AMENDED IN COMMITTEE 7/7/14

Interim Zoning Controls - Office Conversion in Landmark Buildings in PDR-1-D and PDR-1-G

FILE NO. 140735

Districts]

RESOLUTION NO. 267-14

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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.

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

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

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

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

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

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

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

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

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

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

WHEREAS, The Planning Department has determined that the actions contemplated in this Resolution are in compliance with the California Environmental Quality Act (California Public Resources Code Section 21000 et. seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 140735 and is hereby affirmed and incorporated by reference as though fully set forth; now, therefore, be it

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

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

FURTHER RESOLVED, That any use lawfully existing prior to the effective date of this interim controls is exempt from these interim controls, unless such enterprise ceases to operate or discontinues operation for one hundred eighty (180) days or longer, in which event the use shall be deemed abandoned; and, be it

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

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

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

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

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

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

By:

MARLENA G. BYRNE Deputy City Attorney

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City and County of San Francisco

Tails

Resolution

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number:

140735

Date Passed: July 15, 2014

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.

July 07, 2014 Land Use and Economic Development Committee - AMENDED

July 07, 2014 Land Use and Economic Development Committee - RECOMMENDED AS **AMENDED**

July 15, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140735

I hereby certify that the foregoing Resolution was ADOPTED on 7/15/2014 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board