



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution 19251 HEARING DATE OCTOBER 2, 2014

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Project Name: Office Conversion Controls In Landmark Buildings
Case Number: 2014.1249T [Board File No. 140876]
Initiated by: Supervisor Cohen
Staff Contact: Steve Wertheim, Citywide Planning
steve.wertheim@sfgov.org, 415-558-6612
Reviewed by: Joshua Switzky, Citywide Planning
joshua.switzky@sfgov.org, 415-575-6815
Timothy Frye, Preservation Coordinator
tim.frye@sfgov.org, 415-575-6822
Recommendation: **Recommend Approval with Modifications of the Draft Ordinance**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE BY REVISING SECTIONS 219 AND 803.9 AND CREATING A NEW SECTION 219.2 TO PLACE VERTICAL CONTROLS ON THE CONVERSION OF DESIGNATED LANDMARK BUILDINGS TO OFFICE USE IN PDR-1-D AND PDR-1-G DISTRICTS, REQUIRE THE REVIEW OF THE PROPOSAL BY THE HISTORIC PRESERVATION COMMISSION AND A CONDITIONAL USE AUTHORIZATION FROM THE PLANNING COMMISSION, AFFIRMING THE PLANNING DEPARTMENT'S CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION, AND MAKING PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

WHEREAS, on July 29, 2014 Supervisor Cohen (hereafter "legislative sponsor") introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 140876, which would amend the Planning Code by revising Sections 219 and 803.9, to place vertical controls on the conversion of designated landmark buildings to office use in PDR-1-D and PDR-1-G Districts;

WHEREAS, The Historic Preservation Commission voted to recommend to approve with modifications the proposed Ordinance at a regularly scheduled meeting on October 1, 2014; and,

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 2, 2014 and October 1, 2014; and,

WHEREAS, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

MOVED, that the Commission hereby recommends that the Board of Supervisors **approve the proposed ordinance with the following modifications:**

- (1) Require that projects seeking office space in Landmark buildings in PDR-1-D and PDR-1-G Districts receive a Conditional Use Authorization from the Planning Commission rather than be principally permitted by amending the PDR-1-D and PDR-1-G columns in Planning Code Section 219(a) through (d).
- (2) Establish a new process for projects seeking office space in Landmark buildings in PDR-1-D and PDR-1-G Districts through the establishment of a new Planning Code Section 219.2, which would say as follows:

219.2. Office in Landmark Buildings in the PDR-1-D and PDR-1-G Districts

In order to be eligible to receive a Conditional Use Authorization for the provision of office space in landmark buildings in the PDR-1-D and PDR-1-G Districts:

- (a) The applicant must submit a Historic Structures Report (HSR) to the Planning Department.
 - (1) The scope of the HSR will be developed in consultation with Planning Department staff.
 - (2) The HSR must be prepared by a licensed historic architect who meets the Secretary of the Interior's Professional Qualification Standards.
- (b) The Historic Preservation Commission shall review the HSR for the proposed project's ability to enhance the feasibility of preserving the building.
- (c) The Historic Preservation Commission shall review the proposal, including any proposed work related to the change in use, for its compliance with the Secretary of the Interior's Standards, (36 C.F.R. § 67.7 (2001)).
- (d) The Planning Commission shall consider the following Conditional Use criteria, in addition to the criteria set forth in Section 303(c) and (d):
 - (1) The Historic Preservation Commission's assessment of the proposed project's ability to enhance the feasibility of preserving the building
 - (2) The Historic Preservation Commission's assessment of the proposed project's compliance with the Secretary of the Interior's Standards
 - (3) The economic need of the improvements relative to preservation of the building
 - (4) The ability for the office tenants to be physically compatible with the PDR tenants
 - (5) The relocation strategy for any displaced PDR tenants, and
 - (6) The impact of the proposed change on the surrounding community

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. In 2008, the Board of Supervisors adopted the Eastern Neighborhoods Plan and related zoning. This legislative package is comprised of Ordinance Nos. 297-08, 298-08, and 299-08, copies of which are on file with the Clerk of the Board of Supervisors in File Nos. 081152, 081153, and 081154 respectively, and incorporated herein by reference. Since the adoption of this Plan and its associated zoning, the City has determined that the continued establishment, evolution, and adaptation of these uses demands a more responsive set of zoning controls in the Planning Code.
2. The Eastern Neighborhoods Plan in part supported the preservation of PDR (production, distribution, and repair) uses and encouraged such uses in the southeastern neighborhoods of the City.
3. The Eastern Neighborhoods Plan also supported the preservation viability of designated landmark buildings by allowing flexibility of permitted uses in such buildings by principally permitting the conversion of PDR space to office space.
4. The proposed zoning controls in the subject legislation retain an adequate amount of use flexibility and corresponding preservation incentive for maintenance and designation of landmark buildings in PDR Districts while simultaneously preserving a substantial amount of PDR uses in these buildings.
5. The proposed zoning controls in the subject legislation would ensure that the Historic Preservation Commission would review projects seeking office space in Landmark buildings in the PDR-1-D and PDR-1-G Districts for the proposed project's ability to enhance the feasibility of preserving the building and to for the proposed project's compliance with the Secretary of Interior's Standards.
6. The proposed zoning controls in the subject legislation would ensure that the Planning Commission would review all projects seeking office space in Landmark buildings in the PDR-1-D and PDR-1-G Districts, and assess them based on criteria that include their feasibility of preserving the building, as well as other economic and social goals.
7. **General Plan Compliance.** The proposed amendments to the Planning Code and Administrative Code are in keeping with the Central Waterfront, Mission, and Showplace Square/Potrero Hill Area Plans, particularly to protect and promote PDR activities (Policy 1.1.1 in all three Area Plans) and to promote and offer incentives for the rehabilitation of historic buildings (Policy 8.2.3 in the Mission Area Plan); the Commission finds that the proposed Ordinance is not inconsistent with the Objectives and Policies of the General Plan.
8. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:
 1. That existing neighborhood-serving retail uses be preserved and enhanced and future

opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative impact on neighborhood serving retail uses and will not impact opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would have a positive impact on the character of industrial neighborhoods by maintaining more PDR uses.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would have a positive effect on commuter traffic by limiting the amount of office space in industrial districts, which tend to be less well served by transit.

5. 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;

The proposed Ordinance would protect our industrial and service sectors by limiting the amount of commercial office development in industrial buildings.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an impact on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would continue to support the preservation of landmark buildings by continuing to allow some office uses in these buildings.

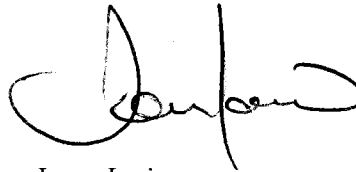
8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an impact on the City's parks and open space and their access to sunlight and vistas.

8. **Planning Code Section 302 Findings.** The Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on October 2, 2014.



Jonas Ionin
Commission Secretary

AYES: Antonini, Fong, Hillis, Johnson, Moore, Richards

NOES:

ABSENT: Wu

ADOPTED: October 2, 2014