LEGISLATIVE DIGEST

[Planning Code - Exempting Certain Historic Landmarks From November 2016 Ballot Measure Requiring Conditional Use Authorization to Replace Production, Distribution, and Repair, Institutional Community, and Arts Activities Uses]

Ordinance amending Planning Code, Section 202.8, included in the November 8, 2016, General Election as Proposition X, to exempt certain designated historic landmarks from obtaining conditional use authorization to remove certain Production, Distribution, and Repair, Institutional Community, and Arts Activities Uses, and providing replacement space for such uses; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

On August 2, 2016, the Board of Supervisors approved Motion No. M16-105, ordering an initiative ordinance entitled "Initiative Ordinance - Planning Code - Requiring Conditional Use Authorization for Replacement of Production, Distribution, Repair, Institutional Community, and Arts Activities Uses," be submitted to the voters at the November 8, 2016 general election. Motion No. M16-105, including the initiative ordinance, is found in Board File No. 160698. The initiative ordinance is designated Proposition X on the November 8, 2016, ballot.

Proposition X adds Section 202.8 to the Planning Code and requires conditional use authorization and replacement space for removal through conversion or demolition of Production, Distribution, and Repair (PDR), Institutional Community, and Arts Activities uses in certain South of Market zoning districts.

Subsection 202.8(i) provides that the Board of Supervisors "by ordinance and by at least a two-thirds vote of all its members" may amend Section 202.8 "at any time after its effective date." This ordinance amends Section 202.8.

Amendments to Current Law

The proposed legislation would provide an exemption to the requirements of Proposition X. Specifically, the proposed legislation would exempt a project from the need to obtain a conditional use permit and to replace any removed PDR, Institutional Community, or Arts Activities if the project:

1. Proposes to convert no more than 50% of the property's PDR, Institutional Community, or Arts Activities space; and

2. Such space to be converted is located within a landmark designated under Article 10 of the Planning Code or individually listed on the National Register of Historic Places.

Additionally, any project that meets the above two requirements and also includes a contract or agreement with the City meeting the requirements of California Civil Code Section 1954.28(d) (such as, for example, a development agreement), which, as part of the terms of that contract, rents, leases, or sells at 50% below market rate the property's remaining PDR, Institutional Community, or Arts Activities space, may convert an additional 25% of the property's PDR, Institutional Community, or Arts Activities space

The proposed legislation limits the use of this exemption to no more than once every 10 years per property.

Background Information

If Proposition X is adopted by the voters at the November 8, 2016 general election, this ordinance shall become law if it is both finally passed by at least two-thirds of the Board of Supervisors and is enacted by the City, after the effective date of Proposition X. In that event, the effective date of this ordinance shall be 30 days after its enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

If Proposition X is not adopted by the voters, this ordinance shall be withdrawn from consideration by the Board of Supervisors.

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