

## Central SoMa Draft Policy Document

### REVISED Production, Distribution, and Repair

March 2015

In November, 2014 the Planning Department published a policy papers on [Production, Distribution, and Repair \(PDR\)](#). The proposal below is a refinement of that included in the previous policy paper.

#### Proposal

##### Require PDR in New Office Development

New office construction of at least 3.0 FAR will be required to provide space for Production, Distribution, and Repair (PDR), via one or more of the following three options:

- Build PDR on-site:
  - In areas currently zoned SALI, 100% replacement of existing PDR space or 0.5 FAR, whichever is greater.
  - In areas currently zoned SLI, 50% replacement of existing PDR space or 0.5 FAR, whichever is greater.
  - On lots of at least 10,000 square feet in the other parts of the Plan Area that are not currently zoned C-3, 0.25 FAR.
- Build PDR off-site at 1.5 times the on-site PDR requirement. This PDR can be constructed anywhere in SoMa.
- Preserve existing PDR space at 2.0 times the on-site PDR requirement. This preservation must occur through deed restriction. It can occur anywhere in SoMa, except for the SALI District, where PDR is already protected.

For purposes of this requirement:

- “SoMa” is defined as the area between Market Street, the Embarcadero, Townsend Street, Division Street, and South Van Ness Avenue.
- Any land dedicated to a 100% affordable housing development would be subtracted from base parcel size prior to calculating the PDR requirement.
- This policy would not apply on parcels that have 100% of their frontage on streets with required retail uses.
- New and preserved PDR space will be subject to business planning, performance standards, monitoring, and enforcement requirements contained in Planning Code Section 219.1.
- Community facilities uses will be allowed to count against this PDR requirement, including cultural facilities, health care clinics, and social welfare organizations. (Note that a more complete strategy for community facilities is still being

developed. To see the concepts under review, please see the [policy paper on community facilities](#) published by the Planning Department in November, 2014).

### Limit Conversion of PDR in Existing Buildings

Existing buildings with PDR uses would be required to maintain existing PDR space as follows:

- 100% in the areas currently zoned SALI
- 50% in the areas currently zoned SLI

### Apply the WS MUO Zoning to Certain Parcels in the Plan Area

The draft Plan proposed zoning would be revised to zone the following parcels WS MUO (which does not allow residential development):

- All of Block 3778 (the Flower Mart block)
- Block 3777 Lots 047, 048, and 049 (the first three parcels fronting Bryant immediately east of 5<sup>th</sup> Street).

An exception would be available to these parcels to enable 100% affordable housing developments.

### Provide an Incentive to Build PDR

The Central SoMa Plan is going to require the purchase of Transferable Development Rights (TDRs) to allow development density over a base Floor Area Ratio (the exact amount and applicable uses are still to be determined, pending further analysis). As part of this requirement, the Department is considering allowing TDR to be purchased from donor sites in addition to historic buildings. One related set of mechanisms under consideration would be to allow an FAR exemption/bonus and “PDR TDR”, where a development could increase development capacity above base FAR through such means as:

- Building PDR on-site above the amount that is otherwise required;
- Building PDR off-site above the amount that is otherwise required; and/or
- Preserving PDR off-site (in a district other than SALI) above the amount that is otherwise required.

New or preserved PDR space will be subject to business planning, performance standards, monitoring, and enforcement requirements contained in Planning Code Section 219.1.

## **Results**

The PDR Strategy outlined above would result in the following benefits:

- By requiring PDR in areas where PDR is not currently protected (i.e., parts of SoMa outside of the current SLI and SALI zoning), the Plan would ensure a continued PDR presence in a larger geography than might have occurred without the Plan.
- By requiring PDR in non-residential development, the Plan would ensure that these sites have cultural and economic diversity characteristic of SoMa.
- By zoning land WS MUO, the Plan would trigger the requirements for PDR preservation and construction in non-residential buildings described above, being that the WSMUO District does not allow residential development. This in turn helps protect important PDR resources like the businesses affiliated with the Flower Mart and the SoMa Artists Studios while economically supporting the improvement and/or reconstruction of those buildings, some of which are in disrepair.
- By providing an incentive to develop additional PDR in return for increased development capacity, the Plan could result in increased PDR in a number of locations, including potentially residential developments.
- Collectively, the measures would likely result in an increase in PDR jobs than would occur without the Plan.
  - Currently, there are up to 1,800 jobs in the SLI and SALI Districts that could become “at-risk” because of the Plan – although many of these could be displaced today by retail, institutional, and/or office in historic buildings.
  - The measures described above would protect or produce space for 1,800 to 3,100 PDR jobs in Central SoMa,<sup>1</sup> including:
    - 500 jobs in areas where zoning is remaining SALI.
    - 350-500 jobs in areas currently zoned SALI.<sup>2</sup>
    - 500-1,000 jobs in the areas currently zoned SLI.<sup>3</sup>
    - 450-1,100 jobs in other parts of the Plan Area that are not currently zoned C-3.<sup>4</sup>

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<sup>1</sup> These numbers do not assume any use of the “PDR TDR” program. Any use of this program would only increase these numbers.

<sup>2</sup> The lower number represents the existing 400 PDR jobs in this area, minus some attrition on smaller sites rezoned to MUO and developed for residential. The high number represents the preservation of the 400 PDR jobs in this area plus 100 additional jobs from office development sites that currently contain less than 0.5 FAR of PDR.

<sup>3</sup> The lower number represents a scenario in which nearly all of the 1,400 PDR jobs in the area are converted to residential development. The higher number recognizes that many of these PDR jobs will be protected by the strategies outlined above, including those in historic buildings that are unlikely to be demolished, in new office construction, and that the area includes large buildings owned by PDR businesses (such as Swinerton Construction) which would not be expected to convert. Additionally, new office development on sites that do not currently contain PDR would add additional PDR jobs.

<sup>4</sup> The lower number represents a scenario where only 33% of the sites over 10,000 square feet in this area are developed for office use, and that the PDR worker density is one per 500 square feet – which has historically been the average. The higher number presumes 50% of these sites are developed for office uses, and that the PDR worker density is one worker per 350 feet, which would represent a more efficient use of space as seen elsewhere throughout the non-residential sector.