

DOWNTOWN OAKLAND SPECIFIC PLAN ZONING

ZUC Continuation - Supplemental Report, August 24, 2022



City of Oakland





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DRAFT ZONING AMENDMENTS

Supplemental Report

- Corrections
- Clarifications
- Zoning Incentive Program Economic Report





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Corrections

1. Table 17.101K.09

1. Base Maximum Intensity Map



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Clarifications

1. Zoning Incentive Program interaction w/Impact Fee exemptions & Density Bonus – additional study proposed
2. Art + Garage Zoning District – work/live allowed



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Zoning Incentive Program (ZIP) Economic Report

1. Recap of ZIP
2. Economic Report



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ZIP RECAP

Zoning Incentive Program (ZIP) provides community benefits (on-site or in-lieu fee) in return for increased development intensity:

- Affordable housing (amount dependent on affordability level)
- Below market-rate (50%), ground floor commercial space
- Streetscape, open space and other culturally-relevant neighborhood improvements
- Public restrooms in building lobby
- Job training/employment (would contribute to the City's existing employment programs via in-lieu fees)



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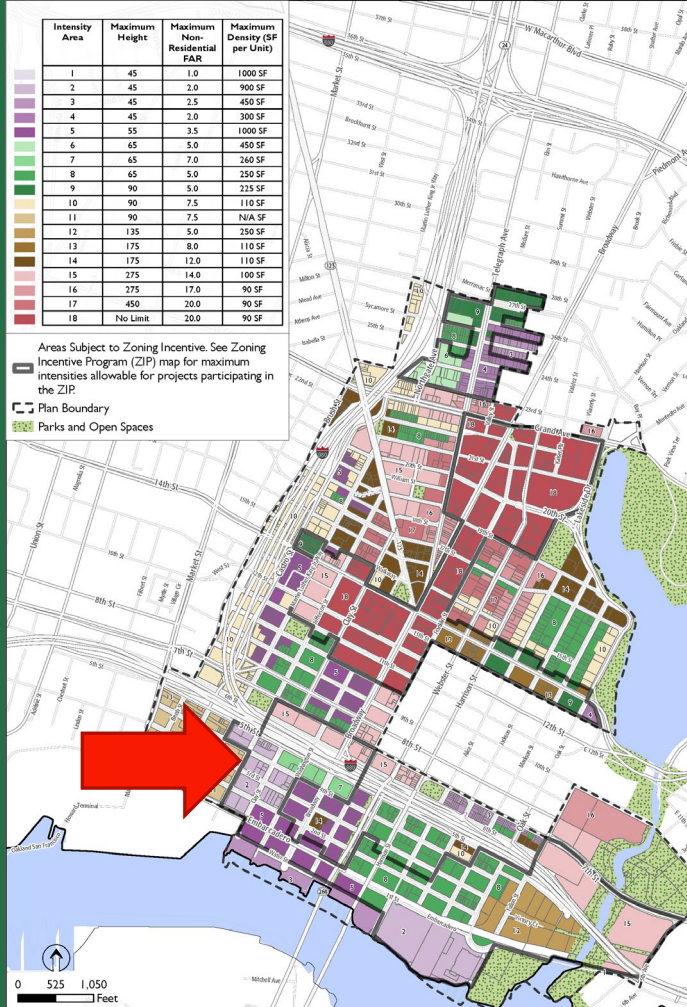
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ZIP RECAP

Maximum Height and Intensity without Zoning Incentive Program (ZIP) Participation

Example (Base):

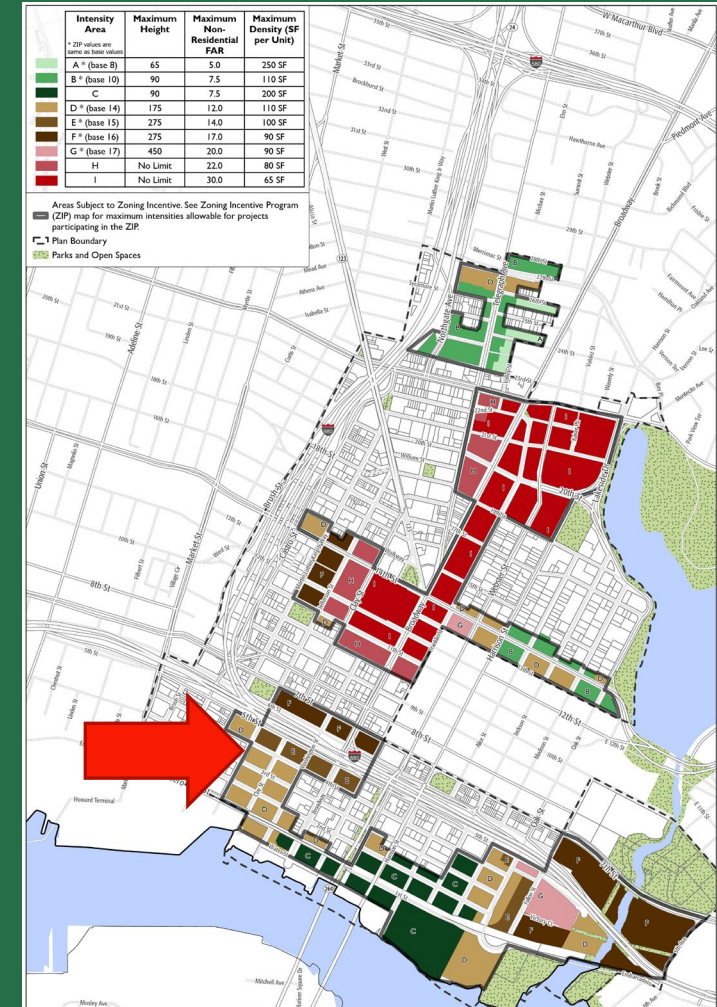
- Height: 45'
- Non-res FAR: 2.0
- Density: 900 SF



Maximum Height and Intensity if participating in the ZIP

Example (ZIP):

- Height: 175'
- Non-res FAR: 12.0
- Density: 110 SF





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ZIP RECAP

Benefits and Bonuses

- Developers can earn either additional residential units or commercial square footage/floor area
- On-site benefits are encouraged with a 10% discount over in-lieu fees

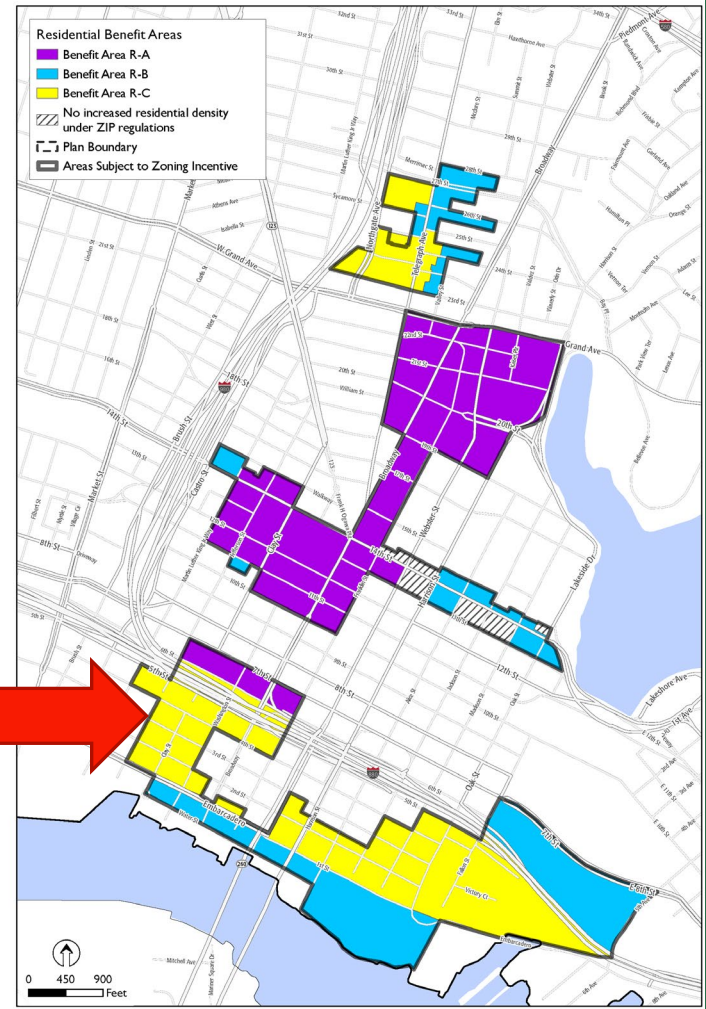


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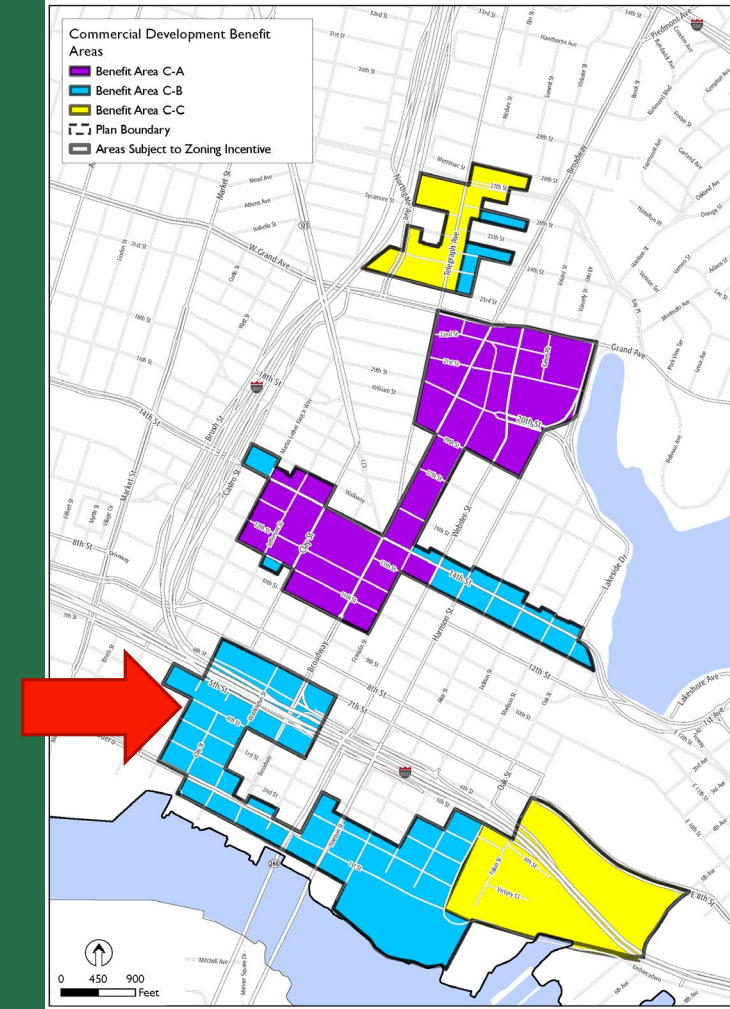
ZIP RECAP

Amount of benefit/in-lieu fee expected depends on the Benefit Area (based on market conditions) where the project is located

Residential Benefit Areas (to be allowed additional housing units)



Commercial Benefit Areas (to be allowed additional commercial floor area/square footage)





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ZIP RECAP

Table 17.101K.14 Zoning Incentive Program In-Lieu Fees for Residential Development

	ZIP Residential Benefit Areas		
	R-A	R-B	R-C
In Lieu Fee for either: 1. 100 square feet of rent-restricted ground floor commercial space; 2. One affordable housing unit; 3. Two publicly available restrooms; <u>or</u> 4. \$10,000 spent on streetscape, open space, and flood control improvements.	\$22,000	\$15,000	\$12,000

Table 17.101K.15 Zoning Incentive Program In-Lieu Fees for Commercial Development

	ZIP Commercial Fee Areas		
	C-A	C-B	C-C
In-lieu fee per square foot of nonresidential floor area	\$20	\$15	\$10



Economic Analysis for DOSP Zoning Incentive Program (ZIP)

Scope of Work

- ◆ **Estimates of Additional Real Estate Value Created by Higher-intensity Development**
- ◆ **Framework of Value Capture for Community Benefits**
- ◆ **Estimates of the Costs of Community Benefits Desired in Exchange for Higher-intensity Development**
- ◆ **Magnitude of Benefits that could be Supported by ZIP Project Contributions**



Methodology for Estimating Increased Real Estate Value from Higher-Intensity Development under the ZIP

- A. Use **Pro-forma Feasibility Models** with Oakland costs and revenues 2021/2022 to identify:
 - ◆ Value created by development at Base Zoning
 - ◆ Value created by development at Maximum Intensity Zoning
- B. Assess **feasibility**
 - ◆ If not now feasible, adjust to identify feasible projects
- C. Calculate **increase in value** from higher intensity development as difference between Base zoning and ZIP zoning cases (assuming feasible projects)
 - ◆ \$ per additional building sq. ft.
 - ◆ \$ per additional dwelling unit
- D. Identify **value capture for community benefits** as share of additional real estate value that could be contributed while retaining incentives for developers and landowners to build at higher intensity
- E. Do **large number of analyses** for zoning combinations proposed
- F. **Generalize** results to facilitate implementation



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ENGAGEMENT APPROACH

Materials

- Video series
- Summary of Key Changes
- Interactive online document (Konveio)

Meetings & Outreach

- 3 Topical Meetings
- Stakeholder Outreach
 - BAMBD
 - Chinatown Coalition & BID
 - Art + Garage District
 - Chambers of Commerce
- Community Advisory Group
- ZUC & LPAB Hearings

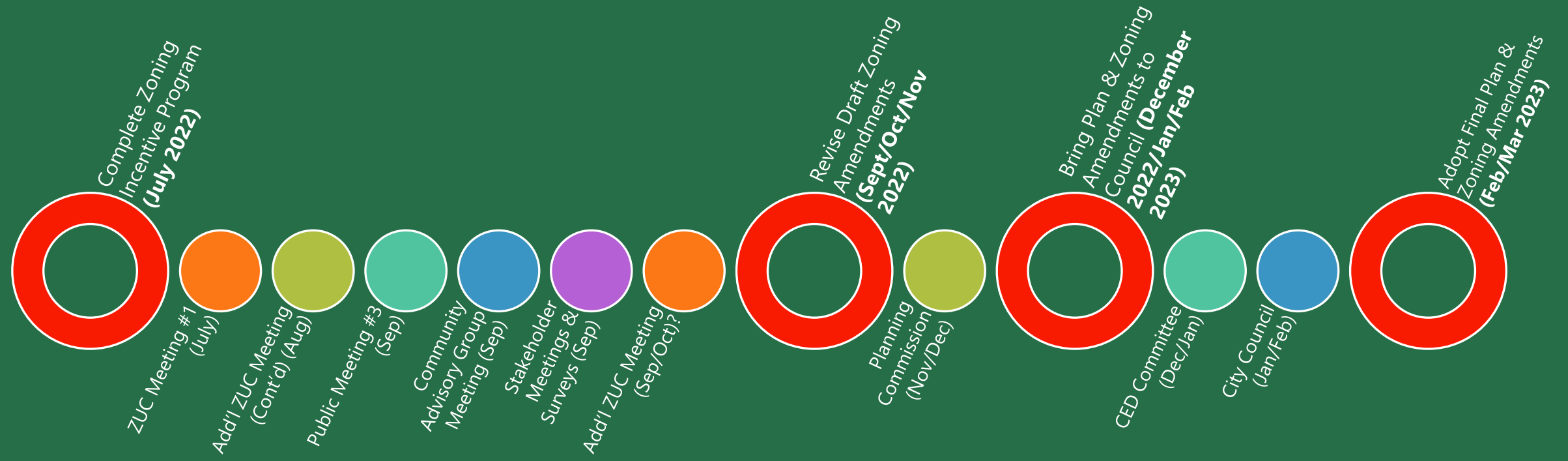
Surveys

- Online (to be distributed via stakeholders, social media, email list, chalkboards & flyers)
- Flyers at Town Nights & other events w/QR Code link to survey
- Chalkboard surveys (Lincoln Square Park, Franklin Plaza)



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ANTICIPATED SCHEDULE





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MORE INFORMATION & FEEDBACK

- Meeting #3: Zoning Incentive Program & Development Standards
 - September 13, 6-7:30pm ([RSVP here](#))
- More information:
 - Website: bit.ly/OakDOSP
 - Review a [summary of changes](#), [maps](#) & [text of amendments](#)
 - Watch [videos](#) about the DOSP and zoning
- Public Feedback Options
 - Comment on interactive draft ([Konveio](#))
 - Survey (to be sent to mailing list – sign up [here](#))
 - Email PlanDowntownOakland@oaklandca.gov
 - Attend upcoming meetings