

## I. Presentation Introduction

Eric Angstadt (EA), Interim Director of the Community and Economic Development Agency, welcomed attendees, reviewed the agenda, and provided an overview of the Zoning Update project. Neil Gray, Strategic Planner and Manager of the Commercial/Corridor Zoning Update team, made a presentation on commercial zoning topics. Eleven separate topics were raised. At the conclusion, Neil asked participants if they thought staff had missed any issues. A summary of this discussion follows:

## II. Summary of TAG Member Comments

### Traffic

Traffic concerns were brought up. Questions/Concerns include:

- What amount of new traffic can an area handle?
- What effects do traffic conditions and congestion have on how we zone different areas?
- Reducing traffic impacts could be addressed in the Environmental Impact Report (EIR) process at the end, but we need to think about some of this ahead of time.
  - *Staff response* – Planning Staff can concur that there are traffic issues to be addressed. The CEQA (EIR) process is geared toward cars. Do we tweak the zoning code to shift the emphasis to alternate modes?
- There are concerns about the need to adjust the parking standards, as they are outdated.
  - *Staff response* – Planning staff will deal with that in Phase 2 of the zoning update process, right now we (staff) are going to take a liberal approach to issuing parking variances.

### Zoning /Development Standards

- Zoning is a restriction; it doesn't "encourage" anything. Staff needs to use bonuses and incentives to get people to do what City wants.
  - *Staff response* – Yes, you can set the zoning densities and heights allowed "by right" at a fairly low level and use bonuses to get what you want (incentives). This is the approach taken in Seattle, Portland, etc, i.e., create an "artificial scarcity" and incentivize everything (in the case of Portland, there are many pages in the zoning code of exceptions, with bonuses.) Another strategy is to penalize the behavior you don't want to see
- Some members agree on the above statement. A member raised three issues: (1) On Issue # 11. The zoning ordinance needs to not just "balance" historic preservation and

land use but also implement the Historic Preservation Element, and connect zoning to historic preservation (See Policy 3.9 in the HP Element: *Consistency of Zoning with Existing or Eligible Preservation Districts*). Need to consider policies in the Historic Preservation Element and also look at Transfer of Development Rights. 2nd issue – how do you translate general goals for the city into specific allowable development quantities on the ground? This gets to the bigger question of what year are we planning for as we zone -- how do we quantify that and translate it into zoning? 3<sup>rd</sup> issue- Sign regulations need to be adjusted.

- *Staff response* – Staff noted that signs would be addressed in phase 2. Staff suggested considering “growth targets” for the corridors as a whole, for example, International Blvd from X Avenue to Y Avenue, and let the market decide where the new development would go within that defined corridor.

### **Storm Water Runoff**

- We need to address storm water run off. Can we build a mechanism (into our zoning) for evaluating projects so there is no net gain in run off when a site is developed?
  - *Staff response* – We already do this to some extent in our National Pollutant Discharge Elimination System (NPDES) permit.
- The City of Malibu has gone further and adopted standards that all runoff must be absorbed on site or you pay excess fee.
  - *Staff response* – Yes, we know this type of policy is coming from the State’s Regional Water Quality Control Board (RWQCB).

### **General Plan**

- Do we have a chance to rework the General Plan through this process? This is our chance to go beyond what the General Plan says—we shouldn’t let that 10-year old document hold us back.
  - *Staff response* – The 1998 General Plan is a given and we do not have the resources or political direction to change it at this time. If one of the outcomes of this process is recognition that the Plan needs updating, we will deal with that later—it is unfunded now.

### **Adaptive Reuse/Historic Preservation**

- When you talk about “development” don’t forget adaptive reuse. We have lots of old warehouses on San Leandro Street that could be converted to live-work. How will the Zoning Ordinance deal with these uses? They aren’t exactly “encouraged” by the building code. Yet from a smart growth perspective, rehabbing them is better than

developing new buildings outside of the city (“green fields”). How can we have more favorable planning & building regulations for live-work, and encourage those who are doing creative things with older buildings?

- *Staff response* – In this zoning update, we are not dealing with building code (which regulates the definition of live-work). The zoning code is friendly to mixed-uses. Industrial zoning is more restrictive towards live-work than commercial zoning. In commercial areas it’s pretty easy to do residential adaptive reuse of older, non-residential buildings. It’s also easier to do it if the building is historic (but it’s harder if it’s an industrial area due to encroachment issues).
- Several members agreed to what was said earlier in the discussion about Historic Preservation and carrying capacity. We do need to look at our city’s carrying capacity when we set zoning densities. Infrastructure is at capacity in some cases. One TAG member noted that the EBMUD water main blew in front of her house. And in some cases, there are still have sanitary sewer/storm sewer links that cause raw sewage to flow into the lake. We have decaying infrastructure lines that are 100 years old. They were designed for little houses, not multifamily buildings. Who will do this analysis and who will upgrade the facilities?
  - *Staff response* – We can look into the issue of zoning affecting the capacity of infrastructure. One idea might be to look at the corridors as a whole, what is their carrying capacity as a whole?

### **Development Bonuses/Community Incentives/Impact Fees**

- Keep in mind that some development bonuses are granted by the state. Are these bonuses in addition to the ones we allow locally? We need to make sure we don’t go higher than we want to go in density when we talk about bonuses, and consider the “ultimate height” of development.
- Some seconded the idea of using incentives, such as community benefits, as a way to get to an “ultimate height.”
- In my community, there are large, developable parcels, and we have real opportunities to get public art, plazas, etc. from developers
  - *Staff response* – Impact fees are another way to produce community benefits.

### **Impacts from Truck Traffic**

- I’m curious to explore this idea of doing the environmental analysis first. We should broaden the discussion of impacts; also think about things like safety, illegal dumping, air

quality from diesel trucks, toxics, etc. Can we design our streets to keep trucks out of the residential areas

- *Staff response* – Designating truck routes is outside the purview of zoning; zoning regulates private property.
- Also need to address parking of diesel trucks and concentration of auto body shops. The City needs to do some “ground-truthing” as part of this process. We need to know the current situation when it comes to uses with health impacts. Are the current limits being adhered to? Look at buffers; setbacks; increased requirements to avoid excessive concentration of auto body and other health hazard uses near residential areas.
  - *Staff response* – We are starting at a more basic level than that. What are the right uses that should go in each zone, etc? We will deal with the “concentration” issue later on. Phase 2 of the rezoning will be more “fine-grained.” We are focusing on future conditions rather than past conditions.

### **Community Benefits Continue**

- We think it’s really important that when community benefits are provided, they serve the impacted neighborhood and not other parts of the city. We also like the idea of flex space and short term leases in the ground floors of new mixed use projects – to allow untraditional uses on an interim basis while we wait for conditions to change.
  - *Staff response* – Your approach suggests you want incentives (which support local benefits) and not impact fees (which tend to support citywide projects).
  - *Staff response* – (Responding to the flex space question): We need to be mindful of how we apply flex space in the regulations. It is tough to accommodate certain uses if you allow 9- foot ground floor ceilings for the interim use. You need 12-15’ ceilings for retail. So require 12-15’ ceilings to anticipate future market for retail. (i.e., don’t preclude the ultimate use)
- (1) When we talk about community benefits, we need a balance between benefits that are neighborhood focused and benefits that are city wide. Not all development impacts are local--some impacts are citywide, such as an increase in demand for BART service from residents in new construction that isn’t close to BART. Don’t give up on impact fees entirely. (2) Is the City still considering incorporating form based codes in its zoning?
  - *Staff response* – Staff can regulate by use, by form, or by impact. We will probably do a hybrid that combines multiple approaches; alternate b/w use and form

- *Staff response* – Staff will use the form based approach in areas that are less successful, where greater flexibility can help revitalization. In areas that are more established & successful, a use based approach may be more appropriate.

### **Parking and Development Impacts**

- The Laurel District has smaller lots. Parking requirements make it hard to build vertical mixed use and achieve the kind of pedestrian streets envisioned by the general plan. The lots are already 100% covered; we can't do parking on-site and where we can, curb cuts are not desirable. Need to come up with a new solution.
  - *Staff response* – Parking regulations need an overhaul; until it is adopted, planning division staff is generous with parking variances.
- Historically, the avenues were streetcar served. So its ½ block, commercial then Single Family homes. How do we adapt this to a new pattern?
- We just want to add one or two few new floors to one-story buildings with neighborhood based uses but we can't because we can't meet the parking requirements
- Staff will face a battle if you say you're dealing w/ parking later (in the Phase 2 that EA described) Try and build parking into the overall process, so the standards are as clear and simple as possible. How do you draw the line between a design guideline and a development standard? We need to go into "phase two" a little bit in this process. Also, we could use some case studies as we go along to understand collectively the real world effects of what we're discussing.
  - *Staff response* –Staff can explore different approaches to the Laurel situation. For example, perhaps we can say if your lot measures less than 3,000 square feet, that no parking is required. Our staff can make maps of lot sizes for this analysis, using Geographic Information Systems (GIS) .
- We are going back to the future w/ transit corridors. Although the corridors don't have streetcars, they do have frequent bus service. We need to support/ regulate development to boost transit—this is not just density, it is also design. Limit curb cuts; make it easier to get from building to bus stop. There is a lot this process can do to support good corridors. A lot of Oakland's new units will have to be on the corridors. Generally, what's good for transit is good for pedestrians, and we do need to talk about parking. Oakland has not been creative on parking, it has not explored ideas such as neighborhood pool parking. Neighborhood parking will drive a lot of discussion.
- Some liked this idea of neighborhood-based benefits. How do you standardize the practice (since this is zoning)? It's subjective & potentially very complicated to identify benefits on a case by case basis. Developers want certainty. The impression in Oakland

is that it is all take, and no give. This leads to disinvestment. Need to make sure this process stays efficient.

- *Staff response* – We are going to identify non-zoning issues in this process as well. We are going to catalog all these ideas-not necessarily resolve them all now.

### III. Final Comments

- Parking is vital. The handicapped and also delivery trucks need parking close to their destinations. Parking is the major problem and must be considered in this process. With mechanical parking, there has been a paradigm shift in how developers are meeting the parking standards. This has major impacts on density. This needs to be considered in the zoning code.
- There is support for the idea of incentives for neighborhood improvements. We did a project near Fruitvale-Foothill, and provided streetscape amenities. These kinds of amenities should be incentivized. Part of this process will need to be to learn about each area and figure out where (and what) the amenities need to be—tying amenities to certain opportunity sites.
- Keep in mind that the Land Use Element FARs are very high. They appear to allow 4-8 stories in Montclair & Rockridge—which is not what was intended by the General Plan policies. Need to only allow the top of the FAR range with use permits, bonuses, and provisions for many amenities. Some additional tools would facilitate our discussion – a map of ASIs and APIs would be helpful. – More detailed maps of the land use and zoning overlay map.
  - Staff clarification of above statement- The General Plan FARs establish the density “ceiling” for each category not the amount of density granted by right.
- The community commercial areas and the neighborhood commercial areas have many different typologies and are not homogenous. They vary by lot size, transit orientation, car dependency, the type of retail needs they serve, existing community plans, etc. Need to recognize all these factors and not use a one-size-fits-all approach.
- Recognize that neighborhood cultures support different development patterns. In the Laurel we can support less parking. I’m concerned that our demographics will change if we require suburban parking standards (we will have less diversity)
- We should use the rezoning process to improve functionality of corridors & to incentivize community benefits. Would like to see how Portland and Seattle incentivize community benefits. Seems like Phase 2 is the “good part”

- One member does not think providing community benefits is in conflict w/ creating standards and predictability
- My area includes Elmhurst, Foothill Square, Eastmont Mall, etc.- what does the Conley Report mean when it talks about “repositioning” these shopping centers?
  - *Staff response* – Repositioning refers to creating a new retail strategy for a shopping center.
- Hegenberger is not a nice gateway. What are we going to do about the regional commercial areas? Need to focus on design solutions there as well.
- I understand you’re not able to consider existing conditions now, but I want to encourage you to do so as part of this process.
- Right now, parking requirements dictate height & density more than the General Plan. We need to adjust parking standards. Something has to give if we sure going to accommodate our RHNA. We can’t keep requiring 1 to 1 parking unless we go mechanical (one car for every one residential unit). We have to force people to use less cars.
- Two points: (1) We need a menu of community benefits in the code. Spell out what they are, for the public and for developers. (2) Consider lot size. We have over 100 different property owners between 40<sup>th</sup> & 51<sup>st</sup> on Telegraph – many small lots have impeded this area from redeveloping. Zoning needs to consider lot size.
- Consider Streetscape issues. How will we get the pedestrian-friendly character we desire? Right now, there are vacant retail spaces all over the city on the ground floor—this is an outcome of our requirements. We need to make adjustments. Also, we absolutely need to address parking and ASI / APIs.
- Yes, you must address parking, but not just the issue of providing spaces. Look at broader issue of parking management.. Support pedestrian uses explicitly.
- What we want to accomplish is to preserve the individuality and uniqueness of our commercial districts and corridors. The challenge is to use a blunt instrument like zoning in fine-tuning. I am worried that our approach will create homogeneity and a lack of creativity. We need to tackle this challenge.
- Very pleased at how open minded people are about parking. Parking flexibility is not a radical idea. Look at decoupling parking from condo ownership. Also, in higher density areas, focus on public open space rather than private open space. Also note – the Conley (Retail) Report has design recommendations.

- Everyone in this room should read Donald Shoup's 2005 book, "The High Cost of Free Parking" Infrastructure issues are important, but we also need to consider the impacts of development on parks and schools, etc. Take into consideration the need for youth and senior centers.
- We haven't had much conversation tonight about buffering, and this is very important—especially for auto-oriented uses. Also, need a reality check on density bonuses. Keep in mind that the state will automatically allow a density bonus of 35 percent on top of whatever maximum density Oakland allows (for affordable housing). We need to make sure we maintain the General Plan "ceilings". We may need to look at disincentives as well as incentives for private car ownership (parking).
- Our neighborhood retail areas are unique) we have a retail advisory committee in Grand-Lakeshore. It's been very useful. Too many big box and chain stores may threaten retail diversity. Too many nail salons.
- The concept of Urban Villages should be stressed. De-emphasize the private car; create mixed use centers; what can zoning do to create thriving neighborhoods?
- The world is shifting and becoming less car-oriented. AC is adding service, but we have fiscal constraints. To the extent we can address congestion, speed, etc. on the corridors, our task is more effective. Provide the density where excess capacity exists. Recognize the differences in the corridors.
- Concerned about the fact the LUTE is all about density, and if we add State density bonuses, we have very tall buildings next to Single Family homes. I'm concerned about road & infrastructure capacity, also. We need to respect the reality of the car, if we don't park cars on the corridors, they will be parked on the streets of the adjacent residential neighborhoods.
- Have to look at parking now.
- Very impressed by this discussion & the breadth of knowledge. It's problematic that we are leaving the Estuary Policy Plan area (i.e. Jack London Square) out of this zoning update process. It will result in two different zoning codes.
- Each Corridor has its own identity, but they all share some common features – incubators, housing potential and affordability, etc. Need to combine flexibility and certainty. Be mindful of the backlash that will result if we allow bad projects. You've got to get the buffering right to make it work; buffering makes flexibility possible.
- I disagree with above statement (two statements up) – the Estuary area is unique. It should be its own zoning area. Re: Community benefits, don't sell out too cheap. Oakland has a "wallflower mentality" and will "dance with any geek who asks us." I've

never met a developer who didn't want to go beyond what was allowed. Be careful. Don't wreck our assets, our parks, which are already being loved to death, etc; don't overload our community facilities w/ too many people

- Great to hear so much urban theory in this room. I am encouraged, but will we get this done in less than ten years?
  - *Staff response* – Thanked everyone for attending and the meeting was adjourned. Please email further thoughts and comments to: [zoningupdate@oaklandnet.com](mailto:zoningupdate@oaklandnet.com).

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