

**REVISED LEGISLATIVE DIGEST**  
*(Amended in Committee – December 11, 2023)*

[Planning Code - Exceptions from Limits on Conversion of Production, Distribution and Repair, Institutional Community, and Arts Activities Uses in Eastern Neighborhood Plans Areas]

**Ordinance amending the Planning Code to exempt from the limitations on conversion of certain Production, Distribution and Repair (“PDR”), Institutional Community, and Arts Activities uses in the Eastern Neighborhoods Plans Areas (Mission, Eastern SoMa, Western SoMa, and Central SoMa), changes of use from one of those uses to another of those uses or to Institutional uses, in buildings under 25,000 ground floor square feet; affirming the Planning Department’s determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.**

Existing Law

Section 202.8 of the Planning Code sets forth limitations on conversion of Production, Distribution, and Repair (“PDR”) uses, Institutional Community uses, and Arts Activities uses in the Eastern Neighborhoods Plans Areas of Mission, Eastern SoMa, Western SoMa, and Central SoMa. With some exemptions, it requires specific replacement requirements for conversion of building space where the prior use was:

- a PDR use of at least 5,000 square feet,
- an Institutional Community use of at least 2,500 square feet, or
- an Arts Activities use, as these terms are defined in Section 102 of the Planning Code.

The replacement requirements apply to conversions carried out “through change in use or any other removal, including but not limited to demolition of a building that is not unsound.” The Code defines “unsound” for these purposes as “a building for which rehabilitation to comply with City Codes for continued use as PDR, Institutional Community, or Arts Activities use, as applicable, would cost 50% or more of the cost to construct a comparable building.”

Amendments to Current Law

This ordinance amends Section 202.8 to exempt from the replacement requirements changes of use from one listed use (that is, PDR, Institutional Community, or Arts Activities uses) to another listed use or to Institutional uses, in buildings under 25,000 ground floor square feet, in the areas that, as of July 1, 2016, were zoned SALI, MUO, SLI, MUG or MUR.

Background Information

Section 202.8 of the Planning Code was enacted by the voters as Proposition X at the November 8, 2016 election. Proposition X authorizes the Board of Supervisors to amend Section 202.8, with a supermajority vote (i.e., eight members) of the Board of Supervisors.

This ordinance is substitute legislation for the ordinance in Board of Supervisors File No. 230863, which was introduced by Supervisor Dorsey on July 25, 2023.

This ordinance is the result of an amendment that was adopted at the Land Use and Transportation Committee hearing on December 11, 2023. That amendment added the 25,000 ground floor square feet limitation to the ordinance.

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