced legislation today that would place interim formula retail controls on the Market Street corridor from Sixth Street to Van Ness Avenue. The legislation would require any new formula retail in this targeted area to apply for a Conditional Use permit. The legislation requires an economic impact analysis prepared by an independent consultant as part of the Conditional Use application package. The legislation also directs Planning to evaluate the economic and fiscal impact of formula retail use on the area.

“I continue to be a vocal advocate for the economic revitalization of the Central Market neighborhood and it has to be a balanced approach,” said Supervisor Jane Kim, who represents the area. “Many San Franciscans are concerned about preserving the character of our Central Market neighborhood and its future development, which is why I am happy that the Mayor has prioritized stabilizing and encouraging local owned small businesses as a part of Central Market’s economic development plan. This legislation will go a long way toward protecting our vital small businesses, arts organizations and community-based non-profits that have contributed to Mid-Market’s unique identity and economic vitality, serving as beloved institutions which contribute to the unique character of the neighborhood for residents and workers alike.”

With over [4,000?] new units of market rate residential housing in the pipeline and ____ new companies or employees moving to the Mid-Market corridor, stabilizing and encouraging a diverse mix of locally owned small businesses, characteristic of many San Francisco neighborhoods is important to establish in this emerging neighborhood. Further, commercial rents have increased dramatically and small businesses have struggled to keep pace. Formula

retail establishments can be stiff competition for local commercial tenants, given that chain stores are often better capitalized, pay more to lease space and commit to longer lease periods. Many local operators are excited about the influx of potential new customers but are voicing concerns about their ability to locate or continue to grow in the Mid-Market area.

“I’ve been very excited to see the growth in the area, but I think the contributions of small business owners often get overlooked,” said Philip Ma, who owns the popular coffee and wine bar Café Ma’velous in Mid-Market. “Formula retail may have capital, but we are the stakeholders that come to the community meetings and make physical investments in the neighborhood. We know our customers on a first-name basis, and we hire from the community.”

“This kind of thoughtful planning is critical if there is going to be balanced development in this area,” said Kamel Karajah, a Board Member for the Arab American Grocers Association. “Our members have been feeling the impact of displacement as a result of escalating rent and chain store competition. We want to be able to keep our family-owned businesses in the neighborhoods they have been building relationships in for generations.”

The legislation will be heard at Land Use within the next couple of weeks.

###