New Planning Code Amendment:

Section 128: Transfer of Development Rights

Case Number: Board File No. 10-1200

Initiated by: Planning Department
Sponsored by Supervisors Chiu, Maxwell

Effective Date: December 5, 2010

The Way It Is:

Properties that are eligible to sell their unused development rights are those located in C-3 Zoning Districts and typically are historic properties. Article 11, Section 1109, outlines which properties are eligible. A property that wishes to sell their Development Rights (“TDR”) are limited in where they may transfer those development rights (the “Transfer Lot”) – there are specific zoning districts that may ‘accept’ the TDR. Section 128(a)(4): Transfer Lot, outlines the locations where TDR may be received.

There are 3 steps for a property to sell TDR:

1. Subject property requests/files a Statement of Eligibility: the Department determines if the subject property is eligible and the amount of unused development rights available. This property is called the “Preservation Lot”. (J case)

2. Subject Property files for a Certificate of Transfer: the formal process to transfer TDR units to another property. This Transferee (the receiver) can be a physical lot or a TDR holder/broker. (N case)

3. Development Lot files for a Notice of Use: when TDR is going to be applied to a particular property so that they can use it, the new property – the “Development Lot“ – files a Notice of Use with the Department. (Y case)

At all stages a Notice of Special Restrictions is filed on the property.

New Requirements:

There are 2 main components of the new Section 128 Amendments:

1. If a building is an individual landmark pursuant to Article 10, then they can sell their TDR to ANY lot zoned C-3. They are not subject to the zoning district receiver sites controls in Section 128(a)(4).

2. FOR ALL TDR APPLICATIONS:
a. Before the Department can issue the Statement of Eligibility, the Preservation Lot owner must submit the following:
   i. Proof that any/all outstanding City violations are cured;
   ii. A preservation, maintenance, and rehabilitation plan;
   iii. An ongoing maintenance plan;
   iv. For work that is going to be undertaken, copies of all permits, costs incurred, etc.

b. The issuance of the Statement of Eligibility will be conditioned on the above requirements and will be filed in an NSR.

3. Within 1 year of the issuance of the Statement of Eligibility, the owner of the Preservation Lot must submit to the ZA a status report showing that all work has been (or is being) completed and the ongoing maintenance of the property.

4. Failure to comply with any of the above provisions is grounds for rescission of the Statement of Eligibility (therefore, removal of the ability to sell any TDR), liens to be placed on the property, and Section 176 enforcement.

PLEASE NOTE:

The legislation for the Section 128 TDR Amendments also contains a General Plan Map and Zoning Map amendment for Old St. Mary’s Church located at 680 California Street.

The Link to signed legislation: