

**PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT****STAFF REPORT**

DATE: OCTOBER 25, 2023

TO: PLANNING COMMISSION

FROM: JENNIFER PAIGE, AICP, DIRECTOR OF PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT

SUBJECT: ZONING CODE AMENDMENTS TO MODIFY REGULATIONS PERTAINING TO RESEARCH AND DEVELOPMENT (R&D) LAND USES

RECOMMENDATION:

It is recommended that the Planning Commission:

1. **Recommend** that the City Council find that the proposed amendments are exempt from environmental review pursuant to the guidelines of the State California Environmental Quality Act, Section 15305 (Class 5 – Minor Alterations in Land Use Limitations);
2. **Recommend** that the City Council adopt the Findings for the Zoning Code Amendments in Attachment A; and
3. **Recommend** that the City Council approve the Zoning Code Amendments as outlined in this report.

BACKGROUND:

Pasadena has become a hub for the life science industry in the Los Angeles region. The City recognizes the value of supporting Pasadena's cluster of life science facilities and has adopted policies to attract and retain emerging industries in Pasadena. The life science industry comprises companies working in the scientific research and development of products that improve the lives of organisms. Over the last several months, staff has worked closely with the City Council's Economic Development and Technology Committee (ED Tech), Planning Commission, Economic Development Department staff and industry stakeholders to develop recommendations to further facilitate life science uses, classified as Research and Development (R&D) in the Zoning Code.

Economic Development and Technology Committee

Staff met with ED Tech at two public meetings to discuss the life science industry in Pasadena. On February 21, 2023, ED Tech directed staff to work with stakeholders to identify incentives the City could implement to attract and retain life science facilities in Pasadena. Staff returned on July 18, 2023 to present potential ideas for Zoning Code amendments that were based on

feedback from industry professionals. These included targeted changes such as increased allowances for roof-top mechanical equipment, exempting certain areas from floor area ratio requirements, reduced open space requirements, updating definitions for R&D land uses, and including the use in adaptive reuse policies. ED Tech was supportive of bringing forward potential Zoning Code amendments to the Planning Commission.

August 9, 2023 – Planning Commission Study Session

Staff provided an overview of existing definitions and regulations pertaining to the R&D land use, as well as potential code amendments to attract and retain the life sciences industry in Pasadena. Staff received comments from commissioners and the public. Commissioner comments included the following:

- Discussion on simplifying the R&D land use definition to be more reflective of the current industry;
- Discussion on allowing R&D as a use on the ground floor where it is currently prohibited;
- Discussion on reducing R&D open space requirements and whether those changes would be different for an individual building vs. a campus setting; and
- Support for expanding the R&D land use to the Public and Semi-Public (PS) zone with a Conditional Use Permit (CUP).

Public comments included the following:

- Comments regarding current industry needs such as increased height to accommodate higher floor-to-floor height and roof mounted mechanical equipment;
- Comments regarding the current concentration of the life science industry in Pasadena and high-paying jobs in the industry; and
- Support for expanding the R&D land use to the PS zone.

Stakeholder Outreach

Staff met with life science industry professionals to discuss existing regulations, barriers to operating existing life science facilities, establishing new facilities, and obtaining feedback on potential amendments. Comments included the following:

- Support for a broader definition of R&D to capture all life science industries;
- Feedback that life science uses have much fewer employees per square foot than typical office or commercial uses;
- Concern over having publicly accessible open space due to intellectual property requirements;
- Support for expanding zones where life science uses would be allowed by-right;
- The need for additional rooftop coverage for appurtenances and additional building height due to increased mechanical loads; and
- Support for flexibility in parking requirements.

ANALYSIS:

Based on the feedback from ED Tech, the Planning Commission and stakeholders, staff recommends the following for the Planning Commission's consideration. These recommendations are summarized in Attachment D.

1. **Research and Development (R&D) Land Use.** Simplify the definition of the use to remove the distinction between office and non-office.

The Zoning Code currently categorizes life science uses under the *Research and Development (Non-office)* and *Research and Development (Office)* land use definitions. The *Research and Development (Non-office)* land use refers to a facility where 50 percent or more of the floor area is dedicated laboratory space whereas the *Research and Development (Office)* land use refers to a facility where more than 50 percent of the floor area is dedicated to office space. The *Research and Development (Non-office)* land use is allowed with Conditional Use Permit (CUP) in non-residential and mixed-use zones, allowed by-right in non-residential and mixed-use zones. The *Research and Development (Office)* land use is allowed by-right in non-residential and mixed-use zones (Attachment C).

Life science facilities consists of several functions, including laboratories, computer research and office functions. Meeting the 50 percent office or 50 percent laboratory requirements to qualify for a specific land use can be burdensome and can limit where R&D facilities can locate in the City. Consolidating the definition of *Research and Development (Office)* and *Research and Development (Non-office)* into one *Research and Development* classification better reflects current operation of the life science facilities.

- *Recommended Action:*
Staff recommends consolidating the land use into one classification *Research and Development*, which would be allowed by-right in non-residential and mixed-use zones; and with a Conditional Use Permit in the PS zone. There would be no distinction between office and non-office.

2. **Conditional Use Permit (CUP) Requirements for New Construction.** Exempt R&D facilities from the CUP requirement for new construction greater than 25,000 square feet.

For certain uses, a CUP is required for new construction of a nonresidential project that exceeds 25,000 square feet of gross floor area; these are referred to as Major Construction projects. Major Construction projects over 25,000 square feet are reviewed by the Hearing Officer whereas Major Construction projects over 75,000 square feet are reviewed by the Planning Commission. The CUP requirement based solely on the size of the building has been identified as a regulatory barrier adding additional time and uncertainty to the development process.

- *Recommended Action:*
Staff recommends the removal of the CUP requirement based on the size of the building for the R&D land use. R&D projects would still be subject to Design Review and will still be required to adhere to all adopted development standards for the use.

3. **Parking Flexibility.** Provide flexibility in the parking requirement for R&D land uses.

The parking ratio for a *Research and Development (Non-office)* land use is two parking spaces per every 1,000 square feet of gross floor area, whereas the parking ratio for *Research and Development (Office)* land use is three parking spaces per every 1,000 square feet of gross floor area.

Additionally, in the newly adopted Specific Plan areas, new parking is not required for projects within designated historic resources, or for the first 5,000 square feet of gross floor area for certain land use, and for buildings constructed before 1970. There are further Transit Oriented Development (TOD) parking reductions for buildings within a half-mile of all Metro A Line Stations.

- *Recommended Action:*
Staff recommends establishing a parking range of two to three parking spaces per 1,000 square feet of gross floor area for R&D. Based on feedback from the life science industry a range provides the flexibility they need to park a project for a specific user and the existing ratios were not overburdensome.

4. **Building Height.** Allow additional building height.

The building height requirement is currently regulated by the base zoning district. New construction may exceed the maximum building height by ten feet, subject to the approval of a Minor Conditional Use Permit (MCUP).

However, R&D uses often require additional space in between floors to accommodate increased mechanical equipment. For R&D uses, ground floors typically have a height of 18 to 20 feet, while upper floors typically have a height of 16 feet, whereas typical commercial ground floor heights range from 12 to 15 feet. The Specific Plans set a minimum ground floor height of 15 feet to encourage ground floor pedestrian-oriented uses.

While the current Zoning Code allows R&D uses to exceed the base zone height by ten feet with an MCUP, this requirement can be a regulatory barrier to development.

- *Recommended Action:*
Staff recommends allowing an additional 12 feet by-right to accommodate additional mechanical equipment between floors that is required for the use. Twelve feet is consistent with the additional height provided by-right to housing projects through the City's local concession menu. Any additional height requested would require the applicant to apply for an MCUP.

5. **Appurtenance Rooftop Coverage.** Increase the area and height of screened roof mounted mechanical equipment.

The Zoning Code currently allows roof mounted equipment to cover up to 25 percent of the roofed area. Equipment may exceed the maximum building height by 15 feet. The Zoning code also allows R&D uses to exceed this coverage requirement, up to 50 percent of the rooftop area subject to the approval of an MCUP.

R&D uses often require increased mechanical equipment, which can be difficult to place within buildings. Increasing the allowable area and height of roof mounted equipment is necessary to meet operational needs. In some cases, ventilation and other building code requirements result in additional equipment and exhaust vent heights. While the current Zoning Code allows appurtenances of R&D uses to exceed building height by 15 feet up to 50 percent coverage with an MCUP, this requirement can be a regulatory barrier to development.

- *Recommended Action:*
Staff recommends increasing the coverage to 75 percent and appurtenance height to 18 feet to increase the amount of rooftop area that can be occupied by mechanical equipment necessary for the use. Any additional coverage or appurtenance height may be requested with an MCUP.

6. **Floor Area Ratio (FAR) Requirements.** Exempt certain areas from the FAR requirements.

Floor area is the total enclosed area of all floors of a building measured to the inside face of the exterior walls including halls, stairways, elevator shafts at each floor level, service and mechanical equipment rooms and basement or attic areas having a height of more than seven feet, but excluding area used exclusively for vehicle parking or loading.

Due to the particular needs of R&D uses, more floor area is often dedicated to mechanical equipment than a typical office or commercial use. As a result, it can be difficult for R&D uses to meet floor FAR requirements.

- *Recommended Action:*
Staff recommends exempting mechanical spaces from FAR requirements.

7. **Open Space.** Reduce the open space requirement.

Recently adopted Specific Plans have included Common Open Space (for onsite users) and Publicly Accessible Open Space (for the general public) requirements for new non-residential projects. The Common Open Space requirement for projects with over 40,000 square feet of building area is five percent of the gross floor area. The Publicly Accessible Open Space requirement for projects over 60,000 sf (or 80,000 sf, varies by Specific Plan) ranges from two to five percent of gross floor area, scaling up based on the size of the project.

In the East Colorado Specific Plan, R&D facilities with more than 40,000 square feet of non-residential floor area may reduce the Common Open Space area requirement by a maximum of 50 percent, subject to the review and approval of the Design Commission through the Design Review process. Projects with more than 80,000 square feet of gross floor area may reduce the Publicly Accessible Open Space area requirement by a maximum of 50 percent, subject to the same process.

R&D uses are more specialized than other non-residential uses which can make meeting the open space requirements challenging. Specially, most R&D uses contain laboratories which are designed differently than a traditional office space, with a very specific workflow as opposed to office space with more open floor plans. This translates to fewer workers per square feet compared to office spaces and reduces the need for open space to serve tenants. In addition to a lower occupant level, there are typically less visitors to R&D buildings and they are not designed for larger public spaces.

- *Recommended Action:*
Staff recommends allowing new construction R&D facilities to reduce the required open space requirements up to 60 percent by right, and to exclude mechanical spaces from the floor area calculation in relation to open space

requirements. The Design Commission would still review the location and type of open spaces through the Design Review process.

8. Frontage (Ground Floor) and Transparency Requirements. Allow R&D uses on the ground floor in expanded areas.

In the East Colorado Specific Plan, R&D uses in the EC-MU-C zone are not permitted on the ground floor within 35 feet of the sidewalk line along portions of Colorado Boulevard and Allen Avenue; however, the use is allowed on the ground floor in other areas of the Specific Plan.

In the South Fair Oaks Specific Plan, *Research and Development (non-office)* uses in the SFO-MU-C Zone and *Research and Development (office)* in the SFO-MU-T zone are not permitted on the ground floor within 35 feet of the sidewalk line in areas surrounding the Fillmore A-Line Station; however, the use is allowed on the ground floor in other areas of the Specific Plan.

In the Central District Specific Plan (CDSP), R&D uses in the CD-MU-C zone are not permitted on the ground floor within 35 feet of the sidewalk line, which includes Old Pasadena and the Playhouse area and in the CD-CL zone, which includes South Lake Avenue.

While it makes sense to eliminate the ground floor prohibition in the other areas noted above, Colorado Boulevard (within the Old Pasadena and Playhouse area) and South Lake Avenue are well established regional shopping districts with pedestrian-oriented streets. Therefore, staff recommends that ground floor use requirements are retained in these areas.

During the Study Session, Planning Commission also recommended that staff review transparency requirements and consider allowing R&D uses on the ground floor where the use is currently prohibited. The Planning Commission cited concerns that if R&D land uses were allowed on the ground floor that they may not be inclined to provide for transparency into the building. However, the transparency requirements in the Specific Plans would achieve this desired outcome. The plans require street-facing facades to incorporate glass providing views into work, display, sales, lobby, or similar active areas. The use of color-tinted, mirrored, or highly reflective glass is prohibited. There are also requirements that limit windowless expanses of walls to 20 feet in length.

- *Recommended Action:*
Staff recommends removing the ground floor prohibition for R&D uses in all areas of the East Colorado and South Fair Oaks Specific Plans where the use is permitted and clarifying that the use prohibition would remain in the Central District Specific Plan (specifically in Old Pasadena, the Playhouse area along Colorado Boulevard and along South Lake Avenue). Attachment E provides a map of these areas. No changes are needed to the transparency requirements.

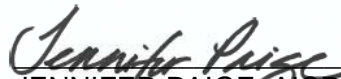
ENVIRONMENTAL DETERMINATION:

The Zoning Code Amendments have been assessed in accordance with the criteria contained in the CEQA Guidelines and qualify for Categorical Exemption pursuant to Section 15305 (Class 5 – Minor Alterations in Land Use Limitations), and there are no features that distinguish this project from others in the exempt class; therefore, there are no unusual circumstances. Section 15305 exempts projects that consist of minor alterations in land use limitations in areas with an average slope of less than 20 percent, which do not result in any changes in land use or density. The properties affected by these Zoning Code Amendments have an average slope of less than 20 percent. Furthermore, the Zoning Code Amendments would not introduce a new use that is not currently allowed. They would instead change the permitting process for a use that is currently conditionally permitted, making it a permitted use, and thus eliminating the requirement for a CUP in certain zones. Therefore, staff recommends that the Planning Commission find that the proposed Zoning Code Amendments are exempt from further review under the provisions of CEQA.

CONCLUSION:

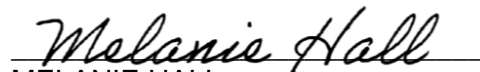
Staff has worked closely with a number of stakeholders to understand the unique aspects of R&D uses and the resulting challenges with existing development regulations. After consultation with these stakeholders and additional feedback from Ed-Tech and the Planning Commission staff is recommending key changes that will remove regulatory barriers. Staff recommends that the Planning Commission recommend that the City Council make the required findings and adopt the Zoning Code Amendments.

Respectfully Submitted,



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Attachments:

- Attachment A: Findings for Zoning Code Amendments
- Attachment B: August 9, 2023 Planning Commission Study Session Memo (including attachment)
- Attachment C: Research and Development Land Uses - Existing and Proposed Zoning Districts
- Attachment D: Existing and Proposed Zoning Code Changes
- Attachment E: Proposed Ground Floor Frontage Requirements in the CDSP