

Biomedical Facilities Overlay Zone and Development Regulations

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In association with: The Concord Group LLC



City of Downey

Biomedical Facilities Overlay Zone and Development Regulations

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Chapter 1: Executive Summary

The City of Downey, California retained Civic Solutions, Inc. (CSI) to establish new “Biomedical Overlay Zone” regulations and development standards to work in concert with an updated Hospital-Medical Arts (H-M) Zone. This summary report describes the consultants’ research, findings and implementation recommendations developed between November 2016 and May 2018. The work was conducted in several phases, in coordination with the City of Downey’s Planning Commission and Planning Department staff. Following is a summary of the Consultants’ primary findings and recommendations from the project.

- **Biomedical Overlay Zone Amendments.** Combining the research on the biomedical industry and the zoning incentives provided by cities with successful biomedical hubs, CSI developed amendments to the City’s existing zoning districts, permitted uses and development standards to effectively encourage the establishment of new biomedical uses, and the maintenance of existing uses. The major changes necessary to develop a successful Biomedical Overlay consist of the following, as included in *Attachment 1*:
 - New and amended Zoning Ordinance definitions to describe the contemporary range and types of biomedical uses and health services.
 - A new Biomedical Overlay Zone section of the Zoning Ordinance.
 - Revised “Intent and Purpose” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance.
 - Updated and amended “Use Regulations” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance.
 - Amended “Development Standards” of the Commercial Zones section of the Zoning Ordinance.
 - Amended Zoning Map showing areas to be designated as the Biomedical Overlay Zone.
- **Health and Medical Arts Zone.** The Hospital-Medical Arts zone (H-M) is not sufficient to attract the range of Biomedical uses necessary to achieve the economic synergy the City seeks. However, H-M zoning is effective in protecting a limited range of medical uses and should be retained and expanded, where appropriate. To augment the H-M zone, the City should utilize a Biomedical Overlay Zone to take a broader, more comprehensive approach to land use. This overlay should be applied to certain, appropriate Commercial and Manufacturing base zones throughout the City where Biomedical uses are well suited due to their location, development potential, infrastructure, and existing uses.
- **General Plan Consistency.** CSI identified inconsistencies between existing General Plan land use designations and the Zoning Map. CSI recommends that Downey’s General Plan policies be amended as follows to provide the legal and procedural foundation for the City’s Biomedical land use and economic development objectives:

- The General Plan *Land Use Element's* Balance of Uses, Livable Communities, and Growth Management Section policies be amended to provide policy direction to incentivize and address the future impacts of new biomedical uses.
- The General Plan *Economic Development Element's* Business Attraction and Retention, and Employment sections' policies be amended to qualitatively address the economic costs and benefits of incentivizing Biomedical uses and their potential impacts, particularly on adjacent residential neighborhoods.
- The General Plan Land Use Plan be amended to re-designate the area currently zoned "H-M" and designated "Office" in the General Plan to "General Commercial" to provide more uniformity and flexibility of uses.



Figure 1-1: PIH Health Hospital, a non-profit community hospital located within Downey's Hospital/Medical Arts Zone, 11500 Brookshire Avenue

- **CEQA Compliance.** CSI prepared an Initial Study to evaluate the potential environmental impacts of the proposed zoning amendments to establish a Biomedical Overlay. This Initial Study determined that the proposed amendments would have less than significant impacts on the environment and that a Negative Declaration should be prepared in conjunction with the project.

Chapter 2: Research and Case Studies

Section 1 – Chapter Summary

This chapter summarizes the results of biomedical research, the initial phases of a five-phase project to establish a Biomedical Overlay and to attract and retain more biomedical jobs. In it, we identify other jurisdictions that have developed and implemented a “Biomedical Facilities Overlay” or similar zoning district, we report the results of interviews held in 2016 with medical and academic institutions with knowledge of the biomedical industry, and we summarize key economic data and characteristics of the biomedical industry. These results provide the basis for a “biomedical feasibility assessment” to identify Downey’s strengths, weaknesses, opportunities and threats in attempting to expand biomedical investment and employment.

Section 2 – Findings

- **The biomedical field is highly sought after across the nation.** Many jurisdictions, large and small, have incorporated incentives into their Zoning and/or Economic Development portfolios to attract this industry. However, significant amounts of venture capital are required to support biomedical clusters in metropolitan areas. Los Angeles County has upward trending biomedical venture capital investment of \$74 Million in 2016. However, this is still significantly lower than other major U.S. metropolitan areas such as San Francisco and San Diego.
- **The City of Downey has the basic attributes to attract biomedical businesses.** The City has the basic attributes desired by most biomedical uses. These include upgraded utilities and fiber optic networks, ready access to large employment and patient bases, existing hospital facilities, including the renowned Rancho Los Amigos National Rehabilitation Center, underdeveloped land with potential for redevelopment and proximity to biomedical clusters in Los Angeles, Orange and San Diego counties. Additionally, success of biomedical firms is highly dependent on availability of specially trained professionals, especially those with graduate and professional degrees. Downey is close to several universities and vocational training centers with respected medical schools (e.g., USC, UCLA, and UCI) and vocational medical programs (e.g., Cerritos College, Downey Adult School).
- **The Greater Los Angeles area is an emerging bioscience hub and Downey is already part of that cluster.** The County of Los Angeles is actively pursuing development of bioscience clusters around the County, with Downey’s Rancho Los Amigos identified as one of a handful of sites critical to the Los Angeles County Biosciences Master Plan. There may be opportunities for the City to expand its attractiveness as part of the County’s Master Plan by building alliances with existing companies, medical and educational institutions, and private ventures. Downey is likely to face potential competition due to existing alliances in nearby cities.

- **The City of Downey’s biomedical potential is limited by a lack of vacant land.** Being built-out, there is a lack of available vacant land for firms seeking to “build fresh.” Instead, new facilities will require either the conversion of older structures or the razing of previously developed sites.
- **Cities with significant biomedical clusters across the United States provide a broad platform of incentives to attract biomedical uses.** Zoning to facilitate and encourage biomedical uses is one of several incentives used to attract biomedical uses, but additional incentives are typically needed. Zoning incentives could be used to help overcome the County-wide shortage of laboratory space (wet and dry). Labs have high, upfront costs to retrofit buildings and this can be a substantial barrier to biomedical startup companies.



Figure 2-1: Kaiser Permanente Downey Medical Center, 9333 Imperial Highway

Section 3 – Methodology

The Civic Solution’s project team conducted the following data collection and analysis:

1. **Developed an in-depth understanding of the key issues related to the biomedical industry.** The team reviewed trade journals including *Site Selection Magazine*, *Urban Land Magazine*, *Practicing Planner*, and *Zoning News*, reviewed web-based information, analyzed the findings of current and applicable research papers, and conducted interviews with experts knowledgeable about the biomedical field and economic development strategies, such as Ahmed Enany, CEO of the Southern California Biomedical Council (SoCalBio).
2. **Conducted research on other jurisdictions that have developed and implemented biomedical zones.** The team identified Biomedical Overlay Zone examples and their

- effectiveness, as well as other geographically-based incentives across the U.S. Cities studied included smaller to medium-sized cities such as Carlsbad, Oceanside, Torrance, Irvine and Santa Monica and large cities, including San Diego, Los Angeles, San Francisco, Phoenix, Seattle, Boston and many others. The team analyzed the cities' zoning, financial and land use tools used to attract biomedical and health care jobs and investment, and identified patterns and anomalies in jurisdictions with successful zoning strategies. The team then documented the effectiveness of these jurisdictions' methods and overall results.
3. **Conducted interviews with key stakeholders and experts.** The team interviewed key management staff at selected local and regional hospitals, universities and other medical/vocational programs, and biomedical businesses and associations in Downey and nearby areas. These organizations included the Rancho Los Amigos National Rehabilitation Center, Kaiser Permanente Health Center, Presbyterian Intercommunity Hospital (PIH Health), Hoag Memorial Hospital, Cerritos College, Downey Adult School, the Southern California Biomedical Council (SoCalBio), the University of Irvine Medical School, Keck School of Medicine of USC, Loma Linda University, and the Crean College of Health and Behavioral Sciences at Chapman University. The interviews helped in understanding the biomedical sector and the City's biomedical assets, needs and attributes. The interviews also provided insights into biomedical institutions and businesses that might consider locating in Downey or form alliances with medical facilities already in Downey.
 4. **Identified Downey's key strengths, weaknesses, opportunities, and threats.** Combining the information gathered from the above methods, the team organized the findings to identify effective zoning practices adopted by other jurisdictions, the requirements of industry firms and stakeholders, and the attributes of the Greater Los Angeles area's emerging biomedical hub to develop a SWOT (strengths, weaknesses, opportunities, and threats) assessment.
 5. **Conducted further analysis of issues identified and summarized analysis in the report.** Based on initial findings, the team evaluated additional data outside of the work scope as necessary in the course of research, analyzed issues, and included additional observations, as appropriate, throughout the report. This additional research includes the evaluation of cities with successful biomedical clusters that do not provide zoning incentives, as well as interviews with heads of organizations in such areas, such as with Matthew Phillips, Director of the Sacramento Area Technology Alliance's MedStart program.

Section 4 – Results

4.1 Key Stakeholder Interviews

4.1.1 Main Findings

1. Several regional and local universities and institutions are interested in developing or expanding relationships with organizations in the City.
2. Downey has a good foundation to help establish a biomedical hub, especially one centered on existing niche markets, such as the rehabilitative research and services provided at the Rancho Los Amigos.
3. The recent trend to attract biomedical uses includes the development of flexible spaces that adapt to the changing needs of growing companies. Additionally, high-quality housing and transportation facilities help attract the biomedical industry's typically younger workforce.
4. More biomedical uses in Downey would provide better opportunities for local schools to train students for biomedical careers, expand the local labor pool and help maintain and attract new biomedical facilities.
5. Local jurisdictions can make a large impact by facilitating public and private coordination. In many of the newer biomedical developments, public agency input and participation are often critical to the projects' success.

4.1.2 Interviews with Major Local Hospitals and Biomedical Facilities

- **Kaiser Permanente Health Center, Downey Campus.**

Gregg B. Durkee, Chief Operations Officer, spoke about Kaiser Permanente's (KP) current plans to expand their Downey facilities with a "Bed Tower", now in the planning and permitting phase. He oversees inpatient and outpatient hospital facilities and noted the center has about 4,500 employees, including physicians. KP seeks locations that are easily accessible and that have a high community need. For these reasons, he felt Downey was a good location for their facility.

KP's mission is to improve the overall health of a community, and that includes addressing non-medical needs. In addition to seeking and providing local employment, KP brings hundreds, even thousands of patients weekly into the City and many of these folks provide secondary benefits to City through retail sales and use of local services.

Mr. Durkee felt the City of Downey has been easy to work with and added that he understood the City has its rules. And while KP has a "really good relationship" with the City, KP would always appreciate opportunities to improve communications and expedite building permit processing. He expressed support for the City's efforts to attract more biomedical uses.

KP is significantly invested in medical research, and looks for opportunities to partner with and/or encourage local medical-oriented businesses, such as kidney dialysis services or skilled

nursing facilities existing in Downey. Mr. Durkee added that KP Downey has a strong internship program with Cerritos College in their Hospitality Services program. He has been impressed with the City of Downey's accomplishments in the last 10 years, and would like to receive further information on the City's biomedical overlay project.

- **PIH Health** (Presbyterian Intercommunity Hospital), represented by Debra Legan, Vice President, Marketing, Business Development and Community Benefit.

PIH, a multi-campus hospital with locations in Downey and Whittier, currently partners with the Keck School of Medicine at the University of Southern California (USC) Medical School to provide interns and doctors at PIH. PIH offers offices for resident doctors and interns.

Speaking about the City of Downey, Debra Legan said the City staff is great to work with and has been very supportive of PIH. However, PIH would be concerned about the type of biomedical uses attracted by an overlay in Downey. Ms. Legan stated that PIH is heavily dependent, financially, on outpatient services with a large medical patient load. PIH's primary program focus is on meeting medical care needs of low and moderate income families. Consequently, PIH's business health would not benefit from increased competition if additional general medical services came to Downey, an outcome which may not be in the best interests of PIH or its patients.

However, Ms. Legan stated, developing an overlay, or some other incentive program, that attracts more professional-level jobs in a range of biomedical fields and promotes the construction of high quality housing would be beneficial.

- **Rancho Los Amigos (RLA)**, represented by Jorge Orozco, Chief Executive Officer of RLA.

Rancho Los Amigos National Rehabilitation Center (RLA) is a world-renowned public hospital located in Downey that works with cutting edge medical technology, including stem cell implants and robotic, artificial limbs. RLA specializes in rehabilitation/restorative medical services (particularly for spinal/cranial injuries) that use local vendors for orthotics, prosthetics, and prescription drugs, when possible. The campus is currently undergoing an expansion that is expected to be completed in 2019. RLA works closely with Keck School of Medicine at USC and also the University of California, Los Angeles and Loma Linda University.

Jorge Orozco stated that Downey is well liked by RLA employees and considered "a good place to work." To help grow the area's biomedical uses and assist RLA's future operations, Mr. Orozco said that the City should consider facilitating more networking opportunities between hospitals, developers, businesses and academic sectors, such as a local biomed "summit" meeting sponsored by City. He added that RLA would be very open to public-private partnerships to expand medical services, biomedical research, manufacturing and uses. He added that some of RLA's main vendors, including rehabilitation therapy and medical equipment, are located within the City.



Figure 2-2: Portion of Rancho Los Amigos National Rehabilitation Center, 7601 East Imperial Highway

4.1.3 Interviews with Universities, Research Institutions, Non-Profits and Biomedical Trade Association

- **Cerritos College**, represented by Sandy Marks, MSN, MS(HCA), RN, the Instructional Dean of the Health Occupations Division.

Located in the City of Norwalk, Cerritos College offers a number of Associate Degrees related to medical specializations. Discussing the possibility to collaborate with the City of Downey, Sandy Marks stated that Cerritos College would be interested in building partnerships and programs that would benefit the community and surrounding areas. The College would be interested in learning more about the demographic and socioeconomic characteristics about the area's population, and specifically about the retired, geriatric, and uninsured components of the population.

Cerritos College would be interested in exploring opportunities to host classes off site. Noting that classes offered in this type of scenario would typically accommodate up to 60 students. If the City of Downey would be interested in this, facilitating the development of buildings designed to allow these types of spaces is necessary. Ms. Marks said that having local biomedical businesses where students could work or complete internships would be beneficial. Additionally, a competitive advantage for community college nursing programs is the presence of another higher education facility dedicated to providing the Associate Degree of Nursing graduates with the additional two years of education needed to obtain their Bachelor of Science in Nursing. Another critical need for Cerritos College students, and other students generally, is the need for child care up to the age of 12. Ms. Marks advocated for the inclusion of child care centers, such as part of a college laboratory center for child development classes.

- **Chapman University**, Crean College of Health and Behavioral Sciences, represented by Janeen Hill, Ph.D., Dean of Crean College.

The Crean College of Health and Behavioral Sciences at Chapman University, located in Orange, California, provides advanced healthcare education and conducts interdisciplinary health sciences research.

Dr. Janeen Hill said the college does have existing affiliations with nearby hospitals and health care facilities, but the partnership details were not discussed during the interview. The College has attempted partnerships with Los Angeles County and is particularly interested in establishing connections with the Ranchos Los Amigos Rehabilitation Center in the City of Downey. She added, however, that initial College efforts in this regard have so far, not been successful and that perhaps the City of Downey could be instrumental in facilitating such partnerships.

- **Downey Adult School**, represented by Marianna Pacheco, Director of Academic Programs at Downey Adult School.

The Downey Adult School (DAS) offers several medical and dental occupational training programs for Licensed Vocational Nurses, Phlebotomy, EKG/ECG Technicians, Medical Assistants, Dental Assistants, and others.

Ms. Pacheco noted that a positive step the City could take to help grow DAS's health career training would be to promote "externships" to provide clinical work experience at hospitals, labs and other medical businesses. Additional opportunities for these placements could be provided by expanding medical uses and biomedical businesses, particularly near Rancho Los Amigos and the Kaiser Permanente hospitals, as well as on County of Los Angeles land in Downey. Further, she felt the City should partner with outside agencies to promote biomedical uses.

Speaking about the positive attributes currently in the City of Downey, Ms. Pacheco stated that generally speaking, the City has good infrastructure and Downey's supply of land is seen as sufficient. DAS currently offers classes at the Columbus High School campus in Downey. Ms. Pacheco added that DAS intends to expand the school's medical and dental training and suitable classroom space is available at that campus to accommodate the expansion.

- **Loma Linda University**, represented by Dr. Garry Fitzgerald, Administration Advisor, former Vice President of Business at the University.

Loma Linda University is a Seventh-day Adventist, coeducational health-sciences university located in Loma Linda, California. The University comprises eight schools, including Medical, Dental and Nursing schools and the Faculty of Graduate Studies, and has a faculty of between 800 and 1,000 professors/physicians at any given time. The University has an affiliated Medical Center, which, according to Dr. Fitzgerald, operates the largest children's hospital and neonatal intensive care unit, in terms of number of beds, west of the Mississippi. The University's

mission is focused on medical instruction, research, and health services and is committed to diversity in its faculty and student body. It is guided by religious principles of the SDA church.

Dr. Fitzgerald said the University is interested in expansion and is “very open” to partnering or discussions with public agencies (including cities). He added that the University has started satellite medical facilities in the cities of Murrieta and Indio, and has worked closely with the City of San Bernardino.

University officials have been looking at sites in other areas, particularly for facilities specializing in neuroscience. He is very familiar with the City of Downey and felt that the presence of the Rancho Los Amigos Hospital could offer positive teaching and research opportunities for the University faculty and students. He added that there is already some exchange of medical residents with RLA.

He felt the biomedical industry was rapidly expanding and that Loma Linda University students benefitted from and were part of that expansion. In terms of incentives needed to attract and retain biomedical uses, he felt public agencies typically should expect to provide land, financial benefits or both. For example, the U.S. Federal government worked with the City of San Bernardino and the Loma Linda University Hospital to develop a medical center on a portion of the decommissioned Norton Air Force Base.

He said that the biggest challenge in expanding biomedical uses, particularly academic and research facilities, are readily available investment capital and financing. He added that universities are securing the necessary capital through private partnerships. For example, Loma Linda University partners with Quest Diagnostics, a private-sector laboratory specializing in sports medicine and medical testing.

- **University of Southern California, Keck School of Medicine**, represented by Randolph W. Hall, Ph.D., Vice President, Research.

The Keck School of Medicine of the University of Southern California was established in 1885 as the region’s first medical school, and was the second professional school founded at USC. Following a \$110 million gift from the W.M. Keck Foundation in 1999, the school began an expansion program to become one of the most highly regarded medical schools in the nation. The School also invested in new research efforts including the Zilkha Neurogenetic Institute which seeks to expand scientific knowledge of some of the most debilitating diseases of the brain, such as Alzheimer’s and Parkinson’s.

Dr. Hall indicated it would be difficult for Downey to develop a biomedical hub due to the lack of a concentrated collection of medical schools and other institutions that can attract research grants/investment. However, he also said that Rancho Los Amigos represents the City’s best opportunity for expanding into the biomedical sector. USC has a relationship with RLA in research, especially neurological research, and has residents there as well. He mentioned Dr. Charles Liu, MD, PhD, director of the USC Center for Neurorestoration and Chair of the Department of Neurology at RLA. He noted that Dr. Liu regularly works with emerging

biomedical firms on experimental therapies to treat paralysis and other conditions, and there are some spin off opportunities for entrepreneurial activities located near RLA. He said that within biomedical hubs, close proximity is very important for doctors, staff and patients to quickly walk between hospitals, medical offices, labs, etc.

- **Southern California Biomedical Council (SoCalBio)**, represented by Ahmed A. Enany, President and Chief Executive Officer.

The Southern California Biomedical Council (SoCalBio) is a nonprofit trade association serving biomedical related businesses and organizations throughout the six counties which make-up the Greater Los Angeles region (Los Angeles, Orange, Ventura, Santa Barbara, Riverside and San Bernardino).

Mr. Enany stated that Downey is part of the Greater Los Angeles area's regional biomedical draw and suggested that the City of Downey should aspire to be a hub of biomedical employment.

Discussing the specifics of a successful biomedical overlay, Mr. Enany said that such zoning could allow biomedical uses in zones where they are not typically allowed, but where access, transportation and space is well suited for biomedical uses. Additionally, the City may want to consider the provision of development incentives, such as increased floor area ratio (FAR), lot coverage, and/or building height, to promote a minimum "employees per acre" ratio.

Mr. Enany talked about the three basic types of biomedical uses: 1) research and development, 2) medical services, and 3) medical manufacturing. Of these, he felt that the City of Downey could be most successful in attracting medical manufacturing and "niche" biomedical uses related to medical rehabilitation by building on the national recognition of Rancho Los Amigos. He stated the City needs to look at geographic competition for biomedical uses to further identify the other niche markets Downey can best fill. He doubted that biotech uses such as medical research and development were feasible in Downey, since the City is not closely affiliated with a university or research institution. "Biotech" industries are typically associated with cell biology and chemical research; not with mechanical or electronic research and manufacturing.

SoCalBio advocates for all new development to include universal access as it helps support biomedical uses and development. Other development techniques that prove beneficial for biomedical uses is "flex" or convertible office space; that is, commercial space that is interchangeable between wet and dry laboratory space and offices. "Wet" laboratory space refers to laboratories where chemicals, drugs, or other material or biological matter are handled in liquid solutions or volatile phases, requiring direct ventilation, and specialized piped utilities (typically water and various gases). Special efforts should be made to establish incentives for medical laboratory space development and more business park/manufacturing-zoned areas with vacant or redevelopable land.

From a municipal standpoint, Mr. Enany stated that it is important for Downey to develop a “toolbox” of strategies to attract biomedical uses and job seekers. For example, one primary tool is to promote higher density, high-quality apartment homes close to transit, similar to that found in Irvine. Housing in the form of high quality condominiums, courtyard homes, and larger single-family residences also help to attract biomedical job seekers and businesses seeking to locate in areas with high quality housing options. The City’s location near the planned Norwalk/Santa Fe Springs Metrolink Station can help facilitate this approach.

According to Mr. Enany, the City already has a few key tools. These consist of the promotion of its centralized location between Los Angeles and Orange counties with affordable land costs. Also of locational importance, is being surrounded by four major freeway connections and the proximity to planned Metrolink commuter train stops.

The City of Downey should pay special attention to local utilities and increasing capacity when necessary. For example, increasing water and wastewater capacity, which is typically a critical need for biomedical uses, may be required for some businesses or organizations. Fiber optic cable installation, such as that done by the City on Paramount Boulevard, has proven to be a very desirable attribute for site selection. It may also be a benefit to explore a potential collaboration with surrounding cities like Santa Fe Springs, Pico Rivera, Norwalk, and Paramount to address some issues better suited to regional responses.

- **University of California, Irvine Medical Center**, represented by Paul Da Vega, Senior Project Manager, and John Gilway, Executive of Governmental Relations.

The University of California, Irvine (UCI) Medical Center is located in the City of Orange, and is consistently ranked as one of the nation’s best hospitals. In addition, the UCI School of Medicine is ranked as one of the nation’s top medical schools for research. The Medical Center is currently the only university-based hospital in Orange County, and currently does not have any formal partnerships with the City of Orange or biomedical companies.

- **Hoag Memorial Hospital Presbyterian** is a not-for-profit health care network based in Newport Beach, with two hospitals, 10 urgent care centers and seven health centers located in nine Orange County cities. The Newport Beach hospital is a 414-bed general medical and surgical facility. According to Stephen Jones, Vice Chairman of the Board of Hoag Hospital, a “biomedical overlay” approach was tried in the San Francisco area to attract biomedical uses to Mission Bay, but the approach didn’t work because it couldn’t dislodge “solidified clusters” of biomedical uses located elsewhere in the region.

He noted that biomedical companies follow where specialized physicians and medical researchers live and work, physicians follow hospitals, and hospitals tend to follow universities with medical schools and research. This may explain, at least in part, why a portion of Kaiser Permanente’s planned Medical School moved to Pasadena, California. There is a higher concentration of physicians and medical researchers already living in that area.

He also noted that hospital expansions and new medical centers are, in his experience, beginning to get “push back” from nearby residents who are concerned about such things as additional traffic and parking impacts. This is why appropriate zoning and development standards are so important to attract biomedical uses.

The medical industry is becoming more specialized and diverse. He felt that Downey could succeed in attracting specialized biomedical uses area by building on its strengths. The City should focus on whether there is an “unfilled biomedical services niche” that it can fill. For example, the administrative and mail order pharmaceutical facility run by Kaiser Permanente may be a springboard for complementary uses.

4.2 City Zoning Survey

4.2.1 Main Findings

1. There are several zoning tools that cities utilize to attract biomedical uses. Such tools are typically designed to meet the needs of the individual jurisdiction based on its biomedical goals, existing development patterns and the community’s preferences on development character.
2. The most typical land use approach to encourage biomedical uses is to create a base zone that allows such uses “by right,” that is, without requiring discretionary approvals. However, this approach also may allow competing or non-supportive land uses that could potentially discourage desirable biomedical uses. The most successful cities with biomedical clusters achieve a “synergy” by attracting both primary biomedical uses and supportive uses. It appears that this is best achieved through zoning which specifically encourages appropriate uses, while restricting uses that detract from the purpose of the zone. For example, all-inclusive industrial zones that also allow biomedical uses, generally do not result in successful biomedical clusters.
3. Two recent planning studies conducted in Downey City: the City’s Imperial Highway Corridor Study and the Los Angeles County’s Rancho South Campus Master Plan offer significant opportunities for expanding and intensifying biomedical uses in Downey. Initial estimates for the South Campus Plan alone indicate a possibility to designate about 40 acres across Imperial Highway from the Kaiser Permanente Hospital for eventual redevelopment of County facilities with biomedical uses.
4. A more specific approach that some cities use is a biomedical overlay that adjusts development standards of the base zone to provide additional flexibility for or reduce development costs of biomedical uses.
5. Overlay zones, or other zoning tools that allow biomedical uses in areas where the base zoning would not normally allow them, such as manufacturing, Business Park or commercial zones. The overlays may also provide incentives such as exceptions to building height limits, maximum lot coverage or flexible floor area ratios (FAR) based on numbers of patients or type of use.

6. The most consistent attribute of cities and counties with biomedical zoning is a focus on the uses permitted in the zones and their relationship to supporting institutions.
7. In areas that are nearly built-out, recent focus is on the appropriate relationship between biomedical (or light industrial) uses and existing residential development.
8. Some of the more unique zoning tools are in-zone density transfers and density increases based on the inclusion of certain uses.

4.2.2 Jurisdictions with Biomedical Districts

A number of local governments and regional planning agencies have either investigated or acted to adopt zoning measures to promote biomedical and other related uses. This section of the report is accompanied by two tables. Table 1 represents a snapshot of the main attributes of cities across the U.S. with zoning that allows, encourages or incentivizes biomedical uses. The second, *Attachment 2*, is a zoning comparison matrix that describes these attributes in greater detail. The matrix represents a range of options for biomedical zoning techniques to provide a complete picture of the “zoning landscape” across the nation. These techniques range from industrial zones that provide the basic standards to allow biomedical uses, to zones that are designed specifically to incentivize biomedical uses. It includes a description of the zones’ standards, development intensity allowed, availability of other incentives and major institutions that anchor the zone, if any.

Table 1: Survey Cities’ Zoning Attributes

City/County	Base Zones Allow Biomedical Uses	Use of Biomedical Overlay	Types of Zoning Incentives Provided for Biomedical Uses
Aliso Viejo, CA	✓		Nothing additional, but allows “wet” labs.
Carlsbad, CA	✓		Nothing additional, but provides process for medical campus development in existing zones.
Inglewood, CA		✓	Increased lot coverage and building height.
Irvine, CA	✓		Increased FAR and building height; Zone discourages competing uses.
Jupiter, Florida	✓	✓	Increased building height.
Lyndon, WA		✓	Increased lot coverage and building height.
Mangonia Park, FL	✓	✓	None, but provides expedited permit processing.
Montgomery Co., MD	✓		Increased FAR and building height. In-zone density transfers.
Oakland, CA	✓		Increased FAR.
Phoenix, AZ	✓		Zone discourages non-biomedical uses.
Poway, CA	✓		Zone discourages non-medical uses.
Sacramento, CA	✓		Nothing additional.
San Diego (La Jolla), CA	✓		Increased height; zone discourages non-biomedical uses. Proximity to UCSD.
San Francisco, CA	✓	✓	Increased FAR and building height.
Santa Monica, CA	✓		Nothing additional.
Torrance, CA	✓		Nothing additional.

A few prominent biomedical “zones” in the U.S. are not included in the list; for example, Boston’s **Bioscience Corridor**. This is because these “zones” are not the result of any direct city land use or zoning action. That is, they do not involve the application of public agency zoning or land use regulation. Rather, they rely heavily on local academic or medical institutions, networks of economic development incentives, or non-profit and private sector construction to create the space most needed by biomedical start-ups. These types of incentives are discussed in greater detail at the end of this section, as cities with successful biomedical zones tend to also provide other non-zoning incentives, as well.

The most straightforward incentive is to adopt a **base biomedical zone** (comparable to Downey’s H-M Zone) specifically to permit biomedical uses by right, plus accessory uses that are compatible with and supportive of the primary biomedical uses. In this method, the zone will include the entire geographic area where those uses are desired, along with the use and development standards specific to the biomedical industry. The zone will identify all permitted, and conditionally permitted uses allowed in the zone. Additionally, uses that are not seen as complementary can be discouraged by prohibiting them. The cities that best demonstrate this type of zoning are the California cities of *San Diego, Irvine, Santa Monica*; and *Phoenix, Arizona, and Montgomery County, Maryland*. These jurisdictions created zones that identify the biomedical uses to be encouraged and developed standards that contributed to the jurisdictions’ desired development patterns in ways that met the needs of the biomedical industry.

Phoenix’s **Biomedical Campus** is an example of a successful, multi-faceted biomedical zone. The zone is comprised of zoning standards specific to the biomedical industry, and was augmented by financial incentives that created a comprehensive economic development package. Included in this report is an analogue study by the Concord Group that analyzes the City of Phoenix’s Biomedical Campus, and evaluates the economic and employment impacts of the development on the City. Please refer to *Attachment 3* for that study.

Some cities set maximum FARs for biomedical uses to 1.0, or lot coverage to 30 percent to preserve smaller-scale compatibility, while other, more densely populated cities allow FARs up to 3.0 or lot coverage of 100 percent. Of the 16 cities with biomedical zoning surveyed, there was no identifiable pattern that emerged that suggested that most biomedical zoning was provided a substantial increase in the development intensity beyond similarly intensive commercial zones.

The overwhelming similarity in the biomedical zones’ mechanisms for incentivizing biomedical uses was in streamlined permitting of such uses, and the generally broad nature of those uses. Typically, biomedical zones allow a complete mix of bioscience-related uses, such as those described in the *City of San Diego’s Zoning Ordinance* which allows manufacturing of biochemical research and diagnostic compounds to be used primarily by universities, laboratories, hospitals, and clinics for scientific research and “developmental testing purposes” and “biological, biomedical, and pharmaceutical products”, and “scientific, engineering, and medical instruments.”

Additionally, cities allow compatible uses that have the effect of supporting, possibly even attracting biomedical uses. Typical types of compatible uses would be general office, restaurants and coffee shops, public transportation facilities, and service uses geared to biomedical employees.

The second method to use zoning to incentivize biomedical uses is to develop general base zones that include standards that facilitate the development of biomedical using a **more generalized approach**. This approach can be seen in the *City of Aliso Viejo*, which has a focused industrial zoning geared to high-tech companies and corporate headquarters. However, within the industrial zones, the City fosters the development of uses critical to the biomedical industry, such as wet laboratory space.

Finally, there are cities that have adopted **zoning overlays** that alter certain standards for an area's base zones. This method would typically identify a base zone that accommodates a broad spectrum of uses, such as commercial and industrial uses, but that on their own either do not allow or do not incentivize the development of biomedical uses.

An overlay would then be applied to allow biomedical and other compatible uses. The overlay may also provide special standards for the incentivized uses above what the base zone allows. This would generally amount to an intensification of certain development standards, such as building height or an increase in the Floor Area Ratio. The *City of San Francisco* is a good example of this type of zoning incentive. That city's **Life Science and Medical Special Use District** allows certain encouraged uses, such as Medical Services, Life Science Offices, and Life Science Laboratories are exempt from the City's FAR and height limitations. *Jupiter, Florida's Biomedical Research Protection Zone* is another example, which allows a 6-foot increase in building height for each floor of the development that will have at least 20% wet lab space.

Another type of overlay is *San Francisco's Life Science Special Use District*, located to encourage bioscience and biotech uses in proximity to the University of California, San Francisco (UCSF) campus at Mission Bay. The City is the epicenter of one of the most successful bioscience clusters in the nation. Included in this report is an analogue study by the Concord Group that analyzes the City of San Francisco's Kaiser Permanente San Francisco Medical Center Master Plan 2013-2022, and evaluates the economic and employment impacts of the development on the City. Please refer to *Attachment 3* for that study.

The *City of Inglewood* provides a unique example of an overlay. Its version is called the "**Biomedical Enterprise Overlay**." This overlay provides both an incentive for biomedical uses by allowing certain uses where they otherwise would not be allowed, while dis-incentivizing perceived competing uses by not allowing residential-only development. As discussed later in the section regarding the biomedical industry research, the City of Inglewood's overlay speaks to the delicate transition that is needed in more built-out cities between medical and residential uses.

This overlay attempts to protect the residents' quality of life while maintaining competitiveness in attracting biomedical uses. While this is not typical in municipal zoning ordinances, the sentiment is often expressed, as it was in an interview with an administrator from Hoag Memorial Hospital in Newport Beach, who stated that "I do not expect there was any resistance to the hospital or its location when it was built 60 years ago since there was nothing around it. The resistance only comes now because neighbors do not like a hospital next to them...."

It is difficult to predict the impact that a particular zoning incentive might have on a community when provided to the biomedical industry. In part, this is because no comprehensive study has been

undertaken to ascertain these effects. Also, information related to a particular incentive's effectiveness is contained in someone's personal experience, essentially a case study by city staff. While this type of evaluation can be very informative, especially from an implementation standpoint, there are problems associated with extrapolating this type of information to apply to another jurisdiction.

However, it was identified during our research that cities with successful biomedical clusters typically have within their boundaries, or are associated with, research universities or hospitals. In addition to zoning mechanisms, cities wishing to attract biomedical uses can create an "enterprise" or economic development area that is typically tied to existing universities or large health centers. In conjunction with this, there can be financial incentives or business-support activities. The financial incentives can be anything from direct payments made to businesses that relocate, expand, or remain in the area, as is a signature of the *City of Nashville's* economic development portfolio, to waiving certain taxes or fees, as *Oceanside, California has done*. That city recently provided millions of dollars in tax breaks to incentivize one firm to relocate to the area.

U.S. cities where the top biomedical hubs are located focus heavily on providing support services. These include the creation of on-demand laboratory and office space for entrepreneurial biomedical students or start-ups, public transportation facilities and land use plans that create entire micro-environments to attract the talented young professionals the biomedical industry needs to grow.

In researching other jurisdictions that advertise biomedical/life-science/biotech "zones," it is apparent that to successfully create such zones requires a concerted focus on multiple characteristics of a city, if not a region. Many cities and counties, such as *New Orleans, Montgomery County, Maryland, Marin County, California, and San Carlos, California*, have spent resources, sometimes considerable amounts of money, to institute an incentive scheme only to find that the city was simply not well situated to successfully attract biomedical industries. Other cities, like *Inglewood, California and Lyndon, Washington* created biomedical base zones or overlays only to see no results. According to city staff, this outcome is a result of the complete absence of existing biomedical industry, research universities and hospitals.

What is clear is that biomedical uses are highly sought after by many cities for their perceived economic benefits. By investigating the areas with the most densely populated biomedical clusters, it can be determined, generally, what attributes and characteristics are most often prevalent, thus determining the basic characteristics and incentives that appear most attractive to biomedical companies.

4.3 Biomedical Industry Research

The following information represents the main findings of the biomedical industry research, which is composed of a review of relevant trade journals such as *Site Selection Magazine, Urban Land Magazine, Practicing Planner, and Zoning News*, a review web-based information, an analysis of the findings of current and applicable research papers, and information gathered from interviews with experts knowledgeable about the biomedical field and relevant economic development techniques. A more descriptive explanation of these findings is provided as *Attachment 4*.

Main Findings

1. In 2015, Battelle Technology Partnership Practice developed the Feasibility Assessment and Master Plan for Advancing the Bioscience Industry Cluster in Los Angeles County for the Los Angeles County Supervisors. The group proposed, and the County Supervisors have since begun approving, initiatives that make up the Los Angeles County Bioscience Master Plan. In a 2011 feasibility study referenced in the Batelle Group's analysis, one of the potential sites for a BioHub could be the former Rancho Los Amigos South Campus.
2. The competition to attract bioscience/bio-tech firms has increased over the recent decades. This competition has led to an understanding among private firms and public agencies that quality of life plays a major role in the decisions of employees regarding where they are willing to settle for employment in the biomedical industry. High-quality development is a crucial need for the biomedical industry due to the attraction of the younger generations of the workforce by cities that tend to locate in coastal areas and seek vibrant urban environments.
3. The success of large campus-style medical centers depends, in large part, on the local jurisdiction's ability to provide high-quality development, public infrastructure, access, and services. Additionally, redevelopment of existing facilities is critical to an ever-changing healthcare and biomedical marketplace.
4. Connections between research facilities and the biomedical industry are very important. Biomedical clusters or "hubs" have traditionally been centered on academic research centers. Local governments desiring to foster the creation of new biomedical industry will need to facilitate this collaboration with local and regional institutions.
5. For many communities, concerns are being raised about the interface between medical uses and residential properties. Collaboration with the affected neighborhoods is critical for success. Ideally, cities can encourage biomedical uses on the periphery or in areas where they do not adversely affect residential neighborhoods and where they can grow outward. Or alternatively, encouraging biomedical institutions (e.g., hospitals, major research facilities) to disperse their operational units away from the main campus. Cities that are more generally built-out tend to have one option remaining, which is to provide the path for institutions to demolish obsolete buildings and grow vertically.
6. Collaboration between public agencies and the private enterprises that make up the contemporary life science industry will be one of the important keys to success in the years to come, with innovation districts consisting of high-quality housing options, good public transportation, retail opportunities, and office and research and development areas that work together being a key component.

Section 5 – SWOT Evaluation

Based on the research conducted by the Civic Solutions team, the following evaluation represents the City of Downey’s strengths, weaknesses, opportunities and threats (SWOT) related to attracting biomedical uses. In conjunction with the information contained in this report, research on relevant demographic, economic, and employment data was used to develop the SWOT analysis. A description of the findings of this demographic, economic, and employment data is provided in *Attachment 3*.

Strengths

1. Central location in Greater Los Angeles area.
Downey’s central location provides a good opportunity for biomedical uses that require access to multiple nodes in Southern California, from San Diego to Los Angeles.
2. Increasing venture capital spending in Los Angeles area.
Los Angeles County has upward trending bio-venture capital investment - \$74 Million in 2016.
3. Highly-skilled workforce in Los Angeles County.
Success of biomedical firms is highly dependent on availability of specially trained professionals, especially those with graduate and professional degrees. Downey is relatively close to schools with respected graduate programs (USC, UCLA, and UCI).
4. Existing hospital and biomedical -related industry in the City and County.
An upcoming trend in the biomedical industry is the development of a signature complex that emphasizes an interconnected network of partnerships with biomedical firms. LA County has plans to expand its biomedical facilities in Downey, which may provide opportunities for public-private partnerships with other medical facilities. Rancho Los Amigos Rehabilitation Center is highly regarded in physical therapy and prosthetics, which could lead to future development of research space.



Figure 2-3: Rancho Los Amigos National Rehabilitation Center, major remodel and expansion, 2016

5. High tech infrastructure and utilities in place.
Downey has made some strategic investments to maintain quality infrastructure important to the biomedical industry, such as high speed internet.
6. Three top research institutions (UCLA, USC, and UC Irvine) are located in the region.
The presence of top research institutions are a positive sign for the Greater Los Angeles area, and will help foster investments in the region that Downey can take advantage of. The County of Los Angeles is actively pursuing development of bioscience clusters around the County, with Downey's Rancho Los Amigos identified as one of a handful of sites critical to the Los Angeles County Biosciences Master Plan.

Weaknesses

1. Lack of research universities/ facilities in close proximity.
Relationships with high NIH-funded research institutions provide a key source of equity for biomedical firms. Downey lacks a major research institution within its boundaries but has the potential to partner with top NIH institutions, such as UCLA, USC and UCI.
2. Lack of vacant land for new development.
Most biomedical development will be remodeling or new construction in previously developed sites in Downey, since there are no existing biomedical buildings. Downey is mostly built-out, which will generally require that existing buildings be demolished before new construction can begin, a cost that development in other cities on the periphery may not include.
3. Lack of commercial/industrial buildings to convert to "wet laboratory" use.
Retrofitting lab space can be a high-up front cost and a big barrier for young biomedical companies, but can be alleviated through construction of new buildings that are readily equipped and meet strict requirements.
4. Lack of availability of venture capital funding, compared to other western U.S. metropolitan centers.
Significant amounts of venture capital are required to support biomedical clusters in metropolitan areas. The amount invested in Los Angeles County is still significantly lower than other major U.S metropolitan areas such as San Francisco and San Diego.
5. Lower educated/trained workforce.
Average graduate education level of Los Angeles County (7% of the population earned graduate degrees) is in line with San Diego (8% graduate degrees) and Orange counties (8% graduate degrees). Downey (4% graduate degrees) may need to attract additional qualified technical, research and medical job seekers from neighboring counties and cities if is to successfully expand its biomedical sector. This would, in turn, require that the City promote and to the maximum degree possible, expand its services, housing and quality of life factors that will attract highly educated and talented biomedical job seekers.

6. Few existing relationships with top research institutions. Alliances among major medical schools, existing companies, local government, and private ventures are needed to provide capital support and expedited entitlements for biomedical firms. Downey could face potential competition with existing alliances in nearby cities.
7. Distance to the region's established biotech nodes and existing traffic congestion. Downey's distance to major biomedical clusters in Southern California and traffic congestion limit the ability for synergistic, locational relationships with traditional biomedical companies and research institutions.

Opportunities

1. Existing niche market for rehabilitative biomedical uses. The City of Downey has a world-renowned facility, Rancho Los Amigos that provides unique services that have the potential to contribute to the presence of a signature complex for the City.
2. The absence of strategic investment in new, critical facilities and technologies in other competitive markets. While biomedical uses are highly sought after across the nation, in the Los Angeles area there is a lack of an established biomedical hub, with development somewhat sporadic and not well unified. To a degree, this increases Downey's chances of becoming a biomedical hub.
3. The County of Los Angeles actively working to establish BioHubs around the County. Evaluations of potential BioHub sites include the Rancho Los Amigos facility.



Figure 2-4: Historic building, formerly part of the Rancho Los Amigos National Rehabilitation Center; now, County of Los Angeles offices

4. Lack of “wet lab” space in Los Angeles County.
Wet laboratory space is a critical need for a successful biomedical cluster. This type of development is typically more expensive to construct, and difficult to convert existing building. There are not many cities that specifically identify wet laboratories as a permitted use, making it unclear whether a city would permit it.

Threats

1. Competition from other jurisdictions with established biomedical cluster, such as Irvine and Los Angeles.
Alliances with existing companies, local government, and private ventures can provide capital support and expedited entitlements for biomedical firms. Downey could face potential competition with existing alliances in nearby cities.
2. Unknown saturation point of the market, within the state and nation.
For decades the biomedical industry has been growing rapidly. There is very little research to indicate at what point the market demand will be met, or how close that point in time may be.
3. Decentralization of the Los Angeles area hubs and more movement to areas with available greenfield development potential.
The trend in the Greater Los Angeles area tends to be construction of new facilities along the periphery in areas with available land to develop.

Chapter 3: Biomedical Planning Assessment

Section 1 – Chapter Summary

In this chapter, CSI evaluated the City’s land use and development regulations and General Plan policies based on studies of cities that have established biomedical overlay zones and on the results of interviews with administrators from major biomedical facilities, universities, and trade organizations. Guided by this analysis, CSI has prepared a Biomedical Planning Assessment for the City. The Assessment is specifically tailored to help meet Downey’s biomedical goals and is intended to serve as a “roadmap” for preparing detailed zoning map and ordinance amendments to implement zoning changes.

Section 2 – Findings

- **City zoning requirements and development regulations.** CSI analyzed the City’s existing zoning districts, permitted uses and development standards with an emphasis on biomedical uses. Patterns and anomalies that could affect the feasibility of expanding or attracting biomedical uses to the City were identified. CSI paid special attention to potential zoning ordinance amendments that could make Downey even more “biomedical business-friendly,” more attractive to biomedical and supportive uses and attractive to well-qualified biomedical employees. Major findings include:
 1. The City’s Zoning Ordinance provides a good framework to integrate a new overlay zone and other zoning amendments to incentivize biomedical uses.
 2. New and amended definitions are needed to clearly describe the range and types of biomedical uses and health services as they operate today.
 3. In general, the City’s development standards allow for the scale of development that is typically associated with biomedical uses in many small to medium-sized cities with successful biomedical sectors. However, additional flexibility in key development standards is needed to attract biomedical uses, such as in floor area ratios (FARs), building heights, and setbacks.
 4. The permitted and conditionally-permitted uses allowed in certain commercial and manufacturing zones should be revised to encourage biomedical uses and related supporting uses, and to discourage incompatible, obsolete or inappropriate uses in service-commercial and manufacturing areas. For example, “Printing Shops,” “Taxicab Stands,” and “Motels and Hotels” may no longer make sense in the Commercial-Manufacturing zone, or “Auto Wrecking Yards,” “Lumber Mills” and “Junk Yards” in the M-2 Manufacturing zones.
- **General Plan Consistency.** Anticipated zoning changes to permit and incentivize biomedical uses are not expected to create inconsistencies with existing General Plan policies. Nevertheless, we recommend that the General Plan’s policies be amended to provide the legal and procedural

foundation for the City's biomedical land use and economic development objectives. Recommended revisions are summarized below and described more fully in *Chapter 4, Implementation*.

1. The General Plan Land Use Element's Balance of Uses, Livable Communities, and Growth Management Section policies should be amended to provide policy direction to incentivize and address the future impacts of new biomedical uses.
 2. The General Plan Economic Development Element's Business Attraction and Retention, and Employment sections' policies should be amended to qualitatively address the economic costs and benefits of incentivizing biomedical uses and their potential impacts, particularly on adjacent residential neighborhoods.
 3. The General Plan Land Use Plan should be amended to re-designate the area currently zoned "H-M" and designated "Office" in the General Plan to "General Commercial" to provide more uniformity and flexibility of uses.
- **The Hospital-Medical Arts (H-M) Zone.** The Hospital-Medical Arts (H-M) Zone accommodates and helps preserve a limited range of medical uses in two land areas totaling about 46 acres. The narrow range of permitted and conditionally permitted uses in the H-M Zone has the effect of discouraging the establishment of more diverse commercial uses in these areas. While H-M zoning appears to continue to serve its purpose (to protect medical services and related uses), it is too restrictive to achieve the City's broader biomedical objectives of today. To overcome the H-M Zone's limitations and address the City's desire to maintain and attract new biomedical uses, CSI recommends that:
 1. A Biomedical Overlay Zone be applied to commercial, manufacturing, and other zones to accommodate primary and accessory biomedical uses.
 2. A Biomedical Overlay Zone serve as the primary zoning tool to create the land use "synergy" that will attract the investment capital and labor force needed for a vibrant biomedical sector.
 3. The H-M Zone should be maintained but amended to allow a wider range of biomedical uses and more flexible standards that will be compatible with the Biomedical Overlay Zone.
 - **Biomedical Planning Assessment.** The Biomedical Planning Assessment summarizes the recommended strategies to enhance the City's ability to retain, expand and attract biomedical uses, and related accessory and supportive uses. The intent is to make the City more attractive overall to biomedical uses and employees. Key recommendations are to:
 1. Consider providing financial and industry-supportive incentives to increase the local concentration of biomedical employment and business opportunities.
 2. Define biomedical sector business priorities and tailor fiscal, land use/zoning, and outreach/marketing strategies to reach targeted businesses, institutions, and investors.

Section 3 – Zoning and Development Regulations

Cities can choose from several zoning tools to attract biomedical uses. Such tools can be designed to meet the needs of the individual jurisdiction, based on its goals, existing development patterns, and the community's preferences on new development. Before the City considers adopting such tools, it is imperative to analyze current zoning standards. A key first step is to identify the most efficient method to integrate new regulations to achieve biomedical goals, avoid unintended consequences, and maintain General Plan consistency.

CSI's analysis of the Zoning Ordinance and development regulations revealed a number of sections needing changes and/or additions. Starting with the Zoning Ordinance definitions, there is a need to describe the types and range of biomedical and health services-related uses as they operate in 2018. For example, there is no definition of "biomedical use." Similarly, other key medical and healthcare uses are undefined, such as those that describe clinical services like outpatient treatment, which differ from "medical offices" and "hospitals."

Use Definitions. Establishing a more robust definition section that clearly differentiates medical, research and development, and biomedical uses will clarify the application of zoning standards to such uses and will prove essential in achieving the City's goals. Additionally, a more comprehensive description of uses will help identify those less desirable medical-related uses (in terms of their ability to attract well-paid Biomedical jobs), such as group-counseling centers and manufacturing of low-technology medical devices. These uses, although related to medical services, can displace and discourage the types of businesses with higher-paying biomedical jobs. For example, other cities' experiences suggest that uses that solely provide clinical services directly to patients, as opposed to biomedical research and development or high-tech Biomedical manufacturing, produce fewer high paid jobs and secondary sales.

Zoning Development Standards. The commercial and manufacturing zone development standards provide a solid foundation for promoting redevelopment to accommodate new biomedical uses. The City's existing zoning development standards (i.e. setbacks, building height limits, etc.) are generally consistent with what is typically required in many comparable jurisdictions with biomedical sectors, and in some cases, are more flexible or permissive. For example, Downey provides height limits for commercial zones that are comparable to, or that allow several stories taller than, other Southern-California commercial zones in Carlsbad, Santa Monica, and Aliso Viejo that encourage bio- medical uses. Based on CSI's case studies of cities with successful biomedical zones, Downey's development standards generally do not require major changes and are unlikely to restrict bio- medical development.

Zoning Ordinance Text Amendments. Limited, strategic Zoning Ordinance amendments may be desirable, however, to incentivize redevelopment, particularly for biomedical uses that have potential to create high-paying jobs. This need is underscored by the City's limited amount of vacant or underdeveloped landsuitable for such uses. CSI does not believe wide-ranging increases in development standards to incentivize biomedical development are needed at this time. Such changes may be appropriate in the future, as part of a broader economic development program that the City

may consider following an initial start-up period for its new biomedical policies and programs. Incentives to facilitate redevelopment for biomedical uses should be considered on a case-by-case basis and tailored specifically for new biomedical development projects and their specific settings.

For example, a tailored approach would be to create a “Biomedical Overlay Zone” that expands a base zone’s permitted uses and provides additional development predictability or reduces development costs for biomedical uses. Furthermore, since Downey is nearly built-out, the City should continue to protect residential areas near existing and planned biomedical growth areas. To a certain degree, this has already occurred as evidenced by the reduced heights and increased building setbacks required for development adjacent to residential uses. To further maintain the desired character of these residential/Biomedical transitional areas, proposed amendments must be designed to incentivize desirable land uses and avoid unintended impacts to adjacent residential or commercial uses.

Based on our evaluation of allowed uses in the commercial and manufacturing zones, we anticipate that zoning amendments will be required to: 1) broaden the range of permitted and conditionally permitted uses; and 2) improve the attraction of biomedical and related uses generally by allowing uses that support or are accessory to biomedical uses. For example, the H-M Zone does not allow many supporting uses allowed in other cities’ successful biomedical zones, such as financial services, bakeries, and bars/taverns. Surprisingly, some uses that are closely aligned with biomedical uses, such as medical outpatient services, are not addressed; others that are permitted may no longer be relevant to the City’s needs or goals and may be deleted, such as “Printing Shops” and “Taxicab Stands.” While not exclusively biomedical in nature, accessory uses have proven essential in other cities to attract and retain desirable biomedical uses. The City’s established zones are listed in Table 2.

Table 2: Zones Established, City of Downey

Zone	Symbol
Residential Zones	
Single-Family Residential Zone	R-1
Two-Family Residential Zone	R-2
Multiple-Family Residential Zone	R-3
Multiple-Family Residential Ownership Zone	R-3-0
Commercial Zones	
Professional Office Zone	C-P
Neighborhood Commercial Zone	C-1
General Commercial Zone	C-2
Central Business District Zone	C-3
Commercial Manufacturing Zone	C-M
Hospital-Medical Arts Zone	H-M
Mixed-Use Zone	
Mixed-Use Zone	M-U
Manufacturing Zones	
Light Manufacturing Zone	M-1
General Manufacturing Zone	M-2
Public Zone	
Public Zone	P

Zone	Symbol
Open Space Zone	
Open Space Zone	O-S
Planned Unit Development Overlay Zone	
Planned Unit Development Overlay Zone	PUD
Downtown Plan Overlay Zone	
Downtown Plan Overlay Zone	D-P

There is a lack of research universities/ facilities near the City, and opportunities to attract satellite university campuses, research facilities or vocational schools should also be included in any proposed zoning amendments. The Zoning Ordinance does not promote the types of uses that could help establish and support National Institutes of Health (NIH)-funded research institutions, which provide a key source of equity for biomedical firms. Any opportunities for Downey to facilitate the locating of a major research institution, or satellite campus, within its boundaries should be encouraged.

Zoning Map Amendments. In reviewing the City’s Zoning Map, one obvious feature that emerges is the location of medical-oriented use areas and related Zoning Ordinance use standards. When reviewing the H-M Zone (reviewed in greater depth elsewhere in this report), the land area zoned for such uses is quite limited, in terms of both visibility and acreage. The areas zoned as H-M are not large enough to attract new biomedical uses and are more likely to simply maintain the medical-related uses that currently exist. Zoning Map amendments are recommend to both expand the H-M zone and to apply the Biomedical Overlay (BIO), as shown in *Figures 5 through 10*.

While a biomedical overlay zone can be an effective tool, it is also recommended that the base commercial, manufacturing and mixed-use zones be amended to accommodate biomedical and accessory uses, where appropriate. Moreover, an area which is appropriately zoned and large enough to provide ample opportunity for major, new biomedical uses to relocate to Downey is an absolute necessity. As discussed in the City’s *Imperial Highway Corridor Economic Development Strategic Plan*, some of that expansion area may be provided in four subareas along Imperial Highway within the City. One of the most promising areas is the Rancho Los Amigos subarea, including the master planned, 70-acre “South Campus.” Anticipated relocations of Los Angeles County offices to the South Campus are expected to free up about 14 acres from the vacated parcels along Imperial Highway for redevelopment within 5-10 years, plus additional acreage for bio- medical uses in the redeveloped South Campus area.

It is necessary to look at all commercial and manufacturing zones, in addition to the H-M Zone, to increase the opportunities for “Biomedical synergy” to occur with a Biomedical Overlay Zone and to accommodate compatible biomedical uses. In this approach, a base zones’ allowed uses or development standards could then be modified by the application of the Biomedical Overlay Zone. Specific incentives would then apply to allow greater flexibility for and encourage biomedical uses. Additionally, the Overlay could limit non-compatible or non-complementary land uses by restricting their location, size, and/or operational characteristics.

In terms of ease of use, careful consideration must be paid to how a biomedical overlay is created. The Zoning Ordinance should be amended so that it generally maintains the established organization and

overall intent of that document. However, certain aspects of an overlay's attributes should be prescribed in the commercial- and manufacturing-zone use tables to ensure an understanding of how an overlay and the base zones are applied and work together.

It is necessary to provide additional "Intent and Purpose" sections within the commercial, manufacturing, and overlay zone sections. Updating these descriptions will establish context for the incentivized biomedical zoning standards and explain how to apply the overlay zone to the base zones. The overlay zone section should also include several non-zoning incentives, such as expedited planning or permit processing and possible fee reductions. These incentives can be tied to discretionary planning approvals to achieve their intent. Such incentives have proven effective in other jurisdictions to help reduce development costs and land use barriers to biomedical uses.

Section 4 – General Plan Consistency

As the City considers changes to the Hospital-Medical Arts (H-M) Zone and creation of a Bio- medical Overlay Zone, it is important to note that State law requires that zoning and general plans to maintain consistency with one another. To address this issue, CSI reviewed the City's General Plan to determine whether the anticipated zoning ordinance amendments could be accomplished within the framework of the existing general plan. Overall, we found the 2005 General Plan text to be very general in nature, with few references to biomedical-related uses or topics. Neither the H-M Zone nor a possible Biomedical Overlay Zone pose any direct inconsistencies with the General Plan's text, goals, policies and programs. Given the importance of biomedical uses to the City, CSI recommends that the City add additional policy language to support the City's bio- medical land use and economic development objectives. Preparing specific general plan amendments is outside of this project's defined scope; however, CSI recommends that City staff initiate the following amendments as part of a General Plan update or amendment:

Land Use Element

1. Balance of Uses Section
 - Establish biomedical development goals and objectives in areas such as land uses, square feet of developed biomedical uses, and biomedical employment growth, and development of supportive biomedical uses such as education facilities and high quality housing and commercial services.
 - Describe how the overall mix of land uses is likely to change as biomedical sector expands (i.e., relocation of Government offices along Imperial Highway, continuing relocation of auto-related retail sales, expansion of lab and R&D type development along major transportation corridors).
 - The H-M Zoned areas are designated by the General Plan Office Commercial and General Commercial. The General Plan narrative contains language addressing biomedical uses under Office Commercial but is silent regarding these uses under General Commercial. Consider adding language regarding biomedical uses under the General Commercial heading.

- Consider adding a paragraph on biomedical uses and refer to the locations, purposes and character of the H-M Zone and the Biomedical Overlay Zone.
- Add a policy and/or program to maintain and expand biomedical uses.

Livable Communities Section

- Consider adding a narrative about the existing major medical centers in the City and the City's desire to maintain and expand biomedical uses.
- Add a policy and/or program to promote biomedical uses.
- Add a policy and/or program addressing strategies to maintain compatibility between residential and biomedical uses.

Growth Projections

- Update City Growth Projections for residential and non-residential growth to reflect biomedical growth objectives.

Economic Development Element

1. Business Attraction and Retention Section

- Add Strengths, Weaknesses, Opportunities and Threats related to biomedical uses.
- Add a policy and/or program to attract and retain biomedical uses.
- Add a policy and/or program to provide incentives (e.g., financial, land use processing, flexible development standards, leadership).

2. Employment Section

- Add discussion of the value of biomedical employment.
- Add a policy and/or program to promote Biomedical jobs.

General Plan Land Use Map and the Zoning Map

One of the City's two H-M zoned areas (Downtown/Brookshire) is designated Office in the General Plan Land Use Map while the other (South Lakewood) is designated General Commercial. The City should consider whether both areas should be designated General Commercial to provide more consistency in allowed uses.

Section 5 – Hospital-Medical Arts Zone

Overview and Purpose

The Hospital-Medical Arts Zone (H-M) is something of an anomaly among the City's zone districts. It covers about 46 acres, one of the City's smallest zones in terms of land area. It is also noteworthy for having one of the most limited list of permitted uses of City's zones. According to the Zoning Code, the purpose of the H-M Zone is *"to provide for and encourage the orderly development of a wide variety of biomedical uses that facilitates the growth of businesses during all stages of the business cycle. It also allows professional offices, personal and professional services, and retail uses that are compatible with and supportive of uses permitted within the zone and with uses in adjacent zones."*

The history of the H-M Zone is not clearly documented. From discussions with City staff, it appears the H-M Zone was established to specifically accommodate the former Downey Regional Medical Center (now known as PIH Downey) and a narrow range of related medical uses and assisted living facilities. The H-M Zone does not allow the much wider range of uses allowed in the General Commercial (C-2) Zone or Downtown Area.

Setting and Locations

There are two clusters of H-M zoning, generally located in the central and southern commercial areas of the City. H-M Cluster #1, Downtown/Brookshire Avenue area, shown in Figure 3-1. It covers an area of approximately 37 acres, and is close to Downtown, Downey High and the Civic Center. The cluster also includes medical offices, parking lots, and houses. Principle uses and businesses in this cluster are:

- PIH Downey, Emergency Hospital, and Pharmacy
- Brookshire Medical Building
- Downey Community Health Center
- Brookshire Manor (Senior Residential Community)
- Family Support Center



Figure 3-1: H-M Zoning Cluster #1

The second cluster, H-M Cluster #2 – South Lakewood Boulevard at Stewart and Gray Road, is in the south-central portion of the City, near the Downey Landing Commercial Center. The cluster covers approximately 9 acres, and is shown in Figure 3-2. Principal uses and businesses in this cluster are:

- Lakewood Gardens assisted care facility, 12055 South Lakewood Boulevard
- Lakewood Park Manor assisted living facility, 12045 South Lakewood Boulevard
- Lakewood Healthcare Center, a 290-bed nursing home, 12023 South Lakewood Boulevard



Figure 3-2: H-M Zoning Cluster #2

Zoning Standards and Comparison with other Zones

Of the City’s six commercial zones Professional Office (C-P), Neighborhood Commercial (C-1), General Commercial (C-2), Central Business District (C-3), Commercial Manufacturing (C-M), and Hospital-Medical Arts (H-M), the H-M Zone stands out as the most limited, both in terms of permitted or conditionally permitted uses and in its narrowly focused purpose. Under H-M zoning, the following uses are permitted.

Permitted Uses

- Restaurants, cafes, coffee establishments
- Temporary Sales (Christmas trees and pumpkins)
- Laundries (limited)
- Medical and orthopedic sales

- Medical Services (includes psychiatric and short term medical care and alcohol treatment centers)
- Personal services
- Pharmacies
- Medical schools
- Emergency shelters (up to 30 occupants)
- Hospitals (not including convalescent hospitals and nursing homes)
- Convalescent hospitals/nursing homes/assisted living facilities (subject to standards listed in Section 9422)
- Senior citizen housing development
- Single resident occupancy (“SRO” housing)

Conditionally Permitted Uses

- Restaurants, cafes, coffee establishments with alcohol sales
- Hospitals/veterinary
- Day care center, adult or child
- Laboratories
- Kiosks, permanent or temporary
- Laundries (unlimited)
- Utility distribution stations
- Ambulance service
- Colleges, public or private
- Private schools
- Small wind energy systems
- Wireless communication facilities

Attachment 1 shows permitted and conditionally permitted uses for the City’s commercial zones.

Table 9.3.1 lists the City’s established zone districts, for reference. Perhaps most significant about the H-M zone is not what uses are allowed, but rather, what uses are *not* allowed. Several uses that are accessory to and supportive of hospitals and medical services are **not permitted or conditionally permitted in the H-M Zone**. These include:

- Offices (business or professional)
- Hotels and motels
- Public parking, surface lots and structures
- Passenger stations, bus and rail
- Schools – business, professional, trade, technical or vocational
- Retail sales (drug stores, pharmacies, and florist shops)
- Public buildings and facilities (libraries, governmental buildings, police and fire stations)

Existing Land Uses and Consistency with Zone's Purpose

With a few, minor exceptions, the existing H-M Zone uses and businesses are consistent with the Zoning Code's Allowed Uses. The dominant use in H-M Cluster #1 is the PIH Downey Hospital and related facilities, including Emergency Hospital, Pharmacy and related medical services, located at 11500 Brookshire Avenue. Other uses/businesses are:

- Brookshire Medical Offices Building, 15411 Brookshire Avenue
- Brookshire Manor 55+ Senior Condominiums, 11410 Brookshire Avenue
- Downey Community Health Center, 8425 Iowa Street (198-bed skilled nursing facility)
- Office building, 8425 Iowa Street
- Dwellings (house and duplex), 8306 and 8312 Iowa Street
- Surface and structural parking lots

The exceptions, while probably not permitted under current zoning standards, are compatible with the primary hospital and medical services uses. Brookshire Manor Condominiums, which were built in 1991, are mostly 2-bed/2-bath floor plans of about 800-900 square feet. Townhouses and condominiums are conditionally permitted in the H-M Zone as part of a mixed-use project, however Brookshire Manor doesn't appear to be part of a mixed-use development. Additionally, the Brookshire Medical Building provides offices for professional medical services, even though the H-M Zone doesn't specifically permit "professional offices" outside of a medical center. The two older residences may have predated current zoning and are compatible with adjacent office uses.

H-M Zone Application and Usefulness

The H-M Zone has served a purpose by permitting a large hospital and related medical services and facilities to continue, and to minimize potentially competing or incompatible retail- commercial or industrial uses from encroaching into areas dedicated primarily for medical uses. In this context, the H-M Zone appears to have been effective. However, two other major hospitals, Kaiser Permanente Downey Medical Center and Rancho Los Amigos National Rehabilitation Center, are not located in the H-M Zone. Kaiser Permanente is located in the Downey Landing Specific Plan Area (SP01-1), and Rancho Los Amigos is located in a single-family residential zone (R-1).

Conversely, the H-M Zone's narrow range of permitted uses may limit its usefulness and transferability to other areas where a more diverse, vibrant mix of uses is desired, or where a broader range of uses already exists. H-M Cluster #1's location near Downtown would support a wider range of uses, in keeping with the mixed-use, pedestrian-oriented character of Downtown. Retaining the H-M Zone designation without amending it would indicate the City wants to maintain the existing or similar mix of uses in these two limited areas.

Non-Conforming Biomedical Uses

Land uses that were legally established (that is, that conformed to then existing general plan and zoning standards) but that no longer conform to current general plan or zoning standards are termed "legal, non-conforming uses." Non-conforming uses are typically subject to various zoning constraints,

such as amortization requirements or limitations on expansion or intensification of the use. This status can discourage investment or reinvestment in the property or result in relocation of the use. Rancho Los Amigos National Rehabilitation Center is technically, a non-conforming use due to its underlying R-1 zoning. Given RLA's pre-eminent national and regional importance in medical rehabilitation and on its local importance to Downey's economy and biomedical growth potential, the City should ensure this other legal, non-conforming biomedical uses are made "conforming", as appropriate. For Rancho Los Amigos, the City should consider rezoning the property from R-1 to H-M and applying the Biomedical Overlay Zone.

Future of H-M Zone

One of the key components in the City's work scope was to evaluate the role, design, location and effectiveness of the Hospital-Medical Arts Zone and to determine whether it should be modified, expanded, or eliminated, and if so, how. Based on this consultant's review of existing conditions, City objectives, and effective zoning strategies used in other U.S. and California cities, CSI recommends the following:

- **Keep or Modify?** The H-M Zone should be retained in its current locations, but modified to expand the range of permitted and conditionally permitted uses. Specific recommended changes are described in *Chapter 4*.
- **Expand H-M Zone or Apply Biomedical Overlay?** The City should retain the H-M zone, expand it to include existing biomedical uses as needed, and amend it to allow greater flexibility in attracting supportive or accessory uses. As currently designed, the H-M zone is not sufficient to attract the range of biomedical uses necessary to achieve the economic synergy the City seeks. While H-M zoning is effective in protecting a limited range of medical uses, its applicability is too limited to successfully compete with other Southern California communities also seeking to attract well-paid biomedical jobs. The City must instead take a broader, more comprehensive approach to land use by augmenting the H-M zone with a new "Biomedical Overlay Zone" and applying it to selected Commercial and Manufacturing base zones throughout the City to create new or expanded "microcenters" for major Biomedical employers and employees, where appropriate. These centers should include a vibrant mix of medical, research and development, light manufacturing and the commercial services that support the principal uses. Figure 3-3 shows the City's Downtown Land Use Districts and core uses.

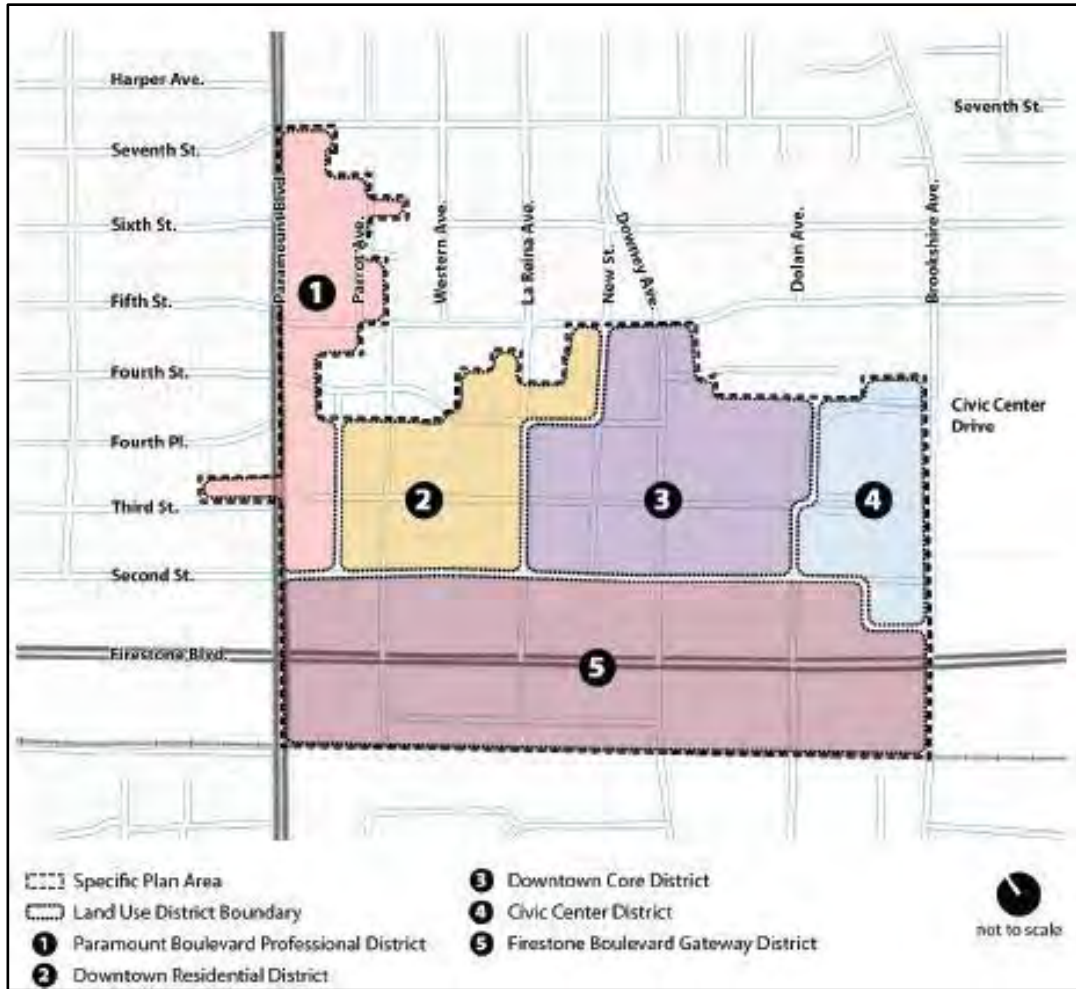


Figure 3-3: Downtown Land Use Districts

Section 6 – Biomedical Planning Assessment

In the research phase, CSI identified zoning strategies used by 16 small to large jurisdictions in the U.S. with established biomedical centers, such as Carlsbad, California and Lyndon, Washington. It also discussed the City’s strengths, weaknesses, opportunities and constraints in successfully attracting and retaining bio-medical uses. This work phase focused on three tasks: 1) evaluating the City’s zoning districts, General Plan policies and development regulations, 2) evaluating the role and effectiveness of the Hospital-Medical Arts (H-M) Zone, and 3) conducting an overall assessment of the feasibility of and strategy for expanding the City’s biomedical sector. The results of that assessment are summarized in Table 3.

The City of Downey is already a highly successful hub for health services in southeast Los Angeles County. It continues to attract one of the highest concentration of medical professionals and healthcare facilities in the state and intends to expand that role to encompass biomedical research, design and manufacturing. Table 3 summarizes the key issues, objectives and strategies the City should actively pursue to achieve this new expanded role. In effect, this assessment is a “road map.” It

describes where the City is in terms of its ability to attract bio- medical uses, and what it needs to accomplish to be successful in that effort.

Table 3: Biomedical Planning Assessment

Issue	Objective	Strategy
Biomedical Employment	<ul style="list-style-type: none"> ● Raise number of persons employed in Professional, Scientific, and Technical Services from 3% (in 2014) to 10% of total Downey employment by 2027. ● Raise Downey median household income to at least 100% of LA County household median income by 2027 (or at least 6%). ● Raise number of persons employed in Health Care and Social Assistance from 23% (in 2014) to 35% of total employment in 2027. 	<ul style="list-style-type: none"> ● Take leadership, along with local hospitals and Cerritos College, Downey Adult School, USC, UC Irvine, Loma Linda, and other biomedical universities, to define employment and facility needs and to establish/expand health and bio-medical internship programs. ● Consider providing financial incentives (tax incentives, fee reductions, or fast track permit processing to new health or Biomedical businesses), tiered to number of new skilled or professional jobs created. ● Sponsor 2018 Biomedical conference, in concert with Chamber and Biomedical trade associations (e.g., SoCalBio), to promote City as Biomedical and health hub; promote increased investment.
Type of Bio-medical Uses	Attract defined range of bio-medical uses, with the following priorities: <ul style="list-style-type: none"> ● Biomedical engineering. ● Biomedical research and design. ● Biomedical testing and manufacturing. ● Biomedical education and training. 	<ul style="list-style-type: none"> ● Define biomedical sector business priorities and tailor fiscal, land use/zoning, and outreach/marketing strategies to reach the target businesses and institutions. ● Restrict land uses that could detract from or frustrate City efforts to expand biomedical uses.
Regional Setting and Alliances	<ul style="list-style-type: none"> ● Seek expanded partnerships with regional academic, health and government institutions. ● Establish aggressive economic development outreach. ● Exploit proximity to existing Biotech nodes to attract talent and start-up bio-med businesses. 	<ul style="list-style-type: none"> ● Schedule meeting with Loma Linda University officials to discuss expansion needs and feasibility. ● Aggressively market City to academic institutions and <i>targeted</i> businesses seeking to expand into the Southern California area. ● Work cooperatively with LA County to implement the Imperial Highway Corridor Specific Plan. ● Establish ad hoc Biomedical Advisory Committee to serve as business and policy advisor and represent Biomedical interests at City Council.
Access and Transportation	<ul style="list-style-type: none"> ● Improve regional access to and from existing and potential bio- medical nodes. ● Improve connectivity between rail and bus facilities and services. ● Provide improved public transit (e.g., shelters), bicycle facilities 	<ul style="list-style-type: none"> ● Review sidewalk and bike routes, transit routes and stops; ensure connectivity among existing and potential Biomedical nodes and corridors with the existing Lakewood Boulevard “Green” line Metro Rail Station linking Norwalk and Downey with LAX. ● Support the proposed West Santa Ana Branch Corridor Metro line station in Downey linking the City (particularly the “South Campus” specific plan/Biomedical area) with Downtown’s Union Station. ● Continue to monitor and strongly advocate completion of I-5 corridor improvements. ● Expand multi-modal facilities along major streets, including bicycle facilities and pedestrian-oriented improvements and landscaping.
Land Availability	<ul style="list-style-type: none"> ● Increase area suitable for new or 	<ul style="list-style-type: none"> ● Adopt Biomedical Overlay Zone and apply to

Issue	Objective	Strategy
	expanded health services and biomedical uses to at least 25% of City's non-residential land area. <ul style="list-style-type: none"> ● Encourage redevelopment of blighted properties and non-conforming commercial or manufacturing properties to biomedical uses. ● Acquire and assemble parcels with biomedical potential. ● Identify sites suitable for "Wet Lab" space. 	appropriate areas where compatible with adjacent uses and served by transit. <ul style="list-style-type: none"> ● Retain Health-Medical Arts Zone; consider enlarging Zone and amending it to allow supportive uses. ● Review and as necessary, revise Non-Conforming use provisions of Zoning Ordinance to encourage redevelopment of non-conforming industrial uses and to gradually transition to more complementary manufacturing uses in the C-M Zone. ● Consider acquiring land for assembling key "Biomedical opportunity sites" to generate investment interest.
Land Use Synergy	<ul style="list-style-type: none"> ● Establish diverse, mixed-use nodes near biomedical nodes, including housing, services, restaurants, taverns and brewpubs. ● Increase restaurant, lodging and retail sales tax receipts by 25% by 2027. ● Construct at least 500 additional pedestrian- and bicycle- transit-oriented residential development near transit centers by 2027. 	<ul style="list-style-type: none"> ● Amend Hospital-Medical Arts Zone to allow more diverse, supportive uses. ● Support residential density bonuses for high quality apartments and condominiums in H-M, M-U, B-M Overlay, and Transit-Oriented Developments (TOD). ● Encourage walkable or bikeable facilities and services close to Biomedical job nodes, including internet cafes, restaurants, pubs and taverns, neighborhood grocery stores and personal and financial services. ● Provide express bus connection between Downtown Downey and Biomedical job nodes.
Infrastructure	<ul style="list-style-type: none"> ● Continue to improve telecommunications and networking infrastructure, including the fiber optics network. 	<ul style="list-style-type: none"> ● Prepare 2018-2027 candidate CIP projects considering the need and suitability for expanded biomedical uses, particularly in terms of fiber optic network access.
Community Values	<ul style="list-style-type: none"> ● Identify growth in health and Biomedical employment as important community value. ● Clearly describe how growth in health and Biomedical sectors will improve citizens' quality of life and help meet community needs. ● Achieve community consensus for expanding health and bio-medical sectors in Downey by ● popular vote or another metric. 	<ul style="list-style-type: none"> ● Prepare Community Whitepaper describing the goals, benefits, and strategies to expanding health and Biomedical uses in Downey. ● Retain economic firm to identify specific costs and funding tools to achieve biomedical objectives, particularly infrastructure and land acquisition costs. ● Hold series of town hall meetings to present ideas and explain potential land use and zoning changes. Emphasize strategies for protecting and enhancing residential neighborhoods.
Educational Factors	<ul style="list-style-type: none"> ● Raise the number of persons with graduate degrees from 4% of City's total population to 6% by 2027. ● Attract and expand local academic and vocational programs in health science and biomedical professions. ● Through partnerships, attract NIH funding to City. 	<ul style="list-style-type: none"> ● Hold meetings with local school board and community college board to enlist support and set recruitment/enrollment/academic goals. ● Include academic/research institution representatives on the City's Biomedical Advisory Committee. ● Initiate and/or assist health or Biomedical business and institutions in Downey to secure research or teaching funding through NIH or other sources.
Economic Factors	<ul style="list-style-type: none"> ● Attract significant new bio-medical investment to Downey by 2027. ● Retrofit at least 500K sf of existing 	<ul style="list-style-type: none"> ● Participate with SoCalBio and other key trade associations to promote Downey as a regional health services and biomedical hub.

Issue	Objective	Strategy
	warehouse, manufacturing or office floor area to accommodate biomedical uses. <ul style="list-style-type: none"> • Form a partnership with LA County to establish a signature biomedical complex in the Imperial Highway Corridor area. 	<ul style="list-style-type: none"> • Work with private developers through public/private partnerships and/or economic development incentives to assist with land acquisition, infrastructure improvements and development incentives to attract and promote biomedical growth and employment. • Facilitate conversion of existing warehouse and manufacturing space to “flex” space that can accommodate biomedical labs, research and manufacturing. • Create a City Council-sponsored “quick response” program to visit health and bio-medical businesses, identify needs and trends, and to improve communication and government and business cooperation.
Zoning and Land Use	<ul style="list-style-type: none"> • Dedicate City goals, policies and programs to prioritize and incentivize retention of health services and growth of new biomedical sector. • Launch outreach program to identify the Biomedical importance and • technological “challenge” based on City’s historic technology role in aerospace. • Coordinate with bio-medical/academic institutions, businesses, trade associations, prospective investors and others to help define City’s • needs and strategies for bio-medical growth. • Make existing legal, non-conforming Biomedical uses conforming, where appropriate. 	<ul style="list-style-type: none"> • Amend General Plan and Zoning Ordinance to establish a new Biomedical Overlay Zone, revise development standards, procedures and definitions. • Amend the Hospital-Medical Arts Zone to allow/encourage supportive uses. • Amend/Update Zoning Map for consistency with General Plan Land Use Map and specify areas of biomedical nodes and corridors, and identify transit-oriented development areas. • Provide Planning, Building, and Engineering incentives for expedited project review and permitting for qualified biomedical development projects. • Rezone Rancho Los Amigos from R-1 to H-M and apply Biomedical Overlay to the property. Identify other legal, non-conforming Biomedical uses and amend the General Plan and Zoning Map as needed to ensure appropriate, compatible uses can continue as legal, conforming uses.

Chapter 4: Implementation

Section 1 – Chapter Summary

This chapter completes the Consultants’ work to help establish a new “Biomedical Overlay Zone” for the City of Downey. It sets out Zoning Ordinance text, map and General Plan text amendments necessary to implement the new biomedical land use program. The recommended draft regulations and development standards work in concert with updated Commercial and Manufacturing Zones, including the Hospital-Medical Arts (H-M) Zone.

The recommended amendments include new and amended Zoning Ordinance definitions to describe the contemporary range and types of Biomedical uses and health services, a new Biomedical Overlay Zone section of the Zoning Ordinance, revised “Intent and Purpose” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance, updated and amended “Use Regulations” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance, amended “Development Standards” of the Commercial Zones section of the Zoning Ordinance, and amended Zoning Map to include areas designated for the Biomedical Overlay Zone.

Section 2 – Findings

The primary findings and recommendations in this section are:

- **Zoning Amendments.** Combining the research on the Biomedical industry and the zoning incentives provided by cities with successful Biomedical hubs, CSI developed amendments to the City’s existing zoning districts, permitted uses and development standards to effectively encourage the establishment of new Biomedical uses, and the maintenance of existing uses. The major changes necessary to develop a successful Biomedical Overlay consist of the following:
 - New and amended Zoning Ordinance definitions to describe the contemporary range and types of biomedical uses and health services.
 - A new Biomedical Overlay Zone section of the Zoning Ordinance.
 - Revised “Intent and Purpose” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance.
 - Updated and amended “Use Regulations” of the Commercial and Manufacturing Zones sections of the Zoning Ordinance.
 - Amended “Development Standards” of the Commercial Zones section of the Zoning Ordinance.
 - Amended Zoning Map to include areas designated for the Biomedical Overlay Zone.
- **General Plan Consistency Amendments.** CSI identified inconsistencies between existing General Plan land use designations and the Zoning Map. As recommended, the Biomedical Overlay zoning amendments do not create additional inconsistencies since the Overlay can be applied to all zones, including all Commercial and Manufacturing zones. However, Downey’s General Plan policies

should be amended to provide the legal and procedural foundation for the City's biomedical land use and economic development objectives. Accordingly, CSI recommends that:

- The General Plan *Land Use Element's* Balance of Uses, Livable Communities, and Growth Management Section policies be amended to provide policy direction to incentivize and address the future impacts of new biomedical uses.
- The General Plan *Economic Development Element's* Business Attraction and Retention, and Employment sections' policies be amended to qualitatively address the economic costs and benefits of incentivizing Biomedical uses and their potential impacts, particularly on adjacent residential neighborhoods.
- The General Plan Land Use Plan be amended to re-designate the area currently zoned "H-M" and designated "Office" in the General Plan to "General Commercial" to provide more uniformity and flexibility of uses.

As part of Zoning Map amendments to implement the Biomedical Overlay and other changes, the City will also need to consider the need for GP land use amendments on individual properties. Specific GP land use designations for individual properties is part of project implementation and is outside the consultant's scope of work.

- **Initial Environmental Study (CEQA).** CSI prepared an Initial Study to evaluate the potential environmental impacts of the proposed zoning amendments to establish a Biomedical Overlay. This Initial Study determined that the proposed amendments would have less than significant impacts on the environment and that a Negative Declaration should be prepared in conjunction with the project.

Section 3 – Zoning Ordinance and Map Amendments

Objectives. The Biomedical Overlay uses four simple zoning tools to achieve several important objectives. First, it incentivizes and attracts new biomedical uses in a way that avoids creating legal, nonconforming uses. Second, it discourages less compatible land uses that could impede City efforts to attract and maintain biomedical uses. Third, it maintains consistency between the General Plan and Zoning Ordinance. And fourth, and arguably the most important approach, it creates an overlay zone that is clear, easy to understand, and easy for citizens, potential investors, developers, and City staff and decision makers to use.

The first objective is to avoid creating nonconforming uses as a result of the new Biomedical Overlay.

This objective is achieved by maintaining most of the current zoning regulations applicable to commercial and manufacturing zones. While some existing uses may create nuisances for some biomedical facilities (such as vehicle impound and storage yard and truck and trailer repair), the incentives provided in the Overlay are intended to offset the effects of such uses. In contrast, incentivizing redevelopment can have the unintended effect of increasing the land value of the nonconforming uses, thus discouraging the redevelopment of the non-conforming uses. Consequently, the proposed zoning amendments include the elimination of some uses listed as "permitted" or permitted subject to the issuance of a "Conditional Use Permit." However, most of these uses are obsolete

or consist of nuisance-prone heavy manufacturing uses that are incompatible with biomedical uses. An example of one of these uses is “cesspool manufacturing and sales.”

The second objective is to incentivize compatible uses and discourage land uses that would impede City efforts to attract and maintain biomedical uses. This objective is accomplished through Zoning Ordinance amendments that: 1) update several important definitions, such as “hospital”, 2) create new definitions, and 3) revise the Zoning Ordinance’s list of permitted uses to discourage less appropriate uses in the Biomedical Overlay, such as “group counseling,” “wet laboratories,” and “specialty hospitals.” The proposed Overlay establishes new, well-defined uses, such as “biomedical uses” and “medical offices” that are permitted by right only in limited base zones (e.g., “Office”, “Retail Commercial” and “Hospital-Medical Arts” zones). Biomedical uses are further incentivized through the application of the Biomedical Overlay to any base zone. This gives the City a new, highly flexible and effective economic development tool.

The third objective is to maintain consistency among land use and planning documents. This involves a two-fold approach. First, the Overlay is included only in those documents where the City’s other overlays and similar zoning objectives are discussed. This means that the Biomedical Overlay is not discussed in the General Plan or shown on the General Plan map, because those documents do not address overlays. The implication of this approach is that only very limited changes to the General Plan are necessary. Second, the Biomedical Overlay is integrated into the Zoning Ordinance in a way that maintains the organization of that document.

The fourth objective is to create a user-friendly overlay. This is accomplished in two ways. First, most of the actual zoning standards for the Overlay are contained in the commercial- and manufacturing-zone use tables. This is due to the necessary integration of biomedical uses in distinct commercial and manufacturing zones, and the many compatible uses incentivized by applying the Overlay to those zones. Within the Overlay Zone section, an additional “Intent and Purpose” section explains why the Overlay is needed and how it’s applied. Second, the Overlay section includes a number of non-zoning incentives affecting multiple aspects of business development process, located in one place to help incentivize new biomedical uses.

To achieve these objectives and implement the new Biomedical Overlay Zone, CSI recommends the City adopt the following Zoning Ordinance amendments:

New and Updated Zoning Ordinance Definitions

Starting with the Zoning Ordinance’s definitions, there is a need to describe the types and range of Biomedical and health services-related uses as they operate today. Establishing a more current and robust definition section that clearly differentiates health services, research and development, and biomedical uses will help citizens, business owners and developers understand and apply zoning standards and will be critical in achieving the City’s goals. Additionally, more timely, detailed definitions will help identify those less desirable medically-related uses (less desirable in terms of their ability to attract well-paid biomedical jobs), such as group-counseling centers and manufacturing of low-technology medical devices. These uses, although related to medical services, can displace and discourage businesses with higher-paying biomedical jobs. For example, other cities’ experiences

suggest that uses that solely provide clinical services directly to patients, as opposed to biomedical research and development or high-tech biomedical manufacturing, produce fewer higher paying jobs and secondary sales.

New and amended definitions are provided in *Attachment 1*, showing the specific changes to the Zoning Ordinance.

New Biomedical Overlay Section of the Zoning Ordinance

To augment the H-M zone, CSI recommends that the City utilize a Biomedical Overlay Zone (BIO) to take a broader, more flexible approach to biomedical uses. This overlay should be applied to certain, appropriate Commercial and Manufacturing base zones throughout the City where biomedical uses are well suited due to their location, development potential, infrastructure, and existing uses.

As shown in *Attachment 1*, the proposed Overlay begins with the creation of a new Section 9326 – Biomedical Overlay Zone – of Article IX, Land Use, of the City’s municipal code. This section includes an “Intent and Purpose” statement that clearly defines the Overlay’s objectives.

Next, the proposed Section 9326 includes information about the permitted land uses and development standards. However, the majority of the overlay’s zoning regulations are held within the Commercial and Manufacturing Zones’ Use Tables (located in Sections 9314.04 and 9318.04, respectively). The purpose of this, as discussed in greater detail in the following section of this report, is to maintain a user-friendly format to inform developers, potential investors, the public, and City staff of the uses allowed on a particular property within the Biomedical Overlay Zone. The Biomedical Overlay is proposed to be applied to various Commercial and Manufacturing Zones and guide development of many land uses. Combining relevant development regulations in this manner will make the new regulations easier to find and use, and will help avoid confusion.

CSI gave careful consideration to how the Biomedical Overlay integrates into the Zoning Ordinance to maintain its established organization and overall intent. With this approach, it becomes clear how the base zones’ allowed uses or development standards are modified by the application of the Biomedical Overlay Zone. Specific zoning incentives or restrictions which apply to the base zones are easily obtained when perusing the zoning regulations for the Commercial and Manufacturing base zones.

As discussed in the Biomedical Planning Assessment, the City should “Provide Planning, Building, and Engineering incentives for expedited project review and permitting for qualified biomedical development projects.” The proposed Section 9326 includes specific incentives related to permit processing and approval timelines and costs for biomedical uses and related development.

As an ancillary note to the new Biomedical Overlay Section, discussed here, modifications to the “Intent and Purpose” sections within the Commercial and Manufacturing Zone sections are also provided. While not directly regulating development, updating these descriptions will establish context for the incentivized biomedical zoning standards and help tie the intent of the overlay zone to the base zones.

Amended Commercial and Manufacturing Zones' Use Regulations

The Biomedical Planning Assessment included strategies to encourage appropriate, compatible land uses by defining biomedical sector business priorities and by tailoring land use/zoning strategies to reach the target businesses and institutions, and restrict land uses that could detract from or frustrate the City's efforts to expand biomedical uses. Additionally, to attract a defined range of biomedical uses, land-use synergy should be encouraged by amending the Hospital-Medical Arts Zone to allow more diverse, supportive uses, and promote walkable or bikeable facilities and services close to biomedical job nodes. Land uses that encourage synergy include: internet cafes, restaurants, pubs and taverns, neighborhood grocery stores and personal and financial services. To accomplish the goals of incentivizing Biomedical uses and to incorporate the strategies identified in the Biomedical Planning Assessment, CSI evaluated the allowed uses in all Commercial and Manufacturing Zones. Based on this evaluation, the proposed Biomedical Overlay zoning amendments consist, generally, of the following:

1. Broaden the range of permitted and conditionally permitted uses allowed in the Commercial and Manufacturing Zones for parcels located in the Biomedical Overlay, and especially when in conjunction with a biomedical use or development.
2. Help attract biomedical and related uses by allowing uses that support or are accessory to biomedical uses within the Commercial and Manufacturing Zones where ever they occur.

The proposed amendments discussed in this subsection of the report are provided in *Attachment 1*, under Commercial Zone Use Regulations and under the Manufacturing Zone Use Regulations. They are shown in track changes format to illustrate the specific amendments proposed.

The first modifications consist of revising the Use Regulation tables to reflect the new and amended Zoning definitions. Based on their ability to either help incentivize or detract from biomedical uses, the new definitions for land uses were identified as either permitted (P), conditionally-permitted (C), or not permitted (NP). For example, the new "Laboratory, Wet" land use was included in both the Commercial and Manufacturing Zone Use Regulations tables, and conditionally-permitted (C) in the most intense Commercial and Manufacturing Zones. It is proposed as "Not Permitted (NP)" in the remaining Commercial and Manufacturing zones, such as the neighborhood-serving Commercial Zones.

CSI recommends placing the Biomedical Overlay development and use standards primarily within the Commercial and Manufacturing Zone Sections. To demonstrate how this is achieved, a good example is the placement of the new "Biomedical Use" definition in the Commercial and Manufacturing Zone Use Regulation tables. Within the most intense Commercial and both Manufacturing Zones, the use is permitted (P). Within the less intense Commercial Zones, the use is not permitted (NP). However, if the less intense Commercial Zones are part of the Biomedical Overlay, then the "Biomedical Use" is conditionally-permitted (C). This is accomplished by adding a note in the "Notes and Exceptions" column of the Commercial Zone Use Table that states, "Except for the C-M and H-M zones where the use is permitted (P), this use category is conditionally permitted (C) in all commercial zones part of the Biomedical Overlay. See Section 9326. Biomedical Overlay Zone of this code."

This technique is applied to many existing and proposed definitions throughout the Commercial and Manufacturing Zones. This approach overcomes the limitations of some existing zones, such as the H-M Zone, which does not allow many of the supporting uses allowed in other successful biomedical zones, such as financial services, bakeries, and bars/taverns. It also allows for additional discretionary review to be placed on certain uses that could adversely affect existing biomedical businesses or the attraction of future ones. For example, under “Limited Location Uses (cont’d)”, an addition to the restrictions on the subsequent uses states, “Businesses located in the Biomedical Overlay Zone require a Conditional Use Permit, unless specified otherwise under the “Notes and Exceptions” section.”

Other modifications are included throughout the Commercial and Manufacturing Zone Use tables, as necessary. These may be uses that are allowed but may no longer be relevant to the City’s needs and may be deleted, such as “Cesspool manufacture and sales” and “Taxicab Stands.” Or they may be an alteration to how and where the use is permitted.

Amended Commercial Zone Development Standards

Modifications to the existing development standards are limited to the H-M Zone. While additional amendments may prove useful in the future, CSI does not believe wide-ranging changes to development standards are needed at this time. Such changes may be considered as part of a broader economic development program that the City may consider following an initial start-up period for the new biomedical policies and programs. However, as shown in *Attachment 1*, it is recommended that the street-side yard setback of the H-M Zone be reduced from 20 feet to 10 feet to improve the ability of the zone to provide more pedestrian-friendly, vibrant districts that have become a staple of successful biomedical hubs. This change will not alter the allowed floor area ratio (FAR) or overall site-development potential, but will work in concert with the amended permitted uses (i.e. restaurants and cafes) to incentivize more vibrant work environments desired by professionals working in the biomedical industry.

Zoning Map Amendments

In reviewing the City’s Zoning Map, it is noteworthy that the areas designated “H-M Zone” are quite limited, in terms of both visibility and acreage. The areas zoned as H-M are just too small to attract new biomedical uses and are more likely to simply maintain the medical-related uses that currently exist. To expand opportunities for biomedical uses to locate in areas conducive to these types of high-tech commercial and manufacturing uses, CSI recommends *the following criteria be used to determine where to apply the Biomedical Overlay*:

1. Zoning includes Commercial Manufacturing (C-M), Light Manufacturing (M-1), General Manufacturing (M-2), Hospital-Medical Arts (H-M), or more intense commercial designations. In areas with more intense Commercial zoning (C-M, for example), existing medical or medical-manufacturing uses is necessary.
2. Existing light industrial or commercial-manufacturing uses, preferably medical or biomedically related.

3. Proximity to regionally- or nationally-recognized medical facilities, especially those identified in regional or state-wide economic development programs/plans (i.e. Los Angeles County Batelle Report).
4. Proximity to other medical or technological services or institutions.
5. Lack of neighborhood-serving commercial uses, or high sales-tax generating regional commercial uses (such as automobile sales lots).
6. Access to major transportation corridors (freeways, major commercial thoroughfares), or distribution centers (shipping/receiving centers).
7. Location within identified planning areas with other economic development benefits/programs, such as the Imperial Highway Improvement Plan.
8. Area includes vacant land, or if developed, sites have low opportunity costs to redevelop or convert to “flex” space for biomedical lab or research uses. Low opportunity-cost redevelopment would occur on properties with minimally-profitable existing uses and inexpensive buildings with few mechanical/utility connections or structures (self-storage businesses, for example).
9. Capacity for campus-style development consisting of either an industrial/vocational campus or commercial/residential mixed-use campus.
10. Area provides space to transition between most intense site development/land use of a campus-style biomedical project and adjacent low-density residential neighborhoods. Ideally, the Overlay would be sufficiently wide enough to allow a stepping-down of building height and use intensity when there is lower-density residential nearby that may be negatively affected by a biomedical use.
11. Area provides a high level of infrastructure and utility services, such as water, electricity, natural gas, data lines, etc.

The Citywide locations proposed for the Biomedical Overlay are shown in Figure 4-1, followed by more detailed maps of the five areas where the Overlay should be applied.

Based on the above criteria, the following maps show the zoning areas proposed for the Biomedical Overlay. With the exception of a few locations, the overlay is generally proposed over Commercial Manufacturing (C-M), Hospital-Medical Arts (H-M), and Light Manufacturing (M-1) and General Manufacturing (M-2) Zones. There are certain exceptions to these criteria, one example being the proposed location of the Biomedical Overlay Area 3 (which includes a Neighborhood Commercial (C-1) Zone).

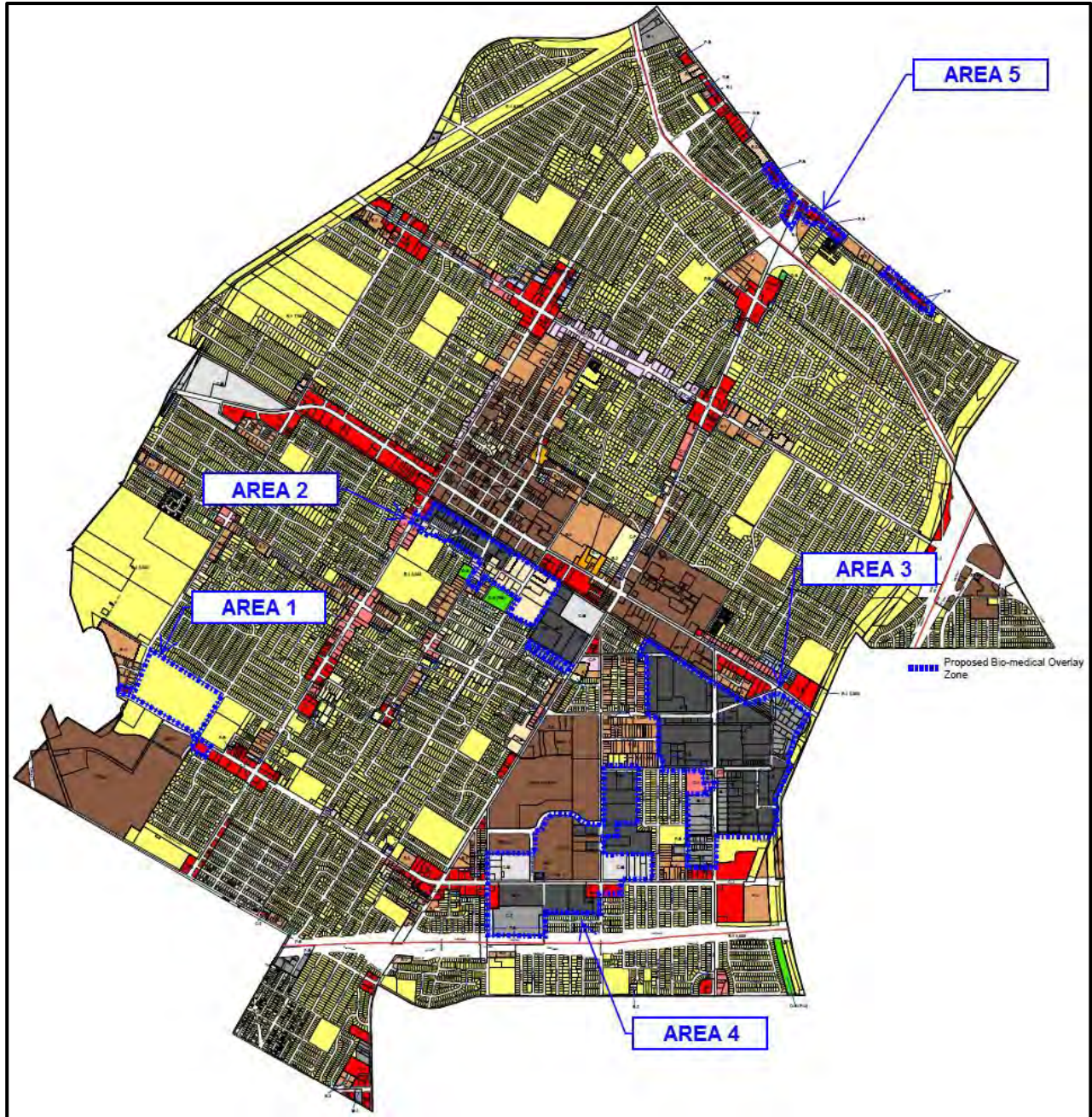


Figure 4-1: Overview of Recommended Biomedical Overlay Zones

Biomedical Overlay Area 1

The Biomedical Overlay Area 1 encompasses the Rancho Los Amigos National Rehabilitation Center, a prominent fixture in the City’s biomedical portfolio, and other parcels along Imperial Highway. The use is technically non-conforming due to its underlying R-1 zoning. Non-conforming uses are typically subject to various zoning constraints, such as amortization requirements or limitations on expansion or intensification of the use. This status can discourage investment or reinvestment in the property or result in relocation of the use. Given RLA’s pre-eminent national and regional importance in medical rehabilitation and on its local importance to Downey’s economy and biomedical growth potential, the City should ensure this and other legal, non-conforming biomedical uses are made “conforming”, as appropriate. For Rancho Los Amigos, the City should consider rezoning the property from R-1 to H-M and applying the Biomedical Overlay. The Biomedical Overlay would ensure this important use is permitted and afforded any incentives allowed under the Overlay.

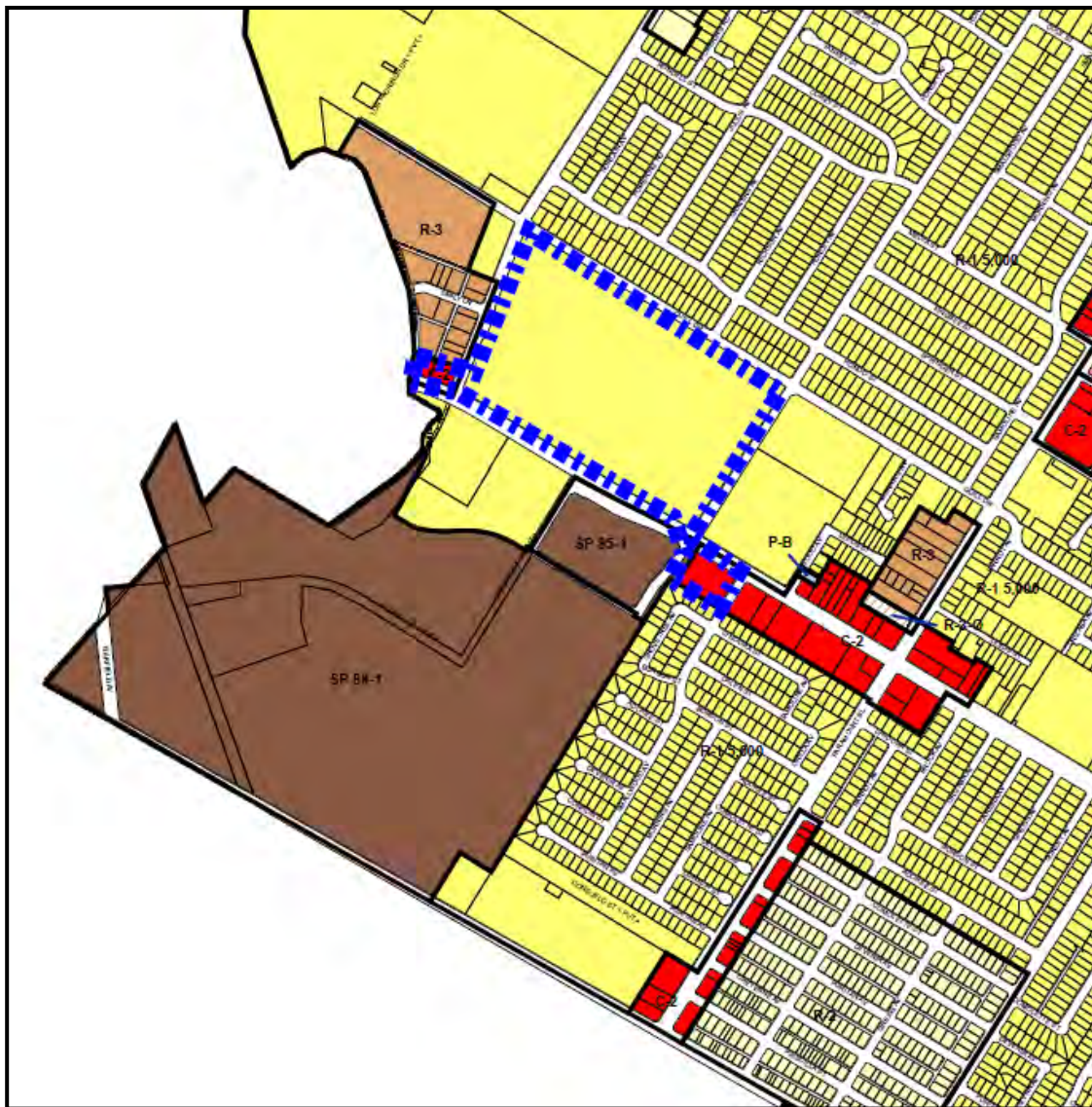


Figure 4-2: Biomedical Overlay Area 1

Biomedical Overlay Area 2

Biomedical Overlay Area 2 primarily consists of the Downtown Medical Arts area, including the PIH hospital and related facilities.

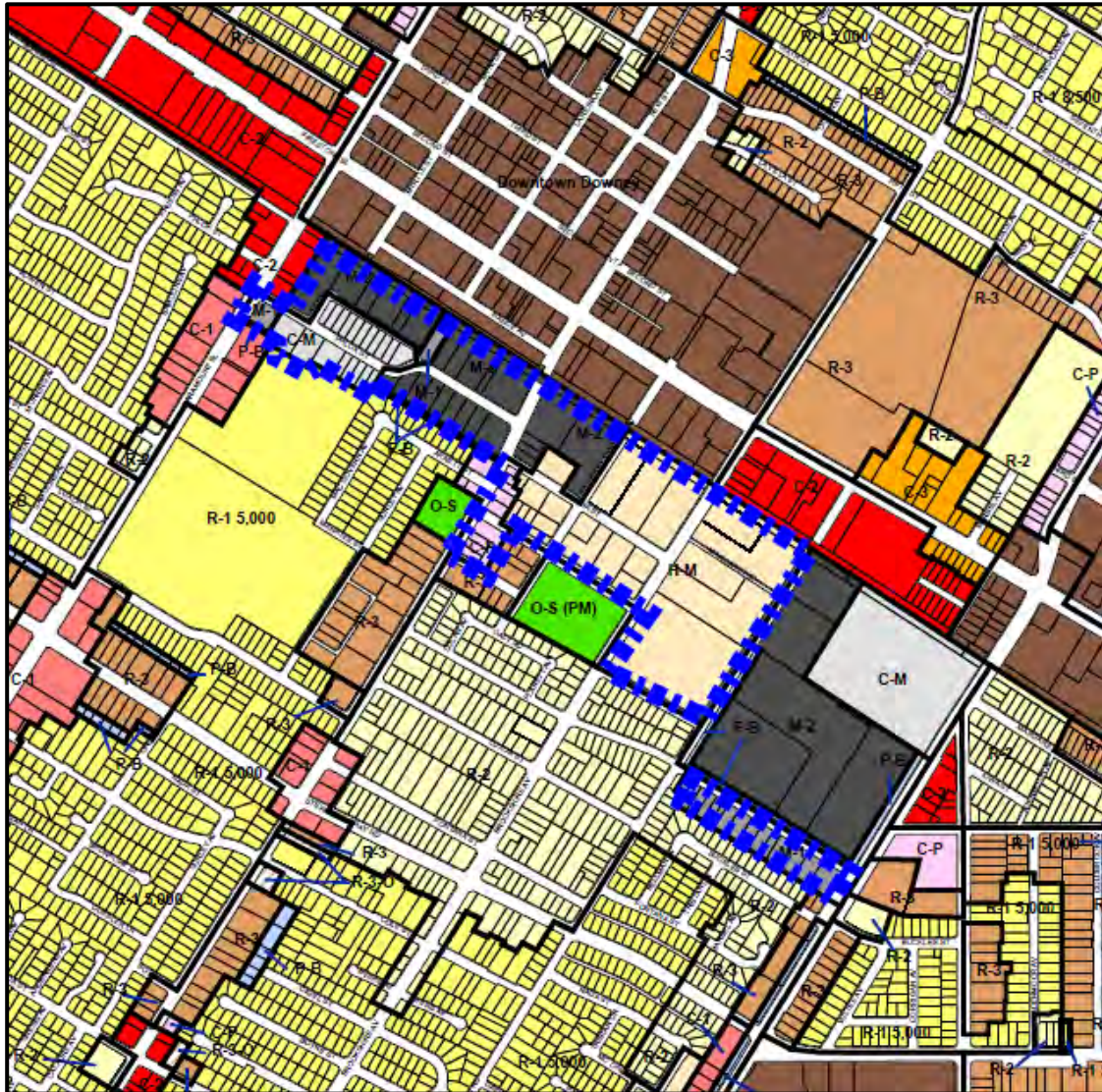


Figure 4-3: Biomedical Overlay Area 2

Biomedical Overlay Area 3

Biomedical Overlay Area 3 includes an “island” of Neighborhood Commercial 1 (C-1) in the City’s major southeast manufacturing area. To maintain consistency, this C-1 zone is included in the Overlay and will benefit from the additional incentives provided.

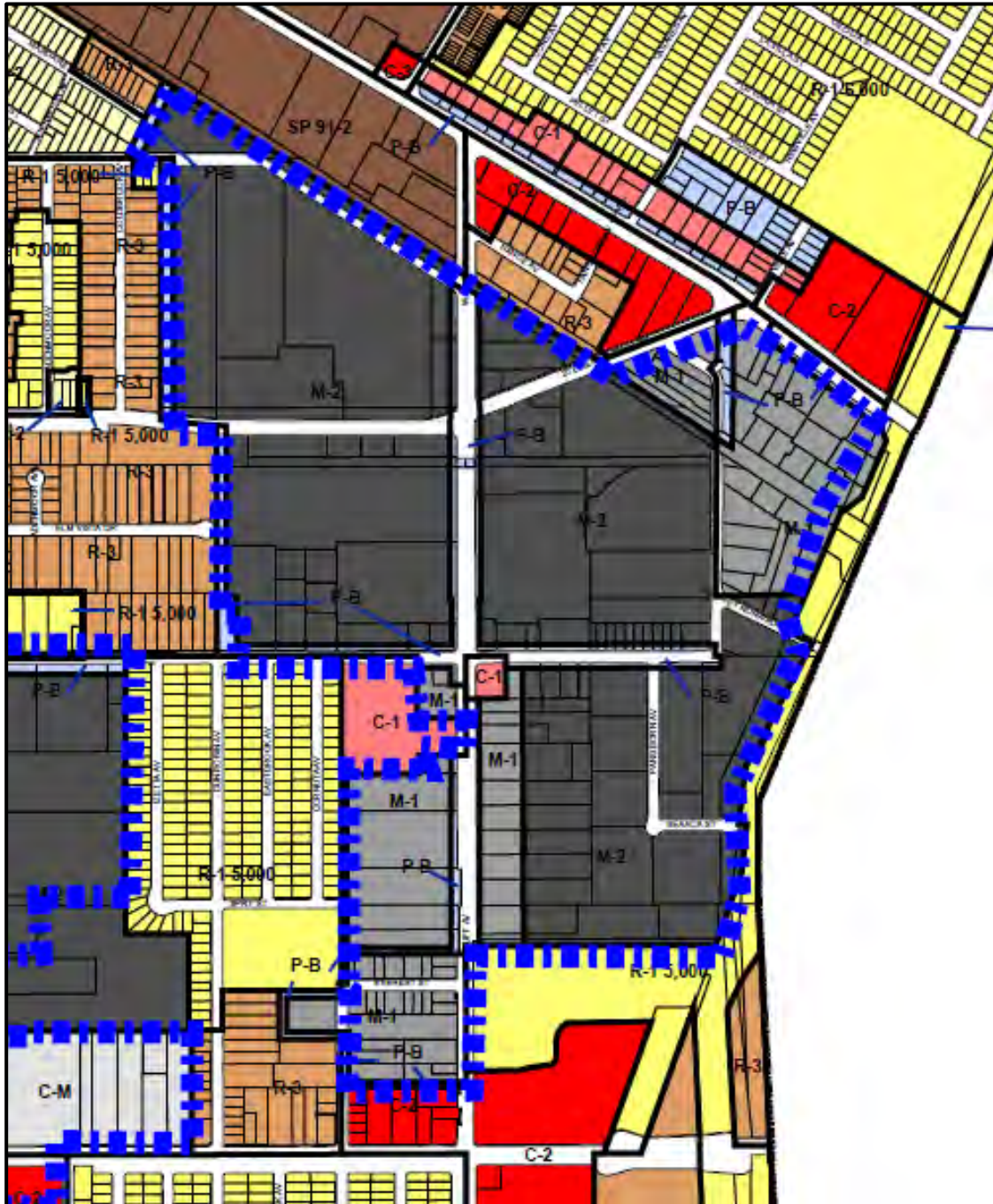


Figure 4-4: Biomedical Overlay Area 3

Biomedical Overlay Area 4

Biomedical Overlay Area 4 includes Kaiser Permanente Medical Center and a large Manufacturing and Commercial area close to Imperial Highway and the 105 freeway. A portion of the General Manufacturing 2 (M-2) Zone is excluded. This is because the area is currently occupied by a City facility (Street Maintenance Yard) and Independence Park. Neither facility is currently a suitable candidate for redevelopment. In the future the overlay could be expanded if necessary to alter the allowable uses of these sites to incentivize biomedical uses.

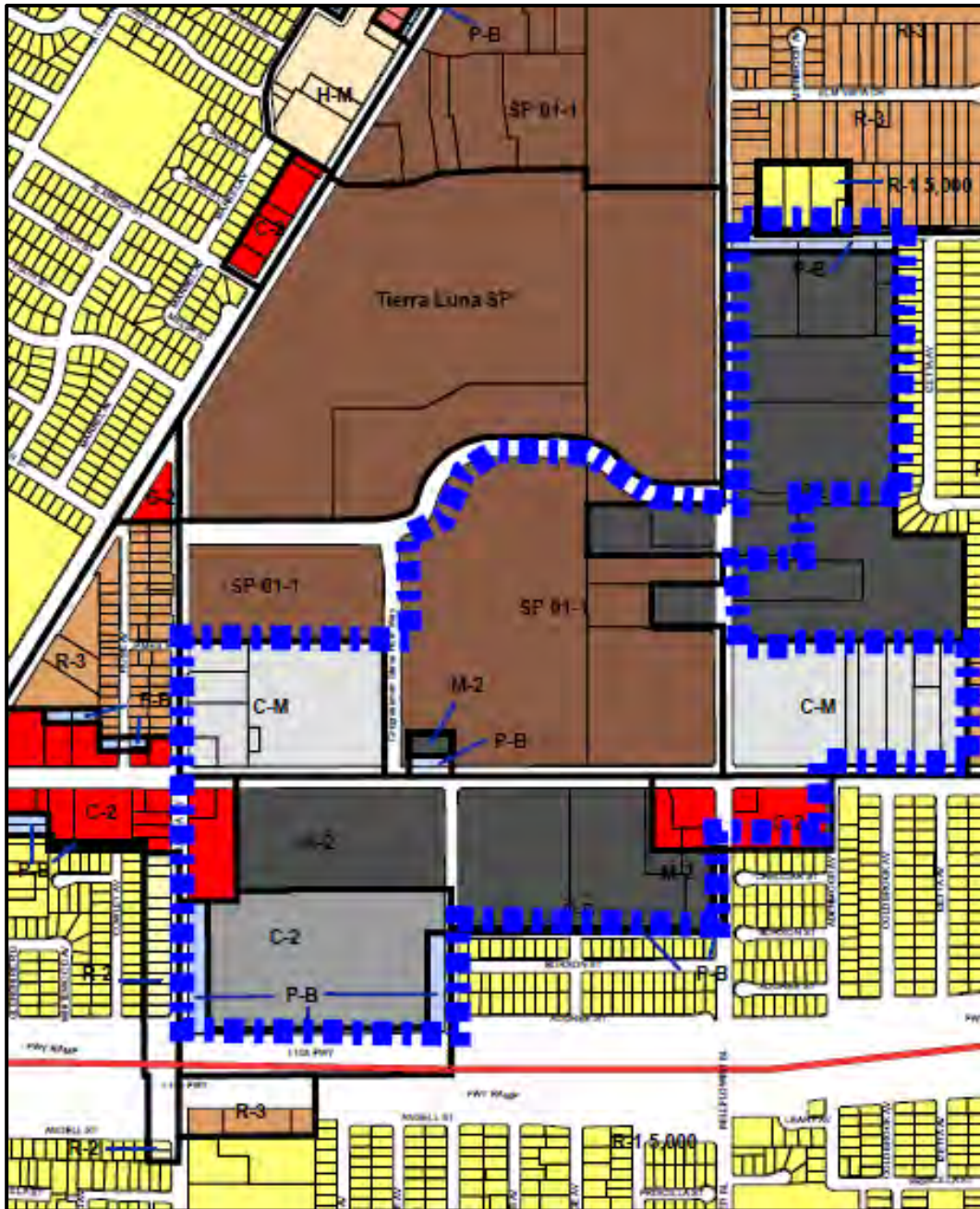


Figure 4-5: Biomedical Overlay Area 4

Biomedical Overlay Area 5

Biomedical Overlay Area 5 consists primarily of former auto sales-oriented commercial areas along Telegraph Road.

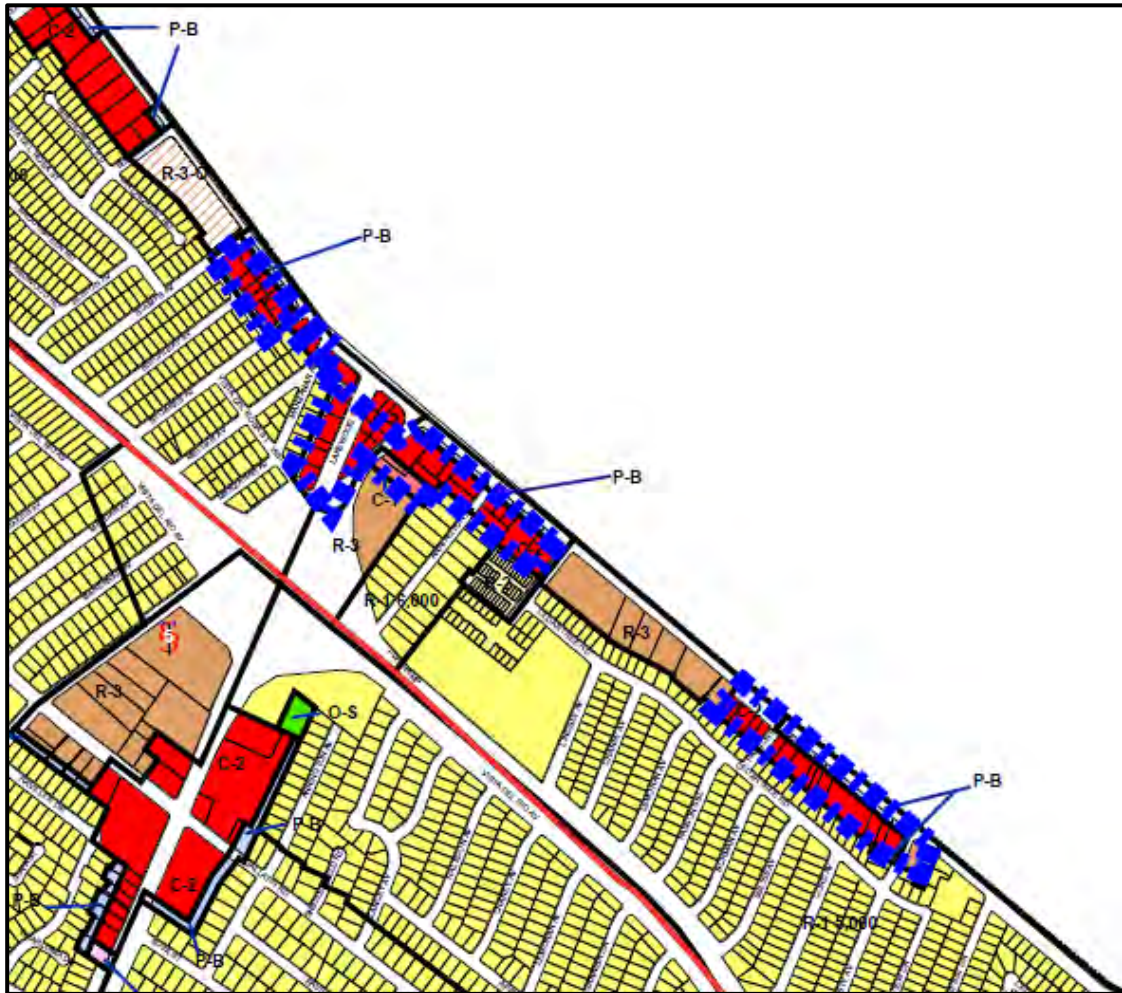


Figure 4-6: Biomedical Overlay Area 5

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Attachment 1 – Zoning Code Amendments

City of Downey Municipal Code

Article IX – Land Use (Excerpt)

Chapter 1 – General Provisions and Definitions

Section 9124. “B” Definitions

Biomedical Use: A land use associated with medical, technological, or biological research, analysis, testing, and manufacturing of medical products, equipment or related items, excluding any testing, analysis, manufacturing or processing of Marijuana or related products and derivatives. Such uses generally consist of the following: (1) Medical device or prosthesis prototype fabrication; (2) Production requiring advanced medical and biological technology and skills and directly related to medical research and development activities on the premises; (3) Manufacturing of biochemical research and diagnostic compounds to be used primarily by universities, laboratories, hospitals, and clinics for scientific research and developmental testing purposes; (4) Production of experimental medical, ~~or~~ biochemical, or biotechnological products; (5) Development of biomedical-device related production or operating systems to be installed and operated at another location, including manufacturing of products necessary for such development; (6) Manufacturing of biological, biomedical, biotechnological, and pharmaceutical products; (7) Manufacturing of scientific, engineering, and medical instruments; (8) Research and development, and manufacturing of artificial intelligence-based devices, electronic components, software programs, and similar products, for medical applications.^[ASA1]

SECTION 9126. “C” DEFINITIONS.

Clinical Service: An establishment which provides physical and mental health services on an individual, out-patient basis. The services may be of preventative, diagnostic, treatment, therapeutic, rehabilitative or counseling nature, but do not include group counseling uses. Typical uses would include, but not be limited to, medical and health clinics, chiropractic/physical therapy clinics, individual counselling services and emergency/urgent care centers.

SECTION 9134. “G” DEFINITIONS.

Group Counseling: A counseling or therapy service that is provided to groups of five or more persons at a time. Examples of group-counseling uses include, but are not limited to, nutritional and diet centers; medical, clinical, and other health-related counseling; and career, professional, and life coaching.

SECTION 9136. “H” DEFINITIONS.

Hospital: A State-licensed general acute care hospital, as defined by Health and Safety Code section 1250(a), that provides a wide range of emergency, clinical, and temporary medical services to the general public facility to which persons ~~are may be~~ admitted for overnight stay or longer for the

diagnosis, care, or treatment of illness and injury or the prevention thereof, not including convalescent homes, sanitariums, and nursing homes.

Hospital, Specialty Hospital: Any facility place, or building that is maintained and operated exclusively to provide 24-hour paid in-patient services for the specialized treatment and recovery of chronic health or mental health conditions or elective procedures or treatments. Services provided may include, but are not limited to, food service nutrition counseling acupressure, massage fitness and physical therapy, and pharmaceutical and medical attention. This type of facility is distinct from an acute care general hospital and from a residential use where these services are occasional or otherwise incidental to a primarily residential occupancy.

SECTION 9144. "L" DEFINITIONS.

Laboratories: ~~Establishments providing medical or dental laboratory services or establishments providing photographic, analytical or testing services.~~ Laboratory, Dry: A laboratory where dry materials, electronics, or large instruments are tested and analyzed, with limited piped services. Dry laboratories may require controlled temperature and humidity as well as dust control.

Laboratory, Wet: A laboratory where chemicals, drugs or biological matter is tested and analyzed, and which typically requires water, direct ventilation, specialized piped utilities and protective measures.

SECTION 9146. "M" DEFINITIONS.

Medical Services: Services provided by a business or facility consisting of the services described within the definitions of "Clinical Service," "Medical Outpatient Service," and "Office, Medical," as those terms are defined in this section, which are ancillary to a primary use consisting of medical or biological research and analysis, or the manufacturing of medical products, equipment or related items. Excludes the use, handling, analysis, testing, processing, growing, distribution, research or any other activity involving Marijuana (Cannabis sp.) or any of its derivatives.

Medical Outpatient Service: A business or facility providing medical or health services, more intensive than those typically provided by a Medical Office use, without the need for an overnight stay, such as but not limited to, kidney dialysis, phlebotomist services, physical therapy, prosthetics, individual wellness and health maintenance counseling, and urgent care. Medical Outpatient Services does not include Medical Office uses, Wet Laboratories, or Group Counseling services (as those terms are defined in this section).

Microbreweries and brewpubs: Refers to small-scale, independently-owned breweries that emphasize traditional brewing methods, flavor and quality and that produce fewer than 15,000 U.S. beer barrels (460,000 U.S. gallons) annually for on- and off-premises consumption. A brewpub is an abbreviated term combining the ideas of a brewery and a pub or public-house. A brewpub can be a pub or restaurant that brews beer on the premises.

SECTION 9150. "O" DEFINITIONS.

Office, Medical: A facility where medical services, typically involving evaluations or non-emergency procedures, and their associated managerial, administrative, and clerical functions, are conducted on-

site or to patients off-site by the use of telecommunication technologies (for example, telephone or video-conferencing). [ASA2] Medical office includes: chiroprodists, chiropractors, dentists, clinical service uses (defined in this section), optometrists, osteopaths, physicians, psychologists, surgeons, and other uses which the decision-making body determines are of a medical nature and similar. Medical office does not include Group Counseling uses or Medical Outpatient Services (as those terms are defined in this section). ~~Office, Medical and Dental:~~ Offices and clinics used for the practice of medicine, chiropractic, dentistry, optometry, podiatry, and various forms of physical therapy. Excludes the overnight care of a patient.

SECTION 9156. "R" DEFINITIONS.

Research and Development: The pursuit of knowledge or creation of products in technology-intensive fields. Examples include, but are not limited to, research and development of computer hardware or software, information systems, industrial processes, technical/technological systems, communications systems, transportation, geographic information systems, multi-media and video technology. Laboratories may also be included in this use (see also "Laboratory, Dry" and "Laboratory, Wet" in this section). Development and construction of prototypes may be associated with this use.

~~SECTION 9158. "S" DEFINITIONS.~~

~~**Specialty Hospital:** Any facility place, or building that is maintained and operated exclusively to provide 24-hour paid in-patient services for the specialized treatment and recovery of chronic health or mental health conditions or elective procedures or treatments. Services provided may include, but are not limited to, food service nutrition counseling acupressure, massage fitness and physical therapy, and pharmaceutical and medical attention. This type of facility is distinct from an acute care general hospital and from a residential use where these services are occasional or otherwise incidental to a primarily residential occupancy.~~

Chapter 3 – ZONES AND STANDARDS

SECTION 9302. ZONES ESTABLISHED.

To carry out the purposes of this chapter, as set forth in Section 9104 of this article, the City is hereby divided into seventeen (17) zones, to be known by the zoning symbols and classifications as shown in Table 9.3.1:

Table 9.3.1. Zones Established

Zone	Symbol
Residential Zones	
Single-Family Residential Zone	R-1
Two-Family Residential Zone	R-2
Multiple-Family Residential Zone	R-3
Multiple-Family Residential Ownership Zone	R-3-0
Commercial Zones	
Professional Office Zone	C-P
Neighborhood Commercial Zone	C-1
General Commercial Zone	C-2
Central Business District Zone	C-3
Commercial Manufacturing Zone	C-M
Hospital-Medical Arts Zone	H-M
Mixed-Use Zone	
Mixed-Use Zone	M-U
Manufacturing Zones	
Light Manufacturing Zone	M-1
General Manufacturing Zone	M-2
Public Zone	
Public Zone	P
Open Space Zone	
Open Space Zone	O-S
Planned Unit Development Overlay Zone	
Planned Unit Development Overlay Zone	PUD
Biomedical <u>Overlay Zone</u>	
Biomedical <u>Overlay Zone</u>	<u>BIO-M</u>
Downtown Plan Overlay Zone	
Downtown Plan Overlay Zone	D-P

SECTION 9314. COMMERCIAL ZONES.

SECTION 9314.02. INTENT AND PURPOSE.

- (a) The intent and purpose of these Commercial Zone regulations is to:
- (1) Provide appropriately located areas consistent with the General Plan for a full range of office, retail commercial, and service commercial uses needed by residents and businesses of, and visitors to, the City and region;
 - (2) Strengthen the City’s economic base, and provide employment opportunities close to home for residents of the City and surrounding communities;
 - (3) Create suitable environments for various types of commercial uses, and protect them from the adverse effects of incompatible uses;
 - (4) Promote the creation of vibrant and attractive commercial districts desirable to professionals working in the high-tech and biomedical fields, while also ~~Minimizing~~ the impact of commercial development on adjacent, neighborhood-oriented residential districts;
 - (5) Ensure that the appearance and effects of commercial buildings and uses are harmonious with the character of the area in which they are located; and

- (6) Ensure the provision of adequate off-street parking and loading facilities.
- (b) **Purpose of the C-P Zone.** The C-P Zone is intended to provide for the development of integrated office and professional areas wherein related types of uses and facilities may also be located. The provisions of this zone are intended to encourage the most desirable relationship of permitted uses and to provide a transition between more intensive commercial activities and residential areas.
- (c) **Purpose of the C-1 Zone.** The C-1 Zone is intended to provide for the development of limited neighborhood shopping areas situated adjacent to, or surrounded by, residential neighborhoods. These shopping areas are intended to serve only the limited need for convenience goods and services in their immediate locality and should fit easily into a residential environment without detriment to the character of the area.
- (d) **Purpose of the C-2 Zone.** The C-2 Zone is intended to provide for and encourage the orderly development of general commercial uses, with a wide variety of goods and services, for the residents of the entire City, with provisions designed to ensure that such commerce will be efficient, functionally related, and compatible with adjacent noncommercial development.
- (e) **Purpose of the C-3 Zone.** The C-3 Zone is intended to provide for the development of intense commercial and service uses in the City in order to serve the broadest community and regional needs. This area will provide a wide variety of goods and services in establishments whose operating characteristics attract them to a central location in the City and which require good exposure in a readily identifiable and accessible setting. The provisions of this zone are designed to ensure that such activities will be compatible with abutting noncommercial development and to minimize any effects of older development, heavy traffic, or other operating characteristics.
- (f) **Purpose of the C-M Zone.** The C-M Zone is intended to provide a flexible range of commercial, wholesale, and light manufacturing uses that can be operated in harmony with each other and in a clean and orderly manner. The areas designated for the commercial and manufacturing zone are suitable for both types of uses in combination with each other or individually. The limitations imposed upon such uses are intended to control the intensity of use and effect upon surrounding areas.
- (g) **Purpose of the H-M Zone.** The H-M Zone is intended to provide for and encourage the orderly development of a wide variety of hospital and biomedical uses that facilitate the growth of businesses during all stages of the business cycle. It also allows professional offices, personal and professional services, and retail uses and services that are compatible with related and supportive of uses permitted within the zone and with uses development in adjacent zones surrounding the zone.

SECTION 9314.04. COMMERCIAL ZONES USE REGULATIONS.

- (a) Table 9.3.5 identifies the uses permitted in each Commercial Zone. If a use is not specifically listed on the table then said use shall be deemed as Not Permitted.

- (b) Uses that require a Conditional Use Permit are subject to the review requirements and conditions contained in Section 9824.
- (c) The “notes and exceptions” column of Table 9.3.5 indicates more precisely the use regulations for specific uses or operating characteristics. The notes and exceptions must be reviewed in conjunction with the other information for the class of use.
- (d) Certain permitted uses and uses requiring a Conditional Use Permit may be subject to special conditions regarding location, operation, or the design of the use. The sections of this article governing these uses are identified in the “notes and exceptions” column of Table 9.3.5.

Table 9.3.5. Commercial Zones Use Regulations

(P = Permitted NP = Not Permitted C = Conditional Use Permit)

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Automobile and Other Vehicle Sales, Services, and Equipment							
Automobile, light truck, and motorcycle sales, new	NP	NP	P	P	P	NP	Does not include broker and/or wholesale offices
Automobile, light truck, and motorcycle sales, used	NP	NP	C	C	C	NP	Subject to Section 9404
Automobile accessories and parts stores	NP	NP	P	P	P	NP	No repair facilities allowed
Automobile paint and body	NP	NP	P	P	P	NP	Only when on same site and in conjunction with a new automobile, light truck, or motorcycle dealership
Automobile rental agencies	NP	NP	C	C	C	NP	
Automobile repair	NP	NP	C	C	P	NP	Permitted (P) in all commercial zones when on same site and in conjunction with a new automobile, light truck, or motorcycle dealership
Automobile wholesale and broker offices	NP	NP	C	C	C	NP	
Carwash, full-service, self-service and coin operated	NP	NP	C	C	P	NP	Subject to Section 9406
Mobile homes/manufactured home sales	NP	NP	C	C	C	NP	
Recreational vehicle sales	NP	NP	C	C	C	NP	Includes boats, trailers, campers, and other recreational vehicles
Service stations	NP	C	C	NP	C	NP	Subject to Section 9406; one tow truck may be permitted (P); outdoor storage of impounded or damaged vehicles is prohibited
Truck and trailer sales	NP	NP	C	C	C	NP	Includes heavy equipment. Subject to Section 9404
Towing services	NP	NP	NP	NP	C	NP	
Vehicle impound and storage yard	NP	NP	NP	NP	C	NP	

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Eating and Drinking Establishments							
<u>Bars, taverns, pubs, micro-breweries w/ food and drinks</u>	NP	NP	C	C	C	NP	Accessory uses such as billiards, pool tables, darts, and game machines are also allowed.
Bakeries	NP	P	P	P	P	NP	Shall have retail component
Liquor stores and other off-sale alcohol establishments	NP	C	C	C	C	NP	
Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Eating and Drinking Establishments (cont'd)							
Night clubs	NP	NP	C	C	C	NP	
Restaurants, cafés, coffee establishments	P	P	P	P	P	P	For C-P & H-M zones, use shall not exceed 10% of gross floor area of building.
with alcohol sales	C	C	C	C	C	C	Subject to Section 9406 if drive-thru facilities are provided.
with drive-thru	NP	C	C	C	C	NP	
with live entertainment	C*	NP	C	C	C	NP	Outdoor seating/dining areas are subject to Site Plan Review in accordance with Section 9820 *The building housing a restaurant shall be a minimum of 100 ft. from the nearest residentially-zoned property.
Financial, Professional Services and Office Uses							
Check cashing	NP	NP	P	P	P	NP	
Financial services	P	P	P	P	P	NP	Drive-thru window or drive-thru ATM requires a Conditional Use Permit (C) in any zone.
Offices	P	P	P	P	NP	NP	Does not include new and/or used vehicle brokers or wholesale offices
business and professional	P	P	P	P	NP	P	
medical and dental							
<u>Medical outpatient services</u>	<u>NP</u>	<u>NP</u>	<u>P</u>	<u>P</u>	<u>NP</u>	<u>P</u>	
General Commercial Uses							
Adult businesses	NP	NP	C	NP	C	NP	Subject to Section 9402
Animal sales and services							
animal sales	NP	NP	P	P	P	NP	
boarding/kennels	NP	NP	C	C	P	NP	
feed and supplies	NP	P	P	P	P	NP	
grooming	NP	P	P	P	P	NP	
hospitals/veterinary	NP	NP	C	C	P	C	
Arcades, video games	NP	NP	C	C	NP	NP	

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Auction house	NP	NP	NP	NP	P	NP	
Audio and video broadcasting	NP	NP	C	C	P	NP	Includes recording studios
<u>Biomedical Use</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P</u>	<u>P</u>	
Banquet facilities, ballrooms, and concert halls	NP	NP	C	C	C	NP	
<u>Fax, Blueprint</u> and photocopy services	P	P	P	P	P	NP	
Bookbinding	NP	NP	NP	NP	P	NP	
Building/contractor supplies	NP	NP	NP	NP	P	NP	Includes equipment renting and leasing
Cabinet making and carpenter shops	NP	NP	C	NP	P	NP	
Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
General Commercial Uses (cont'd)							
Caretakers' residences	NP	NP	NP	NP	P	NP	
Catering companies	NP	NP	P	P	P	NP	
Commercial recreation	NP	NP	C	C	C	NP	
Convention and exhibition halls	NP	NP	NP	C	C	NP	
Christmas tree and pumpkin sales	P	P	P	P	P	P	Subject to Section 9420.14
Cyber cafés	NP	NP	C	C	NP	NP	
Day care center adult child	C C	C C	C C	C C	C NP	C C	
Day spa	NP	NP	C	C	C	NP	
Firework stands	NP	P	P	P	P	NP	Subject to Section 9518
Food product manufacturing	NP	NP	NP	NP	C	NP	Includes processing and storage; excludes lard, pickles, sausage, sauerkraut, and vinegar
Fortune telling	NP	NP	C	C	C	NP	
Funeral services	NP	NP	P	P	P	NP	
Hotels	NP	NP	C	C	C	<u>NPC</u>	
Janitorial supplies and services	NP	NP	P	P	P	NP	
Kiosks permanent temporary or semi-permanent	C C	C C	C C	C C	C C	C C	
Laboratories, <u>Dry</u>	NP	NP	NP	NP	<u>PG</u>	<u>PG</u>	<u>Testing only laboratories permitted (P) in H-M Zone</u>
<u>Laboratories, Wet</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>C</u>	
Laundries limited unlimited	P NP	P NP	P NP	P NP	P C	P C	
Machine shop and tool repair	NP	NP	NP	NP	P	NP	
Massage therapy establishment	NP	NP	C	C	C	NP	
Metal stamping	NP	NP	NP	NP	P	NP	
Mail and shipping services	P	P	P	P	P	<u>NP</u>	
Medical <u>equipment and orthopedic</u> sales	NP	NP	NP	NP	NP	P	Includes prostheses.
Motels	NP	NP	C	C	C	NP	Subject to Section 9412
Motion picture production	NP	NP	NP	NP	P	NP	
Parking – surface and structure	NP	P	P	C	P	<u>NPC</u>	
Passenger stations, bus and rail	NP	NP	P	P	P	<u>NPC</u>	
Personal improvement services	NP	NP	P	P	NP	NP	

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Personal services	P	P	P	P	NP	NP	-
Pest control services	NP	NP	NP	NP	P	NP	
Pharmacies	NP	P	P	P	P	P	
Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
General Commercial Uses (cont'd)							
Plastic, rubber, packing manufacturing	NP	NP	NP	NP	P	NP	
Plumbing, electrical, mechanical shops and services	NP	NP	P	P	P	NP	
Printing shops	NP	NP	P	P	P	NP	
Public utility offices	P	P	P	P	P	NP	
Recycling collection center	NP	NP	C	C	C	NP	
Repair services, consumer	NP	NP	P	P	P	NP	Repair of personal and household items, excluding automobile repair or items used primarily for business
Restaurant/hotel supply and services	NP	NP	P	P	P	NP	
<u>Research and Development</u>	NP	NP	NP	NP	P	C	
Rug cleaning plants	NP	NP	NP	NP	P	NP	
Schools, business, professional, trade, technical or vocational	CNP	NP	NPG	C	C	NPC	
Schools, medical	CNP	NP	NP	CNP	CNP	P	
Silk screening	NP	NP	NP	NP	P	NP	
Smoke, cigar, hookah lounges	NP	NP	C	C	C	NP	
Swap meets & flea markets	NP	NP	C	C	C	NP	
Tanning salons	NP	NP	C	C	C	NP	
Taxicab stands	C	C	C	C	C	NP	
Textile, clothing, manufacturing	NP	NP	NP	NP	P	NP	
Tutoring centers	NP	NP	C	C	C	NP	
Upholstery, re-upholstery	NP	NP	NP	NP	P	NP	
Utility distribution stations	C	C	C	C	C	C	
Wedding chapels	NP	NP	P	C	P	NP	Does not include churches and other places of religious worship
Welding shops	NP	NP	NP	NP	P	NP	Conditional Use Permit (C) required if less than 200 feet from any Residential Zone
Wood products manufacturing	NP	NP	NP	NP	P	NP	
Other Uses							
Ambulance service	NP	NP	NP	NP	CNP	C	
Auction house	NP	C	C	C	C	NP	
Churches and other places of religious worship	C	C	C	C	C	CNP	Does not include wedding chapels
Colleges, public or private	NP	NP	C	C	C	C	-
Convalescent hospitals/nursing homes/assisted living facilities	NP	NP	C	C	C	P	Subject to Section 9422 (Moved under Residential section)
Cultural institutions	C	C	C	C	C	CNP	
Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Other Uses (cont'd)							

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
<u>Emergency shelters, up to 30 occupants</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P</u>	<u>Subject to Section 9430.04-9422</u> (Moved under Residential section)
<u>Emergency shelters, more than 30 occupants</u> [AA3]	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>Subject to Section 9430.04-9422</u> (Moved under Residential section)
Fraternal and service organizations	C	C	C	C	C	C	
Hospitals	NP	NP	P	P	C	P	Does not include convalescent hospitals and nursing homes
<u>Group Counseling</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>C</u>	
<u>Medical services</u>	<u>CNP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>PC</u>	<u>Includes psychiatric centers, short term care facilities for the mentally ill, alcohol treatment centers, (Different from "Medical Outpatient Services"?)</u>
Parks and recreational facilities	C	C	C	C	C	NP	
Public buildings and facilities	C	C	C	C	C	NP	Libraries, governmental buildings, police and fire stations.
Schools public	P	P	P	P	P	<u>PC</u>	Includes elementary, middle or junior, and high schools only
private	C	C	C	C	C	C	
<u>Small wind energy systems</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	
<u>Specialty Hospital</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>C</u>	<u>C</u>	
<u>Universities, colleges, professional and vocational schools</u>	<u>C</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>C</u>	<u>C</u>	
<u>Wireless communication facilities</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>Subject to Section 9426</u>
<u>Residential Uses</u>							
<u>Emergency shelters, up to 30 occupants</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P</u>	<u>Subject to Section 9430.04</u>
<u>Emergency shelters, more than 30 occupants</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>Subject to Section 9430.04</u>
<u>Residential Care Facilities, convalescent hospitals, assisted living facilities</u>	<u>C</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P</u>	<u>Subject to Section 9422</u>
Senior citizen housing development	NP	NP	NP	P	P	P	Subject to Section 9418
Single resident occupancy	NP	NP	NP	NP	NP	P	Subject to Section 9430.06
<u>Small wind energy systems</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	-
<u>Universities, colleges, professional and vocational schools</u>	<u>C</u>	<u>NP</u>	<u>NP</u>	<u>C</u>	<u>C</u>	<u>P</u>	
Transitional/supportive housing	NP	NP	NP	NP	NP	P	Subject to Section 9430.06
<u>Wireless communication facilities</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>Subject to Section 9426</u>
Retail Sales							

Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Antique and collectible stores	NP	P	P	NP	P	NP	Objects more than 40 years old
Florist shops	NP	P	P	P	P	NP	
Drug stores	NP	NP	P	P	P	NP	With or without pharmacies
Nurseries and garden supply stores	NP	NP	P	NP	P	NP	
Retail sales, new	NP	P	P	P	P	NP	
Retail sales, used	NP	NP	C	C	C	NP	
Wholesale, Storage and Distribution Uses							
Parcel delivery terminals	NP	NP	NP	NP	P	NP	
Refrigeration plant	NP	NP	NP	NP	P	NP	
Self-storage, mini-storage, mini-warehouse, and recreational vehicle storage	NP	NP	NP	NP	C	NP	Subject to Section 9416
Use	C-P	C-1	C-2	C-3	C-M	H-M	Notes and Exceptions
Wholesale, Storage and Distribution Uses (cont'd)							
Storage yards	NP	NP	NP	NP	P	NP	Includes building materials, fleet storage, lumber yards, machinery rental, trucking yards and terminals, transit storage, road equipment
Warehouse	NP	NP	NP	NP	P	NP	Flammable, chemical, or other hazardous material storage requires Fire Department approval
Wholesale brokers, jobbers, dealers, distributors	NP	NP	NP	NP	P	NP	
Wholesale garment sewing	NP	NP	NP	NP	P	NP	

SECTION 9314.06. COMMERCIAL ZONES PROPERTY DEVELOPMENT STANDARDS.

(a) **Specific Development Standards.** Table 9.3.6 identifies the development standards for all of the Commercial Zones.

Table 9.3.6. Commercial Zone Property Development Standards

Development Standard	Zone					
	C-P	C-1	C-2	C-3	C-M	H-M
Lot area - minimum (square feet)	6,000	6,000	10,000	10,000	87,120	6,000
Lot width - minimum (feet)	60	60	100	100	290	60
Lot depth - minimum (feet)	100	100	100	100	300	100
Floor area ratio - maximum	2.0	0.25	1.4	3.0	NA	2.0
lots 87,120 square feet or greater	NA	NA	NA	NA	0.60	NA
lots under 87,120 square feet	NA	NA	NA	NA	0.50	NA
Lot coverage - maximum (percent)	50	50 ^a	50	50	NA	50
Building height - maximum (feet or stories, whichever is less) ^b	75 feet or 5 stories	20 feet or 1 story	45 feet or 3 stories	105 feet or 7 stories	150 feet or 10 stories	75 feet or 5 stories
Yard setbacks - minimum (feet)						
front ^c	10	20	15	NR	20	10
rear						
abutting a residential zone	46	46	46	46	46	46
abutting nonresidential zone	15	15	15	15	15	15
side						
interior						
abutting a residential zone	46	46	46	46	46	46
abutting a nonresidential zone	5	5	NR	NR	NR	See note ^e
street (abutting major roads) ^{c, d}	10	20	15	NR	20	20 <u>2010</u>
street (abutting all other streets) ^c	5	5	5	5	15	20 <u>2010</u>
Building separation - minimum (feet)	20	20	20	20	20	20
Air conditioning, mechanical roof and utility equipment	Subject to Section 9504					
Environmental protection standards	Subject to Section 9516					
Graffiti control	Subject to Section 4960 of Chapter 10 of Article IV of this Code					
Landscaping, lighting, and walls	Subject to Section 9520					
Nonconforming uses, lots, and structures	Subject to Section 9410					
Off-street parking and loading	Subject to Chapter 7					
Signs	Subject to Chapter 6					
Site plan review	Subject to Section 9820					
Trash enclosure	Subject to Section 9528					
Visibility	Subject to Sections 9520 and 9534					
Wireless communication facilities	Subject to Section 9426					
Notes:						
^a A mezzanine may be permitted in the C-1 Zone provided it does not exceed thirty (30) percent of the square footage of the ground floor area.						
^b When abutting the R-1 and R-2 Residential Zones, variable height limitations shall apply in accordance with Section 9534.24.						
^c Parking not permitted in the front or street side setbacks.						
^d Major streets are defined as major, primary, and/or second arterials, as identified in the General Plan.						
^e Side setbacks shall be five (5) feet for the first and second floors; ten (10) feet for the third and fourth floors; and fifteen (15) feet for the fifth floor.						
NA = Not Applicable						
NR = No Requirement						

SECTION 9318. MANUFACTURING ZONES.

SECTION 9318.02. INTENT AND PURPOSE.

- (a) The intent and purpose of these Manufacturing Zone regulations is to:
 - (1) Provide appropriately located areas consistent with the General Plan for a broad range of manufacturing and service uses;
 - (2) Strengthen the City's economic base, and provide employment opportunities close to home for residents of the City and surrounding communities;
 - (3) Promote the creation of vibrant and attractive manufacturing districts desirable to professionals working in the high-tech and biomedical fields, while also minimize minimizing the impact of manufacturing uses on adjacent commercial and neighborhood-oriented residential and commercial districts.
- (b) **Purpose of the M-1 Zone.** The M-1 Zone is intended to provide an orderly development and grouping together of light manufacturing and appropriate biomedical uses that facilitate the growth of businesses during all stages of the business cycle uses in harmony with each other and the rest of the community. The provisions of this zone are designed to ensure that such uses will be protected from inharmonious uses and to minimize the undesirable effects of heavy traffic or other operating characteristics.
- (c) **Purpose of the M-2 Zone.** The M-2 Zone is intended to provide for the orderly development of general manufacturing, research and development, wholesale and distribution, warehousing, biomedical uses that facilitate the growth of businesses during all stages of the business cycle, and other compatible uses within the community. The provisions of this zone are intended to ensure that industrial development will be protected from intrusion by inharmonious uses, that it will be provided with adequate space and accessory facilities, and that abutting non-industrial areas will be protected from potential conflicts with industrial development.

SECTION 9318.04. MANUFACTURING ZONES USE REGULATIONS.

- (a) Table 9.3.9 identifies the uses permitted in each Manufacturing Zone. If a use is not specifically listed on the table then said use shall be deemed as Not Permitted.
- (b) Uses that require a Conditional Use Permit are subject to the review requirements and conditions contained in Section 9824.
- (c) The "notes and exceptions" column of Table 9.3.9 indicates more precisely the use regulations for specific uses or operating characteristics. The notes and exceptions must be reviewed in conjunction with the other information for the class of use.
- (d) Certain permitted uses and uses requiring a Conditional Use Permit may be subject to special conditions regarding location, operation, or the design of the use. The sections of this article governing these uses are identified in the "notes and exceptions" column of Table 9.3.9.

Table 9.3.9. Manufacturing Zones Use Regulations

(P = Permitted NP = Not Permitted C = Conditional Use Permit required subject to Section 9824)

Use	M-1	M-2	Notes and Exceptions
Manufacturing Uses			
<u>Biomedical Use</u>	<u>P</u>	<u>P</u>	
Electronics	P	P	Includes electrical and related parts, appliances, devices, engines, motors, televisions, radios
Food products	P	P	Includes ice; excludes lard, pickles, sausage, sauerkraut, and vinegar
<u>Equipment, instruments and medical/dental products and components</u> Instruments	P	P	Includes electronic, medical and dental tools, <u>prosthetics</u> , precision, measuring
Office and related machinery	P	P	Includes audio and visual machinery, computers
Pharmaceuticals	P	P	Includes cosmetics, drugs, perfumes, toiletries
Laboratories, <u>dry</u>	P	P	Includes medical, dental, research
<u>Laboratories, wet</u>	<u>C</u>	<u>C</u>	
Finished products	P	P	From the following product types: canvas, clay, cloth, cork, felt, glass, leather, paper, plaster, plastics, stones, textiles, wood, and yarns
Heavy manufacturing	NP	C	Includes asphalt and products; brick tile and terra cotta (clay); babbitt metal; bleaching powder; building blocks; celluloid; concrete and products
Services			
Adult businesses	C	C	Subject to Section 9402
Appliance repairs and service	P	P	
Animal sales and services			
animal sales	P	P	
boarding/kennels	C	C	
feed and supplies	P	P	
grooming	P	P	
hospitals/veterinary	P	P	
Auction house	C	C	
Automobile rental	C	C	
Automobile, light truck, and motorcycle repair	P	P	
Blueprint[AA4] and Fax Printing, and photocopy services	P	P	
Bars, taverns, microbreweries and brewpubs	C	C	
Carpet and rug cleaning	P	P	
Catering establishments	C	C	
Cold storage plants	C	C	
Cleaning and dyeing	P	P	
Electroplating	C	C	
Financial services	P	P	Drive-thru or ATM requires a Conditional Use Permit (C) in any zone
Freight terminals (truck terminals)	C	C	
Fumigation contractors	P	P	
Kiosks			
permanent	C	C	
temporary or semi-permanent	C	C	
Laundries			
limited	P	P	
unlimited	P	P	
Machine shops and tool repair	P	P	
Metal fabrication	P	P	Requires Conditional Use Permit (C) if within two hundred (200) feet of a residential zone
Newspaper printing and publishing	P	P	

Use	M-1	M-2	Notes and Exceptions
Offices business and professional medical and dental	P C	P C	Does not include new and/or used vehicle brokers or wholesale offices.
Pest control operators and services	P	P	
Plumbing, electrical, mechanical shops and services	P	P	
Printing, engraving, lithographing, and publishing	P	P	
Public scales	P	P	
Recycling collection center	C	C	
Refrigeration repairs and services	P	P	
Research and Development	P	P	
Restaurants, cafes, coffee establishments with alcohol sales with drive-thru with live entertainment	P C C NP	P C C NP	Subject to Section 9406 if drive-thru facilities are provided. Outdoor seating/dining areas are subject to Site Plan Review in accordance with Section 9820.
Rug cleaning plants	P	P	
Service stations	C	C	Automobile and truck
Silk screening	P	P	
Swap meets and flea markets	P	P	
Technical, trade, or vocational schools	P	P	
Tire retreading	NP	P	
Wholesale, Storage, Distribution, and Warehouse Use (Businesses using compressors and fixed motorized equipment require a Conditional Use Permit)			
Parcel delivery terminals	P	P	
Refrigeration plant	P	P	
Self-storage, mini-storage, mini-warehouse and recreational vehicle storage	C	C	Subject to Section 9416
Storage facilities	P	P	
Storage yards	P	P	Includes building materials, fleet storage, lumber yards, machinery rental, trucking yards and terminals, transit storage, road equipment
Warehouse	P	P	Flammable, chemical, or other hazardous material storage requires Fire Department approval
Wholesale offices for automobiles, motorcycles, and trucks	C	C	
Wholesale brokers, jobbers, dealers, distributors, warehouses, storage	P	P	
Limited Location Uses (cont'd) (Must be located at least two hundred (200) feet or greater from Residential Zone.)			
Assembly plants	P	P	
Automobile and truck paint and body	P	P	
Bakeries	P	P	No retail is permitted.
Bottling plants and bottle making	P	P	
Can manufacturing	P	P	
Crosspool manufacture and sales	NP	P	
Crate manufacturing and sales	P	P	
Foundries, aluminum (electric or low pressure)	NP	P	
Furniture manufacturing and assembly	P	P	
Machine shops	P	P	
Rubber processing	NP	P	Raw rubber melting not allowed
Soft drink manufacture and bottling	NP	P	
Truck and trailer repair	P	P	

Use	M-1	M-2	Notes and Exceptions
Limited Location Uses (cont'd) (Must be located at least two hundred (200) feet or greater from Residential Zone.			
Cement bulk storage silos	NP	P	Must be located five hundred (500) feet or greater from Residential Zone
Dairy product manufacturing and warehousing	NP	P	Manufacturing must be located five hundred (500) feet or greater from Residential Zone
Other Uses			
Ambulance service	P	P	
Audio and video recording studios	P	P	
Automobile tow storage yards	C	C	Includes impound yards
Auto wrecking yards	NP	C	
Blast furnaces	NP	C	
Boiler shops or services	NP	C	
Commercial recreation (manufacturing zones only)	C	C	As defined in Section 9126.
Drop hammers	NP	C	
Utility distribution stations	P	P	Includes transmission substations
Electrical generating stations	NP	C	Includes transmission substations, energy support facilities, fuel cells, microwave radio stations
Fabrication requiring semi-open operations	NP	C	
Fireworks stands	P	P	
Forges and foundries	NP	C	
Granite and marble grinding	NP	C	
Humane society (pounds)	P	P	
Junk yards	NP	C	
Lumber mills	NP	C	
Materials recovery facilities	NP	C	For waste sorting and processing.
Motion picture production	P	P	
Parking – surface and structure	P	P	
Public utilities	C	C	
Punch presses	NP	C	
Recycling processing center	NP	C	
Sandblasting plants	NP	C	
Small wind energy systems	C	C	
Television and radio stations	P	P	
Wireless communication facilities	C	C	Subject to Section 9426

SECTION 93268. BIOMEDICAL OVERLAY ZONE (BIO). [AA5]

SECTION 93268.02. INTENT AND PURPOSE.

The intent and purpose of the Biomedical Overlay Zone is to provide greater flexibility in the application of land planning concepts. The Biomedical Overlay Zone provides additional opportunities for Biomedical related uses beyond the medical office, hospital, research and development, and medical-device related uses allowed in the commercial and manufacturing base zones. Additionally, ancillary uses necessary to attract biomedical firms and professionals in the industry are provided for, such as mixed-use developments consisting of professional office or biomedical research facilities and residential uses, and other supporting services, such as restaurants and nightlife activities. The Biomedical Overlay Zone shall meet the objectives

of the General Plan and this article, and further encourage the development of new biomedical uses through the relaxation of typical project review timelines, building permit issuance, and business license issuance.

SECTION 93268.04. APPLICABILITY.

- (a) The Biomedical Overlay Zone, and the standards contained in this section, shall apply to all areas designated on the Official Zoning Map as being within the Biomedical Overlay (BIO-M) Zone, except for any zones not comprised of Commercial or Manufacturing Zones.
- (b) Whenever any proposed development application for a new, primarily biomedical development encompasses more than one base zone (consisting of Commercial and Manufacturing), the following shall apply:
 - (1) The permitted uses and the development standards for each base zone shall be applicable within the boundaries of each zone;
 - (2) Through the Site Plan Review process, the City Planner may apply the ~~intermixing~~the application of development and use standards for any zone covering a portion between zone boundaries of the proposed development site to the entire development site, regardless of zoning, if the entire development's F.A.R. and occupancy standards and the permitted uses do not exceed those which would be permitted if the land area of each zone were developed separately.
- (c) Where a conflict in regulations occurs, the regulations specified in this section shall apply.

SECTION 9326.06. USES PERMITTED.

In addition to the uses permitted, ~~either conditionally or otherwise,~~ in the base zones, the following uses are ~~specifically encouraged~~ permitted in the Biomedical Overlay Zone:

- (a) Biomedical Uses
- (b) Financial Services (only when integrated into a primary biomedical use)
- (c) Florist shops (only when integrated into a primary biomedical use)
- (d) Hospitals
- (e) Medical Equipment Sales ~~Office, Medical~~
- (f) Medical Outpatient Services
- (g) Office, Medical

All uses permitted or conditionally permitted in the Biomedical Overlay Zone are specified in the regulations set forth in the commercial and manufacturing base zones, including additional uses permitted that are either located within the Biomedical Overlay Zone or are integrated into a primary biomedical use.

SECTION 9326.08. USES CONDITIONALLY PERMITTED.

In addition to the uses permitted in the base zones, the following uses are allowed subject to the approval of a Conditional Use Permit and are subject to the review requirements and conditions contained in Section 9824 of this code:

- (a) Bars, taverns, pubs, micro-breweries w/ food and drink
- (b) Convention and exhibition halls
- (c) Parks and recreational facilities

- (d) Personal services (unless permitted by right in the base zone, in which case it shall be a permitted (P) use)
- (e) Retail sales, new (unless permitted by right in the base zone, in which case it shall be a permitted (P) use)

SECTION 93268.10. DEVELOPMENT STANDARDS.

All development standards applicable to uses located in the Biomedical Overlay Zone are specified in the regulations set forth in the commercial and manufacturing base zones. Any development standards not listed for uses allowed in the Biomedical Overlay Zone are conditional uses required to be integrated into a primary use with specified development standards which shall take precedence over the entire development. In the case of residential uses allowed as part of a primarily biomedical mixed-use development, all development standards not specified for the residential portion of the project in the commercial base zones shall be determined through the Site Plan Review and Conditional Use Permit review application processes.^[AA6]

SECTION 93268.12. APPLICATION REVIEW.^[AA7]

The following review processes shall be modified to expedite the permitting and licensing process for new biomedical developments and businesses. The expedited processes listed below shall apply to all applications for development of projects intended to be primarily occupied by biomedical businesses or the establishment of biomedical businesses located in the Biomedical Overlay Zone. The application of these expedited processes shall be at the discretion of the City Manager, or his or her designee. The process expedited to encourage biomedical uses shall be as follows:

(a) Conditional Use Permits

- (1) Within 60 days ^[AA8]of a Conditional Use Permit application being deemed complete and any necessary environmental review has been completed, the Planning Division shall place the application on the public hearing agenda for the decision-making body.
- (2) The timeframes specified for the voiding of a Conditional Use Permit due to non-commencement of the use shall be extended by one (1) year ~~automatically upon the expiration of an approved Conditional Use Permit.~~ An applicant may still utilize any applicable extensions when made to the appropriate decision-making body.

(b) Site Plan Review

- (1) Within 60 days of a Site Plan Review application being deemed complete and any necessary environmental review has been completed, the Planning Division shall place the application on the public hearing agenda for the decision-making body.
- (2) The timeframes specified for the voiding of a Site Plan Review shall be extended by one (1) year automatically upon the expiration of an approved Conditional Use Permit. An applicant may still utilize any applicable extensions when made to the appropriate decision-making body.

(c) Business Licenses

- (1) Upon application of a business license for a business which meets the definition of “biomedical use” according to this code, an Economic Development Division ^[AA9]staff member shall be assigned to assist in the coordination of all necessary on-site inspections required by the various City Departments (i.e. Building, Fire, and Planning).

(2) At the discretion of the City Planner, the City may not require an existing building to correct nonconformities when occupancy by a new biomedical use, or expansion of an existing biomedical use is proposed.

(d) Building Permits

(1) For all building permit applications for a biomedical use, as defined in this code, the City shall waive the General Plan Revision fee by 0.2% of the building's valuation.[AA10]

(2) The initial Building Permit plan check fee shall include 4 reviews and shall not exceed 75% of the adopted Building Permit Fee Schedule.

(3) The City shall reduce the typical Building Permit plan check review timeframes by 2 days for each of the first two (2) plan check reviews.[AA11]

~~When applicable, the City shall waive the fee for a Temporary Certificate of Occupancy.~~

Attachment 2 – Zoning Comparables Matrix

City	Name of zone(s)	General Zoning Description	Development Intensity	Other Incentives	Local Facility Attractions
Aliso Viejo, CA	Business Park 1 (BP-1) District	BP-1 provides business and employment-generating development, including a range of light industrial uses and supporting offices and services.	Max. FAR 1.0	None specified.	Aliso Viejo has an emerging professional cluster primarily made of corporate headquarters and high-tech (including bio-science) companies. The city advertises a “strategic location,” “highly skilled workforce,” “state-of-the-art office space,” newer infrastructure, “low taxes and fees,” and a good jobs-to- housing balance.
	Business Park 2 (BP-2) District	BP-2 provides a more intense range of industrial, research, and manufacturing uses such as “wet” laboratories.	Max. Height 45 ft.		
Carlsbad, CA	Hospital Overlay (H-O)	H-O provides for the development of hospital facilities, a method where they may be developed in existing zones.	Lot coverage varies between 50% and 75% depending on type of parking provided. Max. Height 35 ft.	None specified.	Carlsbad has an emerging bio-science cluster. Recent studies show the city attracts the most start-ups in the region. Bio, Tech, and Beyond Life Sciences Incubator Innovate 78 Regional Economic Development Program
	Planned Industrial (P-M)	P-M allows the location of business and light industrial uses primarily consisting of research and/or testing, compatible light manufacturing, and business and professional offices.	Max. Lot Coverage 50% Max. Height 35 ft./ 3 stories		
Inglewood, CA	Medical Enterprise Overlay Zone	Applies to particular Residential-Medical (R-M) and Commercial (C-2) zones to allow hospitals, convalescent facilities, medical clinics, medical laboratories and pharmacies with a special use permit.	Max. Lot Coverage 70% Max. Height 75 ft. Additionally, the overlay specifies most other development standards including setbacks, parking, landscaping, design, etc.	None specified.	While the city has one large hospital facility, there is no emerging bioscience business cluster. Centinela Hospital Medical Center
Irvine, CA	5.5 Medical and Science	This zone allows biomedical/high technology uses, health care facilities and related businesses, medical research and education, general research and development, and light manufacturing and assembly in one master planned area.	Max. Lot Coverage 50% Max. Building Height – Generally None. Over 200’ requires approval from FAA. Sub-Area Height Limits: 5.5A – 120’ 5.5B – 50’	The City of Irvine does not provide direct financial incentives to businesses moving to Irvine. The city does provide a high quality of life, high-level business opportunities, high-skilled local employees, public education support, newer infrastructure, and one	University of California, Irvine 2,700-acre Irvine Business Complex 183-acre University Research Park John Wayne Airport The Vine, business incubator EvoNexus, non-profit

City	Name of zone(s)	General Zoning Description	Development Intensity	Other Incentives	Local Facility Attractions
				of the safest cities in the nation.	venture- capital network
Jupiter, Florida	Bioscience Research Protection Overlay	The Overlay provides for the development of bioscience research and biotechnology uses which are expected to be attracted to Northern Palm Beach County due to the location of the Scripps Florida Research Institute at Florida Atlantic University's Jupiter Campus.	The base zone controls development intensity, except that a building may exceed the maximum height for the zone by six feet for each floor of the building which contains more than 20 percent of gross floor area of wet lab space.	None specified.	Palm Beach County, FL is home to a cluster of life- science businesses anchored by the Scripps Florida Research Institute and the Max Planck Florida Institute for Neuroscience. Florida Atlantic University University of Miami West Palm Beach VA JFK Medical Center - North Campus
Lyndon, WA	Medical Services Zoning Overlay	The purpose of the Medical Services Overlay is to allow for additional uses in certain zones, such as Medical and health care uses including hospitals, outpatient clinics, continuing/long term care services, hospice services, laboratories, medical research facilities, etc.	For sites of at least 8 acres: Max. Lot Coverage 60% Max. Height 45 ft.	None specified.	Lyndon, WA does not have a local university of any major research hospitals. There are not many biomedical-related uses in the vicinity.
Mangonia Park, FL	Bioscience Overlay	The purpose of the overlay is to encourage bioscience research and biotechnology business, and discourage residential development.	The overlay does not provide additional development intensity beyond the base zone.	The overlay provides for "expedited review and permitting processes" to encourage bioscience and biotechnology uses.	The City is part of a larger cluster of sites located throughout various municipalities and the northern portion of Palm Beach County, called the Bioscience Land Advisory Protection Board.
Montgomery Co., MD	Great Seneca Life Sciences Corridor	The zone provides increased development intensity for medical and biotech uses. However, the plan hinges on a Staging Element, which allows property owners to apply for increased development intensity limits after certain criteria are met, specifically increased public transportation facilities, which have yet to be funded.	Max. FAR 1.5 Max. Height 150 ft. In-zone density transfers permitted.	No specific financial incentives provided. The project is essentially a regional plan, relying on state funding to provide the transportation growth funding necessary to ensure sustainable development, in an otherwise developed area.	The area is home to multiple university satellite campuses and county-wide business incubation NPOs, the Business Innovation Network in place to help facilitate new start-ups and entrepreneurship. Johns Hopkins University- Montgomery County Campus Adventist HealthCare University of Maryland Walter Reed National Military Medical Center

City	Name of zone(s)	General Zoning Description	Development Intensity	Other Incentives	Local Facility Attractions
Oakland, CA	Industrial Zones (CIX-1A, CIX-1B, CIX- 1C, and CIX-1D) allow general industrial uses and “Research and Development Industrial Activities”	“Research and Development Industrial Activities” include biotechnology firms, “clean-tech”/energy, environmental, electronic research firms, or pharmaceutical research laboratories.	Max. FAR 2.0, 3.0 with CUP Max. Height 85 ft.	None specified.	Health care and life sciences are identified as a growth sector in the city, with a specific Business Development staff that works with business owners to capitalize on growth opportunities and address challenges to growth. University of California, Berkeley UCSF Children’s Hospital Alta Bates Medical Center Highland Hospital
Phoenix, AZ	BioMed Character Area	The BioMed area allows hospitals, laboratories, research facilities, and clinics, and related uses.	Max. Lot Coverage 100% Max. Height 310 – 425 ft.	The city-owned Phoenix Biomedical Campus (PBC) is a 28-acre urban medical and bioscience campus planned for more than six-million square feet of biomedical-related research, academic, and clinical facilities.	University of Arizona Cancer Center Biosciences Partnership Building Arizona Biomedical Collaborative Building I Bioscience High School
Poway, CA	Hospital Campus (HC) Zone	This zone provides for the centralized services and facilities for a minimum 100- bed inpatient acute-care hospital complex.	Max. Lot Coverage 30% Max. Height 35 ft./ 2 stories	Property Assessed Clean Energy Program (PACE) Manufacturers Sales Tax Exemption Industrial Development Bond Financing (IDBs)	The city of Poway has a few Biomedical related companies. Success of the zone has not been analyzed to-date.

City	Name of zone(s)	General Zoning Description	Development Intensity	Other Incentives	Local Facility Attractions
Sacramento, CA	Manufacturing, Research and Development (MRD) Zone	The MRD zone allows for “innovative technology businesses and related support services”, such as manufacturing, assembly, and scientific research and development-type land uses.	Max. FAR 1.0 Max. Height 75 ft.	The Sacramento Region is part of an 8-county wide trade association for life-science businesses called MedStart. The group is in the process of creating the MedZone. The project is targeted to provide low-cost, as-needed wet lab space to encourage new businesses. The MedZone is a non-profit enterprise geared at local research universities, such as the University of California at Davis, to provide a "jumping off" point for the transitions from research activities to entrepreneurial ventures.	University of California, Davis UC Davis Medical School Kaiser Permanente Health Center Incentive Health Sutter Health Shriner’s Hospital for Children – Northern California UC Davis Children’s Hospital Mercy General Hospital
San Diego (La Jolla), CA	Industrial Park Zones (IP-1-1 and IP3-1)	The IP zones provide for campus-like science and business park development. IP-1-1 allows research and development uses with some limited manufacturing IP-3-1 allows for research and development, office, and residential uses. Additionally, light manufacturing and assembly uses in these zones allow “manufacturing of biochemical research and diagnostic compounds to be used primarily by universities, laboratories, hospitals, and clinics for scientific research and developmental testing purposes” and “biological, biomedical, and pharmaceutical products”, and “scientific, engineering, and medical instruments”.	Max. FAR 2.0 There is no Max. Height	The city offers the San Diego Regional Revolving Loan Fund (SDRRLF) and Small Business Micro Revolving Loan Fund (SBMRLF). Economic Growth Services consists of two focused work units: the Business Expansion, Attraction and Retention (BEAR) Team and the Government Incentives (GI) Team. These two teams work directly with businesses, business organizations, and City departments to facilitate new investment and to create a business-friendly environment that ensures a stable economy.	San Diego boasts 27 business incubators with many of them connected to USCD to promote bio-tech, Biomedical, or engineering start-ups. The incubators typically provide office space, business mentoring, investment, and other valuable resources. University of California, San Diego San Diego State University University of San Diego UCSD Medical Center VA San Diego Healthcare System Scripps Institute of Oceanography Scripps Memorial Hospital La Jolla Scripps Clinical Research Center, La Jolla

City	Name of zone(s)	General Zoning Description	Development Intensity	Other Incentives	Local Facility Attractions
San Francisco CA	Life Science Special Use District	The Life Science and Medical Special Use District was developed to support land uses that would benefit being close to the University of California, San Francisco (UCSF) campus at Mission Bay, such as “medical office and life science (biotechnology) uses.”	Development standards are controlled by the base zone, with exceptions for certain uses: Medical Services, Life Science Offices, and Life Science Laboratories are exempt from the city’s “use size” limitations, and vertical (floor-by-floor) zoning controls.	None specified.	Generally recognized as one of the top bioscience hubs in the nation, the Bay Area, and San Francisco especially, has hundreds of bioscience and medical companies. San Francisco has a multi-billion dollar venture capital market to help start, establish and grow companies. University of California, San Francisco (UCSF) - Mission Bay San Francisco State University
Santa Monica, CA	Healthcare Mixed Use (HMU)	2 base zoning districts allow hospitals and related health care facilities, and advanced technology/ scientific research uses.	1.5 FAR 45 ft./ 3 stories (up to 2.5 FAR and 70 ft./ 5 stories with “Community Benefits”)	Network solutions including Dark Fiber Leasing and Co-Location Services (up to 100 gigs/second).	UCLA Health UCLA Medical Center John Wayne Cancer Center Providence Saint John’s Health Center Santa Monica College
	Office Campus (OC)		1.5 FAR 32 ft./ 2 stories (up to 1.75 FAR and 45 ft./ 5 stories with “Community Benefits”)		
Torrance CA	Hospital Medical Dental (H-M-D) District	Base zone allowing for hospitals, rest homes, guest homes and homes for aged, professional offices offering medical, dental and related services, and other ancillary uses.	Building height is regulated by the Building Code of the City of Torrance. No FAR is established, all projects in the zone are subject to Design Review.	None specified.	Torrance has a cluster of bio- medical companies. Cal State, Dominguez Hills Cal State, Long Beach Charles R. Drew University of Medicine and Science Harbor-UCLA Medical Center Torrance Memorial Medical Center South County Harbor Hospital



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Memorandum

To: City of Downey
From: The Concord Group
Date: January 5th, 2017
Re: City of Downey Biomedical Overlay Zoning

Background and Objectives

The Concord Group and Civic Solutions are currently evaluating the regulations and development standards of a bio-medical overlay zone for incorporation into the city’s municipal and zoning code. The Concord Group completed a detailed research report looking at the regional and local factors of the City of Downey in order to evaluate its developmental feasibility.

The Concord Group has been asked to conduct interviews with local hospitals, medical facilities, and universities to better understand the factors that attract and sustain a successful biomedical cluster. In addition, multiple reports and studies were analyzed. One specific report, the “Feasibility Assessment and Master Plan for Advancing the Bioscience Industry Cluster in Los Angeles County” prepared for LA County by Battelle Technology Partnership Practice in 2014, served as a reference for identifying key success factors utilized in our City of Downey assessment. They key findings presented below are a compilation of research notes from multiple interviews, and reports and will serve as a basis for future recommendations.

Key Findings

Regional Issues

- Significant amounts of venture capital are required to support biomedical clusters in metropolitan areas. Los Angeles County has upward trending bio-venture capital investment - \$74mm in 2016. However, this is still significantly lower than other major U.S metropolitan areas such as San Francisco and San Diego.

Metro	2016 VC	VC Biotech Invest.		
	Biotech Invest.	Year	\$	Growth
Los Angeles	\$74,000,000	2012	\$50,299,600	---
San Diego	\$370,000,000	2013	\$77,318,000	54%
San Francisco	\$5,300,000,000	2014	\$35,417,000	-54%
Phoenix	\$123,000,000	2015	\$80,937,900	129%
		YTD 2016	\$73,881,000	---

- Success of biomedical firms is highly dependent on availability of specially trained professionals, especially those with graduate and professional degrees. Downey is in close proximity to schools with respected graduate programs (USC, UCLA, UCI).
- Relationships with high NIH-funded research institutions provide a key source of equity for biomedical firms. City of Downey lacks a major research institution but has potential to partner with top NIH institutions in neighboring counties such as UCLA and UCI.

Local Issues

- Alliances with existing companies, local government, and private ventures can provide capital support and expedited entitlements for biomedical firms. Downey could face potential competition with existing alliances in nearby cities.
- Retrofitting lab space can be a high-up front cost and a big barrier for young biomedical companies, but can be alleviated through construction of new buildings that are readily equipped and meet strict requirements. Most development will be new construction in Downey since there are no existing bio-medical buildings.
- An upcoming trend in the biomedical industry is the development of a signature complex that emphasizes an interconnected network of partnerships with biomedical firms. LA County currently has plans to expand its biomedical cluster, which would give Downey opportunities for partnership with its existing medical facilities. Ranchos Los Amigos Rehabilitation Center is highly regarded in physical therapy and prosthetics, which could lead to future development of research space. However, biomedical firms do not necessarily need to co-locate among these existing facilities in order to develop.

Macroeconomic Data

- Education level of Los Angeles (7% graduate degrees) is in line with San Diego (8% graduate degrees), and Orange County (8% graduate degrees). Downey (4% graduate degree) has potential to capture workforce from neighboring counties and cities.
- Significant outflow of professional, scientific, and technical services jobs Northwest into Los Angeles and Southwest into Orange County from Downey. Some of these jobs could be captured by a Downey biomedical cluster.
- Concentration of biomedical occupations highest in West Coast. California has a high location quotient 1.38 of biomedical occupations, and ranks above other states with biomedical clusters such as Pennsylvania (1.00), New York (0.89), and Arizona (0.86). Los Angeles MSA ranks relative low in location quotient (0.99) of biomedical-related occupations compared to San Francisco MSA (2.53) and San Diego (1.89).



LIST OF EXHIBITS

1. Preliminary Biomedical Feasibility Assessment
2. Analogue Study – Phoenix Biomedical Campus
3. Analogue Study – Kaiser Permanente San Francisco Medical Center
4. Demographics
5. Employment – By Industry
6. Annual Employment
7. Employment – Commute
8. Employment – Downey Commute
9. Employment – Map Industry
 - A. Manufacturing
 - B. Healthcare and Social Assistance
 - C. Professional, Scientific, and Technical Services
10. Employment – Location Quotient

EXHIBIT 1
PRELIMINARY BIOMEDICAL FEASIBILITY ASSESSMENT
DOWNEY BIOMEDICAL
JANUARY 2017

Assessment Key for Downey
Green = Competitive advantage for this factor compared to other locations
Yellow = Neutral with no competitive disadvantage or advantage
Red = Competitive disadvantage for this factor compared to other locations

**Downey
Assessment**

Criteria **Key Success Factors** **Pros** **Cons** **Downey Assessment**

Regional Issues

<p>Availability of VC Funding</p>	<ul style="list-style-type: none"> Initial venture capital funding high barrier to develop drugs ready for trial Continuous funding throughout trial phases and potential manufacturing processes equally vital 	<ul style="list-style-type: none"> Upward trend of LA VC funding in last 2 years <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="2">VC Biotech Invest.</th> </tr> <tr> <th>\$</th> <th>Growth</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>\$50,299,600</td> <td>---</td> </tr> <tr> <td>2013</td> <td>\$77,318,000</td> <td>54%</td> </tr> <tr> <td>2014</td> <td>\$35,417,000</td> <td>-54%</td> </tr> <tr> <td>2015</td> <td>\$80,937,900</td> <td>129%</td> </tr> <tr> <td>YTD 2016</td> <td>\$73,881,000</td> <td>---</td> </tr> </tbody> </table>	Year	VC Biotech Invest.		\$	Growth	2012	\$50,299,600	---	2013	\$77,318,000	54%	2014	\$35,417,000	-54%	2015	\$80,937,900	129%	YTD 2016	\$73,881,000	---	<ul style="list-style-type: none"> Not on same scale as other Western metros <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Metro</th> <th>2016 VC Biotech Invest.</th> </tr> </thead> <tbody> <tr> <td>Los Angeles</td> <td>\$74,000,000</td> </tr> <tr> <td>San Diego</td> <td>\$370,000,000</td> </tr> <tr> <td>San Francisco</td> <td>\$5,300,000,000</td> </tr> <tr> <td>Phoenix</td> <td>\$123,000,000</td> </tr> </tbody> </table>	Metro	2016 VC Biotech Invest.	Los Angeles	\$74,000,000	San Diego	\$370,000,000	San Francisco	\$5,300,000,000	Phoenix	\$123,000,000	
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Phoenix	\$123,000,000																																	
<p>Educated/ Trained Workforce</p>	<ul style="list-style-type: none"> Specially trained professionals required, especially those with graduate and professional degrees Recruitment of graduates aided by office space proximate to colleges and universities Talent preservation aided by proximity to existing bioscience clusters 	<ul style="list-style-type: none"> LA County's 680,000 residents (7%) with graduate degrees, highest among major Western US bioscience cores Downey proximate to a high density of schools with respected graduate programs, such as UCLA, USC, and Chapman 	<ul style="list-style-type: none"> Lower education level of Downey (4% with graduate degrees) indicates difficulty attracting and retaining educated workforce 																															
<p>Relationship with Research Institutions</p>	<ul style="list-style-type: none"> NIH funding a key source of equity Aids in recruitment of scientific talent 	<ul style="list-style-type: none"> Proximity to 3 top NIH institutions- UCLA, USC, and UC Irvine <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Metro</th> <th colspan="2">2014 NIH Funding</th> </tr> <tr> <th>Top 25 Institutions</th> <th>Total Funding</th> </tr> </thead> <tbody> <tr> <td>Los Angeles</td> <td>3</td> <td>\$650,000,000</td> </tr> <tr> <td>San Diego</td> <td>3</td> <td>\$605,000,000</td> </tr> <tr> <td>San Francisco</td> <td>2</td> <td>\$575,000,000</td> </tr> <tr> <td>Phoenix</td> <td>1</td> <td>\$1,350,000</td> </tr> </tbody> </table>	Metro	2014 NIH Funding		Top 25 Institutions	Total Funding	Los Angeles	3	\$650,000,000	San Diego	3	\$605,000,000	San Francisco	2	\$575,000,000	Phoenix	1	\$1,350,000	<ul style="list-style-type: none"> Relationships may be more difficult for the city of Downey because institutions are not immediately proximate 														
Metro	2014 NIH Funding																																	
	Top 25 Institutions	Total Funding																																
Los Angeles	3	\$650,000,000																																
San Diego	3	\$605,000,000																																
San Francisco	2	\$575,000,000																																
Phoenix	1	\$1,350,000																																
<p>Proximity to Established Biotech Nodes</p>	<ul style="list-style-type: none"> Strong indication of further development potential Increases likelihood of partnerships and talent acquisition 	<ul style="list-style-type: none"> Established nodes spread around LA County (Santa Monica, East LA) 	<ul style="list-style-type: none"> LA metro area not yet established as an area with major bioscience density 																															

EXHIBIT 1
PRELIMINARY BIOMEDICAL FEASIBILITY ASSESSMENT
DOWNEY BIOMEDICAL
JANUARY 2017

Assessment Key for Downey
Green = Competitive advantage for this factor compared to other locations
Yellow = Neutral with no competitive disadvantage or advantage
Red = Competitive disadvantage for this factor compared to other locations

**Downey
Assessment**






Criteria	Key Success Factors	Pros	Cons	Downey Assessment
Local Issues				
Alliances with Local Companies and Government	<ul style="list-style-type: none"> Allows for streamlining of entitlement process and support for capital, key developmental drivers Aggressive economic development outreach program 	<ul style="list-style-type: none"> Downey's biomedical overlay zoning would be a sign of support for new biomedical companies. 	<ul style="list-style-type: none"> Competition from Los Angeles and Irvine, cities that already have strong alliances and clusters. 	
Continuum of Physical Spaces to Allow "Next Stage" Development	<ul style="list-style-type: none"> Must meet strict bioscience regulations Risk of losing a bioscience firm to a competing area decreases if there is readily available space 	<ul style="list-style-type: none"> Adequate space with biomedical overlay in Downey would allow construction of these specialized facilities 	<ul style="list-style-type: none"> Upfront cost to construct and strict regulations can be high relative to cities with existing buildings 	
Low Cost of Fitting/ Equipping Labs	<ul style="list-style-type: none"> Retrofitting lab space is a high up-front cost, especially for young companies Variable construction costs can be deciding factor when choosing a location to develop 	<ul style="list-style-type: none"> Biomedical overlay zoning in Downey would allow construction of buildings that are readily equipped and do not require additional retrofitting expenses 	<ul style="list-style-type: none"> Lack of existing buildings mean development must be limited to new construction 	
Presence of Signature Complex	<ul style="list-style-type: none"> Interconnected network of biomedical companies, private ventures, and universities promote better communication and support 	<ul style="list-style-type: none"> LA County currently has future plans and to expand its biomedical cluster, which gives Downey opportunity for partnership Rancho Los Amigos a leader in rehabilitation and prosthetics, with potential to expand research efforts 	<ul style="list-style-type: none"> Existing Downey facilities are more service-providers than research or innovation-focused Expanded research efforts by Rancho Los Amigos would not need to co-locate with existing Downey locations 	
City Characteristics "Quality of Life"	<ul style="list-style-type: none"> Mixed land use to connect homes, employment, and commercial activity Housing densities that are in alignment with varied technical and professional workforce Strong public school system Transit connectivity 	<ul style="list-style-type: none"> Downtown Master Plan facilitates growth of new construction Downey Unified School District ranks highly with most schools above 800 API score Varied housing from North to South side Extensive regional public transit in conjunction with I-5 freeway 	<ul style="list-style-type: none"> Higher population to crime ratio and lower % of educated workforce than neighboring cities 	

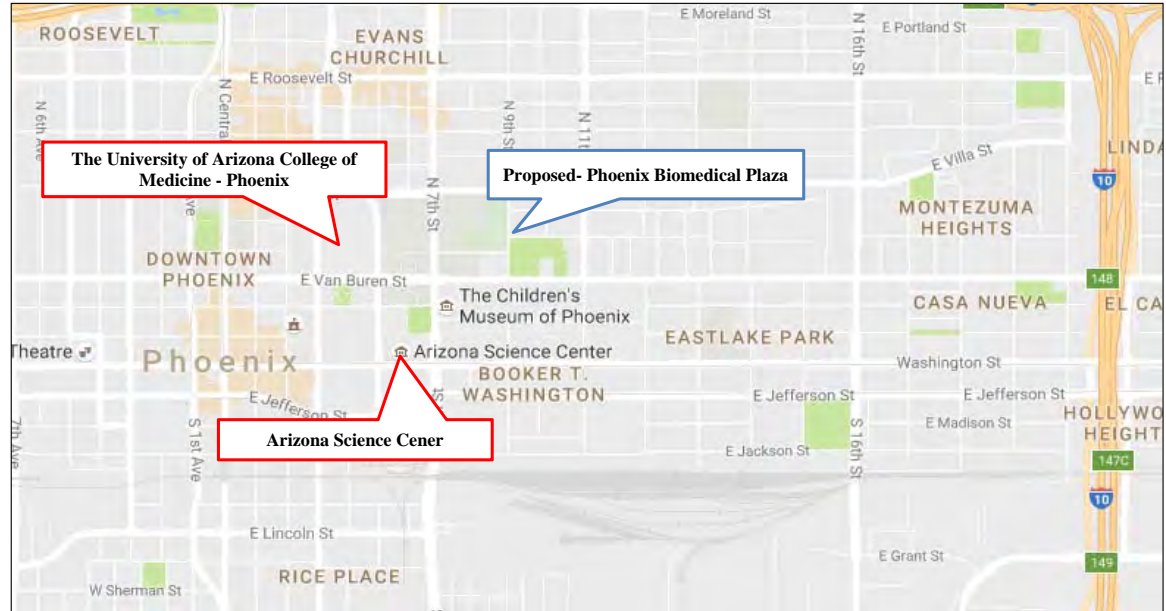
EXHIBIT 2

ANALOGUE STUDIES - PHOENIX BIOMEDICAL CAMPUS
DOWNEY BIOMEDICAL PROJECT
JANUARY 2017

Analogue Studies

Phoenix Biomedical Campus 2020 Masterplan

- Initially 28-acres, the Biomedical Campus will be expanded into the Biomedical District that covers more than 120 acres.
- Two new facilities are under progress, **Health Sciences Education Building** a facility for medical, pharmaceutical, nursing, and allied health students to work with University of Arizona, Arizona State University, and NAU programs
- Proposed **Arizona Biomedical Collaborative Building**, 390,000 sf.
- Attracting biomedical research is one of the campus highest priority. In order to do so, the city worked to attract the National Institute of Diabetes, Digestive and Kidney Diseases, and Barrow Neurological Institute.
- The Phoenix Biomedical Campus will place a strong emphasis on partnerships with the state's universities. The UA College of Medicine, UA College of Pharmacy, and NAU Allied Health Programs is expanding into Phoenix in partnership with ASU.
- The partnership among local and state government, the universities, and Arizona Board of Regents signifies a strong collaborative effort to incorporate medical education with healthcare business.
- Phoenix is currently the only American city that is simultaneously developing a university campus, medical school, bio-research center, and light rail system.



Phoenix Biomedical Plaza Project Notes

- 270,000 SF
- 15'- 17' floor-to-floor heights for laboratories
- 14' floor-to-floor heights for laboratory, research
- Ground floor retail space
- 800 space parking deck
- 45,000 SF floor plates (6 stories)
- Column spacing
- 4 passenger elevators
- 1 freight elevator
- 3-bay loading dock

Economic Impact

- Overall Impact of \$2.1 Billion annually by 2015
- 24,000 new jobs
- \$85 million revenue per year
- Annual salary of \$70,000

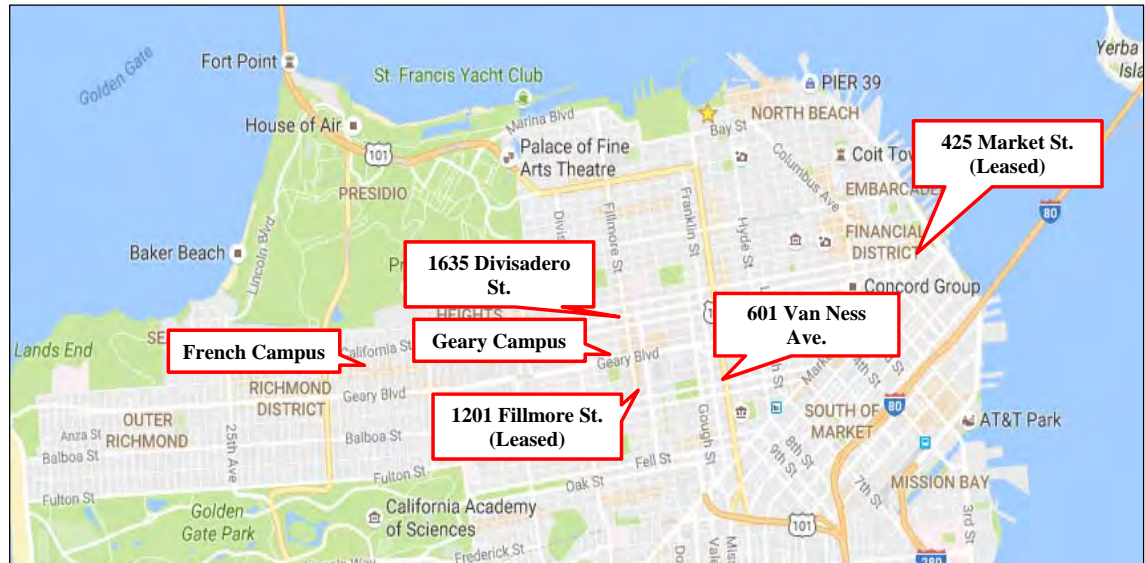
EXHIBIT 3

ANALOGUE STUDIES - KAISER PERMANENTE SAN FRANCISCO MEDICAL CENTER
DOWNEY BIOMEDICAL PROJECT
JANUARY 2017

Analogue Studies

Kaiser Permanente San Francisco Medical Center Master Plan 2013-2022

- Kaiser Permanente has two campuses, French and Geary Campus that contain 1,121,451 GSF of hospital and out-patient buildings, and 649,451 GSF of parking garages. Leasee for 75,133 GSF in 4 locations.
- Kaiser Permanente has contracts with UCSF for specialized medical services, St. Mary's for Psychiatric and revascularization services, St. Francis Hospital for treating burn injuries.
- Future capital developments include construction at 2108 O'Farrell Street for **outpatient** clinic services, adaptive reuse of 4131 Geary Boulevard, former inpatient care hospital, to **outpatient** services, and Mission Bay medical office.
- Consistent with interviews with other hospitals, outpatient utilization has increased 6% since 2010. As a result, there is higher demand for outpatient clinics. This is also evident by Kaiser's construction and reuse of new and existing buildings into outpatient clinics.



Leased Buildings		
Location	GSF	Use
1635 Divisadero	34,252	
Ground floor		Allergy, Optical Sales
3rd floor		Physical Therapy Outpatient clinics
4th floor		Optometry, Ophthalmology Outpatient clinics
1201 Fillmore	15,635	Chemical Dependency Recovery Program
601 Van Ness	17,918	Outpatient Clinic for Worker's Compensation Related Injuries
425 Market	7,328	Marketing
Total Leased Space	75,133	

Outpatient Visits from 2006 to 2010			
Office Visits	2006	2010	% Difference
Cardiac	12,295	10,840	-11.8%
Emergency Department	26,269	32,943	25.4%
Medicine	633,394	648,127	2.3%
Ob-Gyn	79,683	93,868	17.8%
Pediatric	58,848	66,615	13.2%
Psychiatry	52,574	51,878	-1.3%
Specialty Surgery	102,323	121,711	18.9%
Total Outpatient Visits	965,386	1,025,982	6.3%

EXHIBIT 4

DEMOGRAPHICS
VARIOUS SOUTHERN CALIFORNIA GEOGRAPHIES
2010 THROUGH 2021

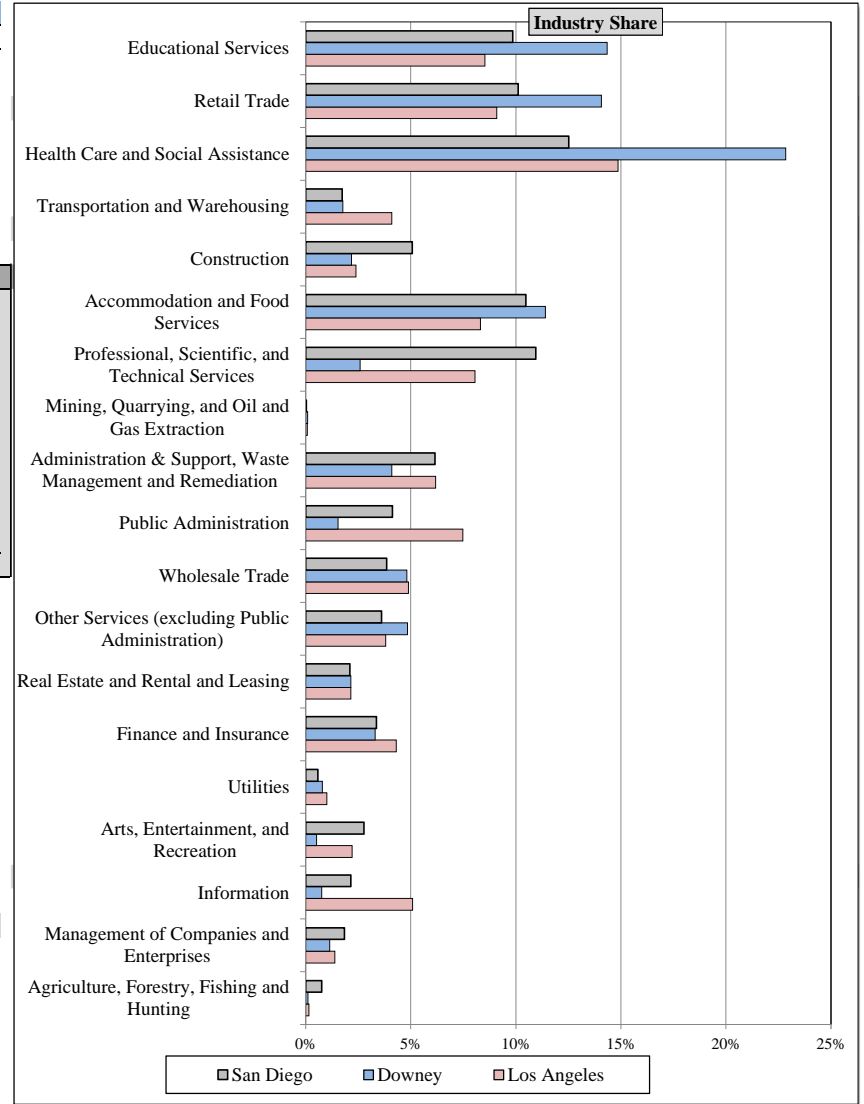
Geography:	Downey		Los Angeles County		San Diego County		Orange County		United States	
	Num.	Perc.	Num.	Perc.	Num.	Perc.	Num.	Perc.	Num.	Perc.
Population										
2010	111,662		9,818,605		3,095,313		3,010,232		308,745,538	
2016	115,701		10,237,502		3,311,903		3,194,830		322,431,073	
Gr./ Yr.	673	0.6%	69,816	0.7%	36,098	1.1%	30,766	1.0%	2,280,923	0.7%
2021	120,061		10,656,104		3,494,839		3,357,216		334,341,965	
Gr./ Yr.	872	0.7%	83,720	0.8%	36,587	1.1%	32,477	1.0%	2,382,178	0.7%
Jobs ('14)										
Jobs	35,874		3,868,109		1,209,457		1,402,883		---	
Employed Labor	43,078		3,645,350		1,225,551		1,260,415		---	
Jobs/Labor	0.8		1.1		1.0		1.1		---	
Degree ('14)										
Associate	6,114	5%	447,805	4%	191,352	6%	159,534	5%	16,580,076	5%
Bachelor	10,900	9%	1,281,851	13%	455,144	14%	494,995	15%	38,184,668	12%
Master's	3,511	3%	442,258	4%	181,805	5%	179,886	6%	16,246,947	5%
Professional School	597	1%	153,552	1%	53,877	2%	57,096	2%	4,088,689	1%
Doctorate	388	0%	83,602	1%	42,120	1%	30,554	1%	2,685,843	1%
Graduate Degrees	4,496	4%	679,412	7%	277,802	8%	267,536	8%	23,021,479	7%
Average Income										
2000	\$57,729		\$61,346		\$63,286		\$78,018		\$56,644	
2016	\$79,360		\$83,656		\$89,932		\$106,499		\$77,135	
Gr./ Yr.	\$1,352	2.0%	\$1,394	2.0%	\$1,665	2.2%	\$1,780	2.0%	\$1,281	1.9%
2021	\$87,525		\$90,574		\$98,258		\$114,867		\$83,619	
Gr./ Yr.	\$1,633	2.0%	\$1,384	1.6%	\$1,665	1.8%	\$1,674	1.5%	\$1,297	1.6%
Income Profile ('15)										
Over \$50K	20,860	60%	1,865,679	55%	702,040	60%	707,493	67%	65,911,753	54%
Over \$75K	14,081	40%	1,310,813	39%	505,814	44%	539,796	51%	44,387,338	36%
Over \$100K	9,092	26%	919,329	27%	362,285	31%	405,741	38%	29,697,487	24%
Age Profile ('15)										
Median - Population	34.9		36.4		35.9		37.5		38.0	
Householder										
Under 24	828	2%	98,692	3%	46,398	4%	29,117	3%	4,888,652	4%
25-34	5,530	16%	524,186	15%	200,422	17%	141,336	13%	18,426,009	15%
35-44	7,674	22%	674,546	20%	217,809	19%	194,620	18%	20,981,383	17%
45-54	7,651	22%	716,765	21%	223,984	19%	231,885	22%	23,455,773	19%
55-64	6,232	18%	635,187	19%	213,352	18%	207,237	20%	23,809,732	19%
65 Plus	7,047	20%	732,893	22%	258,859	22%	249,768	24%	30,703,888	25%

Source: Claritas, American Fact Finder

EXHIBIT 5

EMPLOYMENT - BY INDUSTRY
SOUTHERN CALIFORNIA
2014

Jobs	Los Angeles		San Diego		Downey	
	Num.	Perc.	Num.	Perc.	Num.	Perc.
By Industry						
Manufacturing	91,665	6%	96,374	8%	2,399	7%
Educational Services	130,943	9%	119,205	10%	5,147	14%
Retail Trade	139,650	9%	122,228	10%	5,046	14%
Health Care and Social Assistance	228,097	15%	151,451	13%	8,194	23%
Transportation and Warehousing	62,824	4%	20,973	2%	633	2%
Construction	36,715	2%	61,221	5%	781	2%
Accommodation and Food Services	127,598	8%	126,719	10%	4,093	11%
Professional, Scientific, and Technical Services	123,684	8%	132,472	11%	926	3%
Biomedical Engineers	570	---	910	---	---	---
Biochemists & Biophysicists	420	---	1,240	---	---	---
Biological Scientists	1,140	---	780	---	---	---
Medical Scientists	4,520	---	3,210	---	---	---
Life Scientists	240	---	440	---	---	---
Physicists	370	---	330	---	---	---
Chemist	2,420	---	1,420	---	---	---
Materials Scientists	190	---	140	---	---	---
Physical Scientists	420	---	240	---	---	---
Biological Technicians	1,650	---	2,830	---	---	---
Chemical Technicians	1,190	---	700	---	---	---
Bioscience Jobs Subtotal:	13,130	---	12,240	---	---	---
Mining, Quarrying, and Oil and Gas Extraction	1,099	0%	413	0%	34	0%
Administration & Support, Waste Management and Remediation	94,904	6%	74,427	6%	1,469	4%
Public Administration	114,847	7%	49,934	4%	550	2%
Wholesale Trade	75,038	5%	46,489	4%	1,723	5%
Other Services (excluding Public Administration)	58,489	4%	43,567	4%	1,737	5%
Real Estate and Rental and Leasing	32,989	2%	25,378	2%	771	2%
Finance and Insurance	66,067	4%	40,695	3%	1,184	3%
Utilities	15,354	1%	7,045	1%	285	1%
Arts, Entertainment, and Recreation	33,963	2%	33,548	3%	186	1%
Information	77,983	5%	25,888	2%	273	1%
Management of Companies and Enterprises	21,268	1%	22,317	2%	408	1%
Agriculture, Forestry, Fishing and Hunting	2,195	0%	9,113	1%	35	0%
Total	1,535,372		1,209,457		35,874	
Manufacturing	91,665	6%	91,665	8%	2,399	7%
Health and Education	359,040	23%	270,656	22%	13,341	37%
Retail Trade	139,650	9%	139,650	12%	5,046	14%
By Earnings (Annual)						
Under \$15K	288,441	19%	225,609	19%	8,176	23%
\$15-\$40K	511,975	33%	406,472	34%	12,935	36%
Over \$40K	734,956	48%	577,376	48%	14,763	41%
Total	1,535,372		1,209,457		35,874	



Source: US Census Bureau, Center for Economic Studies

EXHIBIT 6

ANNUAL EMPLOYMENT
DOWNEY, CA
2002-2014

Employment Industry	Annual Employment												Ann. Growth 02-'15		
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	%	#
Non-Mining and Non-Agricultural Employment															
Health Care and Social Assistance	5,316	5,099	5,250	5,238	5,191	5,831	6,069	6,309	6,642	6,781	7,404	8,097	8,194	3.7%	2,878
Educational Services	6,022	5,944	5,818	5,562	5,285	5,225	5,420	5,307	5,481	5,302	5,461	5,270	5,147	-1.3%	-875
Retail Trade	5,133	5,256	5,273	5,267	5,104	5,433	5,454	4,576	4,851	4,893	5,004	5,276	5,046	-0.1%	-87
Accommodation and Food Services	2,870	3,073	2,933	2,985	3,072	3,172	3,013	3,243	3,122	3,238	3,432	3,720	4,093	3.0%	1,223
Manufacturing	2,973	2,857	2,488	2,443	2,313	2,248	2,416	2,248	2,141	2,244	2,719	2,638	2,399	-1.8%	-574
Other Services (excluding Public Administration)	2,271	2,309	2,430	2,401	2,768	2,590	2,683	2,732	2,567	2,580	2,353	1,659	1,737	-2.2%	-534
Wholesale Trade	1,590	1,711	1,843	2,140	2,239	2,503	2,326	2,159	1,914	1,859	1,756	1,672	1,723	0.7%	133
Administration & Support, Waste Management and Remediation	3,155	2,596	2,480	2,257	1,673	1,474	1,292	840	956	1,160	1,433	2,983	1,469	-6.2%	-1,686
Finance and Insurance	1,386	1,414	1,307	1,269	1,557	1,419	1,179	1,143	1,022	1,293	1,238	1,228	1,184	-1.3%	-202
Professional, Scientific, and Technical Services	900	1,225	1,163	1,608	1,465	1,292	1,188	1,157	1,124	1,291	1,159	814	926	0.2%	26
Construction	1,406	1,103	1,085	1,126	1,271	1,280	1,238	951	896	723	794	716	781	-4.8%	-625
Real Estate and Rental and Leasing	724	847	942	1,039	1,044	1,080	779	826	891	841	873	869	771	0.5%	47
Transportation and Warehousing	436	357	331	328	526	474	364	324	328	275	311	457	633	3.2%	197
Public Administration	495	499	495	467	499	519	577	585	900	673	560	509	550	0.9%	55
Management of Companies and Enterprises	267	206	108	124	118	119	126	135	455	326	350	353	408	3.6%	141
Utilities	262	274	285	284	305	127	121	124	158	281	271	280	285	0.7%	23
Information	476	424	437	419	441	412	444	322	233	246	277	238	273	-4.5%	-203
Arts, Entertainment, and Recreation	217	229	239	232	255	245	209	209	167	238	188	192	186	-1.3%	-31
Total Employment:	35,899	35,423	34,907	35,189	35,126	35,443	34,898	33,190	33,848	34,244	35,583	36,971	35,805	0.0%	-94
<i>Y/Y Change (#)</i>		-476	-516	282	-63	317	-545	-1,708	658	396	1,339	1,388	-1,166		
<i>% Change</i>		-1%	-1%	1%	0%	1%	-2%	-5%	2%	1%	4%	4%	-3%		

Source: US Census Bureau, OnTheMap

EXHIBIT 7

EMPLOYMENT - COMMUTE
SOUTHERN CALIFORNIA
2002 AND 2014

Geography:	Downey 2014		Los Angeles 2014	
	Num.	Perc.	Num.	Perc.
Jobs/Labor Ratio				
Jobs	35,874		1,535,372	
Employed Labor	43,078		1,354,479	
Jobs/Labor	0.8		1.1	
Commute to Work				
<u>Distance to Work</u>				
Under 10-Miles	19,990	46%	762,830	48%
10-24 Miles	16,667	39%	370,124	30%
25-50 Miles	3,227	7%	107,299	10%
Over 50-Miles	3,194	7%	114,226	12%
Total:	43,078	100%	1,354,479	100%
<u>Direction of Work</u>				
Northerly	19,054	44%	414,321	35%
Southerly	14,195	33%	567,543	39%
Easterly	15,091	35%	620,804	44%
Westerly	21,017	49%	454,842	36%
<u>Location of Work</u>				
Los Angeles County				
Los Angeles city, CA	9,253	21%	691,641	51%
Downey city, CA	3,424	8%	4,226	0%
Long Beach city, CA	1,700	4%	16,789	1%
Santa Fe Springs city, CA	1,148	3%	4,585	0%
Commerce city, CA	1,027	2%	8,873	1%
Vernon city, CA	732	2%	9,857	1%
Cerritos city, CA	683	2%	2,829	0%
Carson city, CA	664	2%	8,684	1%
South Gate city, CA	650	2%	5,248	0%
Norwalk city, CA	614	1%	1,779	0%
Paramount city, CA	584	1%	1,743	0%
Montebello city, CA	522	1%	3,117	0%
Torrance city, CA	539	1%	17,206	1%
Orange County				
Anaheim city, CA	871	2%	6,929	1%
Santa Ana city, CA	513	1%	5,154	0%
All Other Locations	20,154	47%	565,819	42%
Total:	43,078	100%	1,354,479	100%
Commute to Home				
<u>Distance to Home</u>				
Under 10-Miles	17,024	47%	713,182	46%
10-24 Miles	10,755	30%	464,595	30%
25-50 Miles	3,747	10%	195,612	13%
Over 50-Miles	4,348	12%	161,983	11%
Total:	35,874	100%	1,535,372	100%
<u>Direction of Home</u>				
Northerly	13,803	38%	539,502	32%
Southerly	12,192	34%	545,414	41%
Easterly	15,160	42%	775,545	45%
Westerly	14,272	40%	451,264	35%

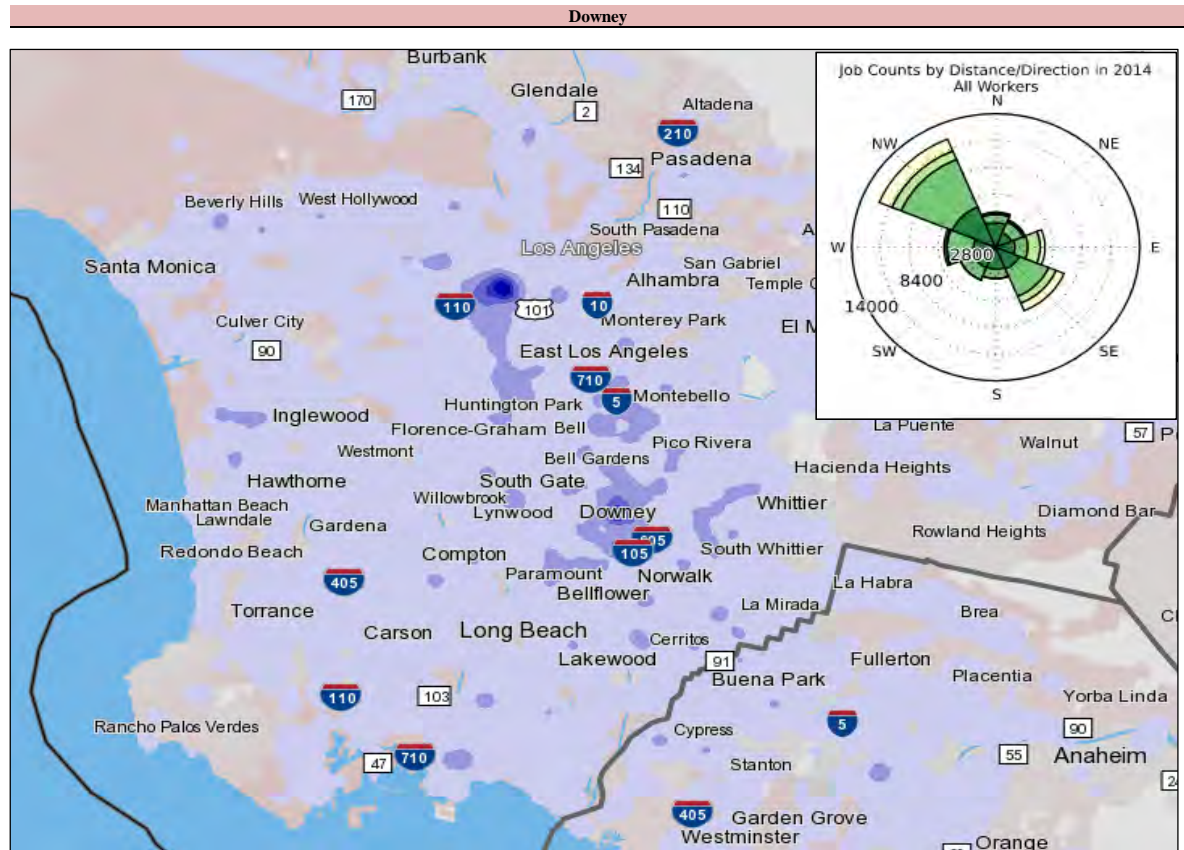
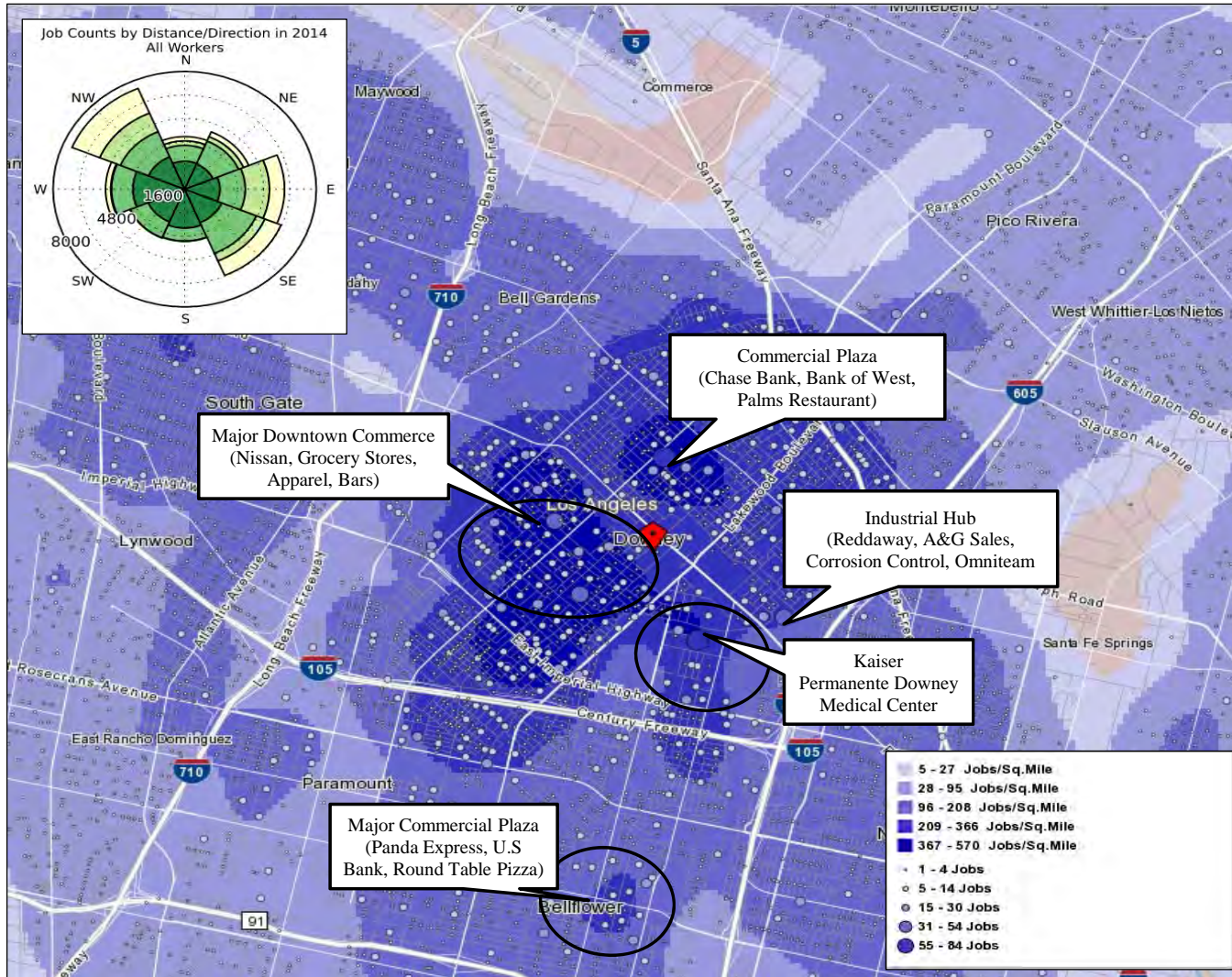
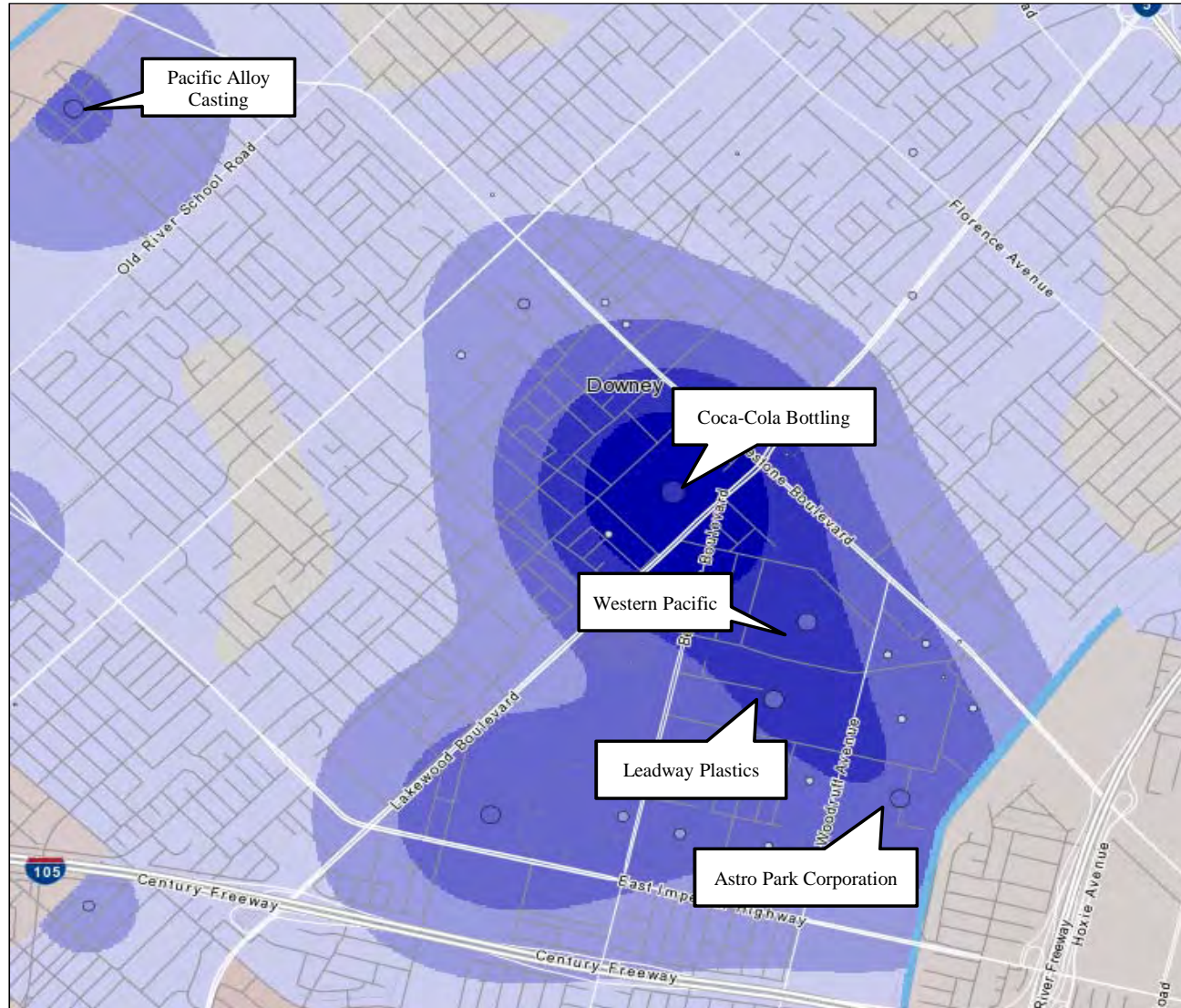


EXHIBIT 8
EMPLOYMENT - DOWNEY COMMUTE
DOWNEY, CA
2016



Source: US Census Bureau, Center for Economic Studies

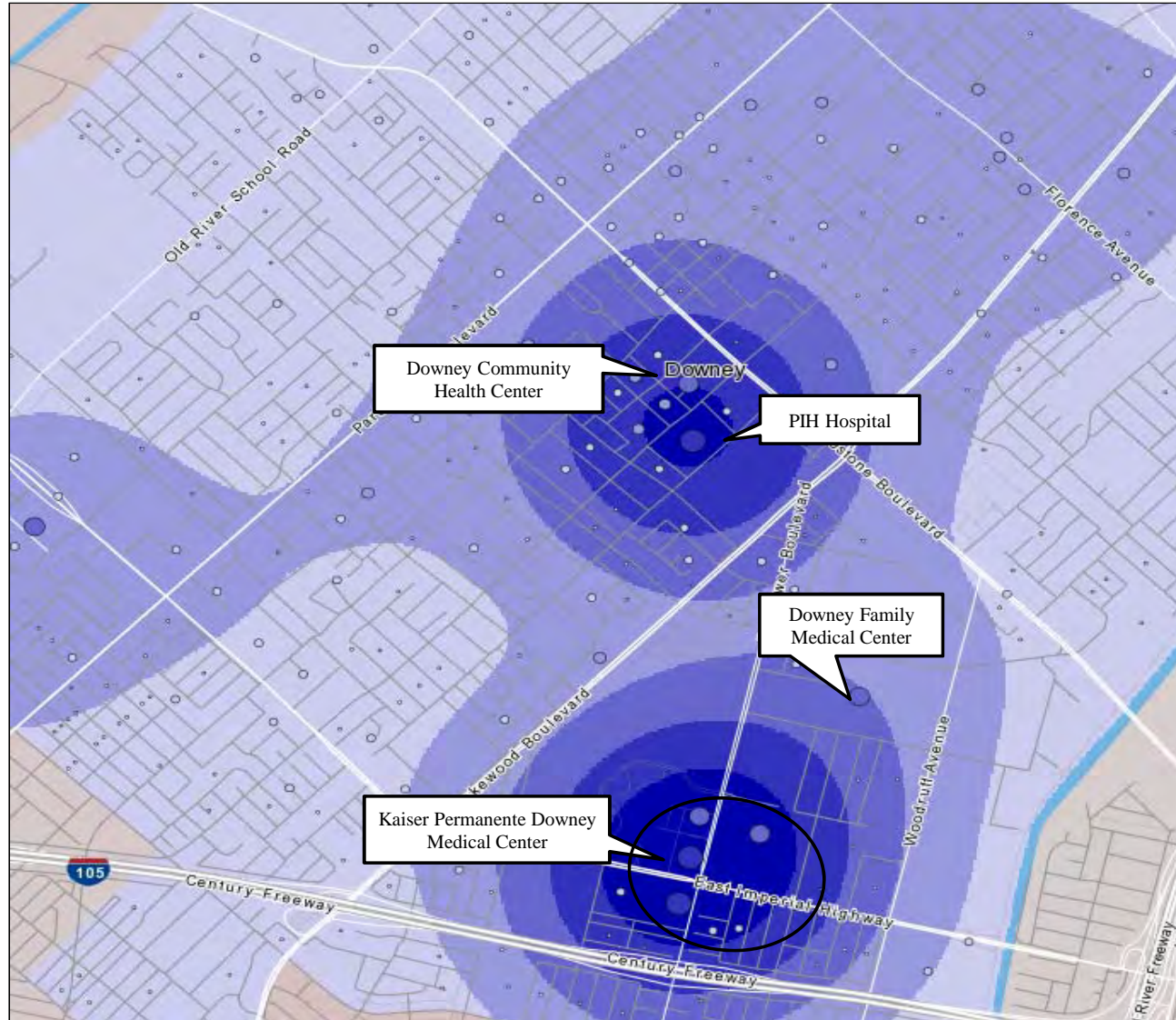
EXHIBIT 9A
EMPLOYMENT - MAP INDUSTRY - MANUFACTURING
DOWNEY, CA
2016



Source: US Census Bureau, Center for Economic Studies

EXHIBIT 9B

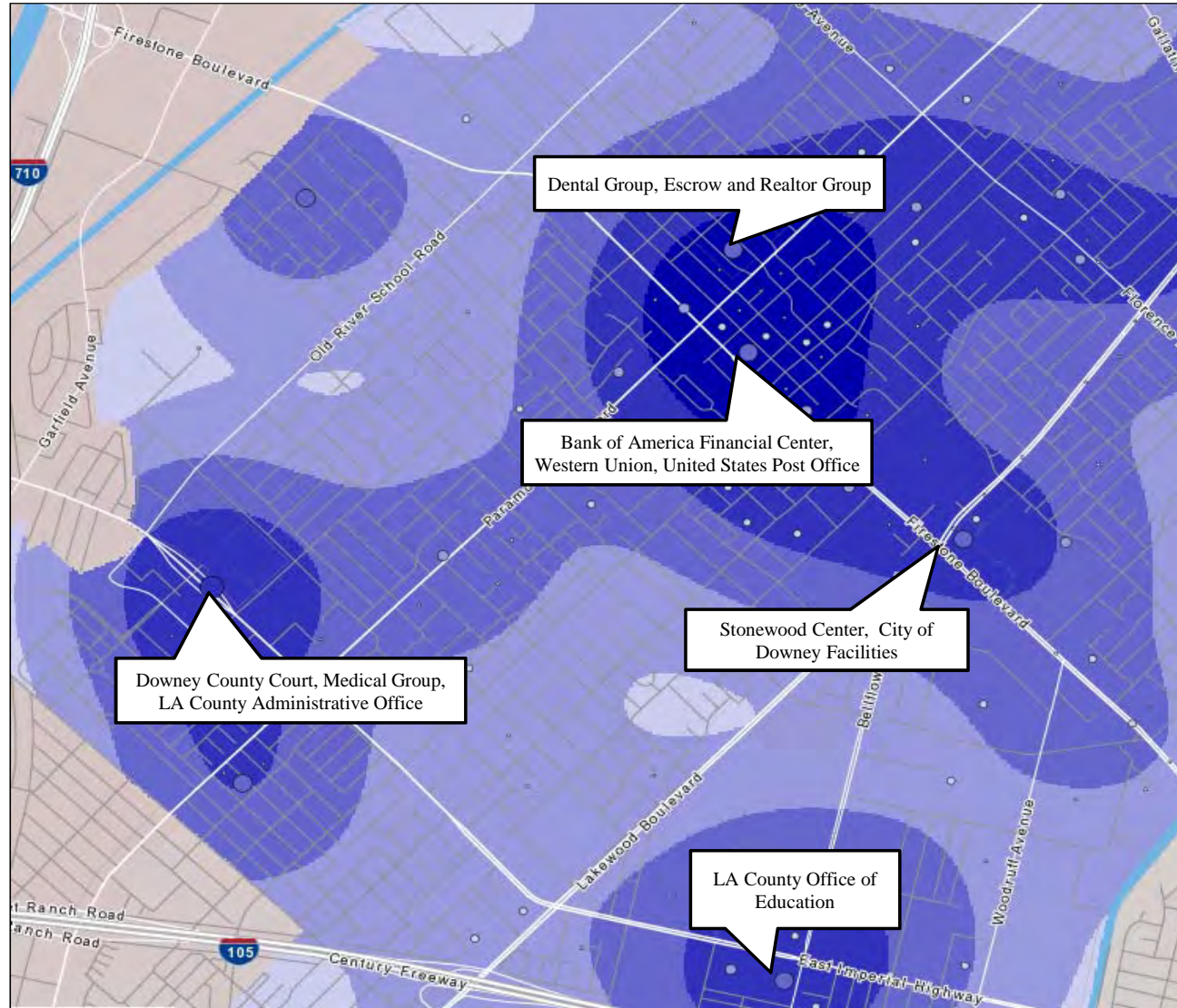
EMPLOYMENT - MAP INDUSTRY - HEALTHCARE AND SOCIAL ASSISTANCE
DOWNEY, CA
2016



Source: US Census Bureau, Center for Economic Studies

EXHIBIT 9C

EMPLOYMENT - MAP INDUSTRY - PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES
DOWNEY, CA
2016



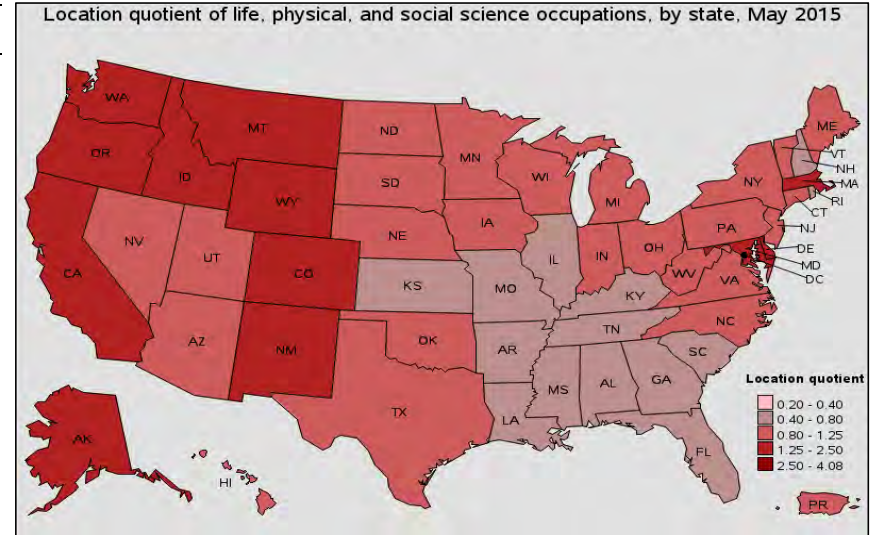
Source: US Census Bureau, Center for Economic Studies

EXHIBIT 10

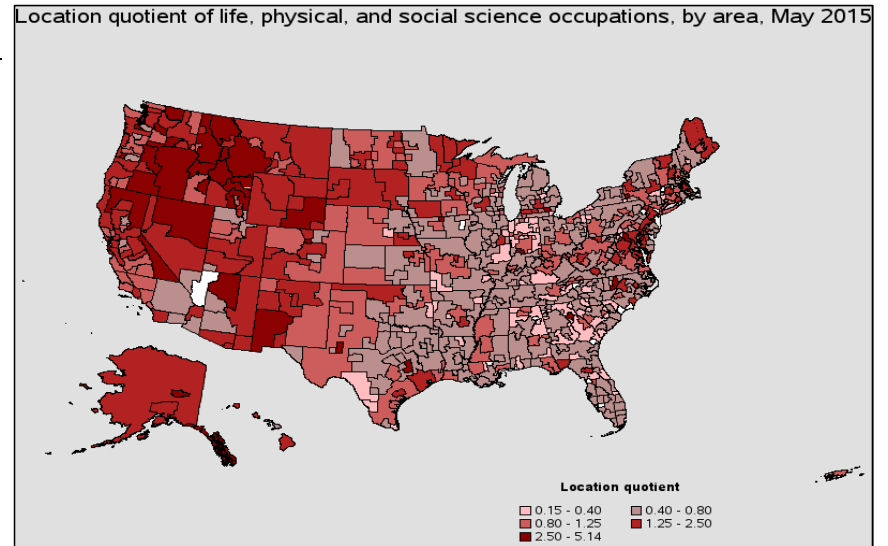
EMPLOYMENT - LOCATION QUOTIENT
UNITED STATES
2015

NAICS Code 19-0000 Life, Physical, Social Science Occupations

Location Quotient by Key States	Employment	Employment Per 1000	Location Quotient
	California	177,130	11.43
Pennsylvania	47,230	8.27	1.00
New York	66,230	7.37	0.89
Arizona	18,460	7.14	0.86
Industry with highest concentration in this occupation			
	Employment	% Total	
Scientific and Research and Development Services	170,890	15%	
Federal Executive Branch (OES Designation)	135,590	12%	
Pharmaceutical and Medicine Manufacturing	43,250	4%	
Basic Chemical Manufacturing	12,050	1%	
Paint, Coating, Adhesive Manufacturing	4,310	0%	
All Other Industries	780,020	68%	
Total:	1,146,110	100%	



Location Quotient by Key Southwest Metropolitan Areas	Employment	Employment Per 1000	Location Quotient
	San Francisco- Redwood City MSA	21,430	21.01
San Diego - Carlsbad	21,240	15.69	1.89
Anaheim- Santa Ana- Irvine	13,750	9.02	1.09
Los Angeles- Long Beach MSA	33,890	8.26	0.99
Phoenix- Mesa- Scottsdale MSA	10,020	5.34	0.64



Source: BLS

Attachment 4 – Biomedical Industry Research – Full Report

One of the most relevant research documents created recently regarding the bioscience industry also has a direct impact on the City of Downey. In 2015, Battelle Technology Partnership Practice developed the Feasibility Assessment and Master Plan for Advancing the Bioscience Industry Cluster in Los Angeles County for the Los Angeles County Board of Supervisors. Battelle's research and analysis indicates that the industry is an important economic driver for the region and that the area could potentially be a primary bioscience hub in the nation. Finding a lack of "early-stage venture capital" and available wet lab space, the report stated that the foundation to build up the public-private partnerships necessary to expand the existing cluster is feasible. The group proposed, and the County Supervisors have since begun approving, initiatives that make up the Los Angeles County Bioscience Master Plan. These initiatives are, "an investment of \$11.0 million in one-time capital funding and \$1.8-\$3.5 million annually in on-going funding, utilizing existing County land and buildings, and other potential incentives, over a five-year pilot period." One of the key proposals is for the County to create three to five "signature bioscience innovation hubs," now referred to as BioHubs, around the County. A 2011 feasibility study, referenced in the Battelle Group's analysis, indicates that one of the potential sites for a BioHub could be Rancho Los Amigos.

The need for this level of economic development is understandable, given the current market for the industry. Adam Bruns, writing for Site Selection Magazine, discusses how the competition to attract bioscience/bio-tech firms has increased over the recent decades. In the Boston area, a typical position in the field typically pays about \$70,740 per year. Attracting this type of employment is a top priority for many areas of the nation, and the world. However, even with such a high-paying industry, reports indicate that some markets can price out many firms, such as Boston and San Diego. Finding other areas, where the labor pool is skilled enough to accommodate employers, that meet the cost requirements of firms looking to start, expand, or relocate operations becomes critical. In addition to cost, firms understand that quality of life plays a major role in the decisions of employees regarding where they are willing to settle for employment in the industry.

Echoing these findings, Julia Cox, also writing for Site Selection Magazine, states that the biomedical industry is facing increasing competition due to, "the need for improved patient care, as well as a shift towards more targeted and personalized medicine." This shifting focus has implications for cities due to the new requirements related to the need for expanded wireless technology and the growing role of big data and informatics. The intensity of competition, she says, puts pressure on pricing and the search for new ways to innovate existing development to address the changing marketplace.

In resources provided by the American Planning Association, the success of large campus-style medical centers depends, in large part, on the local jurisdiction's ability to provide high-quality development, public infrastructure, access, and service. These characteristics include buildings and sites that are sustainably designed for active movement and healthy living principles. Special focus should be placed on efficient public transportation and a grand vision for the district.

Similarly, redevelopment of existing facilities is critical to an ever-changing healthcare and biomedical marketplace. An example of this need is demonstrated in a large medical district in Texas, the Southwestern Medical District in Dallas. Though the district has world-renowned institutions, such as the Children’s Medical Center Dallas, Parkland Hospital, and the University of Texas Southwestern Medical Center, the district was no longer providing the atmosphere desired by its clients. With superblocks to traverse and aging infrastructure, the heat-island was found to be difficult to navigate. To address the situation, public-private partnerships were formed to develop an urban streetscape master plan, and turn the district into a high-quality, livable community that engages pedestrians and creates a more contemporary sense of place. JLL’s 2014 Global Life Sciences Cluster Report notes that this type of high-quality development is a crucial need for the biomedical industry due to the attraction of the “younger generations of the workforce” by cities that tend to be “coastal and possess vibrant urban environments.”

In an article for Urban Land Magazine, Beth Mattsen-Teig continues this discussion, focusing on the need for public infrastructure tailored to the needs of the biomedical industry as the foundation of a medically-centered zone. For some cities, such as Minneapolis, this meant “improvements to the street grids and adding greenway space.” Furthermore, just as it is important to get the infrastructure right from the beginning are guidelines, whether zoning standards, a master plan, or design guidelines that need to be in place for the vision of a district to come together cohesively.

The American Planning Association also identifies the secondary effects of the medical industry’s expansion. For many communities, concerns are being raised about the transitional areas where medical uses and residential properties meet. This is due to the tendency for medical uses to stay open later, if not 24 hours a day, occupy commercial areas more traditionally developed for retail-type uses, and the movement to providing more mental health and substance abuse treatment services. To address these issues, planning and real estate professionals have discussed how the delivery of tomorrow’s healthcare services will rely on the development of real estate suited to the biomedical and biosciences industries. This will, in many areas, also require the creative re-use of existing facilities and sites, especially the development of commercial space that is flexible for multiple uses to accommodate the inevitable transitions through a business’s life cycle.

The San Francisco Biosciences Task Force made a similar finding, noting that biomedical start-ups typically need smaller facilities, between 2,000 and 10,000 square feet that may be part of the new model of incubator laboratories. They also stated that, “specialized laboratory space, meeting complex health, safety, building code and research standards are several times more expensive than typical commercial space. “

In an article in Urban Land Magazine, Kathryn Madden and David Gamble discuss developing new, or expanding existing medical centers in more densely populated areas. They note that change is not impossible, but collaboration with the affected communities is critical to success. Short of the options to provide institutions land on the periphery and grow outward, or having institutions disperse their operational units away from the main campus, cities that are more

generally built-out tend to have one option remaining, which is to provide the path for institutions to demolish obsolete buildings and grow vertically.

Ron Nyren, in an article for Urban Land Magazine, notes that collaboration between public agencies and the private enterprises that make up the contemporary life science industry will be one of the important keys to success in the years to come. Already, he states, local and regional governments have begun pooling their monies with private and non-profit enterprises, including universities, to help form emerging bioscience clusters that can provide the resources necessary for the new “bench to bedside” process, the drive to translate research into healing therapies as soon as possible. In a related article, Mr. Nyren discusses the Phoenix Biomedical Campus, one of the nation’s best examples of this multi-sector biomedical planning approach. He writes that the effort was the product of the state of Arizona, the City of Phoenix, and multiple state universities. The results of which is 28-acre campus which provides, “research space for bioscience students from the University of Arizona’s department of basic medical sciences and Arizona State University’s department of biomedical informatics, with wet and dry labs, offices, interaction spaces, and conference rooms.”

Delving more in-depth on the subject, Beth Mattsen-Teig, writing in Urban Land Magazine, states that the new model for these “innovation districts” are sprouting around the world. While no dominant model (in terms of zoning, financial, or collaborative incentives) has emerged as the definitive example, there are some generally accepted attributes to a successful technology-based district. One such trait is that these districts are typically anchored by major institution, such as a “university, hospital, corporation, or research facility.” Additionally, there is a push for mixed-use space, consisting of high-quality housing options, good public transportation, retail opportunities, and office and research and development areas that work together in a vibrant environment.

The 2011 California Biomedical Report noted how important connections to research facilities are to the industry, stating that biomedical clusters have traditionally been centered around “academic research centers, most notably the University of California (UC) campuses in San Francisco, San Diego, Los Angeles and Orange County. San Diego’s Salk Institute, The Scripps Research Institute and Sanford-Burnham Medical Research Institution also have been magnets, drawing brilliant minds to build world-class laboratories and spinning out new companies to commercialize their inventions.” JLL’s 2014 Global Life Sciences Cluster Report speaks to this further, stating that highly ranked research university programs “remain important innovation partners and therefore cities anchored by such institutions also continue to see growth in their biotech industries.”

This type of development comes as part of the wave of industry back to the core cities, Ms. Mattsen-Teig explains, in another piece in Urban Land Magazine. She identifies that the demographic and economic forces shifting this development value high-quality places “at much higher levels – by the market, by companies, and by individuals.” In fact, at the forefront of this movement are the technological changes occurring in the industry and the need for more flexible space to adapt to the market. In this environment, Ms. Mattsen-Teig notes, “big global companies are working with networks of individuals and researchers in urban-style campuses and

neighborhoods, and they have a greater desire to locate near major institutions such as Carnegie Mellon or Georgia Tech or MIT.” This remark expresses the need for local governments to do a better job collaborating with local and regional institutions to help foster these relationships, as Jorge Orozco of RLA stated in his interview.