



BAYVIEW INDUSTRIAL TRIANGLE ZONING UPDATE

SAN FRANCISCO PLANNING DEPARTMENT | OCTOBER 2019



San Francisco
Planning

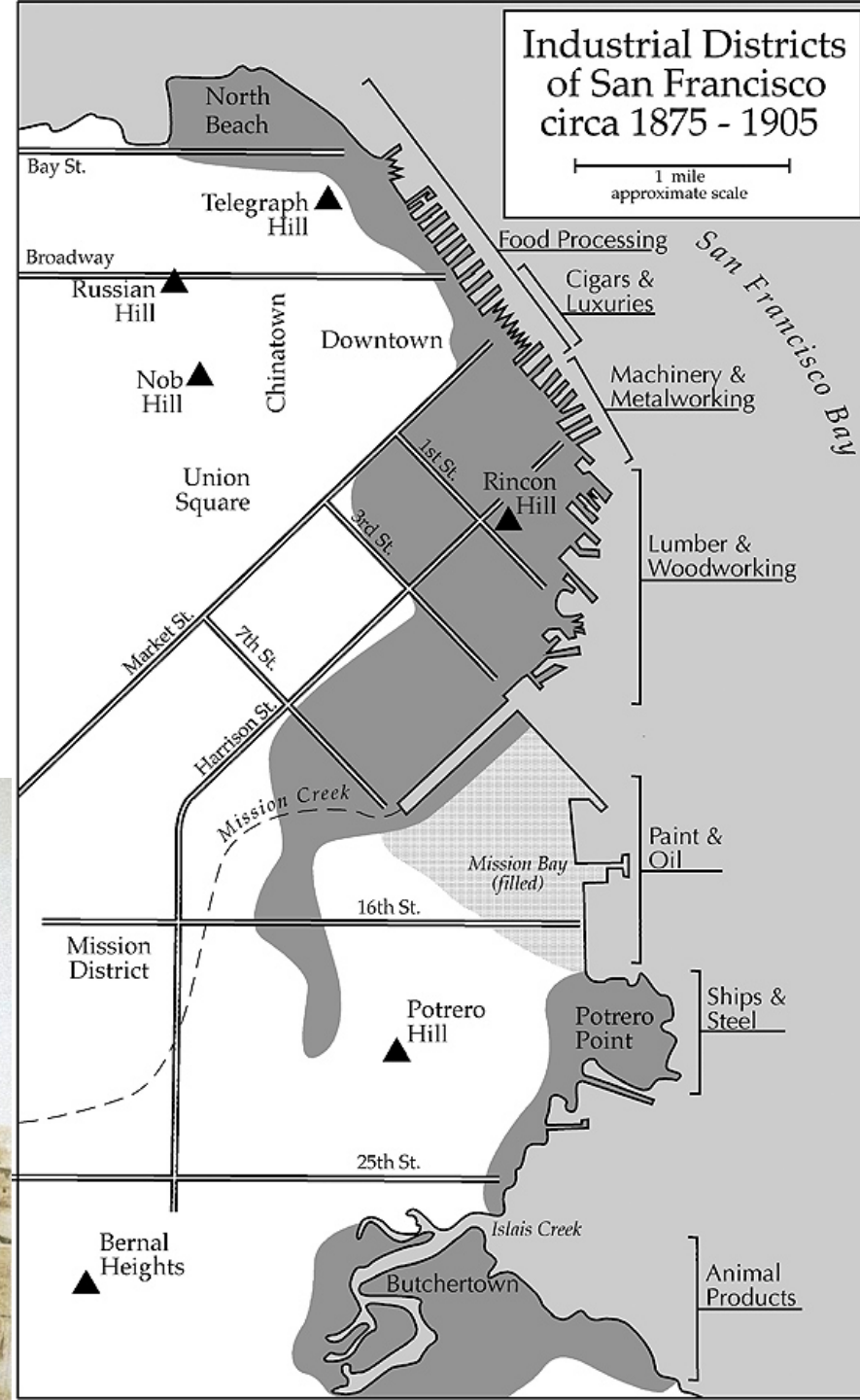
History of PDR

- Bayview grew as an industrial area in the late 1800's to mid-1900's
- Development of area sustained by industrial jobs
- Increased in residential uses later
- Housing was built to accommodate workers

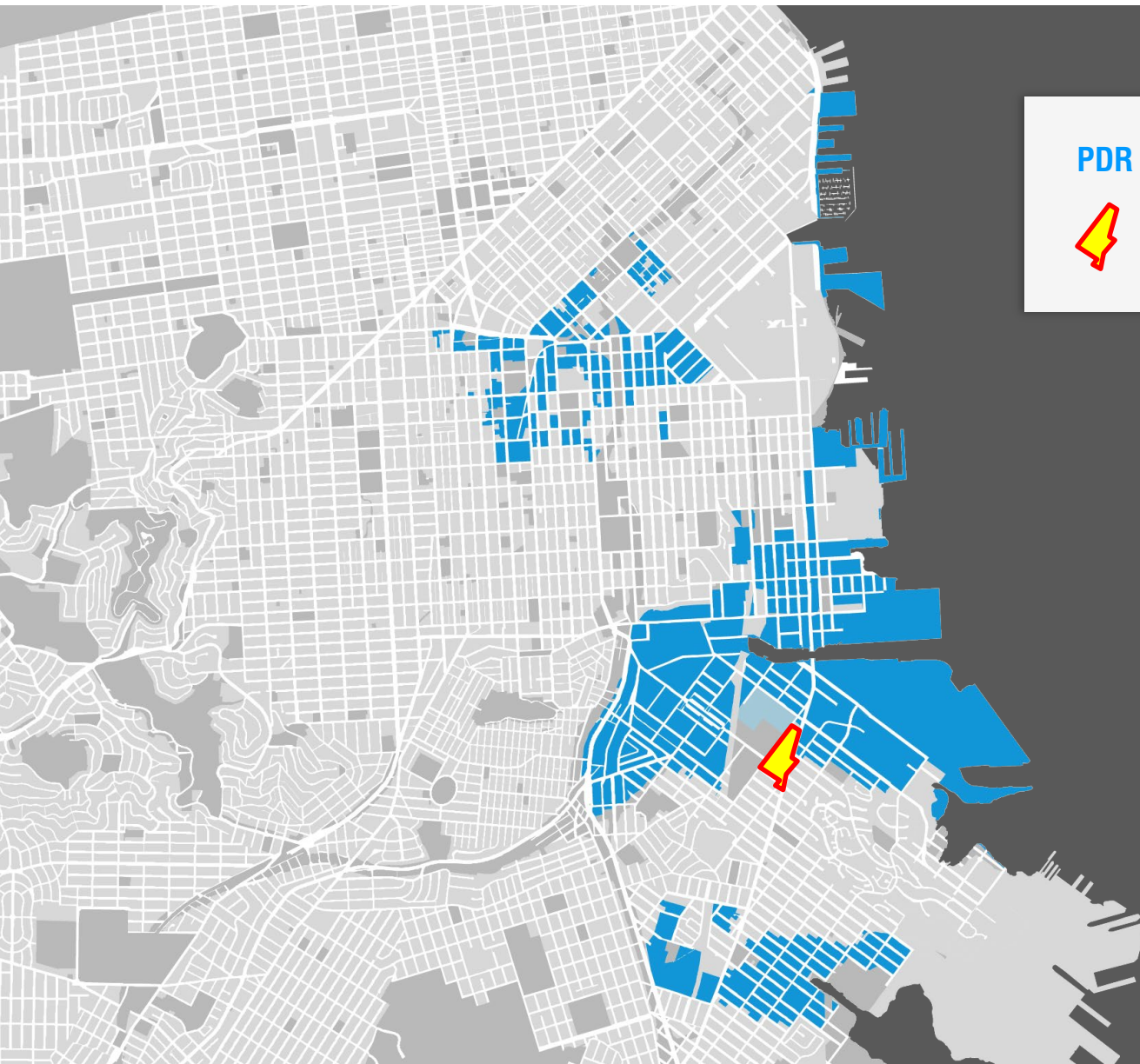


Butchertown, 1929

Source: Online Archive of California



PDR Zoning Today



PDR in San Francisco



= Bayview Industrial Triangle

What is PDR?



Production

Manufacturing
Construction
Printing & Publishing
Audio, Film, & Video
Media
Arts



Distribution

Wholesale
Transportation
Utilities
Distribution



Repair

Contractors
Auto
Repair

What are modern PDR uses?

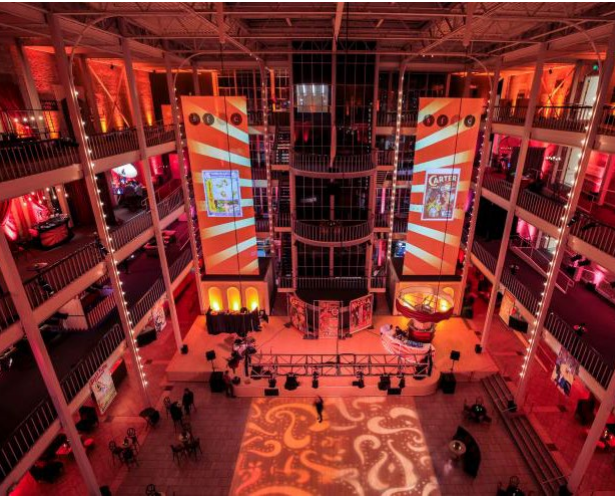


Roam Robotics
Robotic exoskeletons
and orthoses

Cosmo
Design, prototyping, and
manufacturing

Tempo
Circuit-board maker

Other uses allowed in PDR districts



SF Design Center
Trade Shop & Arts
101 Henry Adams St



Danzhaus Dance Center
Dance School
1275 Connecticut St



1275 Minnesota
Art Gallery, Retail, & Event
Space

Other uses allowed in PDR districts



Gus's Community Market
Grocery store
2111 Harrison St



Meals on Wheels
Catering for Elderly
2230 Jerrold Ave



Source: SPUR staff, Noah Christman

Veritable Vegetable
Produce Distribution
1100 Cesar Chavez

Other uses allowed in PDR districts



Craftsman and Wolves
Cafe
1598 Yosemite Ave



Seven Stills / Laughing
Monk
Distillery / Brewery
1439 Egbert Ave



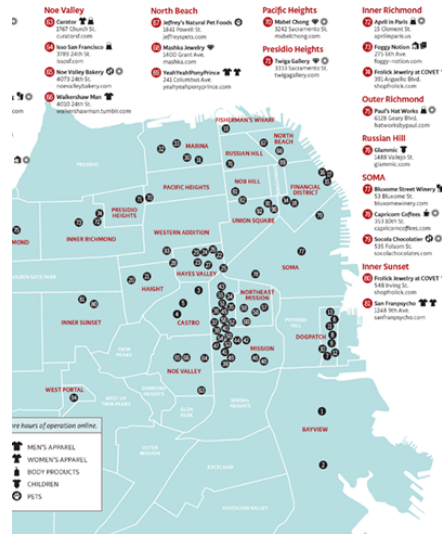
Pump It Up
General Entertainment
201 Mendell St

Why should we retain PDR?

Demand for Manufacturing Space



15
manufacturers
placed in over 75,000
square feet in 2019



30
production
manufacturers
currently looking for
space



5+
calls per month from
small and large
production
manufacturers looks
for space



High demand for
well-priced
($< \$2/\text{SF}$), flexible,
and smaller ($< 5,000$
SF) PDR spaces in
multi-tenant
buildings

Why should we retain PDR?

	2008	2017
PDR Businesses	4,812	4,878
Employees in PDR Businesses	84,710	98,000
Employees in PDR Businesses (Bayview)		12,400



Why should we retain PDR?

Good pay relative to education

70%

of PDR employees are from low- to moderate-income households

Jobs for people without 4-year degrees

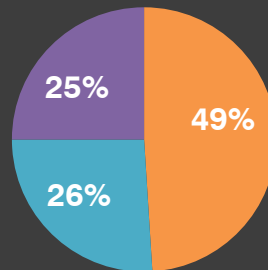


PDR



Office

2012-2016 Educational Attainment in Bayview



- High School or Less
- Some College/Associated Degree
- College and/or Professional Degree

Average annual wages by sector (2017)

Office

\$163,000

PDR

\$114,000

Retail

\$40,000

PDR Businesses: Recology Recycling Plant

WORKFORCE

- Of 210 employees, over **90%** of entry level positions hired from the Bayview 94124 zip code
- Tend to advance and hire from within
- Everyone participates in employee stock ownership program
- Positions: mechanics, equipment operators, forklift drivers, maintenance, weigh masters, sorters (most entry level position)
- Salaries
 - **\$58k** for entry level sorters
 - **\$85k-95k** for maintenance and weighmaster



What do PDR businesses need?

- Specific industrial space requirements:
 - Separation from residents
 - Loading
 - Affordable rent



Unintended Consequences: Office and Housing out-compete PDR

AVERAGE LEASE RATES

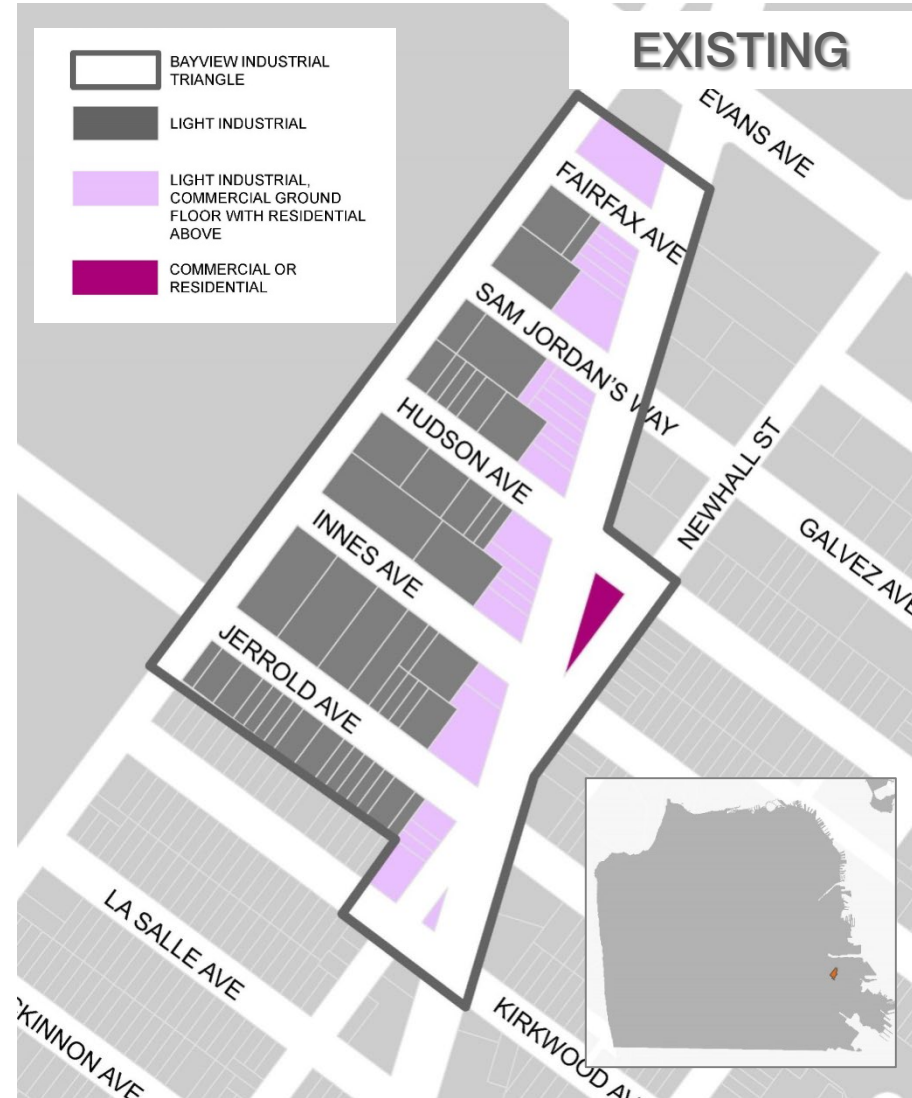
SPACE USE	PER SF / YEAR
Office	\$80 to \$100
PDR	\$12 to \$20+
Housing	\$59

Sources: Zillow, Loopnet, RENTCafe

Speculation and rising rents...

Bayview Industrial Triangle (BIT): Zoning Context

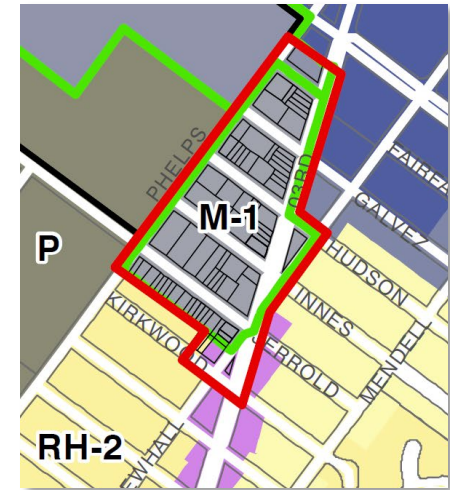
- Goals of BIT Redevelopment Plan (1980-2020):
 - Preserve & expand industrial and commercial development
 - Create buffer between industrial areas and residential/commercial uses on 3rd Street
 - Relocate residential structures from industrial areas to nearby residential areas, allowing for new industrial development
 - Address blight & support economic development



Bayview Industrial Triangle (BIT) Zoning Update:

Why Update the Zoning and Why Now?

- Redevelopment Plan expires on June 30, 2020
- Zoning will revert to an outdated district
- **Potential Impacts:**
 - Increased rents
 - Property speculation
 - PDR businesses competing against market rate office and housing leading to business displacement
 - Change of uses without notification
- **Zoning Update goal:**
 - Stabilize community and businesses in the BIT
 - Growth of PDR off Third Street
 - Encourage Housing and Retail on Third Street



Bayview Industrial Triangle (BIT) Zoning Update: Outreach and Engagement to Date

- Bayview CAC (June, July, September 2019)
- Southeast Community Facility Commission (June 2019)
- Hunters Point Shipyard CAC (August 2019)
- Bayview Industrial Triangle Businesses Focus Group (August 2019)
- Bayview Merchants Association (August 2019)
- Community meeting with BIT property and business owners (August 2019)
- Friday office hours in the BIT (September 20th and 27th, 2019)



Bayview Industrial Triangle (BIT) Zoning Update:

What We've Heard



PDR

- Support to retain PDR businesses off Third Street
- Desire for flexible PDR uses in the BIT
- Concern about viability and longevity of PDR businesses and demand for PDR space



HOUSING

- Support for residential on Third Street
- Support to both restrict and allow residential uses in industrial areas



OFFICE

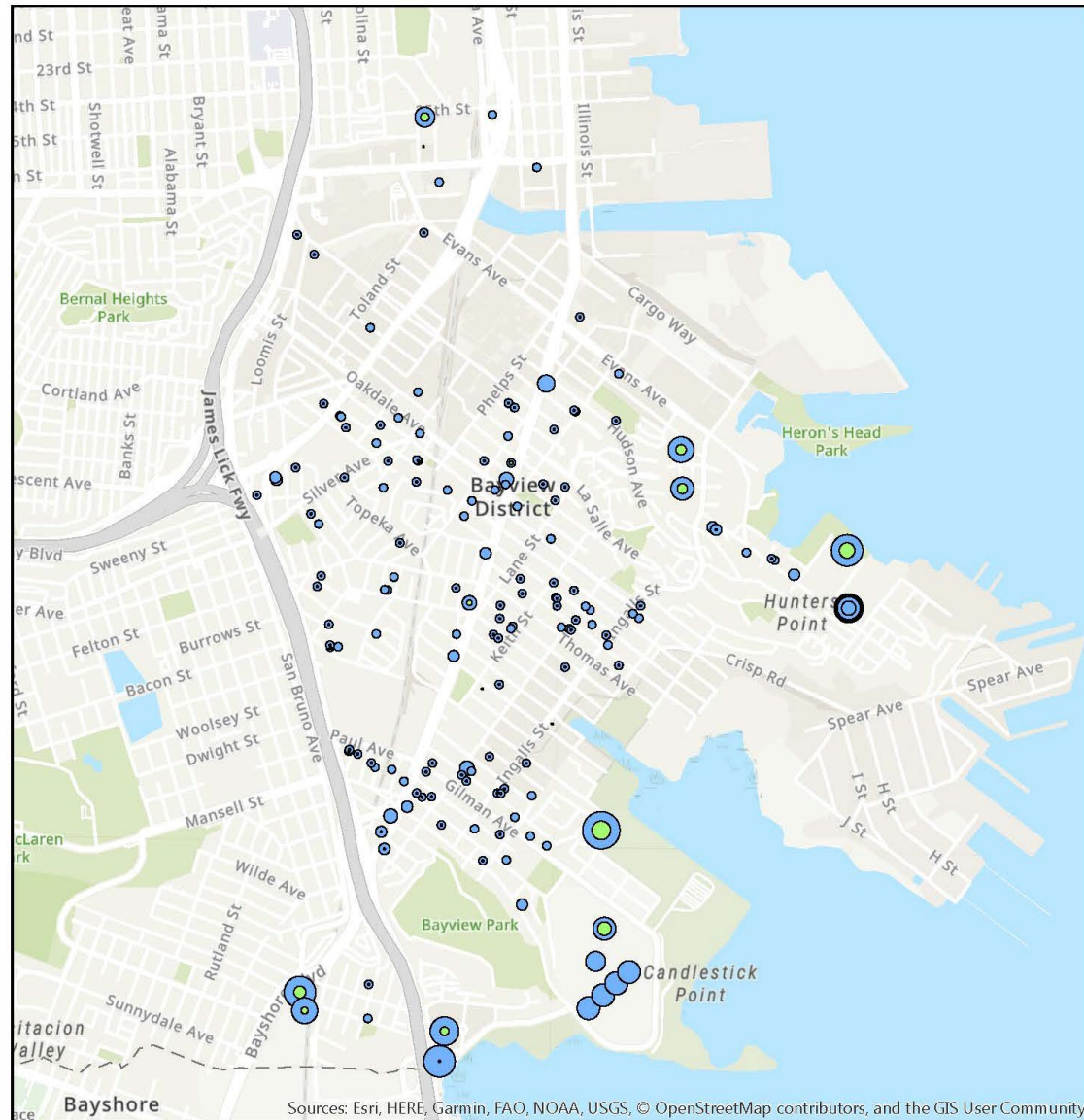
- Support for office type uses in the industrial areas of the BIT

OVERALL COMMENTS

- Take a comprehensive look at Bayview (not just BIT)
- The BIT needs activation to address homeless and RV problem
- The BIT is the gateway to the Bayview

What We've Heard: Need for Housing

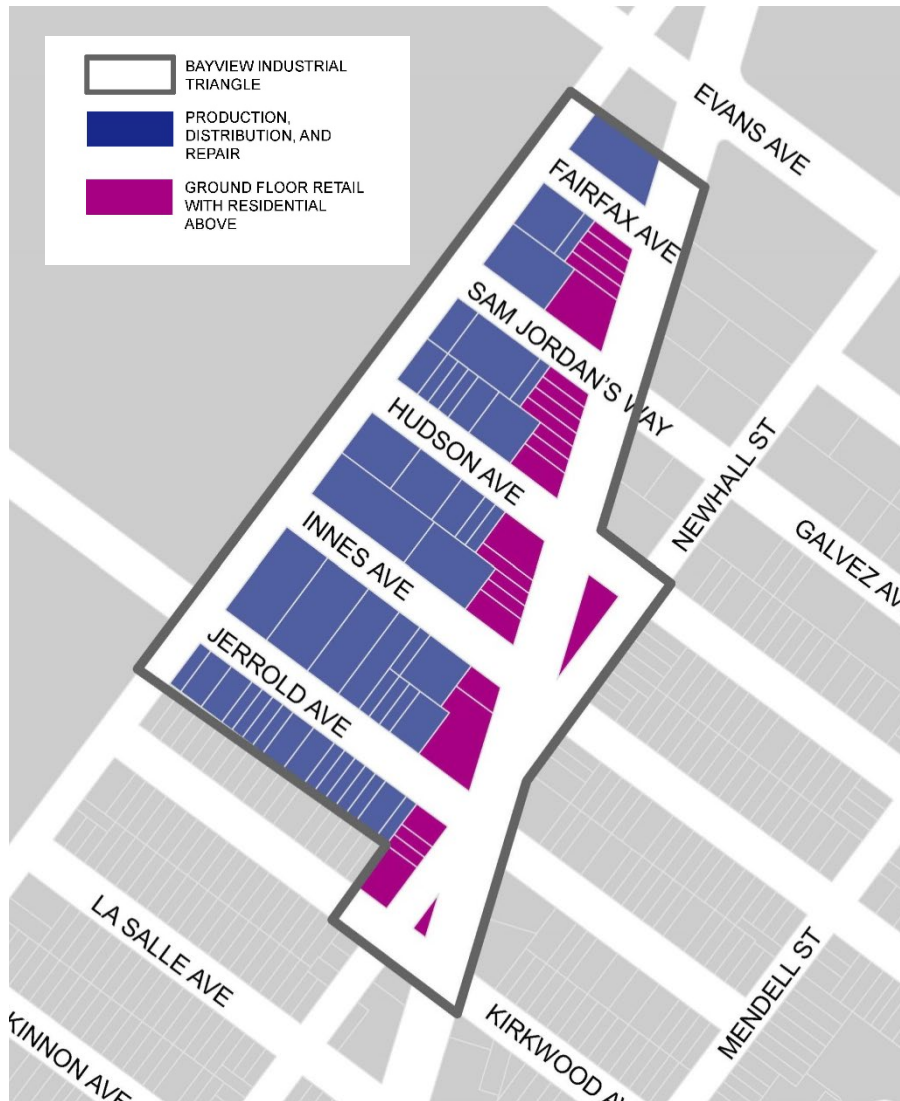
Housing pipeline
17,429 units



Changes we've made in response to feedback

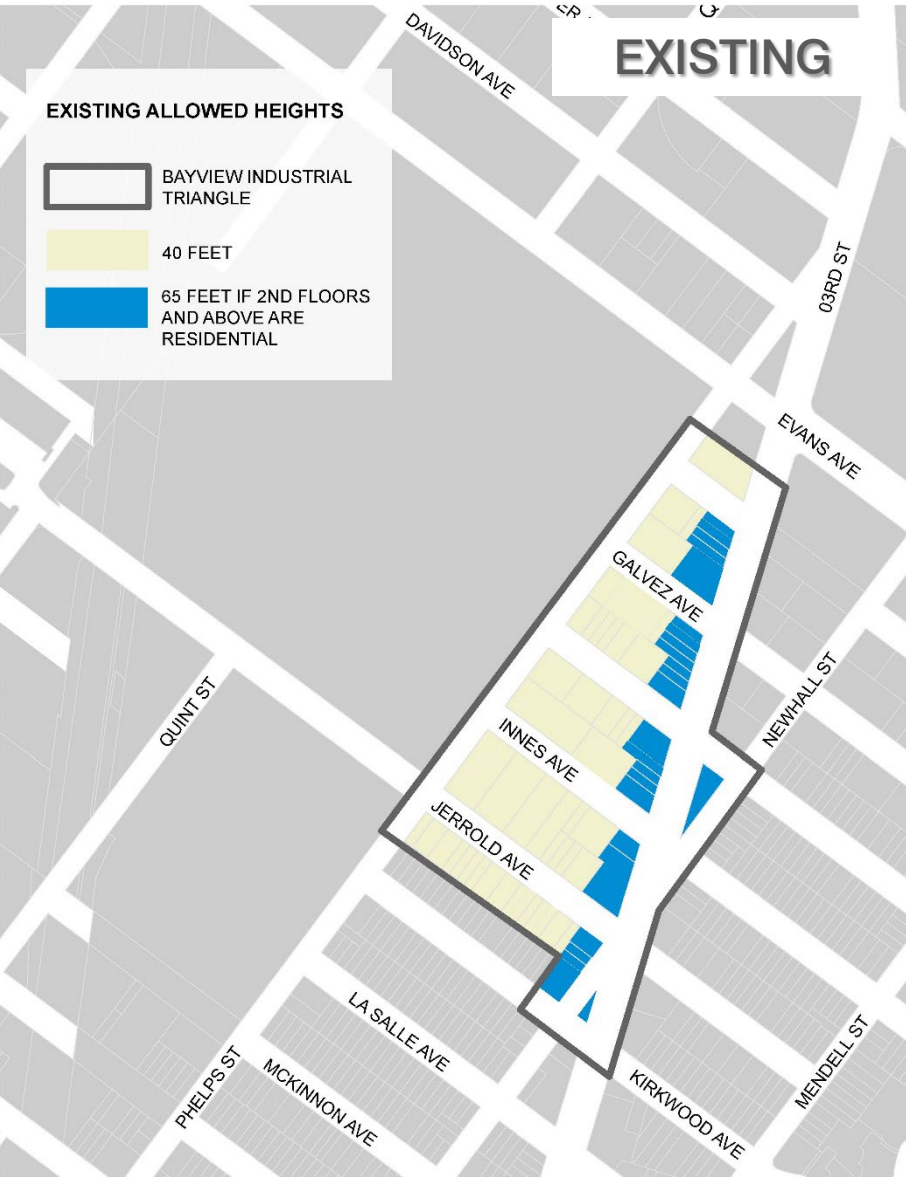
- Removed PDR buffer zone to allow for more flexibility
- Adjusted from NC-3 to NCT on Third Street to allow for greater density of housing
- Considering a cannabis overlay to restrict cannabis retail and growth in the BIT

Bayview Industrial Triangle (BIT): Proposed Zoning



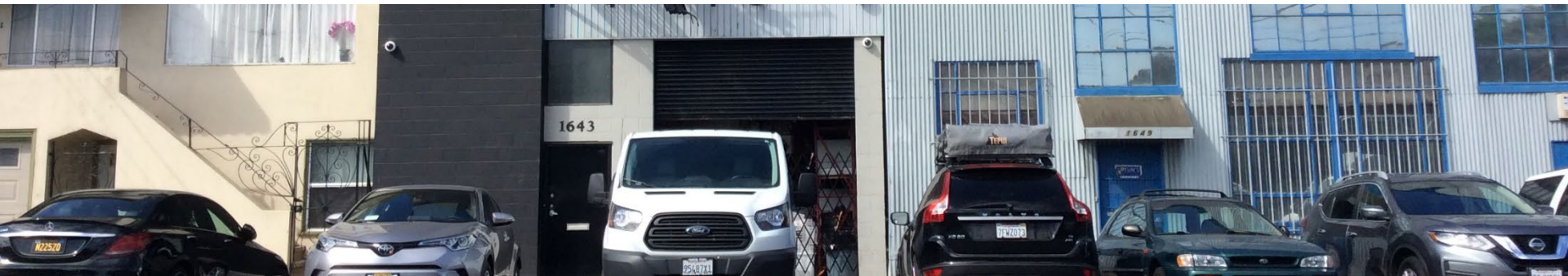
- Stabilize community and businesses in the BIT
- Growth of PDR off Third Street
- Encourage Housing and Retail on Third Street

Bayview Industrial Triangle (BIT) Zoning Update: Existing and Proposed Heights



Bayview Industrial Triangle (BIT) Zoning Update: Next Steps

- Fall 2019 – Environmental review
- Fall/Winter 2019/2020 – Legislation initiation and adoption
- Spring 2020 – Scope Bayview-wide planning process and holistic zoning analysis



THANK YOU!

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