

Thought Leadership From Our Partners

By Matthew Richard, Partner, Nixon Peabody and Aldo Ibarra, Associate, Nixon Peabody

SPONSORED CONTENT

Tapping Into San Francisco's Underutilized Spaces

CONTENT PROVIDED BY NIXON PEABODY

Given the increasing population density in urban areas, cities and developers should look for smarter and more efficient ways to use available space. While new construction in San Francisco often utilizes roof space—for public access terraces and solar panel installations, among others—a number of roofs on existing San Francisco office buildings are underutilized. Nixon Peabody sees this as a market inefficiency that forward-thinking owners can take advantage of.

Roofs constitute about 30% of San Francisco's land area. Although new building designs are mindful of incorporating Privately-Owned Public Open Spaces ("POPOS") in their roof space as terraces, many already existing buildings are not using their roofs to their maximum potential. San Francisco has several POPOS on rooftops around the city, and a newly opened, multi-block public park atop the Transbay Terminal. Indeed, the San Francisco 1985 Downtown Plan created a requirement for developers to provide POPOS in new buildings. But older buildings, many of which have spectacular views of the San Francisco skyline and bay, have prime real estate roof space that remains empty and underutilized. Section 138 of the San Francisco Planning Code regulates POPOS and establishes the guidelines a building needs to follow in order to have a City-approved privately-owned public open space.

Not only are roofs throughout San Francisco underutilized for their potential use as public spaces, but also for their potential use for solar energy panel installations. On January 1, 2017, San Francisco became the first city in the United States to mandate solar panels be installed in new buildings.

The potential of a large number of older buildings, however, remains untapped. The San Francisco Department of Environment has implemented a streamlined solar permitting process to make it easier for owners to obtain permits to install solar panels on their rooftops.

Looking to the future, as drones become a more common tool for delivery, maintenance, and even transportation, new building designs might consider using roof space for drone helipads. New buildings with drone helipads are already being planned in Los Angeles and New York. Although there are weight and line-of-sight regulations, the 2016 FAA drone rules, as currently written, already account for the possibility of drone deliveries. Even if, as of today, there is not a clear regulation for drone-landing installations, new buildings should be designed with future drone-related uses in mind.

Whether in new construction or the redesign of existing buildings, maximizing available space by incorporating a practical-use rooftop element—whether a POPOS or private-use terrace that takes advantage of San Francisco's amazing views; a solar panel array that helps to reduce the building's carbon footprint; or a drone helipad that embraces the future today—takes advantage of one of the last untapped frontiers for downtown San Francisco commercial space.

Matthew Richards and Aldo Ibarra are part of Nixon Peabody's Construction team. Their practice and extensive experience focuses on helping clients with construction-related issues, from contract negotiation and drafting to claims and disputes.



Our national real estate and construction team will take your projects to new heights in the Bay Area and beyond. Always looking ahead, our attorneys are at the forefront of trends in the industry. We track changing regulations and identify new solutions to help you minimize your risk, maximize development opportunities, and strategically plan for the future.

For information on our Construction & Real Estate Development litigation services, visit NixonPeabody.com.

