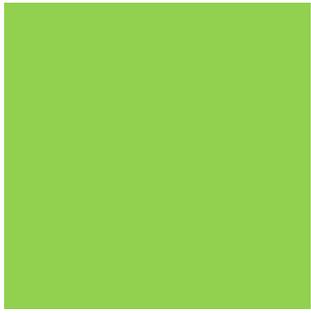


# DOWNTOWN OAKLAND SPECIFIC PLAN ZONING

ZIP & Development Standards, September 13, 2022





## DOWNTOWN OAKLAND SPECIFIC PLAN

### *ZONING INCENTIVE PROGRAM (ZIP), DEVELOPMENT STANDARDS & TRANSFER OF DEVELOPMENT RIGHTS (TDR)*

---

In the chat, please share:

- Your name (and pronouns if you would like)
- Your organization or neighborhood
- Which topic are you most excited to discuss?



**City of Oakland**



City of Oakland

INTRO  
10 MIN  
6:00-6:10

WELCOME

PRESENTATION  
30 MIN  
6:10-6:40

PRESENTATION

QUESTIONS  
15 MIN  
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Q & A

DISCUSSION  
25 MIN  
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SMALL GROUP DISCUSSION  
(IF TIME PERMITS)

HIGHLIGHTS  
5 MIN  
7:20-7:25

LARGE GROUP REPORT-BACK

NEXT STEPS  
5 MIN  
7:25-7:30

NEXT STEPS & FEEDBACK OPTIONS



City of Oakland

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PRESENTATION



INTRODUCTION

INTRODUCTION TO DOSP & ZONING

COMMUNITY  
BENEFITS

ZONING INCENTIVE PROGRAM (ZIP)

DESIGN &  
INTENSITY

DEVELOPMENT STANDARDS

DESIGN

OBJECTIVE DESIGN STANDARDS

HISTORIC  
PRESERVATION

TRANSFER OF DEVELOPMENT RIGHTS

PROCESS

MORE INFO & FEEDBACK



INTRODUCTION

COMMUNITY  
HEALTH

CULTURE KEEPING &  
ECONOMIC  
OPPORTUNITY

ECONOMIC  
OPPORTUNITY

COMMUNITY  
HEALTH & MOBILITY

MOBILITY

# INTRODUCTION TO DOSP & ZONING



## OVERVIEW

# INTRODUCTION TO DOSP & ZONING

### Project Initiation

Existing Conditions Research & Profile Report  
10-Day Public Design Charrette & Open Studio  
Community Advisory Group (CAG) Launch  
Plan Alternatives Report & Comment Memo  
Stakeholder Meetings & Online Survey  
Youth Summit

2015-2016

### Plan Drafting & Iteration

Plan Options Report & Equity Assessment  
Preliminary Draft Plan & Public Review  
Public Review Draft Plan/EIR\* & Public Hearings  
Initial Zoning Incentive Program (ZIP) analysis

2018-2019

### Racial Equity Re-Launch

Disparity Analysis  
Expanded Outreach & CAG Membership  
Social Equity Working Group Meetings  
Creative Solutions Labs  
Accessibility Survey

2017-2018

### Final Plan, Zoning & Adoption

Final Draft Plan  
Planning Code (Zoning) Amendments & Public Review  
General Plan Amendments  
Adoption Hearings

2020-2022



## OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## ■ DOSP: A First for Downtown Oakland

1. Preliminary Draft
  - Public kick-off and ongoing public input
  - Groundbreaking equity analysis and engagement
  - Ongoing CAG, Board and Commission review
2. Public Review Draft & Draft Environmental Impact Report
  - Community comment and revision
  - Updated version to be brought with Zoning Amendments to City Council



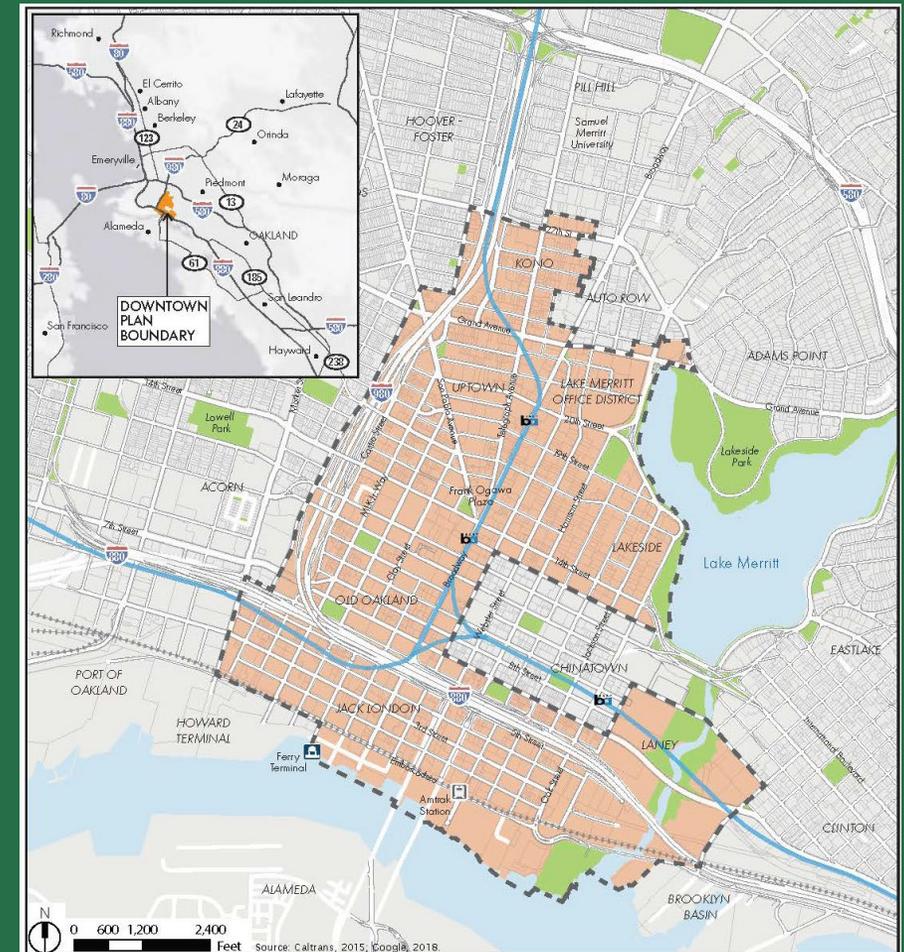


## OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## ■ Implementing the DOSP

1. Targeted studies
2. Impact & development fee reassessment
3. City investment in housing, infrastructure, etc.
4. Initiatives and funding strategies
5. City staff allocations
6. Compliance with CEQA mitigation
7. Ongoing community monitoring and transparency
8. **Update zoning to reflect Plan objectives**



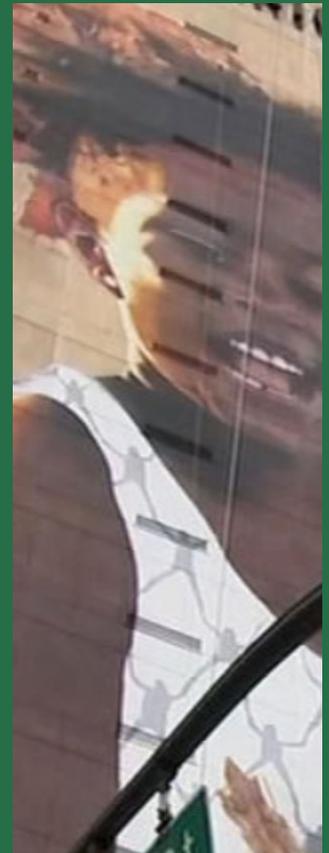


## OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## ■ DOSP Objectives Guiding the Zoning Process:

1. Overarching Vision: Equity and Access
2. Economic Opportunity
3. Housing & Homelessness
4. Mobility, Safety & Connectivity
5. Culture Keeping
6. Community Health & Sustainability
7. Land Use & Urban Form





OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## Component 1: Updated Land Use Activity Regulations (Meeting #1, May 11, 2022)

- Revised Zoning Map, including primary zones that match the goals of the DOSP and the Estuary Policy Plan
- Updated Activities Table – amends the activities that are allowed by right



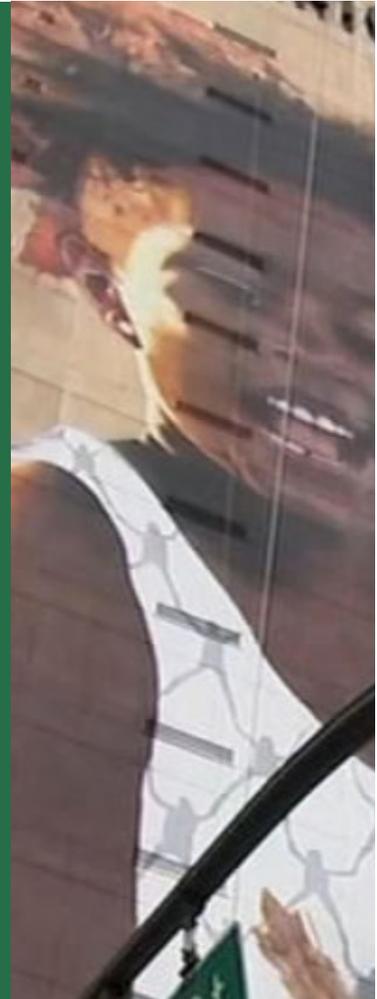


OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## Component 2: New Special Districts (Mtg #2, May 16, 2022)

- Sea Level Rise Overlay
- Arts & Culture Overlay (Black Arts Movement and Business District)
- Employment Priority Sites
- Green Loop & Lake Merritt Channel
- Freeway Zoning





OVERVIEW

# INTRODUCTION TO DOSP & ZONING

## Component 3: Property Development Standards, Height and Intensity Regs & Zoning Incentive Program (Meeting #3, tonight)

- Revised building design standards, upcoming objective design standards
- New height areas with increased height, residential density and nonresidential floor area ratio (FAR), if participating in the ZIP
- Zoning Incentive Program (ZIP) to provide community benefits in return for increased development intensity
- Transfer of development rights (TDR) program





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ZONING INCENTIVE PROGRAM (ZIP)



ZIP

# ZONING INCENTIVE PROGRAM (ZIP)

## Intent

- Achieve density in a walkable, transit-rich neighborhood
- Meet State and local goals for housing units, including providing affordable units on site or through Impact Fees
- Grow Oakland's economy and tax base to improve public services and fund community benefits citywide
- Achieve additional community benefits by capturing additional value development projects achieve through increased density



ZIP

# ZONING INCENTIVE PROGRAM (ZIP)

Under the Zoning Incentive Program (ZIP), developers provide community benefits in return for increased development intensity.

## On-Site Benefits:

- 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



ZIP

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Under the Zoning Incentive Program (ZIP), developers provide community benefits in return for increased development intensity.

## On-Site Benefits:

- 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

## Optional Payment of In-Lieu Fee at higher cost:

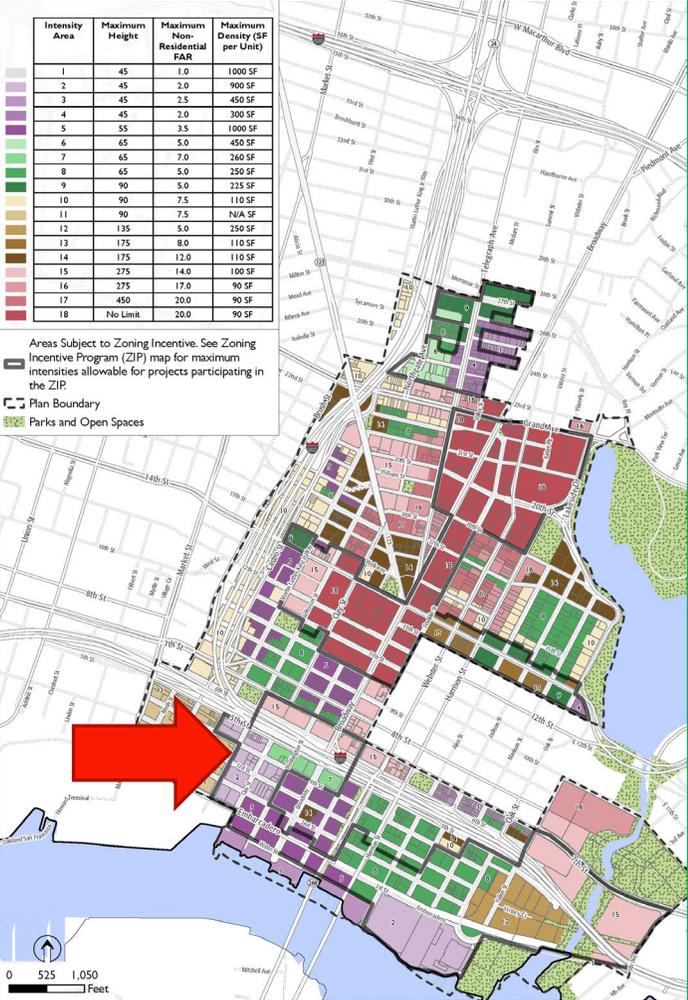
- City may use in-lieu fees for any benefit listed above
- In-lieu fees may also be used for job training and employment programs



DOSP

# ZONING INCENTIVE PROGRAM (ZIP)

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



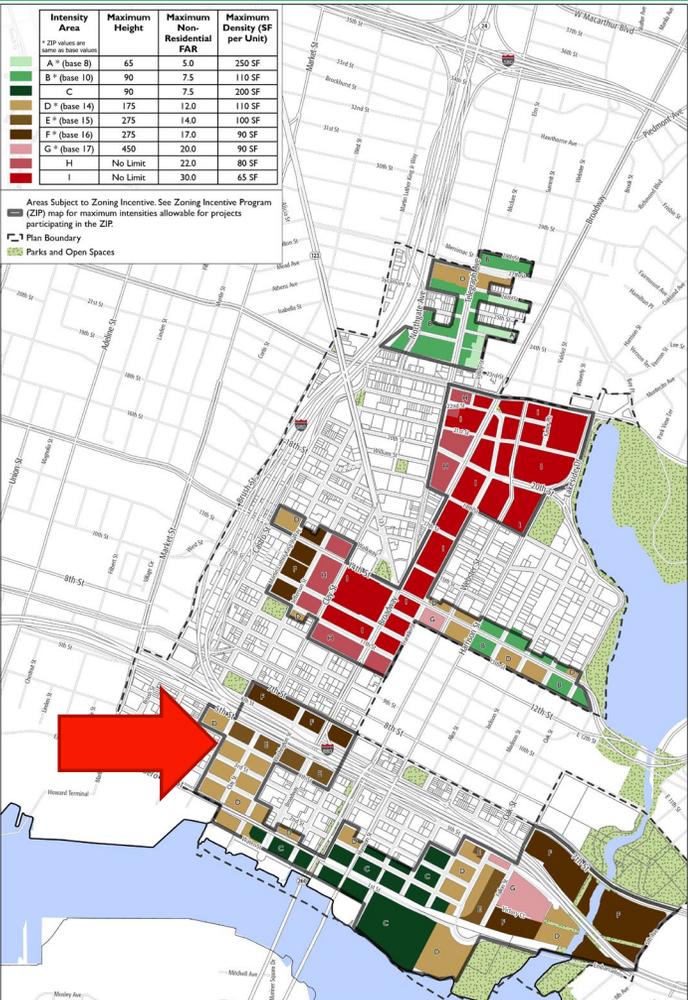
### Example (Base):

- 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





ZIP

# ZONING INCENTIVE PROGRAM (ZIP)

## 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

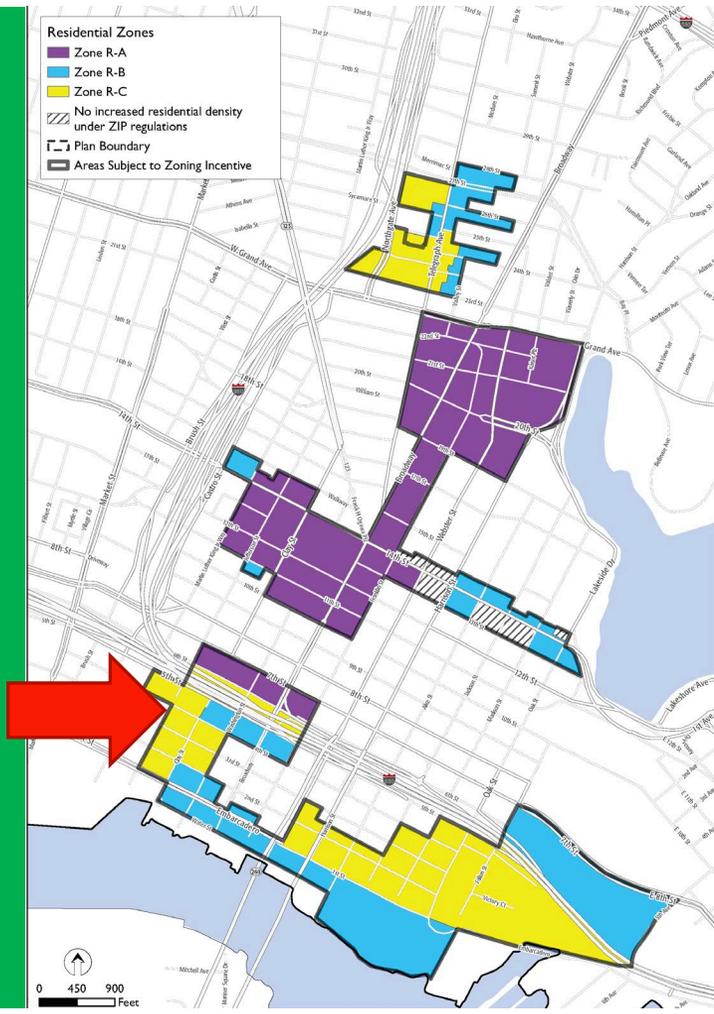


ZIP

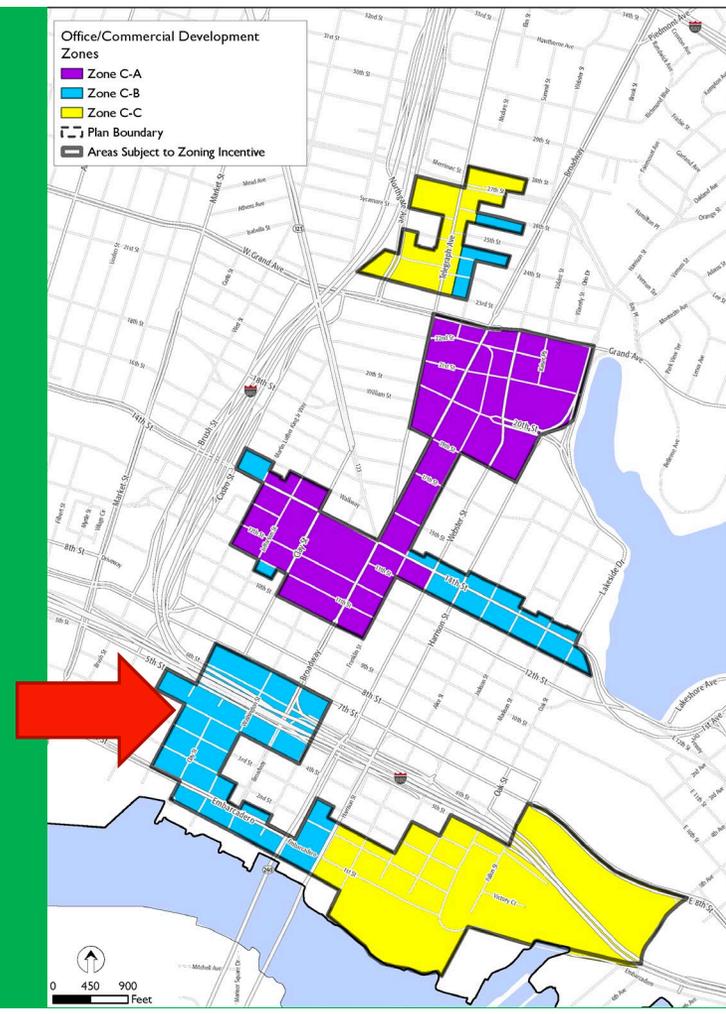
# ZONING INCENTIVE PROGRAM (ZIP)

Amount of benefit/in-lieu fee expected depends on the Benefit Area (based on market conditions) where the project is located (Updated 8/19/22)

Residential Benefit Areas (to be allowed additional housing units)



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





ZIP

# ON-SITE, BELOW-MARKET-RATE GROUND FLOOR COMMERCIAL SPACE

Cost: \$290 per sq. ft. subsidized

## Additional Market Rate Units:

### Allowance:

Number of additional market-rate units allowed for each 100 square feet of below-market rate commercial space:

Benefit Area R-A: 1.5 units  
Benefit Area R-B: 2.1 units  
Benefit Area R-C: 2.7 units

### Outcome:

Sq. Ft. of Subsidized Space Required to Support 100 market rate units:

Benefit Area R-A: 6,828 sq. ft.  
Benefit Area R-B: 4,655 sq. ft.  
Benefit Area R-C: 3,724 sq. ft.



ZIP

# ON-SITE, BELOW-MARKET-RATE GROUND FLOOR COMMERCIAL SPACE

Cost: \$290 per sq. ft. subsidized

## Additional Commercial Space:

### Allowance:

Additional square feet of commercial space allowed for each 100 square feet of below-market rate commercial space provided

Benefit Area C-A: 1,465 sq. ft.  
Benefit Area C-B: 2,148 sq. ft.  
Benefit Area C-C: 2,685 sq. ft.

### Outcome:

Sq. Ft. of Subsidized Space Required to Support 100,000 of commercial space:

Benefit Area C-A: 6,828 sq. ft.  
Benefit Area C-B: 4,655 sq. ft.  
Benefit Area C-C: 3,724 sq. ft.



ZIP

# ON-SITE BELOW-MARKET-RATE HOUSING UNITS

## Additional Market-Rate Units -- Allowance

Number of additional units allowed for each affordable unit provided:

		Cost to Provide	Benefit Area		
			R-A	R-B	R-C
Extremely Low-Income	Studio	\$637,333	32	47	59
	1 Bedroom	\$774,400	39	57	72
	2 Bedroom	\$1,033,867	52	77	96
Very Low-Income	Studio	\$520,000	26	39	48
	1 Bedroom	\$640,533	32	47	59
	2 Bedroom	\$883,200	45	65	82
Low Income	Studio	\$461,333	23	34	43
	1 Bedroom	\$573,333	29	42	53
	2 Bedroom	\$807,733	41	60	75
Moderate Income	Studio	\$168,533	9	12	16
	1 Bedroom	\$238,400	12	18	22
	2 Bedroom	\$430,933	22	32	40



ZIP

# ON-SITE BELOW-MARKET-RATE HOUSING UNITS

## Additional Market-Rate Units -- Outcome

Rounded number of affordable units needed to support 100 additional market-rate units:

		Cost to Provide	Benefit Area		
			R-A	R-B	R-C
Extremely Low-Income	Studio	\$637,333	3	2	2
	1 Bedroom	\$774,400	3	2	1
	2 Bedroom	\$1,033,867	2	1	1
Very Low-Income	Studio	\$520,000	4	3	2
	1 Bedroom	\$640,533	3	2	2
	2 Bedroom	\$883,200	2	2	1
Low Income	Studio	\$461,333	4	3	2
	1 Bedroom	\$573,333	3	2	2
	2 Bedroom	\$807,733	2	2	1
Moderate Income	Studio	\$168,533	12	8	6
	1 Bedroom	\$238,400	8	6	5
	2 Bedroom	\$430,933	5	3	3



ZIP

# PUBLICLY-ACCESSIBLE RESTROOMS

Cost: \$900,000 per pair of restrooms

## Additional Market Rate Units:

### Allowance:

Number of additional market-rate units allowed for each pair of publicly-accessible restrooms:

Benefit Area R-A:	45 units
Benefit Area R-B:	67 units
Benefit Area R-C:	83 units

Any remaining required funds would be paid toward other benefits.



ZIP

# PUBLICLY-ACCESSIBLE RESTROOMS

Cost: \$900,000 per pair of restrooms

## Additional Commercial Space :

### Allowance:

Additional square feet of commercial space allowed for each pair of publicly-accessible restrooms:

Benefit Area C-A:	45,455 sq. ft.
Benefit Area C-B:	66,667 sq. ft.
Benefit Area C-C:	83,333 sq. ft.

Any remaining required funds would be paid toward other benefits.



ZIP

# STREETSCAPE, OPEN SPACE AND FLOOD CONTROL IMPROVEMENTS

Per \$100,000 invested

## Additional Market Rate Units:

### Allowance:

Number of additional market-rate units allowed for each \$100,000 invested:

Benefit Area R-A: 5.1 units  
Benefit Area R-B: 7.4 units  
Benefit Area R-C: 9.3 units

### Outcome:

Investment required to support 100 additional market rate units:

Benefit Area R-A: \$1,980,000  
Benefit Area R-B: \$1,350,000  
Benefit Area R-C: \$1,080,000



ZIP

# STREETSCAPE, OPEN SPACE AND FLOOD CONTROL IMPROVEMENTS

Per \$100,000 invested

## Additional Commercial Space:

### Allowance:

Additional square feet of commercial allowed for each \$100,000 invested:

Benefit Area C-A: 5,051 square feet  
Benefit Area C-B: 7,407 square feet  
Benefit Area C-C: 9,259 square feet

### Outcome:

Investment required to support additional 100,000 square feet of commercial space:

Benefit Area C-A: \$1,980,000  
Benefit Area C-B: \$1,350,000  
Benefit Area C-C: \$1,080,000



**ZIP**

# IN-LIEU FEES

**Table 17.101K.14** Zoning Incentive Program In-Lieu Fees for **Residential** Development (Updated 8/19/22)

	ZIP Residential Benefit Areas		
	R-A	R-B	R-C
Value of on-site benefit to be provided per additional market-rate unit (10% discount)	\$19,800	\$13,500	\$10,800
In-Lieu Fee per additional market-rate unit	\$22,000	\$15,000	\$12,000

**Table 17.101K.15** Zoning Incentive Program In-Lieu Fees for **Commercial** Development (Updated 8/19/22)

	ZIP Commercial Benefit Areas		
	C-A	C-B	C-C
Value of on-site benefit to be provided per additional market-rate unit (10% discount)	\$19.80	\$13.50	\$10.80
In-Lieu fee per square additional foot of nonresidential floor area	\$22	\$15	\$12



ZIP

# ZIP ECONOMIC ANALYSIS

## 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





ZIP

# ZIP ECONOMIC ANALYSIS

## Methodology for Estimating Increased Real Estate Value from Higher-Intensity Development under the Zoning Incentive Program (ZIP)

- A. Use **pro-forma feasibility models** with Oakland costs and revenues 2021/2022 to identify:
  - Value created by development at Base maximum intensity zoning
  - Value created by development at ZIP 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 incentive 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





ZIP

# ZIP ECONOMIC ANALYSIS

## DOSP Zoning Incentive Program (ZIP) Compared to CA Density Bonus Law Important Characteristics and Factors

	DOSP Zoning Incentive Program	CA Density Bonus Law
<b>Objective</b>	Encourage high density development downtown while capturing value for community benefits	Encourage on-site affordable housing by offering higher density and regulatory concessions
<b>Voluntary Program</b>	Yes	Yes
<b>Additional Density</b>	+11% - 808% more density than base 65% of cases more than double allowable density	+20% more density than base plus regulatory concessions least costly option for higher density development in DOSP
<b>On-site Affordable Housing</b>	Can choose as community benefit; amount and type dependent on benefit area requirements	5% very low-income units on-site
<b>Payment of Affordable Housing Impact Fees</b>	Yes – base development Yes – additional density	No – base development No – additional density



ZIP

# ZIP ECONOMIC ANALYSIS

## DOSP Zoning Incentive Program (ZIP) Compared to CA Density Bonus Law Differences in Outcomes for Housing Supply and Resources for Affordable Housing Production in Oakland

	DOSP Zoning Incentive Program	CA Density Bonus Law
Analysis of 26 Development Sites Representative of ZIP Densities in DOSP	11% - 808% more density	20% more density
Total Housing Units (base + bonus)	9,862	5,393
Market Rate Units (base + bonus)	9,745	5,160
Very Low-Income Units On-Site	117	233
Affordable Housing Impact Fee Revenue to Housing Trust Fund	\$260 million	\$0
Percent Increase in Boomerang Dollars for Housing Trust Fund	123%	21%

- ◆ Higher density potential under ZIP generates more total units and more market rate housing units
- ◆ CA Density Bonus provides more on-site affordable housing units
- ◆ ZIP generates substantially more revenue for Oakland’s Housing Trust Fund for affordable housing production
  - Trust Fund leverages additional funding in range of \$4 - \$7 for every local dollar
- ◆ ZIP can increase incentive to use CA Density Bonus on top of ZIP to get benefit of regulatory concessions on total project



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PROCESS

DEVELOPMENT STANDARDS



# DEVELOPMENT STANDARDS

## Building Design Standards

- Include requirements for fenestration, materials, ground floor, height, active space, and parking and loading location
- Require tall building bases between 45-85' with a tower setback from the base (exceptions for office towers, small lots, transitions to historic buildings, context)
- Prevent expanses of blank walls on elevations visible from the street
- Discourage the heavy use of tinted windows
- Require breaking up the volume of buildings and creating a building terminus
- Decrease maximum parking allowed in residential development from 1.25 to 1 space per unit



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OBJECTIVE DESIGN STANDARDS



# OBJECTIVE DESIGN STANDARDS

- Citywide project
- Meets State legislation requiring objective standards to permit housing
- Includes tower regulations
- Downtown standards to be fast-tracked
- Public meeting will be held to discuss



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TRANSFER OF DEVELOPMENT RIGHTS



# TRANSFER OF DEVELOPMENT RIGHTS (TDR) PROGRAM

- Allows transfer of FAR and density from historic sites in the DOSP area to non-historic ZIP sites in the DOSP area
- Only half the development capacity allowed under the ZIP may be achieved through the TDR program (to encourage participation in ZIP)
- Transfers are arranged privately, with agreement approved by City Attorney and filed with the Alameda County Recorder
- Requires a CUP with a finding that the height and bulk of the proposal for the receiving site is consistent with the desired character of the block and area.



City of Oakland

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MORE INFO & FEEDBACK



## NEXT STEPS

# MORE INFORMATION & FEEDBACK

- More information:
  - Website: [bit.ly/OakDOSP](http://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](mailto:PlanDowntownOakland@oaklandca.gov)



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SMALL GROUP DISCUSSION  
(IF TIME PERMITS)



# SMALL GROUP DISCUSSION

- What do you like about the following draft programs and amendments? What do you recommend changing?
  1. Zoning Incentive Program (ZIP)
  2. Development Standards
  3. Transfer of Development Rights (TDR)
  
- Report Back
  1. What was the top aspect of the Draft Zoning Amendments that your group liked?
  2. What was the top concern?



City of Oakland

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5 MIN  
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**LARGE GROUP REPORT-BACK**



# LARGE GROUP REPORT-BACK

- **In 30 Seconds:**

1. What was the top aspect of the Draft Zoning Amendments that your group liked?
2. What was your group's top concern?



City of Oakland

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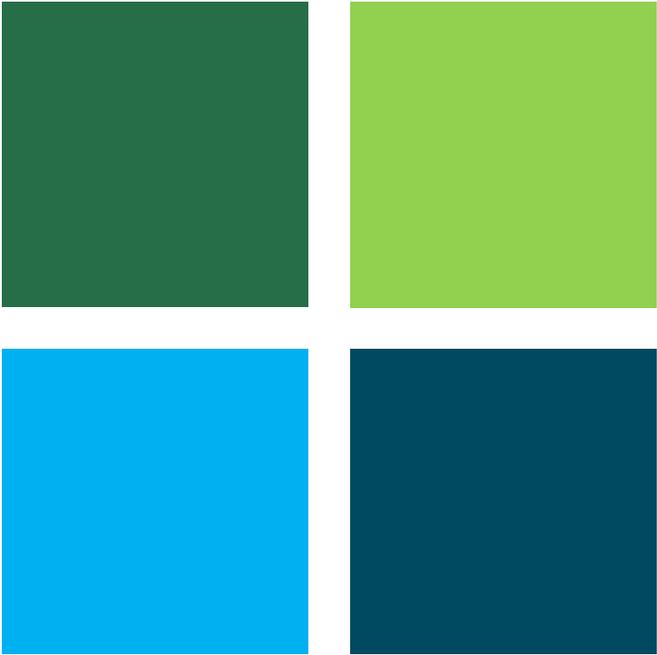
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## NEXT STEPS

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  - Email [PlanDowntownOakland@oaklandca.gov](mailto:PlanDowntownOakland@oaklandca.gov)
  - Attend upcoming meetings



# DOWNTOWN OAKLAND SPECIFIC PLAN ZONING

ZIP & Development Standards, September 13, 2022

