

**SPUR**

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July 13th, 2016

Rules Committee
San Francisco Board of Supervisors
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Dear Supervisors,

Thank you for the opportunity to comment on the proposed Initiative Ordinance Requiring a Conditional Use Authorization for the Replacement of Production, Distribution, Repair, Institutional Community and Arts Activities. We believe reserving space for PDR is important for the creation and retention of good job opportunities for working San Franciscans and that the city should continue to evaluate its PDR policies over time. **However, we are very concerned about the proposed ballot measure before you and ask that you not move it forward to the voters in November.** The reasons for our concerns are outlined below.

1. Land use changes should be enacted legislatively, not at the ballot.

There is no requirement that the changes proposed in this measure be on the ballot. If enacted, the proposed initiative ordinance could not be amended by the Board of Supervisors. Instead any changes would need to go back to the voters. Given the changes proposed in this initiative would impact a sizable portion of the city, it would be better policy to enact any changes legislatively so that these changes could be modified over time to make needed adjustments. To our knowledge, no effort has yet been made to address the issues identified in this measure legislatively.

2. This measure locks in a one size fits all requirement based on zoning designation, regardless of neighborhood or circumstance.

The measure proposes a 1:1 replacement requirement for PDR or arts space demolished in M, PDR, SALI and C-G-3 districts, a .75:1 replacement requirement in UMU, MUO, MUG and MUR districts, and a .25:1 replacement requirement in all other areas where PDR is a permitted use. The ramifications of such blanket requirements have not been analyzed in their various contexts. It would be better to analyze the consequences of these changes on a neighborhood by neighborhood basis.

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3. This measure does not allow for a process of evaluating the space needs of PDR businesses over time.

The economy is in a constant process of change. The space needs of PDR businesses are certain to also change over time. By locking the proposed requirements into the a non-amendable provision of the Planning Code, this measure does not allow future policy makers to plan for the economic needs of the city.

4. For some projects, this measure creates requirements that may not be feasible to implement.

Before enacting such high replacement requirements, particularly in areas where mixed use housing is contemplated, it is important to analyze whether it is feasible to construct projects with so much PDR space on site, or whether building such large amounts of PDR within the same neighborhood is viable. We have not yet seen such an analysis from the Planning Department or elsewhere.

5. This measure makes it more difficult and in some cases impossible to provide neighborhood serving commercial uses in areas where this would make more sense than PDR uses.

By requiring so much replacement PDR, other desirable uses within mixed use developments (such as ground floor commercial) may be rendered infeasible. Additionally, this measure may have a detrimental impact on Neighborhood Commercial districts where marginal PDR uses may be currently located. In these locations PDR would be required to be replaced regardless of whether it is the best neighborhood serving use.

6. Projects in the pipeline should be protected.

The measure impacts many projects that have been in the pipeline for some time and would likely not move forward if adopted. The grandfather date of June 14, 2016 for Planning Commission approval unfairly penalizes projects in the pipeline that are complying with the existing process, but have not yet been heard by the Planning Commission. These projects should be allowed to move forward under the PDR rules in place when planning applications were submitted, particularly because this measure would likely require site redesign. An appropriate grandfather date would be submittal of an EE application by June 14, 2016.

Rather than place this ordinance on the ballot, we request that the sponsors work with the Planning Department, PDR business representatives, developers and a variety of different community groups that represent areas which include M, PDR, SALI, C-G-3, UMU, MUO, MUG, MUR and other impacted zoning designations to craft legislation that addresses the retention of PDR businesses and the creation of new PDR spaces. That legislation could then move forward through the normal legislative process.

Should you have any questions, please do not hesitate to contact me at skarlinsky@spur.org.

Sincerely,

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Cc:
Supervisor Jane Kim
SPUR San Francisco Board of Directors