

LEGISLATIVE DIGEST
(Amended in Committee, 1/26/15)

[Planning Code - Office Conversion Controls In Landmark Buildings]

Ordinance amending the Planning Code to place vertical controls on the conversion of designated landmark buildings to office use in Production Distribution and Repair - Design (PDR-1-D) and Production Distribution and Repair - General (PDR-1-G) Districts; to require that projects seeking office space in landmark buildings in PDR-1-D and PDR-1-G Districts receive a conditional use authorization from the Planning Commission; to establish requirements for those projects to receive conditional use authorization; and making environmental findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Planning Code Section 219 currently permits the conversion of landmark buildings in the PDR-1-D and PDR-1-G Districts to office use, without limitation. Offices uses in non-landmark buildings in these Districts are not permitted.

Amendments to Current Law

This ordinance would amend Planning Code Sections 219 and 809.3(h) to limit the number of stories in landmark buildings in the PDR-1-D and PDR-1-G Districts that could be converted to office use. Specifically, for those landmark buildings, the amendments would allow no office use in a 1-story building; 1 story of office use in a 2-4 story building; 2 stories of office use in a 5-7 story building; and 3 stories of office use in a building of 8 or more stories.

The ordinance would also amend Planning Code Section 219 and add new Planning Code Section 219.2 to require that a project sponsor receive a conditional use authorization for office space in landmark buildings in PDR-1-D and PDR-1-G Districts. Pursuant to new Section 219.2, to be eligible for a conditional use authorization, a project sponsor must provide a Historic Structures Report, which will be reviewed by the Historic Preservation Commission (HPC) for the proposed project's ability to enhance the feasibility of preserving the building. The HPC shall also review the proposed project for compliance with the Secretary of the Interior's Standards (36 C.F.R. §67.7 (2001)).

New Section 219.2 would also set forth certain criteria the Planning Commission must consider in reviewing applications for conditional use authorization for office space in landmarked buildings in PDR-1-D and PDR-1-G Districts, including the HPC's evaluation of the project; the economic need for the improvements relative to preservation of the building; the physical compatibility of office tenants with PDR tenants; any relocation strategy for

displaced PDR tenants; and the impact of the proposed change on the surrounding community.

Background Information

The existing law allowing for unlimited conversion of landmark buildings in the PDR-1-D and PDR-1-G Districts to office use provides an incentive for building owners to obtain landmark status for their buildings, in order to preserve the buildings' historical value. However, the conversion of properties to office use in those buildings reduces the space available for production, distribution and repair uses in the PDR-1-D and PDR-1-G Districts.

The intention of the PDR-1-D District is to retain and encourage less-intensive production, distribution, and repair businesses, especially the existing clusters of design-related businesses. Thus, the PDR-1-D District generally prohibits residential uses and office, and limits retail and institutional uses. Additionally, this district prohibits heavy industrial uses. Generally, all other uses are permitted. (Planning Code § 210.9.)

The intention of the PDR-1-G District is to retain and encourage existing production, distribution, and repair activities and promote new business formation. Thus, the PDR-1-G District prohibits residential and office uses and limits retail and institutional uses. Additionally, this district allows for more intensive production, distribution, and repair activities than PDR-1-B and PDR-1-D but less intensive than PDR-2. Generally, all other uses are permitted. (Planning Code § 210.10.)

The new office conversion limitations proposed by this ordinance currently apply to all office uses in the Mixed Use-General (MUG) and Urban Mixed Use (UMU) Districts. (Planning Code § 809.3(h).)

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