

Agenda Report

December 4, 2023

TO: Honorable Mayor and City Council
FROM: Planning & Community Development Department
SUBJECT: ZONING CODE AMENDMENT: TO AMEND THE CITY'S EXISTING REGULATIONS PERTAINING TO RESEARCH AND DEVELOPMENT (R&D) LAND USES (INCLUDING LIFE SCIENCES)

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed amendments are exempt from environmental review pursuant to the guidelines of the State California Environmental Quality Act (CEQA), Section 15305 (Class 5 – Minor Alterations in Land Use Limitations);
2. Adopt the Findings for Approval for the Zoning Code Text Amendment (Attachment A); and
3. Direct the City Attorney to prepare an ordinance for the Zoning Code Amendment within 60 days consistent with the provisions set forth in the agenda report.

PLANNING COMMISSION RECOMMENDATION:

On October 25, 2023, the Planning Commission considered the proposed Zoning Code Amendment at a publicly noticed hearing and recommended that the City Council approve the environmental determination and Zoning Code Amendment as presented by staff (Attachment B), with the following:

1. *Clarify that the Research and Development (R&D) definition should not include the distribution of products and further clarify examples of the types of activities involved in the use, and*
2. *Expand the use beyond “scientific” research and development to include other forms of research.*

BACKGROUND:

Pasadena has become a hub for the R&D industry in the Los Angeles region. The City recognizes the value of supporting Pasadena's R&D uses, in particular the cluster of life science facilities, and has adopted policies to attract and retain emerging industries in Pasadena. Over the last several months, staff has worked closely with the City Council's Economic Development and Technology Committee (EDTech), Planning Commission, Economic Development Department staff and industry stakeholders to develop recommendations to further facilitate R&D and in particular life science uses in the City.

Economic Development and Technology Committee

On February 21, 2023, EDTech 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. EDTech was supportive of bringing forward potential Zoning Code amendments to the Planning Commission.

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. Feedback was incorporated into the proposed amendments.

Planning Commission

On August 9, 2023, the Planning Commission held a study session for potential Zoning Code amendments. Staff provided an overview of existing definitions and regulations pertaining to the R&D land use, as well as potential code amendments. The Planning Commission was supportive of efforts to attract and retain the R&D and life science industry and building upon the educational, medical and scientific institutions that exist within Pasadena. At the conclusion of the meeting, the Commission recommended that the City Council approve the Zoning Code Amendment as presented by staff, with the two added recommendations related to the definition of the use to clarify what types of activities are permitted and not permitted related to R&D and that research happens in many forms.

ANALYSIS:

Below is a summary of staff's recommended code amendments and the inclusion of the two Planning Commission recommendations. A comprehensive list of the existing and proposed Zoning Code changes is included as Attachment C.

Research and Development (R&D) land Use

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, and in some instances is 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.

The proposed amendment would consolidate the land uses into one classification, *Research and Development*, eliminating the distinction between office and non-office and clarify per the Planning Commission that the use should not include the distribution of products, and that fabrication and manufacturing is permitted for research and development purposes only. Further, that the R&D activity goes beyond just scientific research:

Research and Development - Facilities that are used for research and development. This use can include the design, development, assembling, prototyping and testing of, but is not limited to, biological, chemical, electrical, magnetic, mechanical, and/or optical components or processes in advance of product manufacturing. This use may include fabrication and manufacturing for research and development purposes. This use does not involve the fabrication, manufacturing, or processing of products for mass distribution.

The R&D land use would be allowed by-right in non-residential and mixed-use zones; and additionally allowed in the PS zone with a CUP. A map of the City's different zoning districts is included as Attachment D.

CUP Requirements for New Construction

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. Additionally, a Minor Conditional Use Permit (MCUP) is required for any proposed commercial and industrial project within a ¼-mile radius of a Metro A Line Station that exceeds 15,000 square feet of gross floor area. The CUP requirements, based solely on the size of the building, have been identified as a regulatory barrier adding additional time and uncertainty to the development process.

The proposed amendment would remove the CUP/MCUP requirements based on the size of the building for the R&D land use. R&D projects would still be subject to Design Review and required to adhere to all adopted development standards for the use.

Parking Flexibility

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 a Research and Development (Office) land use is three parking spaces per every 1,000 square feet of gross floor area; these are minimum parking requirements.

Under the current regulations, a non-residential project, including R&D, can provide additional spaces, beyond the required parking minimum, up to a maximum of 50 percent by right (e.g. if the minimum parking ratio is 2 per 1,000 square feet the project could increase the number of spaces up to 3 per 1,000 square feet). Additional spaces above the 50 percent increase would require a Variance. When a project is located within a ¼-mile radius of a Metro A Line Station, the minimum parking requirement may not be exceeded.

In discussions with industry professionals they expressed the desire to have the flexibility to park their projects at a ratio of 2 to 3 spaces per 1,000 square feet of gross floor area. In some instances 2 per 1,000 square feet is sufficient but in other cases a specific user may need more parking.

The proposed amendment would establish a minimum parking requirement of 2 parking spaces per 1,000 square feet of gross floor area for R&D. Additional spaces beyond the required parking minimum, up to a maximum of 50 percent would continue to be applicable, by right which would achieve the 3 per 1,000 if needed. R&D uses would continue to be subject to the TOD requirements which do not allow an increase beyond the minimum (except for the Sierra Madre Villa Station).

Building Height

The building height requirement is currently regulated by the base zoning district. The Zoning Code currently allows R&D uses to exceed the maximum building height by ten feet, subject to the approval of a MCUP. However, R&D uses often require additional space in between floors to accommodate specialized mechanical equipment.

The proposed amendment would allow an additional two feet to allow up to 12 feet over the base zoning district height by-right to accommodate mechanical equipment between floors that is required for the use. Any additional height beyond the 12 feet would require the applicant to apply for an MCUP.

Appurtenance Rooftop Coverage

The Zoning Code currently allows roof mounted equipment (appurtenances) exceeding the maximum building height by up to 15 feet to cover up to 25 percent of the roofed area. The Zoning Code also allows R&D uses to increase 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. Increasing the allowable area and height of roof mounted equipment is necessary to meet operational needs for the use. In some cases, ventilation and other building code requirements result in additional equipment and exhaust vent heights.

The proposed amendment would increase appurtenance height to 18 feet and the rooftop coverage area to 75 percent, by-right. Any additional coverage or appurtenance height would require the applicant to apply for an MCUP.

Floor Area Ratio (FAR) Requirements

The Zoning Code defines floor area as 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 FAR requirements. The proposed amendment would exempt mechanical spaces, such as mechanical equipment rooms, from FAR requirements for R&D uses.

Open Space

Open space is not required for non-residential projects outside of specific plan areas. The recently adopted specific plans include Common Open Space (for onsite users) and Publicly Accessible Open Space (for the general public) requirements for new non-residential projects. The requirements depend on the size of the building and range from two-five percent of the gross floor area depending on the type of open space.

In the East Colorado Specific Plan, R&D facilities may reduce open space requirements by a maximum of 50 percent, subject to the review and approval of the Design Commission through the Design Review process.

R&D uses are more specialized in their space needs and floor plans than other non-residential uses, which can make meeting the open space requirements challenging. Specifically, 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 foot compared to office spaces and reduces the need for open space to serve tenants. In addition to a lower occupant level, there are typically fewer visitors to R&D buildings and they are not designed for larger public gathering spaces.

In specific plan areas where open space requirements have been established, the proposed amendment would allow new R&D facilities to reduce the required open space requirements up to 60 percent by right instead of 50 percent, 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.

Frontage (Ground Floor) Requirements

The newly adopted specific plans regulate frontages by land use; where certain land uses, including R&D uses, are prohibited on the ground floor within 35 feet of the

sidewalk line along certain pedestrian-oriented streets in the East Colorado, South Fair Oaks, and the Central District Specific Plans.

The proposed amendment would remove the ground floor prohibition for R&D uses in all areas of the East Colorado, South Fair Oaks, and the Central District Specific Plans, where the use is permitted, with the exception of Colorado Boulevard (within the Old Pasadena and Playhouse area) and South Lake Avenue, in the Central District Specific Plan, as these are well-established regional shopping districts with pedestrian-oriented streets (Attachment E).

ENVIRONMENTAL ANALYSIS:

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.

CONCLUSION AND RECOMMENDATION:

The proposed amendments modify regulations pertaining the Research and Development (R&D) land uses in the Zoning Code. The changes include consolidating the definition from Research and Development (Non-office) and Research and Development (Office) into R&D; permit the use by-right in non-residential and mixed-use zones, and with a CUP in the Public and Semi-Public (PS) zone; and expanding additional exceptions to the Zoning Code for R&D uses. Staff recommends the City Council make the required findings and adopt the Zoning Code Amendments.

Staff supports incorporating the two recommendations of the Planning Commission.

FISCAL IMPACT:

This action will not have a direct fiscal impact. There may be indirect benefits to the city's local economy with the continued attraction and retention of R&D uses in the City.

Respectfully submitted,



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Attachments: (5)

- Attachment A – Findings for Zoning Code Amendments;
- Attachment B – Planning Commission Hearing Staff Report (10/25/23 – without attachments);
- Attachment C – Existing and Proposed Zoning Code Changes for R&D uses;
- Attachment D – Existing and Proposed Zoning Districts for R&D uses; and
- Attachment E – Proposed Ground Floor Frontage Requirements in the Central District Specific Plan.