

EASTERN NEIGHBORHOODS

LAND USE COMMITTEE ADOPTION HEARING 1:
PLACES FOR JOBS



SAN FRANCISCO
PLANNING
DEPARTMENT

SEPTEMBER 17, 2008

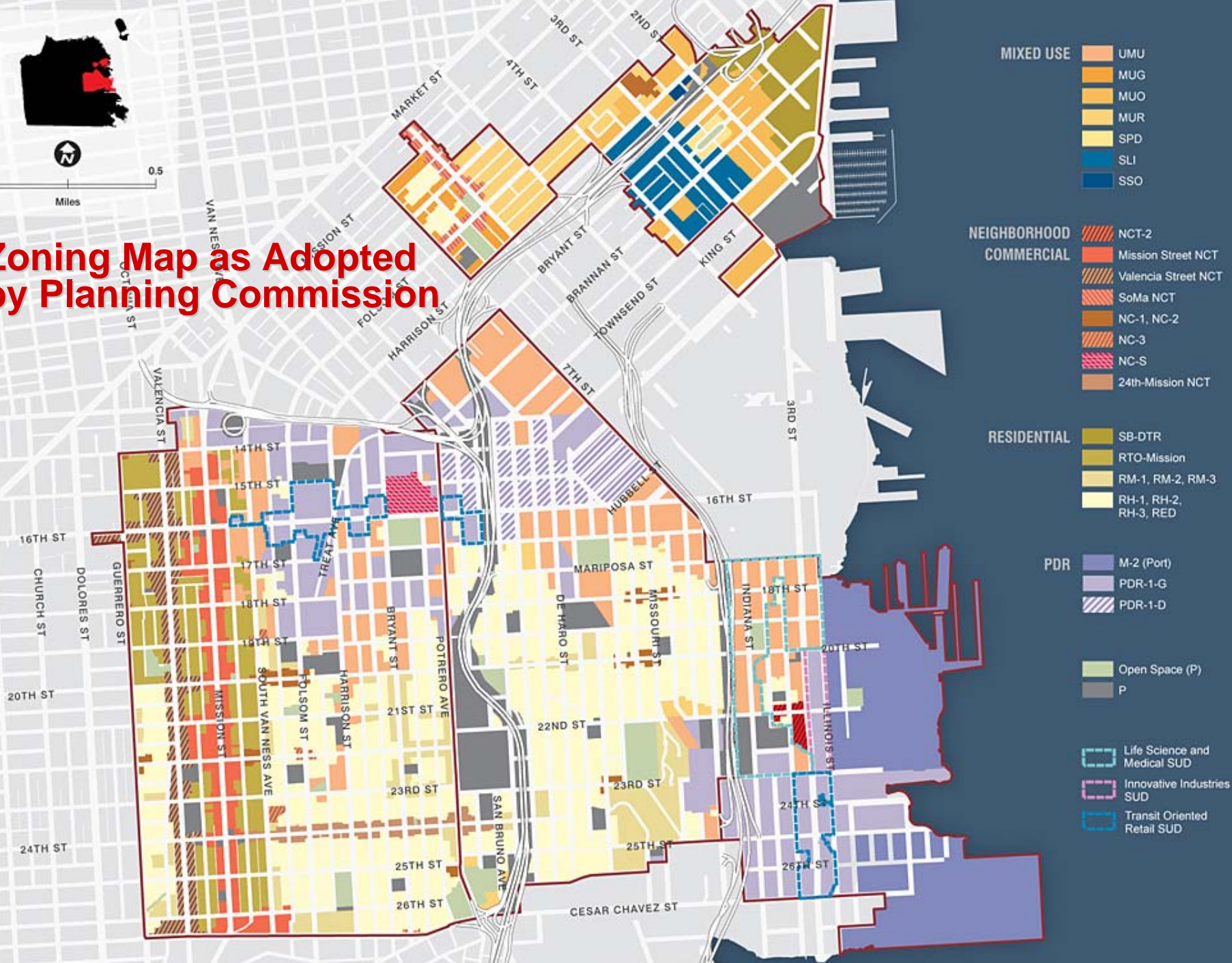
Schedule of Land Use Committee Hearings

TOPIC (S)	DATE
Places for Jobs	September 17
Places to Live	September 22
Complete Neighborhoods	September 29
Implementing the Plans; Pipeline	October 1
Economic Impact Report and Possible Action	October 6

Legislation Before the Board

1. Amendments to the General Plan
 - 4 New Area Plans
 - Minor amendments to the General Plan itself
2. Amendments to the Planning Code
3. Amendments to the Zoning Map
 - New Zoning Districts
 - New Height Limits
4. Amendments to the Administrative Code

Zoning Map as Adopted by Planning Commission



- MIXED USE**
- UMU
 - MUG
 - MUO
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 - SPD
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- NEIGHBORHOOD COMMERCIAL**
- NCT-2
 - Mission Street NCT
 - Valencia Street NCT
 - SoMa NCT
 - NC-1, NC-2
 - NC-3
 - NC-S
 - 24th-Mission NCT

- RESIDENTIAL**
- SB-DTR
 - RTO-Mission
 - RM-1, RM-2, RM-3
 - RH-1, RH-2, RH-3, RED

- PDR**
- M-2 (Port)
 - PDR-1-G
 - PDR-1-D

- Open Space (P)
- P

- Life Science and Medical SUD
- Innovative Industries SUD
- Transit Oriented Retail SUD

Commission's Changes from Staff Proposal



Chronicle Parcels excluded from process

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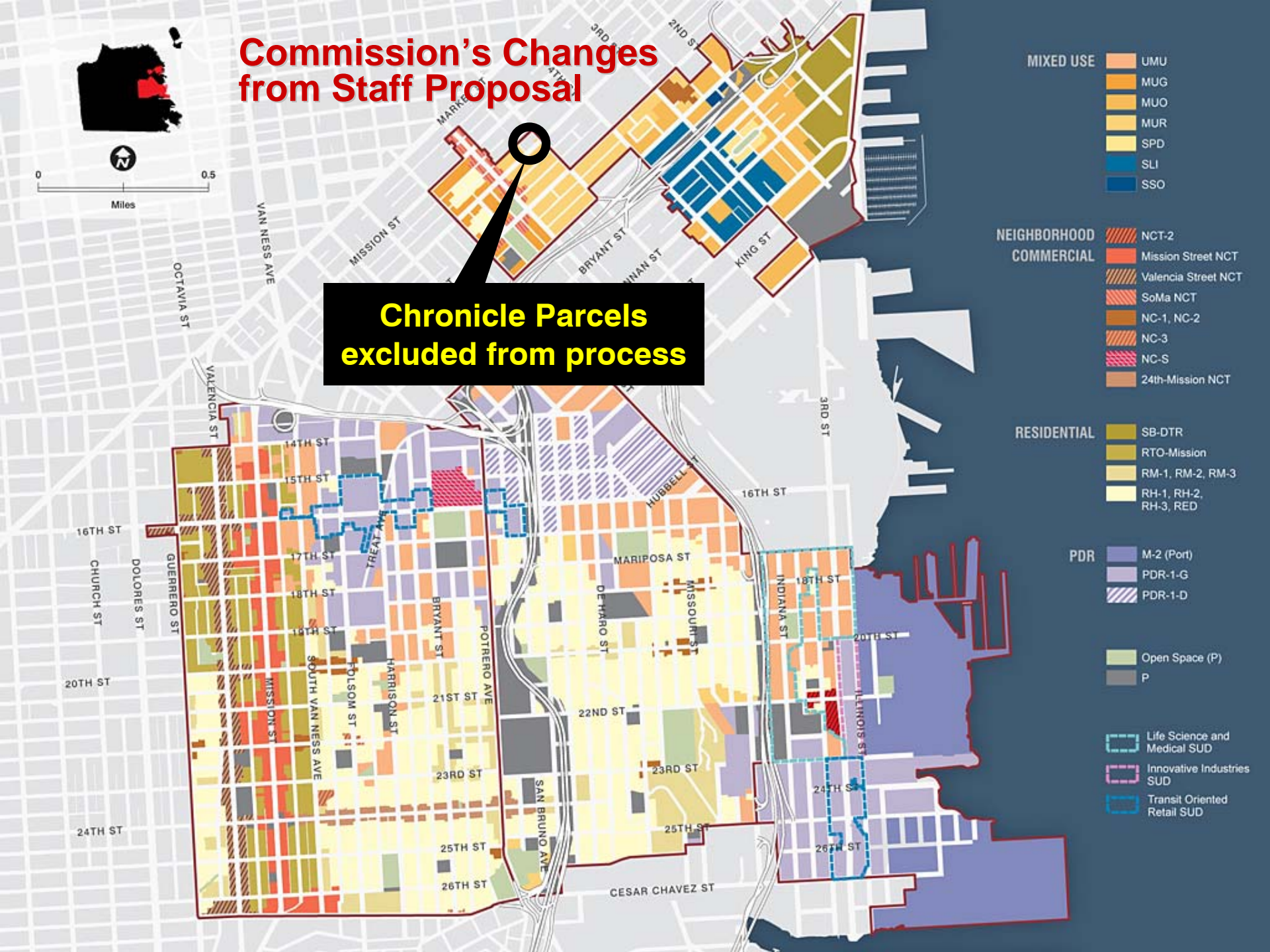
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Commission's Changes from Staff Proposal



Parcels to remain SSO

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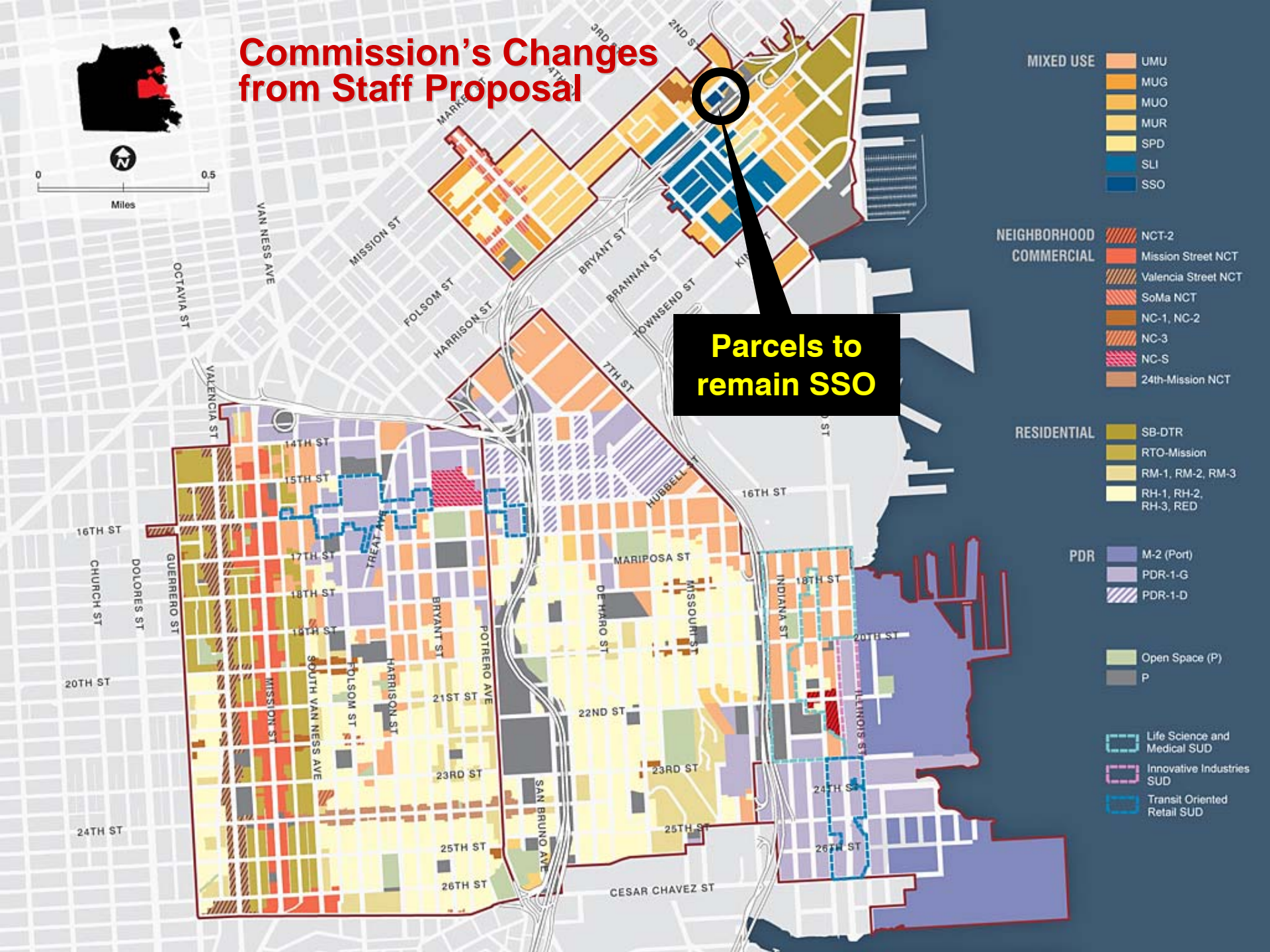
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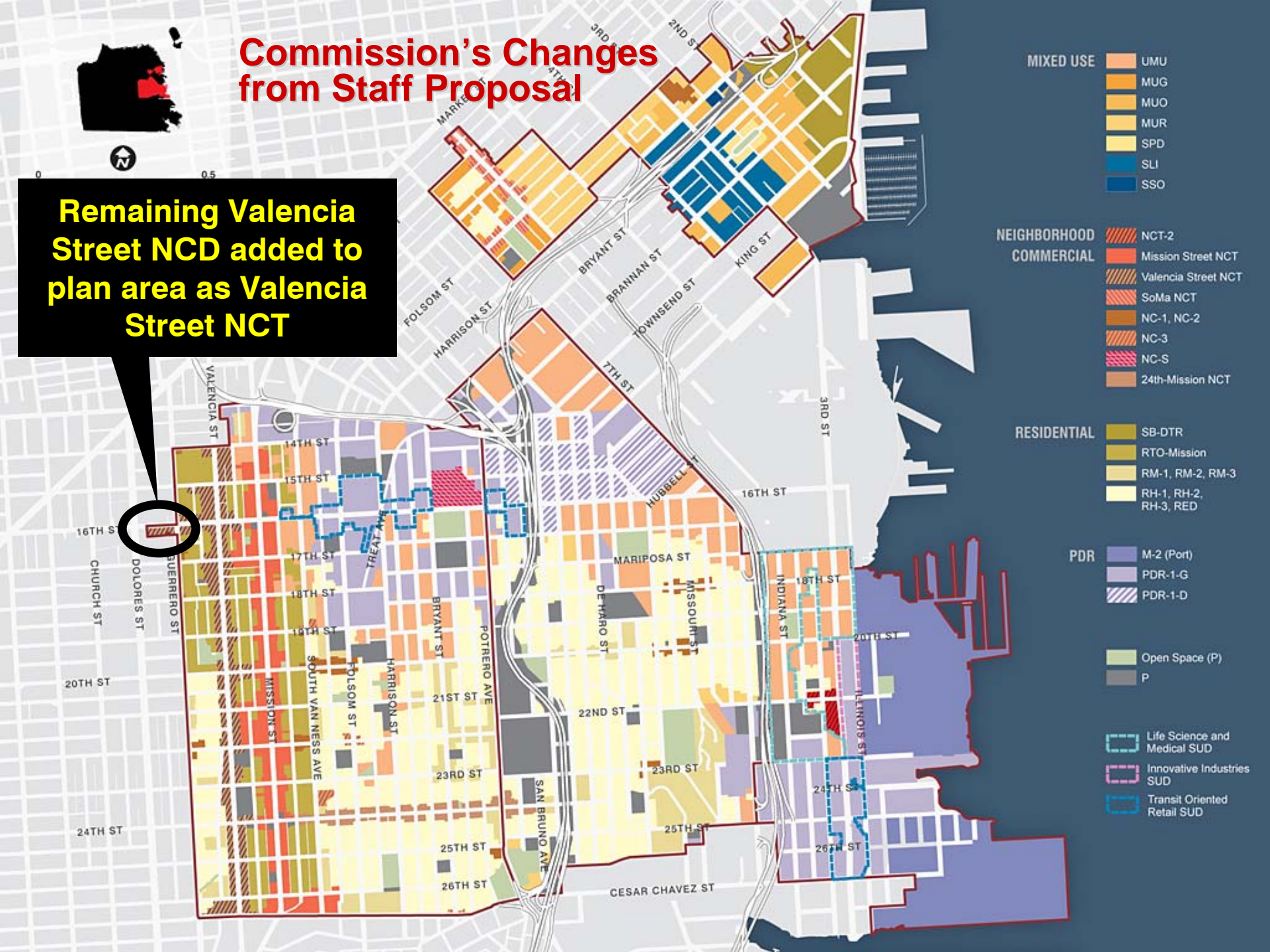
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Commission's Changes from Staff Proposal

Remaining Valencia Street NCD added to plan area as Valencia Street NCT

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- Other**
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Commission's Changes from Staff Proposal



3571-018 PUC Parcel from UMU back to existing P



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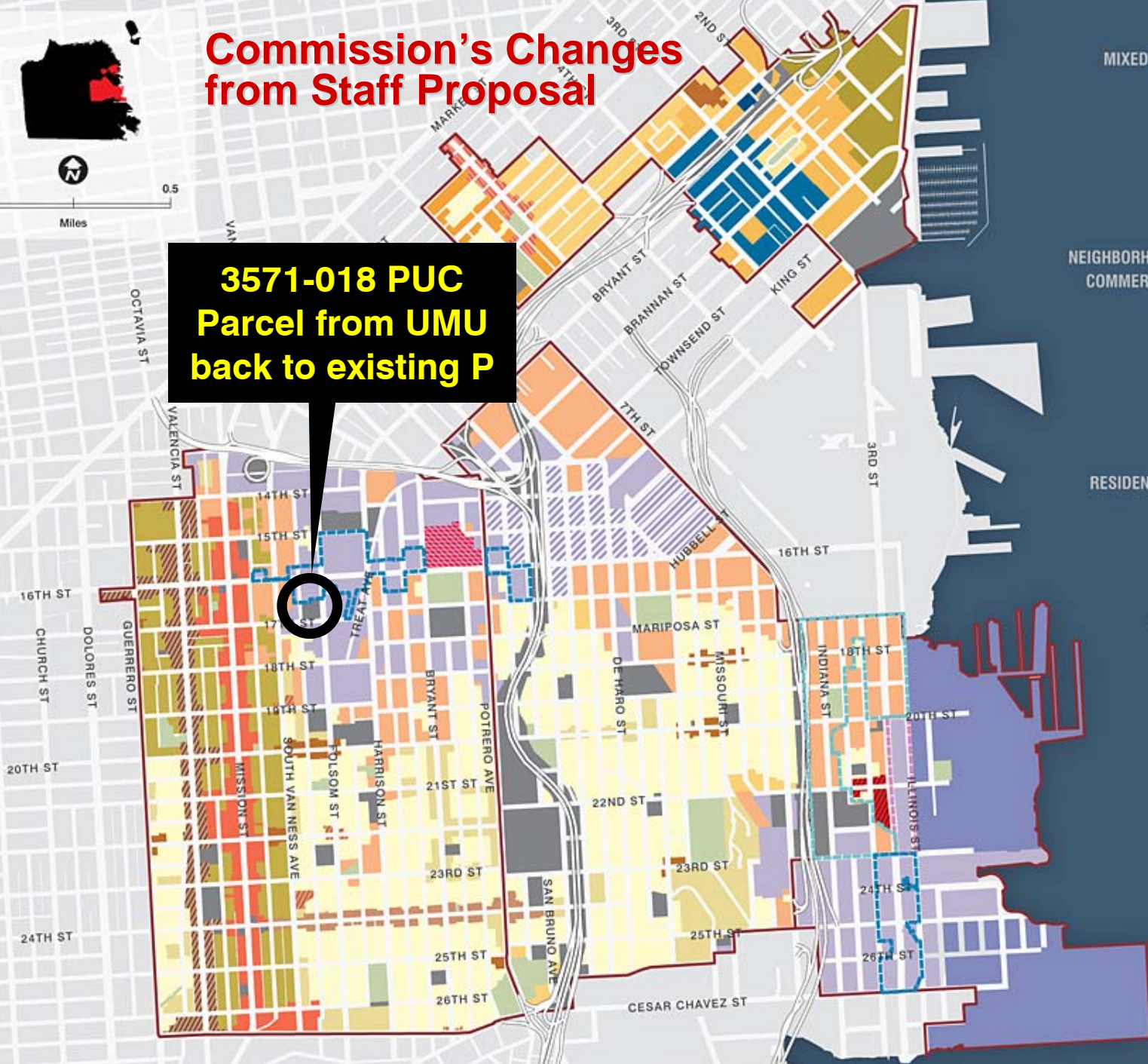
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Commission's Changes from Staff Proposal

New Transit Oriented Retail Special Use District



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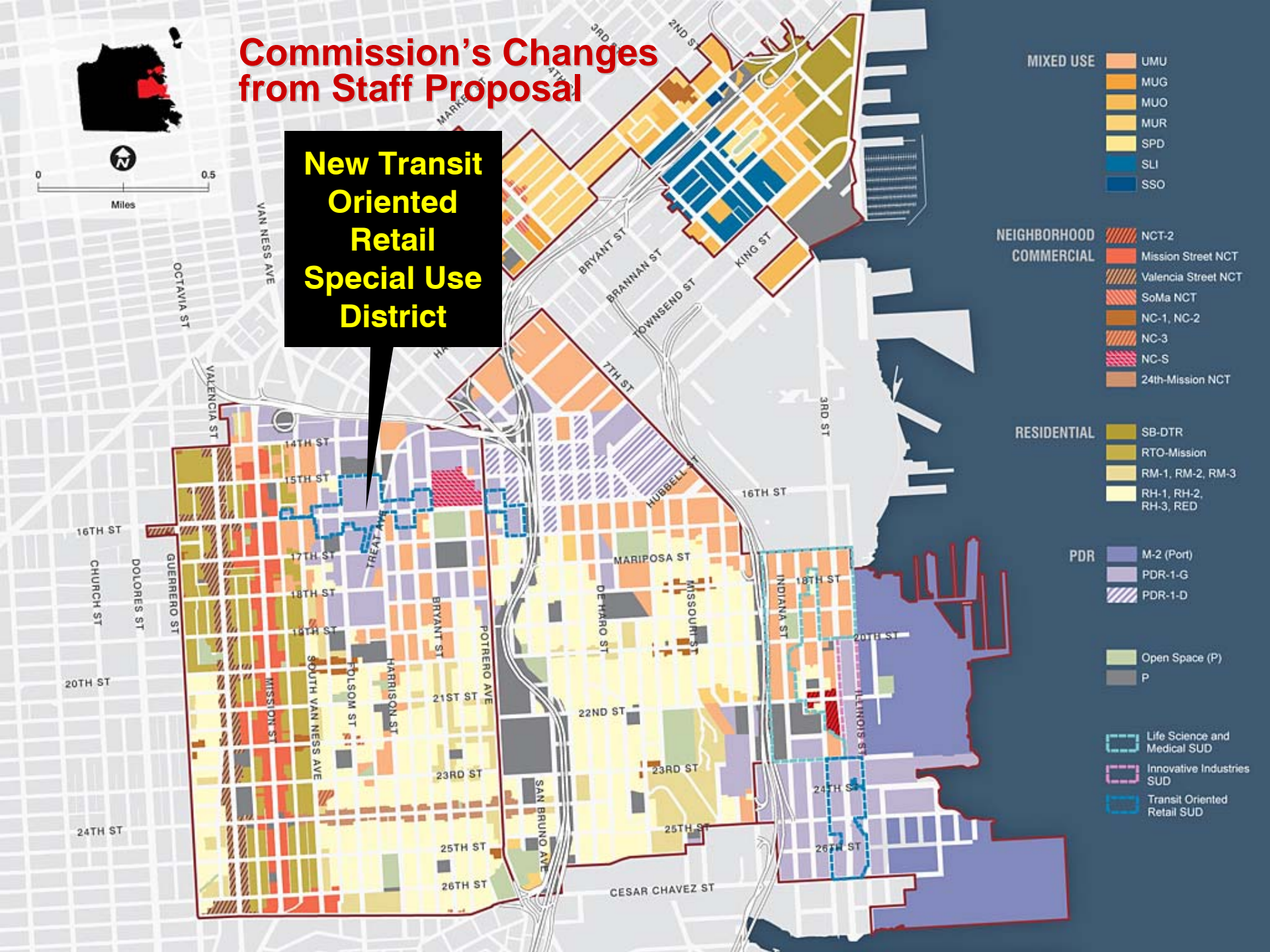
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Commission's Changes from Staff Proposal



New Transit Oriented Retail Special Use District

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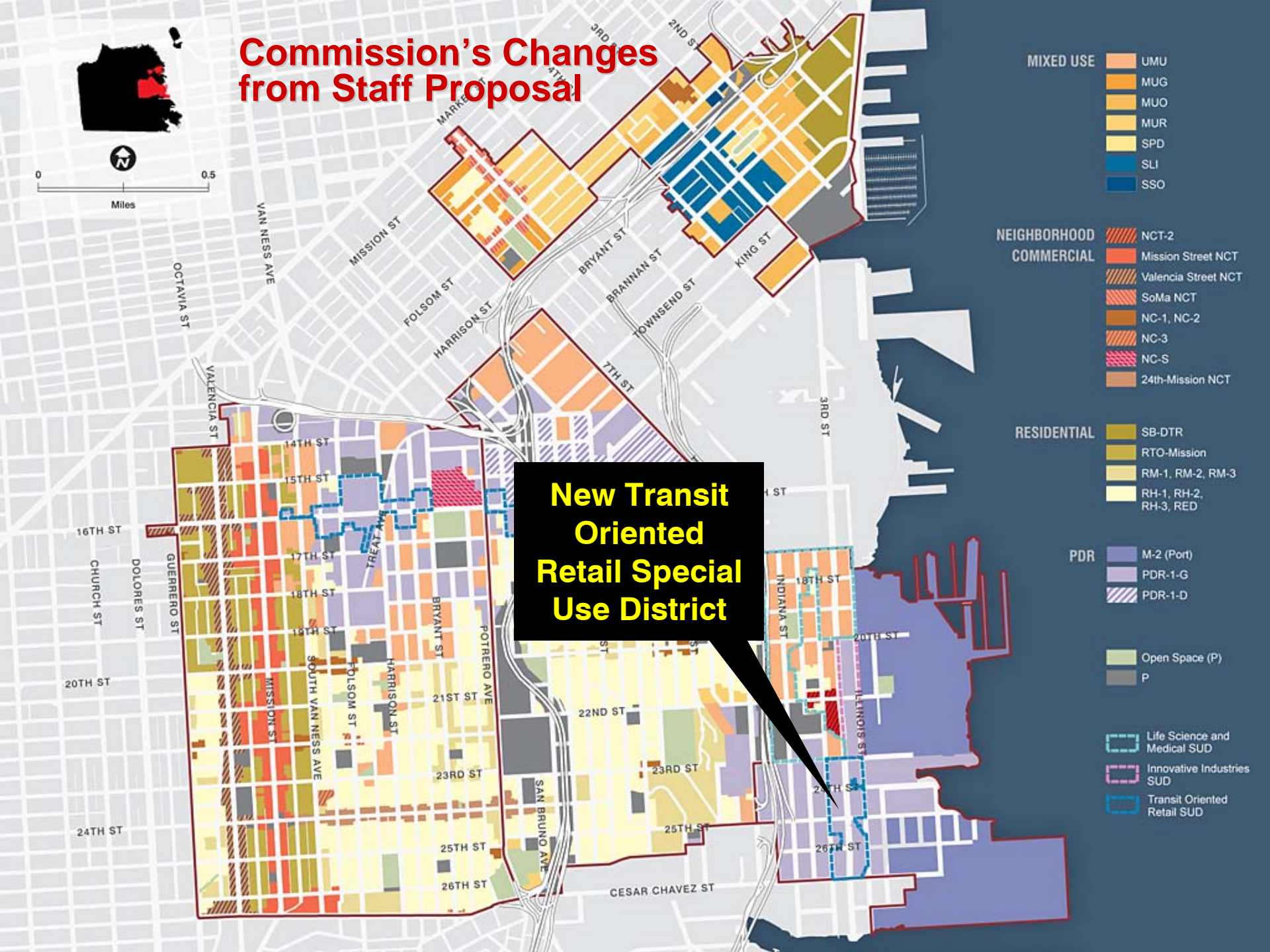
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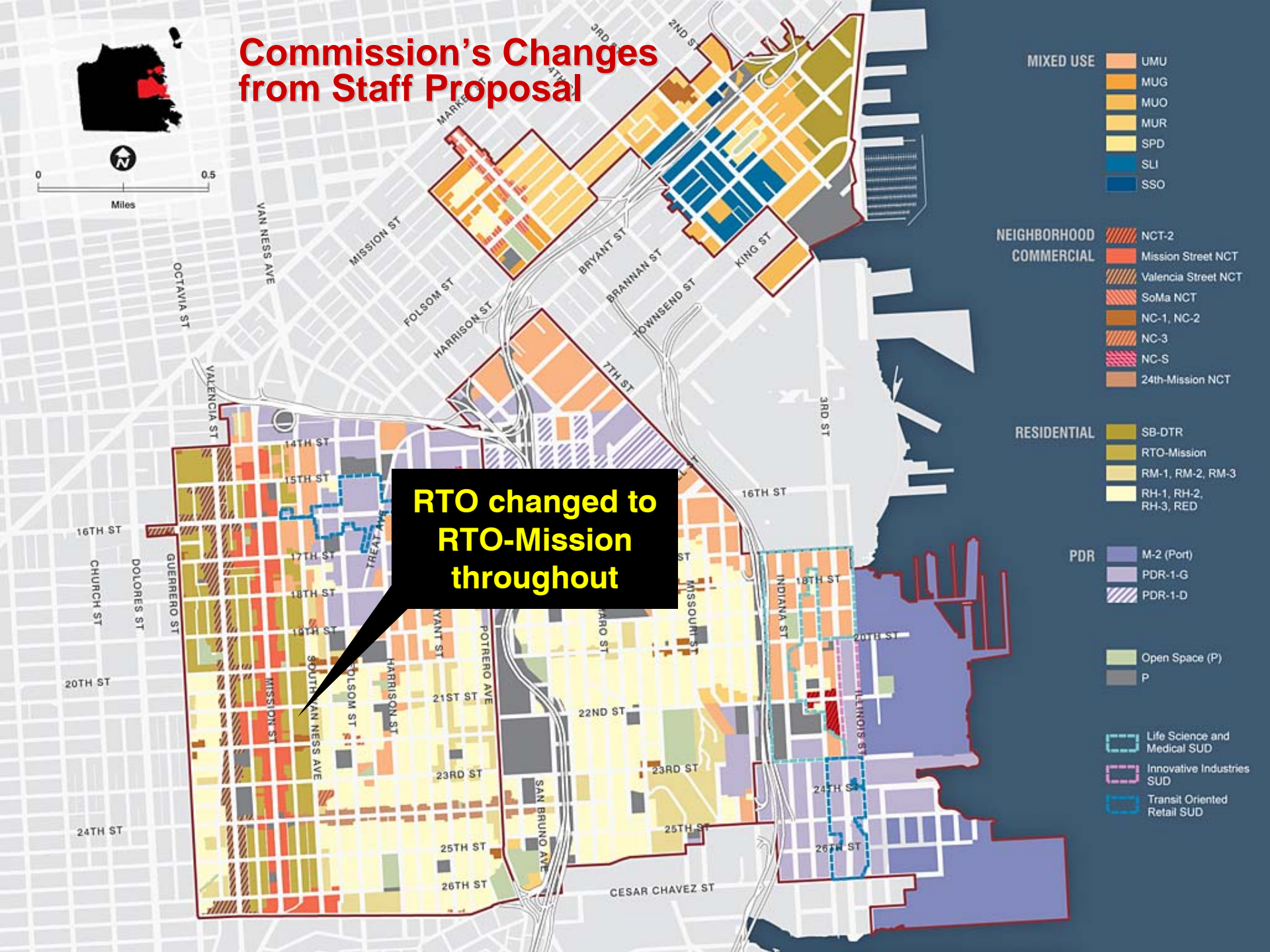
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RTO changed to RTO-Mission throughout



Commission's Changes from Staff Proposal



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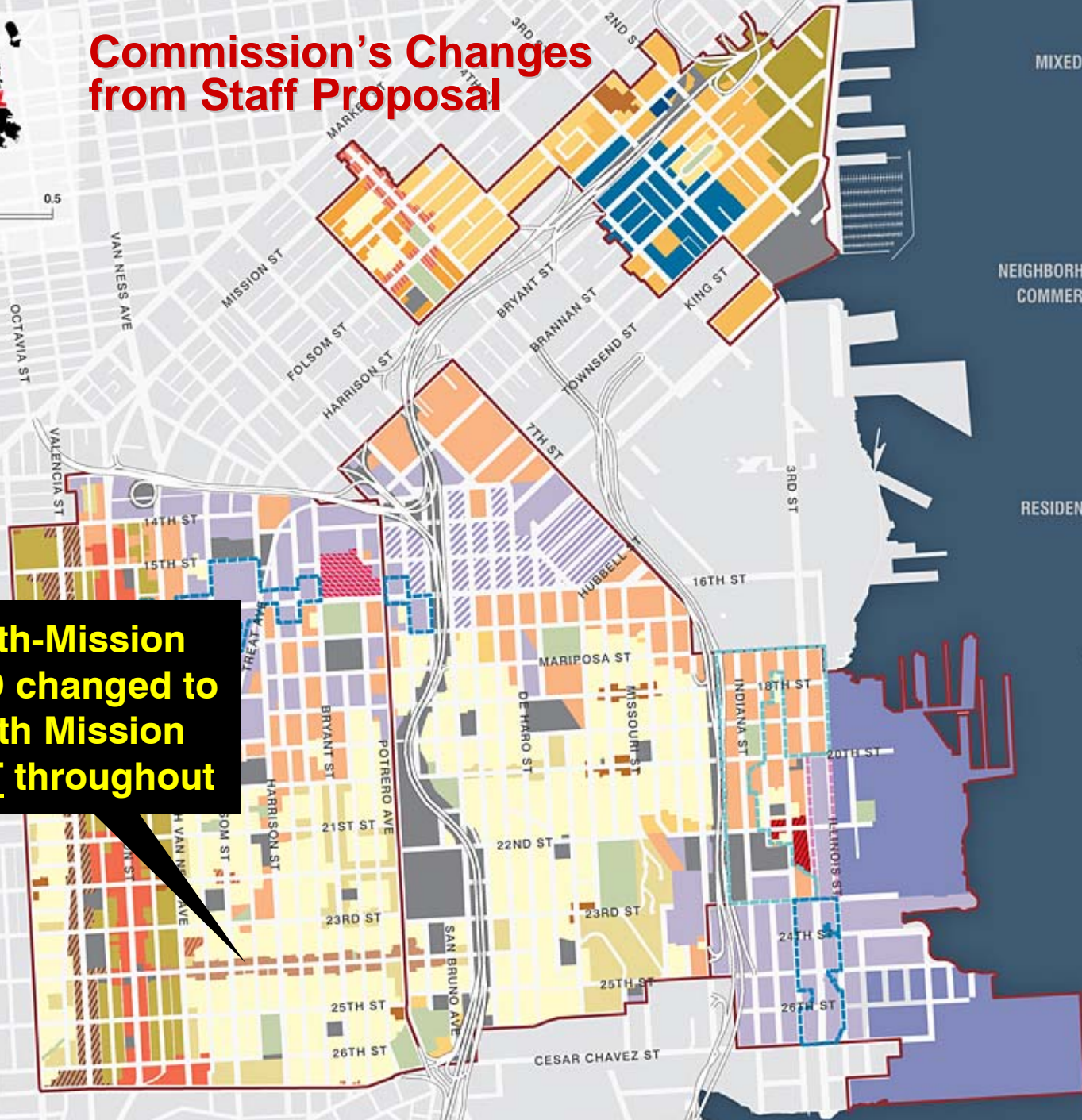
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24th-Mission NCD changed to 24th Mission NCT throughout



Commission's Changes from Staff Proposal



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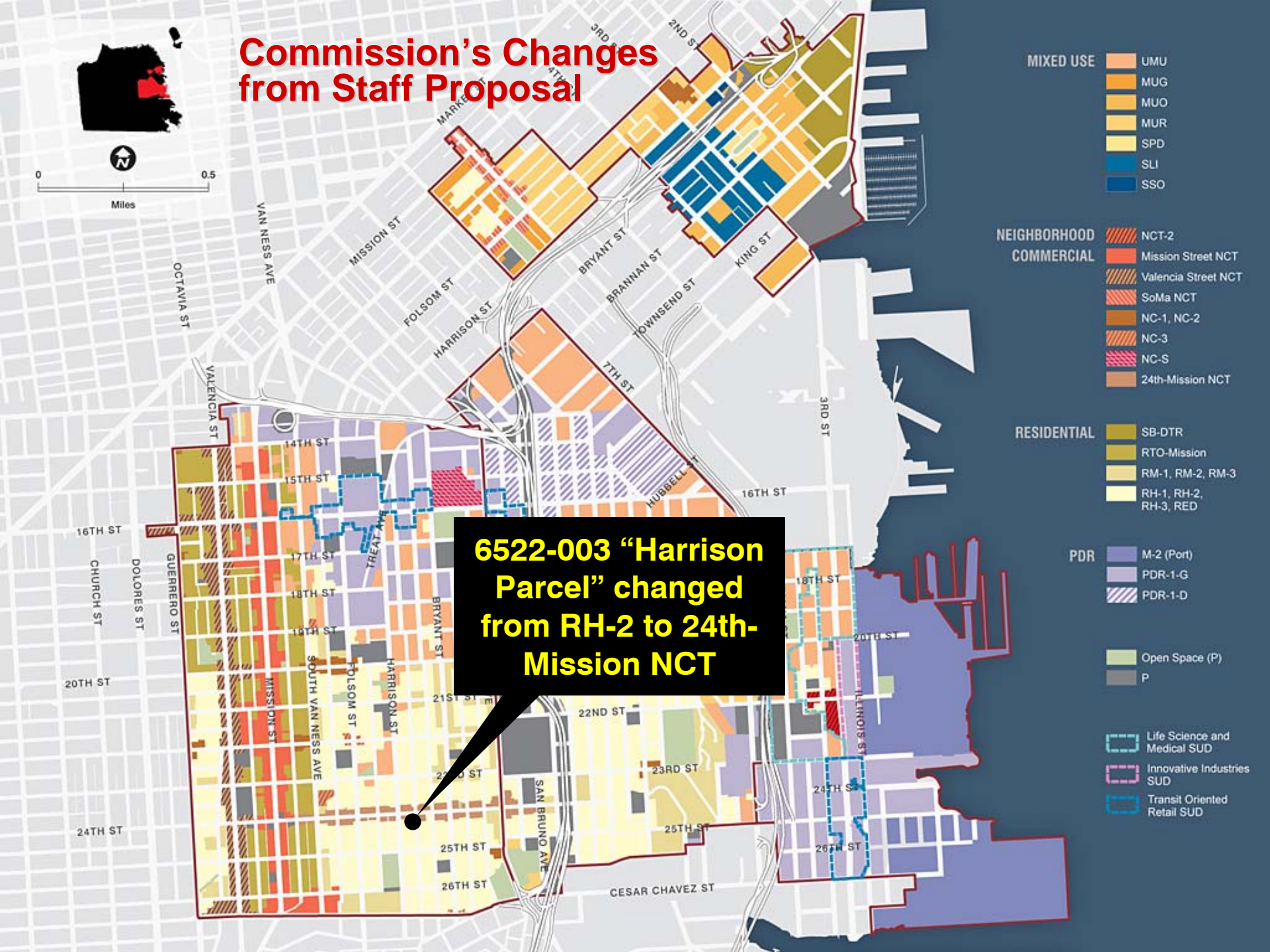
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6522-003 "Harrison Parcel" changed from RH-2 to 24th-Mission NCT



Commission's Changes from Staff Proposal

Innovative Industries SUD removed from Showplace Square area.



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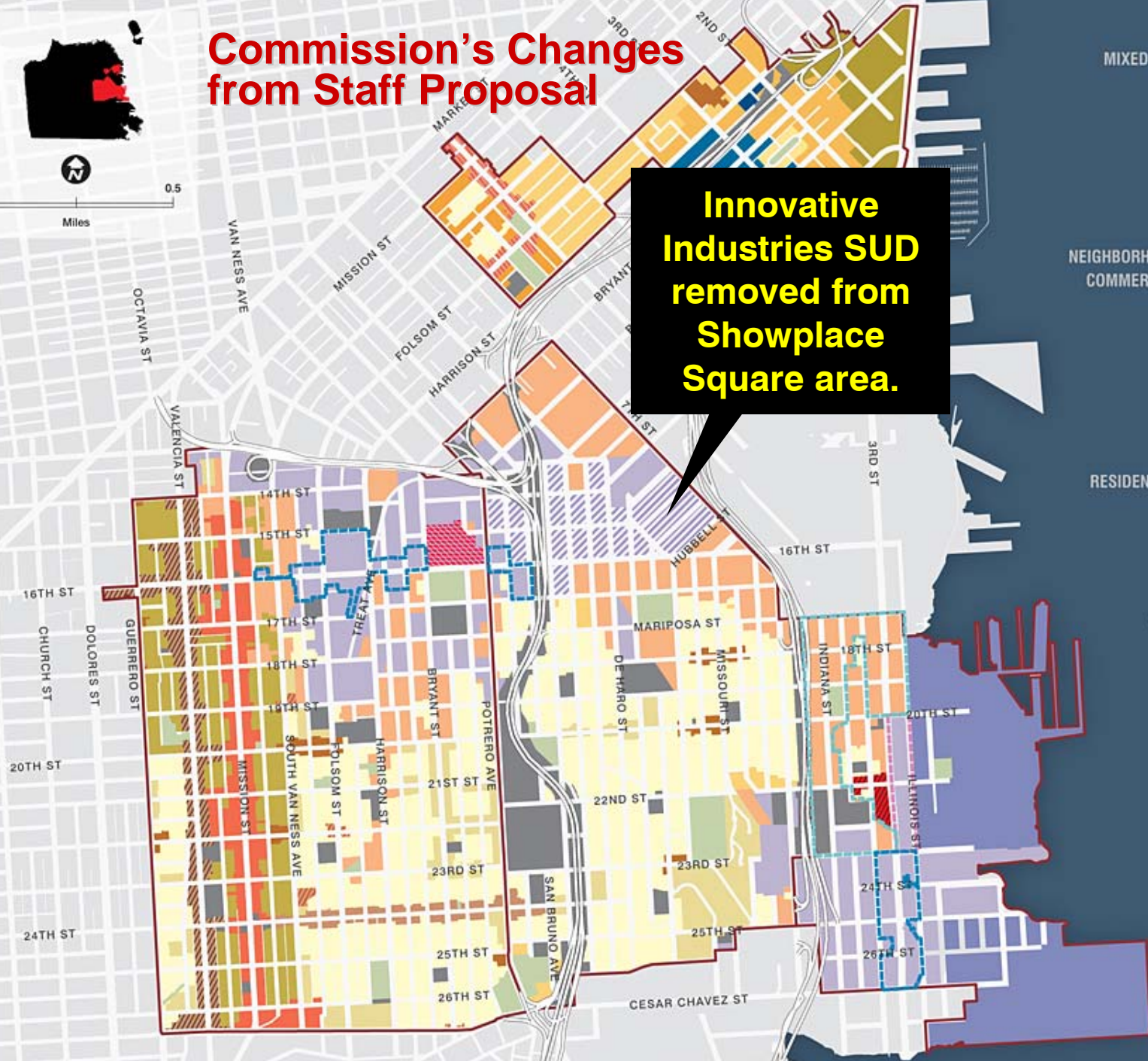
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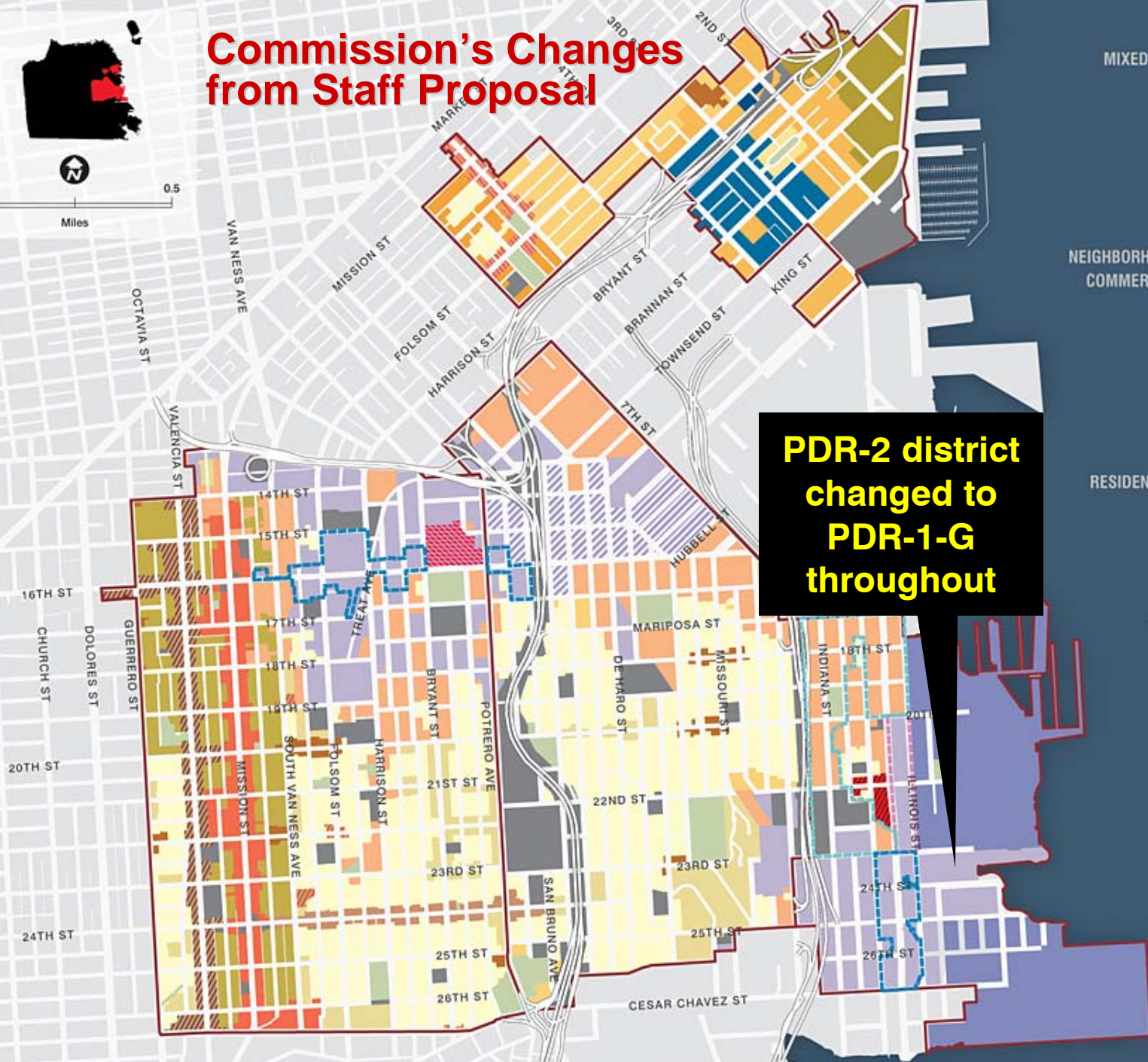
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Commission's Changes from Staff Proposal



PDR-2 district changed to PDR-1-G throughout

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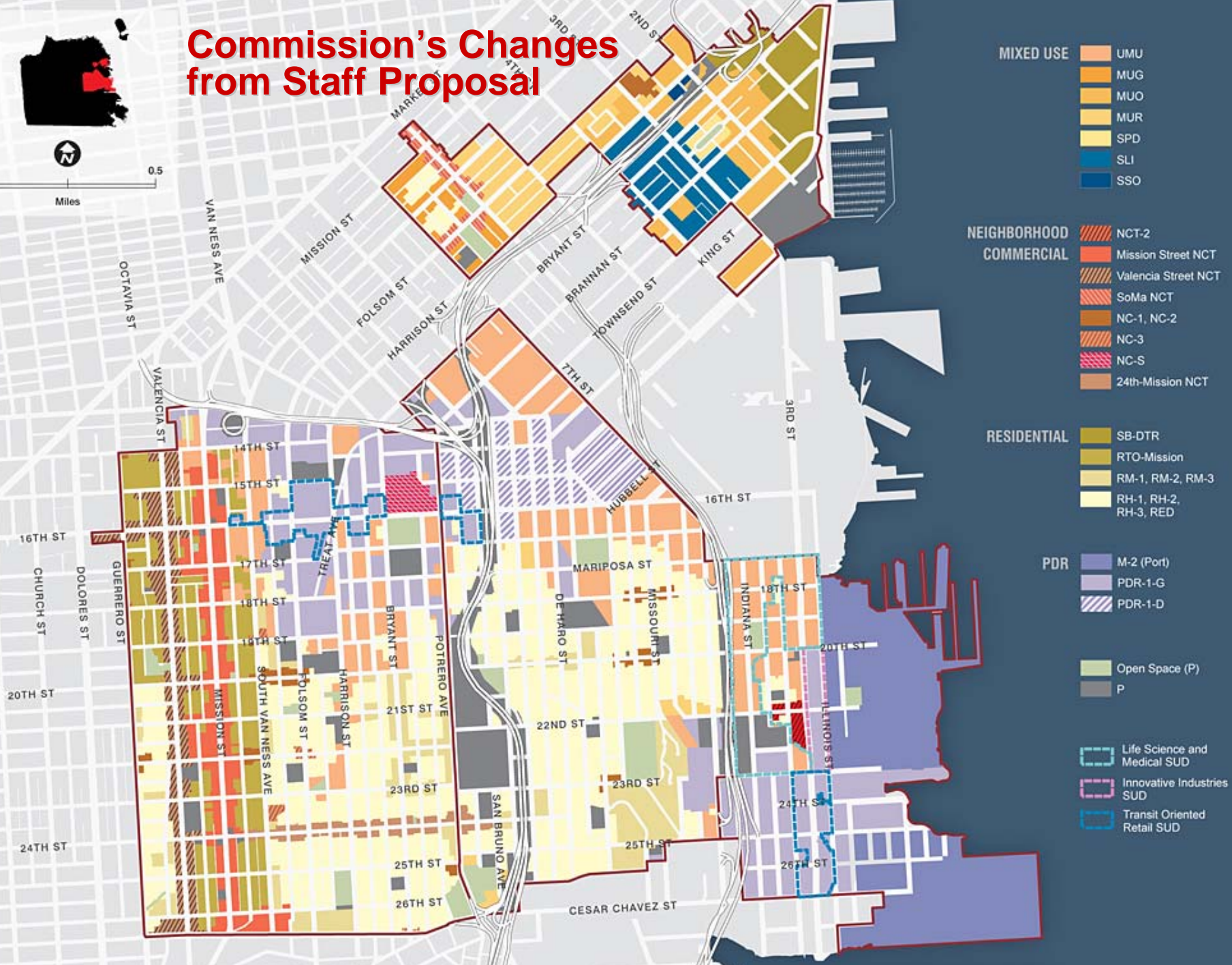
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Planning Commission Discussion

Recap of Staff Proposal for PDR and Mixed Use Districts

- Offices controlled by floor
- Retail limited to 2,500 to 5,000 square feet in PDR districts
- Pre-existing, legal offices with permits “grandfathered”
- Residential prohibited in PDR; permitted in mixed use districts

Planning Commission Discussion

Key concerns raised during Commission hearing process:

- Proposed office floor controls insufficiently flexible to ensure support for growing “hybrid” businesses
- Proposed legal nonconforming rules insufficiently flexible
- Housing prohibition and office limitation in PDR districts would slow continued evolution of those areas into mixed-use neighborhoods
- Proposed controls would permit too little activity along PDR-zoned sections of 16th and 3rd Street transit corridors

Planning Commission Discussion

A dialogue ensued; participants included:

- Planning Department staff
- OEWD staff
- Members of Northeast Mission Residents' Association
- Members of MAC and other community activists
- Representatives of property owners

Planning Commission Discussion

Consensus points from this dialogue included:

- Continue to provide real employment opportunities for workers without college degrees
- Ensure that existing buildings are well utilized
- Ensure space is available in PDR and mixed use districts for existing and future innovative companies that bring PDR jobs with them
- Existing offices should be accommodated
- Pay close attention to getting implementation and fees right
- Tie-in controls with the Enterprise Zone and its workforce goals

Revised Controls

The Commission Giveth and the Commission Taketh Away

Revised Controls

The Commission Taketh Away:

- Prohibited new offices in PDR Districts
- Largely eliminated the Innovative Industries Special Use District

Revised Controls

The Commission Giveth:

- Enabled expansion of legal non-conforming uses
- Enabled “legitimization” of existing uses
- Established “Integrated PDR” as a new use
- Established “Small Enterprise Workspaces” as a new use
- Adopted resolution on fees

Revised Controls

Expansion of Non-conforming Uses

- Legal non-conforming uses can expand by 25% with conditional use authorization

Revised Controls

Legitimization

What is it?

- Legitimization is a program to legalize existing space whose actual use differs from the permitted use.

Revised Controls

Legitimization

What is the purpose?

- To provide some flexible office space
- To align the City's permitting records with the uses that already exist on the ground
 - Increasing certainty for all parties
 - Create a clean slate

Revised Controls

Legitimization

How does this work?

- Modeled on program for NC Districts
- Partially legislated; partially Department procedure

Revised Controls

Legitimization

How does this work? (continued)

- All building owners notified
- Determination of ability to legitimize
- “Legitimizable” uses able to receive permits immediately, except...
- Larger offices, which are can receive permits after an inventory period.

Revised Controls

Legitimization

Where does this apply?

- Throughout the Eastern Neighborhoods
- Applicable to many uses

Revised Controls

Legitimization

How much will there be?

- Inherently hard to estimate
- For office, potential for up to 1.5 million square feet
- No new impacts on the ground - these are existing uses

Revised Controls

Integrated PDR

What is it?

Integrated PDR is a newly defined land use that enables a business to contain both an office component and a PDR component

Revised Controls

Integrated PDR

What is the purpose?

- To recognize trends in the industry towards uses that are a hybrid of PDR and office
- To enable these uses in the Eastern Neighborhoods

Revised Controls

Integrated PDR

How does this work?

- Uses must be at least 1/3 PDR
- Office can be up to 2/3 of the space
- No residential permitted
- Retail limited to 1/3 of the space

Revised Controls

Integrated PDR

How does this work? (continued)

- Uses permitted as-of-right
- Uses must register with Office of Economic and Workforce Development.
- “Sunsets” at five years; conditional use thereafter

Revised Controls

Integrated PDR

Where does this apply?

- Throughout the Eastern Neighborhoods Mixed Use and PDR Districts, in the following:
 - Existing buildings older than 1951 of 3+ stories
 - New construction
 - Not permitted in 1-2 story buildings

Revised Controls

Integrated PDR

How much will there be?

- Difficult to measure the market
- About 150 existing eligible buildings

Revised Controls

Small Enterprise Workspaces

What is it?

A Small Enterprise Workspace is a newly defined land use that entails an entire building comprised of small workspaces

Revised Controls

Small Enterprise Workspaces

What is the purpose?

- Support small businesses
- Support innovation
- Enable smaller offices

Revised Controls

Small Enterprise Workspaces

How does this work?

- Permit is for the entire building
- 50% of the space may be up to 500 square feet, 50% up to 2,500 square feet
- Flexible uses, though no residential and limited retail

Small Enterprise Workspaces

Where does this apply?

- New construction only
- PDR districts Only

Revised Controls

Small Enterprise Workspaces

How much will there be?

- Demand is limited
- Estimated 6-8 buildings in the City

Revised Controls

Recap

The Commission Giveth

- Enabled expansion of legal non-conforming uses
- Enabled “legitimization” of existing uses
- Established Integrated PDR as a new use
- Established Small Enterprise Workspaces as a new use

The Commission Taketh Away

- Prohibited new offices in PDR Districts
- Largely eliminated the Innovative Industries Special Use District

Legitimization- Fee Proposal

- **Goal.** To account for increased impact brought forth with change in use
- **Policy.** Require payment of fees in place at that time these “acting” offices moved into their workspaces
- **Methodology.** Calculate the difference in impact between the former/permitted use, and the current/acting use

Legitimization- Fee Proposal

Legitimization	Current Use Office	Former Use Industrial	Difference Justified
TIDF fee*	\$10.94	\$8.75	\$2.19
Jobs Housing**	\$19.96	\$11.41	\$8.55
			\$10.74
<i>*per current TIDF, Admin Code Chapter 38</i>			
<i>**per current Jobs Housing Linkage Fees, Section 313</i>			

Integrated PDR & Small Enterprise Workspaces - Fee Proposal

- **Goal.** To account for the reasonable impact of net new use, which falls between office and PDR
- **Policy.** Require payment of *all* new Citywide and EN fees
- **Methodology.** Calculate the difference in impact between office and PDR

Integrated PDR & Small Enterprise Workspaces - Fee Proposal

iPDR/ SEW	Office	iPDR	Industrial
TIDF - fee	\$10.94	\$10.94	\$8.75
Jobs Housing	\$19.96	\$15.69	\$11.41
EN Impact Fee	\$6.00	\$6.00	\$0*
		\$32.63	
<i>*per EN Plan proposal to relieve fees/incentivize industrial uses</i>			

Issues -- Fee Proposal

- Timing of Payment?
 - May be too costly to pay all at once (since no new bldg revenue to support)
 - Propose a mechanism for enabling landlord to spread this fee over time (reflecting that these are existing tenants, and thus no immediate new source of revenue is available).

- Way to Spread Out Payment?
 - Under development with working group (City Attorney, Assessor, Treasury and Tax Collector, Mayor's Office of Housing, MTA, and Economic and Workforce Development).

Issues Fee -- Proposal

- How to incentivize EN workforce goals?
 - Offer a discount on fees, based on the hiring of “disadvantaged” workers in these businesses.
 - OEWD program to verify compliance
- How such a mechanism would work?
 - Under discussion with working group.