

BOARD of SUPERVISORS



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June 27, 2014

File No. 140735

John Rahaim
Director
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Director Rahaim:

On June 24, 2014, Supervisor Cohen introduced the following proposed legislation:

File No. 140735

Resolution imposing interim zoning controls requiring conditional use authorization for office conversion in landmark buildings in PDR-1-D (Production, Distribution, and Repair: Design) and PDR-1-G (Production, Distribution, and Repair: General) Districts for an 18-month period; and making environmental findings, including findings of consistency with the eight priority policies of Planning Code, Section 101.1.

This legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

Handwritten signature of Andrea Ausberry in cursive.

By: Andrea Ausberry, Assistant Clerk
Land Use & Economic Development Committee

Attachment

- c: Scott Sanchez, Zoning Administrator
- Sarah Jones, Environmental Review Officer
- Aaron Starr, Legislative Affairs Manager
- AnMarie Rodgers, Senior Policy Advisor
- Joy Navarrete, Environmental Planning
- Jeanie Poling, Environmental Planning
- Marlena Byrne, Deputy City Attorney

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Joy Navarrete 7/3/14
JOY NAVARRETE

1 [Interim Zoning Controls - Office Conversion in Landmark Buildings in PDR-1-D and PDR-1-G
2 Districts]

3 **Resolution imposing interim zoning controls requiring conditional use authorization for**
4 **office conversion in landmark buildings in PDR-1-D (Production, Distribution, and**
5 **Repair: Design) and PDR-1-G (Production, Distribution, and Repair: General) Districts**
6 **for an 18- month period; and making environmental findings, including findings of**
7 **consistency with the eight priority policies of Planning Code, Section 101.1.**

8
9 WHEREAS, Planning Code, Section 306.7 provides for the imposition of interim zoning
10 controls to accomplish several objectives, including preservation of historic and architecturally
11 significant buildings and areas; preservation of residential and mixed residential and
12 commercial areas in order to preserve the existing character of such neighborhoods and
13 areas; and development and conservation of the commerce and industry of the City in order to
14 maintain the economic vitality of the City, to provide its citizens with adequate jobs and
15 business opportunities, and to maintain adequate services for its residents, visitors,
16 businesses and institutions; and

17 WHEREAS, Planning Code, Sections 210.9 and 210.10 set forth the stated intention of
18 the PDR-1-D (Production, Distribution, and Repair: Design) and PDR-1-G (Production,
19 Distribution, and Repair: General) Districts, which is, generally, to retain and encourage
20 production, distribution, and repair (PDR) activities; and

21 WHEREAS, As set forth in Planning Code, Section 201.7, "PDR-zoned land is also an
22 important reservoir of space in San Francisco for new and evolving industry and activity types
23 that cannot be foreseen today and cannot practically function or compete for space in a typical
24 downtown office or neighborhood commercial environment. Business and activities allowed in
25 PDR Districts generally share a need for flexible operating space that features large open

1 interior spaces, high ceilings, freight loading docks and elevators, floors capable of bearing
2 heavy loads, and large (often uncovered exterior) storage areas; and

3 WHEREAS, These uses are often not ideally compatible with housing for operational
4 reasons, including the need for significant trucking and delivery activities, 24-hour operation,
5 and emission of noise, odors and vibrations; importantly, PDR uses are limited in the amount
6 of rent they can afford relative to office, retail, and residential uses, yet are important sectors
7 of the City's economy;" and

8 WHEREAS, San Francisco actively seeks to create a supportive environment for
9 production, distribution, and repair business, including certain design activities; one of the
10 eight priority policies of the City's General Plan and Planning Code, Section 101.1 resolves
11 that "That a diverse economic base be maintained by protecting our industrial and service
12 sectors from displacement due to commercial office development, and that future
13 opportunities for resident employment and ownership in these sectors be enhanced"; and

14 WHEREAS, Another of the eight Priority Policies of the City's General Plan and
15 Planning Code, Section 101.1 resolves "That landmarks and historic buildings be preserved."
16 Thus, the City seeks both to preserve historic and landmark buildings and promote and
17 encourage the PDR that are often already present in and most suitable to locate in certain
18 historically industrial buildings; and

19 WHEREAS, These interim controls are intended and designed to address and
20 ameliorate the problems and conditions associated with the growing proliferation of
21 commercial office development in areas primarily zoned for PDR uses, by requiring
22 conditional use authorization for office conversion in landmark buildings in districts zoned
23 PDR-1-D and PDR-1-G during the next eighteen (18) months; and

24 WHEREAS, This Board has considered the impact on the public health, safety, peace,
25 and general welfare if the interim controls proposed herein were not imposed; and

1 WHEREAS, This Board has determined that the public interest will be best served by
2 imposition of these interim controls at this time, in order to ensure that the legislative scheme
3 which may be ultimately adopted is not undermined during the planning and legislative
4 process for permanent controls; and

5 WHEREAS, The Planning Department has determined that the actions contemplated in
6 this Resolution are in compliance with the California Environmental Quality Act (California
7 Public Resources Code, Section 21000 et. seq.). Said determination is on file with the Clerk
8 of the Board of Supervisors in File No. _____ and is hereby affirmed and incorporated by
9 reference as though fully set forth; now, therefore, be it

10 RESOLVED, Pursuant to Planning Code, Section 306.7, the Board of Supervisors, by
11 this resolution, hereby prohibits any City agency, board, commission, officer, or employee
12 from approving any site permit, building permit, or any other permit or license authorizing a
13 conversion to office use, as defined in Planning Code 890.70, unless the action would
14 conform both to the existing provisions of the Planning Code and this resolution imposing
15 interim controls; and, be it

16 FURTHER RESOLVED, That as of the effective date of this Resolution, any conversion
17 to office use within the PDR-1-D and PDR-1-G Districts, shall be subject to a conditional use
18 authorization; and, be it

19 FURTHER RESOLVED, That any use lawfully existing prior to the effective date of this
20 interim controls is exempt from these interim controls, unless such enterprise ceases to
21 operate or discontinues operation for ninety (90) days or longer, in which event the use shall
22 be deemed abandoned; and, be it

23 FURTHER RESOLVED, That for purposes of these interim controls, the Planning
24 Commission shall consider, in addition to the criteria listed in Planning Code, Section 303(c),
25 the economic and fiscal impact of the proposed commercial office use in the area. To this end,

1 the applicant shall provide the Planning Department as part of its conditional use application a
2 complete economic impact analysis of the proposed use, prepared by an independent
3 licensed professional; and, be it

4 FURTHER RESOLVED, The Planning Commission shall consider, in addition to the
5 criteria listed in Planning Code, Section 303(c) and above, the availability of space for PDR
6 uses in the surrounding neighborhood, the compatibility of the proposed commercial office
7 use with PDR uses, and the land use and planning effects of displacement of any existing
8 tenants from the building. To this end, the applicant shall provide the Planning Department as
9 part of its conditional use application a tenant relocation plan; and, be it

10 FURTHER RESOLVED, That these interim controls shall remain in effect for eighteen
11 months from the effective date of this legislation, or until the adoption of permanent legislation
12 regulating office conversion in landmark buildings in PDR-1-D and PDR-1-G districts,
13 whichever first occurs; and, be it

14 FURTHER RESOLVED, That these interim zoning controls advance and are consistent
15 with the Priority Policies set forth in Planning Code, Section 101.1, particularly Policy 5, in that
16 they attempt maintain a diverse economic base by protecting the City's industrial and service
17 sectors from displacement due to commercial office development. With respect to Priority
18 Policies 1, 2, 3, 4, 6, 7, and 8, the Board finds that these interim zoning controls do not, at this
19 time, have an effect upon these policies, and thus, will not conflict with said policies.

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

22 By: _____
23 MARLENA G. BYRNE
24 Deputy City Attorney

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