Los Angeles County
Department of Regional Planning

Planning for the Challenges Ahead

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REPORT ON ZONING INCENTIVES FOR BIOSCIENCE INDUSTRIES (ITEM NO. 10, AGENDA OF APRIL 30, 2019)

BACKGROUND

On April 30, 2019 the Los Angeles County (County) Board of Supervisors (Board) instructed the Department of Regional Planning (DRP), in consultation with the Director of Public Works and County Counsel, to initiate the preparation of an ordinance amending County Code, Title 22 – Planning and Zoning, to establish a Bioscience Overlay Zone (Overlay Zone). DRP was directed to consult and hold meetings with the Director of Consumer and Business Affairs, County Counsel, external stakeholders, including labor and community based organizations, and members of impacted communities to inform them on the development of the Overlay Zone.

In addition to establishing an Overlay Zone, DRP was to report back to the Board on strategies to achieve Board directives. Further analysis on the Overlay Zone was necessary to provide a comprehensive report to the Board. A letter requesting a 30-day extension was submitted to the Board on June 27, 2019. This consolidated report includes information requested for both the 60-day and 90-day reports, including:

- Identifying appropriate areas to permit bioscience activities within all five supervisorial districts;
- Opportunities to establish appropriate maximum parking standards;

- Policies to avoid displacement of residents or businesses and provide community benefits;
- A determination of the environmental review required; and
- Recommendations to establish bioscience activities on County-owned sites within city jurisdictions, and sites located across jurisdictional boundaries.

BIOSCIENCE OVERLAY ZONE

An Overlay Zone can be implemented to create flexibility of uses and can streamline the permitting process by establishing certain bioscience activities as by-right uses and creating consistency in implementing regulations.

In Title 22, Overlay Zones are referred to as either a Combining Zone or Supplemental District. A Combining Zone establishes additional regulations at a specific site for a single specified purpose and supersede the base zoning requirements. The zone designated prior to the letters of any Combining Zone is known as the "base zone." For example, when Zone R-3 is combined with Zone ( )-P, Zone R-3 is considered the base zone and the combined zones appear on the Zoning Map as Zone R-3-P. Examples of Combining Zones are identified in TABLE 1:

TABLE 1: Combining Zones

Combining Zone	Purpose
Billboard Exclusion (-BE)	Excludes new outdoor advertising signs in designated areas.
Parking Zone (-P)	Creates supplemental off-street parking facilities in areas where additional parking is needed.
Commercial-Residential Zone (-CRS)	Creates areas in Zone C-3 for the combination of commercial and residential uses on the same property, subject to specific development standards or as approved by the Director.
Industrial Preservation (-IP)	Preserves industrial-zoned properties for current and future industrial uses, labor-intensive activities, wholesale sales of goods manufactured on-site, major centers of employment and limited employee-serving commercial uses.

A Supplemental District establishes regulations over a specific geographic area, with an emphasis intended to achieve one or more specific goal(s), such as the keeping of horses, maintaining minimum building setbacks, maintaining dark night-time skies, and preservation of historic resources. Examples of Supplemental Districts are identified in TABLE 2:

TABLE 2: Supplemental Districts

Supplemental District	Purpose
Equestrian District	Recognizes areas where the keeping of horses and other large domestic animals for residents' personal use has become or is intended to become integral to the character of the area.
Setback District	Establishes minimum building setbacks in designated yards.
Rural Outdoor Lighting District (ROLD)	Promotes and maintains dark night time skies for the health and enjoyment of individuals and wildlife in the rural areas of the County.
Historic District	Implements special development standards to promote, protect, enhance, perpetuate, and preserve property of historic importance.

APPROPRIATE PARKING STANDARDS

An Overlay Zone may contain a set of land uses that may differ from the base zone in how they are regulated (i.e. make a conditionally permitted land use by-right), or it may contain additional or modified development standards that may include, but are not limited to, parking requirements, setback distances, and height. Per the Board motion, DRP was directed to provide recommendations to establish appropriate maximum parking standards.

Title 22 establishes parking requirements based on the type of land uses to be established. Bioscience includes a wide range of activities including, but not be limited to, agricultural biotechnology, medical and testing laboratories, medical device and equipment manufacturing, and research and development. Although these bioscience activities are not listed in Title 22, comparable activities are allowed in zones identified in TABLE 3. These comparable activities can help establish the minimum parking requirements for the proposed use, although there are other tools potentially available to establish maximum parking requirements, as indicated further below.

TABLE 3: Zones that Currently Allow Bioscience Activities

Bioscience Activity	Comparable Activity	Permitted Use	Ministerial Review	Discretionary Review
Agricultural biotechnology	Crops, including field, tree, brush, berry, and row	A-1, A-2, O-S, R-A, M-1, M-1.5, M-2	R-R, C-H, C-1, C-2, C-3, C-M, C-R, C-RU, MXD-RU	R-1, R-2, R-3, R-4, M-2.5
Medical and testing laboratories	Laboratories, research and testing		C-3, C-M, M-1, M-1.5, M-2	C-R, M-2.5
	Medical laboratories		C-3, C-M, C-MJ, M-1, M-1.5, M-2	C-R, M-2.5
	Animal experimental research institutes		M-1, M-1.5, M-2	M-2.5
	Scientific research or experimental development of materials, methods or products, including engineering and laboratory research, administrative and other related activities, and facilities in conjunction therewith		M-1.5, M-2	M-2.5
Medical device and equipment manufacturing	Equipment assembly		C-M	
	Drug and pharmaceutical products		M-1, M-1.5, M-2	M-2.5
	Metal products and parts, including the fabricating, engraving, spinning, storing, plating, and finishing		M-1, M-1.5, M-2	M-2.5
	Plastic products, including molding and grinding within an interior room		M-1, M-1.5, M-2	M-2.5
	Rubber products, excluding tires		M-1, M-1.5, M-2	M-2.5
Research and development	Offices, business or professional		C-H, C-1, C-2, C-3, C-M, C-MJ, M-1, M-1.5, M-2, C-RU	C-R, M-2.5, MXD-RU

One such opportunity to reduce or establish minimum parking requirements is through a Transit Oriented District (TOD). The County is home to 11 existing TODs that may include reduced parking requirements or established parking maximums. Two of the County's TODs, Willowbrook and Harbor UCLA (West Carson), are also identified as potential bioscience hubs in the 2014 Battelle Study.

Changes to parking requirements in areas not designated as a TOD would be harder to establish, and would require further analysis of each proposed project site to determine the required environmental review. Under certain conditions, the California Environmental Quality Act (CEQA) allows an exemption for in-fill development projects per the criteria of Section 15332 of the CEQA Guidelines[1]. A ruling by the California Court of Appeals in 2018 determined that parking impacts of certain development on infill sites in transit priority areas are not considered significant environmental impacts, and would fall within the statutory exemption of Section 15332.[2] Further analysis of potential sites for bioscience facilities would need to consider whether these sites would be within transit priority areas and can accommodate infill projects to be exempt from further CEQA analysis.

POTENTIAL LOCATIONS FOR A BIOSCIENCE OVERLAY ZONE

According to the 2014 Battelle Study, a key gap in available commercial real estate in the Los Angeles region is for multi-tenant facilities that can support bioscience firms at all stages of development. As seen at other successful bioscience hubs around the country, multi-tenant space – especially when offered in varying sizes and with the ability to scale-up – is a critical draw for attracting start-ups and emerging firms.

According to a study conducted by the Board in 2016[3], eight sites in the County were identified as potential locations for establishing bioscience hubs:

TABLE 4 – Potential Locations to Establish a Bioscience Hub

Name of Facility	Sup. District	Jurisdiction
LAC+USC Medical Center	1st	Incorporated (Los Angeles)
Valley Boulevard between LAC+USC and CSULA	1st	Unincorporated
MLK – Drew	2nd	Unincorporated
Harbor – UCLA	2nd	Unincorporated
UCLA Westside	3rd	Incorporated (Los Angeles)
Rancho Los Amigos	4th	Incorporated (Downey)
City of Hope	5th	Incorporated (Duarte)
Olive View – UCLA Medical Center	5th	Incorporated (Los Angeles)
Honor Ranch	5th	Unincorporated

[1] CEQA – Exemption for In-Fill Development - http://resources.ca.gov/ceqa/guidelines/art19.html
[2] Best Best & Krieger LLP – CEQA determination of Parking Impacts - https://www.bbklaw.com/news-events/insights/2018/legal-alerts/04/parking-impacts-warrant-only-limited-consideration
[3] County of Los Angeles Community Development Commission – Bioscience Hubs Community Engagement - https://wwwa.lacda.org/docs/default-source/la-county-bioscience/lacdc-bioscience-hubs-engagement-strategy---final.pdf

The sites identified in TABLE 4 provide potential opportunities to establish a bioscience hub among each of the five supervisorial districts. Five of the sites are located on County-owned properties within incorporated cities. The site on Valley Boulevard between LAC+USC and CSULA is privately owned property. The remaining four sites are located within the unincorporated areas of the County and are County owned.

FEASIBILITY OF ESTABLISHING A COUNTYWIDE OVERLAY ZONE

An analysis was conducted on the feasibility of establishing an Overlay Zone for the specific sites identified in TABLE 4. Since Title 22 applicability is limited to unincorporated territory, DRP does not have a regulatory role in establishing an Overlay Zone on sites located within an incorporated city. Five of the identified sites are within incorporated cities, and an Overlay Zone is not the appropriate tool for these sites as all regulatory authority would rest with the cities.

BIOSCIENCE IN UNINCORPORATED AREAS

Three of the remaining sites proposed for bioscience hubs are located within the unincorporated area of the County. One of these sites, Martin Luther King, Jr./Drew Medical Center, is established with an existing Specific Plan that was adopted in 2018 (Willowbrook TOD Specific Plan). Another site, Harbor-UCLA Medical Center, is covered by a new Specific Plan which is awaiting final adoption from the Board (West Carson TOD Specific Plan). While both plans focus on introducing a transit-oriented development pattern to the plan area, aside from the transit infrastructure, the main community asset in each is its medical center. The evolution from a medical center to "bioscience hub" was contemplated within each local context and the approach followed was to support any and all development on the medical center campuses with constraints defined via their respective campus master plans. Permitted uses in the surrounding area emphasize medical and hospital support services in addition to traditional retail, service and new housing opportunities. Additionally, due to the proximity of viable transit, the TOD Specific Plans incorporate effective parking reductions (as well as parking maximums) throughout the plan area. The application of an additional overlay would confer no additional benefits.

The third site within the unincorporated area of the County, Honor Ranch in Santa Clarita Valley, is currently being evaluated for development on vacant land. Although an Overlay Zone could potentially be established on this project site, there are other Overlay Zones that exist on the site including the Castaic Area Community Standards District and Santa Clara Significant Ecological Area, and the site is within a known fault zone. These competing regulations may complicate the permitting process and make regulations unclear. DRP recommends that a Specific Plan be undertaken to analyze the existing regulatory framework in order to maximize the potential of this currently vacant land resource. Its size and potential for development could make this a bioscience hub that benefits and is served by the surrounding community. Alternatively, an amendment to the

Castaic Community Standard District may provide simplicity and clarity in regulations for the site.

OTHER ZONING TOOLS FOR BIOSCIENCE HUBS IN INCORPORATED AREAS

An alternative option for sites within incorporated cities is to fund and create a Specific Plan for each site that would establish guidelines to incentivize bioscience activities and site improvements. An environmental analysis will be required for each site to identify potential impacts and mitigation measures for future land uses.

A Specific Plan offers a limited opportunity for the County to collaborate with incorporated cities for projects on County-owned sites outside of their jurisdictions. If an agreement is reached between the County and an incorporated city, a Specific Plan can be created for a project site that crosses both jurisdictions. In this hypothetical Specific Plan, allowed bioscience activities and regulations for new development would be consistently applied regardless of whether improvements or activities are within the jurisdiction of the County or a city.

One of the sites identified in TABLE 4 within an incorporated city that is already included in a Specific Plan is Rancho Los Amigos. This Specific Plan was adopted in 1985 and is administered by the City of Downey. The 14-acre site covered by this Specific Plan is part of a 212-acre County-owned property that includes a rehabilitation hospital. A new Specific Plan is currently being developed by the City of Downey for the 172-acre Rancho Los Amigos South Campus site immediately to the south, which also includes several County facilities. There may be opportunities to partner with Downey to establish a vision for one or more bioscience hubs surrounding the Rancho Los Amigos National Rehabilitation Hospital beyond replacing buildings for County employees and community recreational opportunities for the city identified by the plans. Additionally, Downey also has an Overlay Zone surrounding its hospitals (Kaiser and Presbyterian Intercommunity), adopted in July 2018.

Another site within an incorporated city is the City of Hope campus in Duarte. The City of Duarte recently adopted a new Specific Plan for the campus and immediate surroundings which will include some bioscience facilities.

POLICIES FOR COMMUNITY PROTECTION

The Board directed DRP to provide recommendations on policies to avoid displacement of residents and businesses. Because the proposed Overlay Zone is meant to incentivize and attract bioscience employers, the Overlay Zone is not an appropriate mechanism to address displacement or provide community benefits to surrounding properties. The intent of an Overlay Zone is to achieve a specific and narrow purpose, identify and streamline allowed activities, and incorporate development standards to regulate site improvements and to minimize impacts on surrounding properties in terms of aesthetics,

noise, traffic, and safety, which are somewhat limited in scope on community impacts. Although the Overlay Zone will not likely be imposed on residential-zoned properties, zoning standards may be included in the Overlay Zone to prohibit specific activities, such as outdoor storage, truck loading, or perimeter security lighting, within the vicinity of adjacent sensitive uses, including residences.

The eventual real estate instrument (assuming a ground lease from the County) or a statutory Development Agreement may be a more appropriate tool to address community benefits, such as local hire practices, outreach to local colleges, etc., as opposed to the Specific Plan. In this situation, a proposed bioscience project's Ground Lease, Development Agreement or other form of real estate instrument could be evaluated in accordance with the Specific Plan's goals and policies.

REQUIRED ENVIRONMENTAL REVIEW

To determine the environmental review required for an Overlay Zone, the proposed scope of work and the zoning of the site must be reviewed. If the base zoning for a site has already analyzed environmental impacts by land uses that are similar to bioscience activities, there may be no new significant impacts. For example, the existing industrial zones already allow bioscience uses, so any impacts by bioscience uses will be similar to or less than impacts from surrounding industrial uses that are currently permitted. In this scenario, findings for a negative declaration or a mitigated negative declaration could be made. If the environmental review for existing zoning of a project site does not consider potential impacts from land uses similar to bioscience activities, a new Environmental Impact Report (EIR) will be required to establish the Overlay Zone. Honor Ranch, for example, occupies zones that include A-2 (Heavy Agriculture). The A-2 Zone does not allow heavy industrial activities and would need an EIR. The time to prepare, circulate, and approve a new EIR may require two or more years.

OUTREACH AND CONSULTATIONS

On June 7, 2019, DRP attended a meeting of the Health Innovation Community Partnership (HICP) at the LAC+USC Medical Center to provide information regarding DRP's efforts as they relate to bioscience. HICP attendees voiced concerns of the potential impacts a bioscience hub could create in their community. Attendees also requested that new development be required to provide community benefits such as the hiring of local residents and offering of job training. DRP provided a summary of options staff is considering that included a comparison of options for an Overlay Zone and a new Specific Plan for the LAC+USC Medical Center. If bioscience activities are to establish within the site of the LAC+USC Medical Center, then a Development Agreement, Ground Lease or other real estate instruction, is a tool to create new specific regulations to allow bioscience activities. If improvements occur outside of the LAC+USC Medical Center, then an Overlay Zone could be established to regulate bioscience activities.

CONCLUSION

Although a Countywide Overlay Zone was previously proposed as one option to establish bioscience hubs in the County, upon further review it has been determined that an Overlay Zone is not the best model for most of the specific sites selected in TABLE 4. Amendments to existing or pending Specific Plans are more appropriate for two sites: Willowbrook and West Carson. The locations within incorporated cities, such as LAC+USC Medical Center and Rancho Los Amigos, may also be best addressed through interjurisdictional efforts on new or amended Specific Plans for these sites. The one site where an Overlay Zone may work is Valley Boulevard, between LAC+USC Medical Center and CSULA. If the proposed Overlay Zone were applied to the area, but limited to only existing manufacturing-zoned parcels, more flexibility in land uses could provide incentives for bioscience developers to locate within the corridor. Lastly, Greenfield Sites with environmental constraints, such as Honor Ranch, will need more than just an Overlay Zone to address development within the constraints along with strategies to establish a vision for the site, again which a Specific Plan can provide. The information presented in this report identifies potential sites to establish bioscience activities and recommends a Specific Plan as the tool for establishing a bioscience hub at each of these locations.

If you have any questions, please contact Bruce Durbin, Section Head, Ordinance Studies Section at (213) 974-6432 or BDurbin@planning.lacounty.gov.

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