OFFICE TILED CITY OF OAKLAND THE CITY CLERA AGENDA REPORT 2003 (15) - 9 PM 12:09

- TO: Office of the City Manager
- ATTN: Deborah Edgerly
- FROM: Community and Economic Development Agency
- DATE: October 21,2003
- RE: <u>SUPPLEMENTAL REPORT</u> ON AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

SUMMARY

This report responds to a request from the City Council for additional information related to the above ordinance, **a** zoning text amendment designed to facilitate the conversion of existing non-residential buildings in Oakland's downtown to residentially-oriented live/work quarters. The Council asked staff to provide information about the number of existing buildings in downtown that are over 100,000 square feet. Staff found that there are 25 buildings in downtown Oakland that are over 100,000 square feet in area and are eligible for conversion because they are in non-residential use.

The Council also asked for clarification of the language of the proposed zoning text amendment, which would require **a** conditional use permit when **a** live/work conversion project is located in the S-4, S-7, or S-8 overlay zone. Staff responds with a modification to the text to eliminate this requirement, as any project in these overlay zones that involves exterior changes will already be subject to a design review requirement that will address any architectural design issues.

FISCAL IMPACT

The proposed revisions do not result in any fiscal impacts to the City.

BACKGROUND

On July 8, 2003 the Community and Economic Development Committee considered an ordinance that would amend the Oakland Planning Code to allow the conversion of existing non-residential buildings to "Residentially-Oriented Joint Living and Working Quarters" in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary Channel, the Westem Shore of Lake Merritt, and 27th Street. T his ordinance would give more p ermanent status to **a** s et of interim provisions adopted in 1 999 (Ordinance 12148C.M.S.). Under both the 1999 and currently proposed ordinance, such conversions would

Item: 14.3 City Council October 21, 2003 be allowed outright as long as a project meets certain criteria, such as retention of on-site parking and open space for use by residents, and retention of existing ground-floor commercial space. A conditional use permit would be required for projects that do not meet one of these criteria. Staff also proposed requiring a conditional use permit for a project involving more than 100,000 square feet of floor area, consistent with the regulations for other projects in the C-51 and C-55 zones (the predominant downtown zoning districts).

The CE&D Committee passed a motion in support of the proposed text amendment, but with a modification to eliminate the requirement for a conditional use permit for the conversion of any building with over 100,000 square feet of floor area. When this item was brought before the full City Council on July 15, 2003, a motion *to* approve the ordinance as recommended by Committee failed (4 Ayes, 1 No, 3 Abstentions). Councilmember Nadel asked staff to provide additional information on the number of existing buildings in the downtown area that are over 100,000 square feet in size and do not have parking. A concern was that large buildings eligible for conversion under the proposed ordinance could convert to "Residentially-Oriented Joint Living and Working Quarters" without an analysis of parking impacts or the discretionary authority that would be afforded under the conditional use permit process. Councilmember Nadel also expressed concern about the lack of design review for older buildings that might convert without undertaking needed restoration or exterior design improvements,

STAFF RESPONSE

Large Existing Non-residential Buildings in Downtown

Alameda County Assessor records show 25 buildings in downtown Oakland that are in non-residential use and have over 100,000 square feet of area. These buildings are listed in the following table.

Owner	Address	Use (per County Assessor's use codes)	Building Square Footage
Alameda County Public Facilities Corp.	661 Washington St.	Institutional properties	183,856
Alameda County Public Facilities Corp.	550 6th St.	Institutional properties	272,550
FH One, Inc.	1212 Broadway	Commercial Office	106,210
Zimmerman Myron TR	1330 Broadway	Commercial Office	328,427
Encinal Jackson, LLC	1111 Jackson St.	Commercial Office	136,152
County of Alameda	1221 Oak St.	Public Agencies	209,685
County of Alameda	1225 Fallon St.	Public Agencies	256,019
Sparknight; DBA Asian Holdings, Inc.	Broadway	Commercial Office	177,270
Sparknight; DBA Asian Holdings, Inc.	1000 Broadway	Commercial Office	470,570
OCC Venture, LLC	1111 Broadway	Commercial Office	781,980
Rotunda Partners II, LLC	300 Frank H. Ogawa Plz.	Commercial Office	339,289
Latham Square Associates, LLC	508 16th St.	Commercial Office	339,289
Central Business Associates, LLC	436 14th St.	Commercial Office	143,907
Leamington Joint Venture	1814 Franklin St.	Commercial Office	139,785
1800 Harrison Foundation	1800 Harrison St.	Commercial Office	788,983

Item: City Council October 21, 2003

Owner	Address	Use (per County Assessor's use codes)	Building Square Footage
Alameda County Public Facilities Corp.	1401 Lakeside Dr.	Commercial Office	138,602
Kaiser Foundation Health Plan, Inc.	1950 Franklin St.	Commercial Office	393.117
Golden West Savings & Loan Assoc.	1970 Broadway	C(ial Office	155,952
Sears Development Co.	1924 Broadway	Department Store	381,622
Webster Street Partners, Ltd.	2101 Webster St.	Commercial Ofiice	488,781
Prentiss Properties Acquisition Partners	1 Kaiser Plaza	Commercial Ofiice	621,432
PP Lake Merritt LLC	155 Grand Ave.	Commercial Office	204,073
Simrock 2-180 Grand, LLC	180 Grand Ave.	CommercialOffice	270,750
2201 Broadway Investments, LLC	2201 Broadway	Commercial Office	213,316
Broadlake Partners	360 22nd St.	Commercial Office	120,061



Continuing Revisions to Live/Work Regulations

The Planning Department is preparing revisions to Oakland's live/work regulations. The updated regulations will contain standards for two types of live/work, with different distributions of living space and commercial/working space in the units. The new live-work regulations will allow for **a** more residentially-oriented live/work product in areas of the city where it is appropriate. A draft of the new standards was brought before the Oakland City Planning Commission's Zoning Update Committee for discussion in July, and is expected to come before the Oakland City Council in early 2004. The new live-work regulations may supercede the proposed ordinance that is the subject of this report. However, the proposed ordinance will allow any residentially-oriented live-work conversions in the downtown to go forward in the interim, consistent with the goals stated in the previous agenda report: facilitating the re-use of existing buildings, supporting the Mayor's 10K program, and bringing more residents downtown to create **a** more active and vibrant atmosphere.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council:

- 1. Affirm staffs environmental determination.
- 2. Adopt the attached proposed ordinance.

Respectfully submitted,

Claudia Cappio/ Director of Development

Prepared by: Heather Coleman, Planner III Community and Economic Development Agency Planning and Zoning Division

APPROVED AND FORWARDED TO THE CITY COUNCIL

Office of the City Manager

Item: <u>14.3</u> City Council October **21,2003**



Ked-lined Version

ORDINANCE NO. _____C.M.S.

INTRODUCED BY COUNCILMEMBER

ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTEDJOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

WHEREAS, in October 1996, the Oakland City Council approved a resolution declaring the City's support of public transit and other transportation alternatives to the single-occupant vehicle, and stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit as part of the City's Zoning Code Update; and

WHEREAS, an updated Land Use and Transportation Element of the Oakland General Plan was adopted by the Oakland City Council in March, 1998 to guide future land use and development in the city; and the Estuary Policy Plan, a component of the Land Use and Transportation Element, was adopted in 1999 to provide a framework for future land use and development of the area between the Nimitz Freeway and the Estuary shoreline; and

WHEREAS, the City Council certified the accompanying Environmental Impact Reports to the Land Use and Transportation Element and Estuary Policy Plan, and these EIRs addressed the potential impacts of future development in the downtown area; and

WHEREAS, the Land Use and Transportation Element contains objectives to increase the use of alternative modes of transportation by directing more intensive land development and redevelopment activities close to the city's urban core and major transit installations such as the 12th Street, 19th Street, and Lake Merritt BART Stations and major bus lines; and

WHEREAS, the Land Use and Transportation Element and the Estuary Policy Plan contain objectives for Oakland's downtown that promote: maximizing housing opportunities to create a better sense of community and a 24-hour



presence (Objective D10, Policy D10.1); fostering mixed-use development to create a more vibrant downtown and Estuary area (Objectives D11, LU-1); eliminating blight caused by underutilized properties (Objective D6); encouraging the adaptive re-use and sensitive rehabilitation of existing vacant or underutilized buildings (Policy D6.2; Objective JL-4); and developing locational and performance criteria for live-work developments in the downtown area (Policy D10.7); and

WHEREAS, in 1999, Mayor Jerry Brown made it a top priority to attract 10,000 new residents to downtown Oakland and the City Council supported the Mayor's "1CK Initiative"; and

WHEREAS, on June 22, 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S, establishing interim zoning controls to facilitate the conversion of existing non-residential facilities into residentially-oriented joint living and working quarters in the downtown area bounded by Highway 980/Brush street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street; and

WHEREAS, corresponding amendments to the Oakland Building Code were made at this time to facilitate the conversion of existing non-residential buildings in the downtown area to residentially-oriented joint living and working quarters; and

WHEREAS, Oakland's downtown still contains underutilized or vacant commercial buildings that may be eligible for conversion to residentially-oriented joint living and working quarters; and

WHEREAS, the interim zoning controls adopted under Ordinance No. 12148 C.M.S. have since expired and there is a need to adopt more permanent controls; and

WHEREAS, the City Planning Commission held a duly noticed public hearing on May 21, 2003 to consider adopting text amendments to the Oakland Zoning Code to allow the conversion of existing non-residential buildings to residentially-oriented joint living and working quarters, and voted to recommend approval of said text amendments to the City Council; and

WHEREAS, passage of this ordinance will authorize the expeditious reuse and conservation of existing underused non-residential buildings in the service of meeting goals to accommodate 10,000 new residents downtown;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The requirements of the California Environmental Quality Act (CEQA), as amended, the guidelines, as prescribed by the Secretary of Resources, and the provisions of the City of Oakland, have been met through certification of the Environmental Impact Report accompanying the Land Use and Transportation Element of Oakland's General Plan in 1998, and the City Council relies upon this previously certified EIR.

SECTION 3. The Oakland Planning Code is hereby amended to add, delete, or modify sections as set forth below. Section numbers and titles are indicated in **bold type**, additions are indicated by <u>underlining</u>, and deletions are indicated by strike-out-type. Portions of the code not cited, or not shown in underlining or strike-out type, are not changed:

Chapter 17.102 GENERAL REGULATIONS APPLICABLE TO ALL OR SEVERAL ZONES

Section 17.102.195 Residentially-OrientedJoint Living and Working Quarters.

- A. Area of applicability. The provisions of Section 17.102.195 apply to the area bounded by Highway 980/Brush Street, the Estuarv shoreline. the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street.
- B. Definition. Residentially-Oriented Joint Living and Working Quarters means residential occupancy by persons maintaining a common household of one or more rooms in a building originally designed for nonresidential occupancy which includes cooking space and sanitary facilities which satisfy the provisions of other applicable municipal codes. A Residentially-Oriented Joint Living and Working Quarter consists of a desianated residential area and a desianated work area. However, the definitions applied by City Council Resolution No. 68518 C.M.S that apply to "Joint Live/Work Space," including criteria that define space requirements, are not applicable to Residentially-Oriented Joint Living and Workina Quarters.
- C. Conditions for conversion.
 - 1. <u>In the area prescribed in Subsection A, an existing building or portion</u> of a building that was originally designed for non-residential occupancy may be converted to Residentially-OrientedJoint Living and Working Quarters as long as each of the following standards is met:
 - a. The total number of Residentially-OrientedJoint Living and Working Quarter units on the subject property after the conversion will not exceed the maximum number of residential units permitted by the underlying zone.

- b. <u>All existing on-site parking spaces are retained for use by the residents, unless existing on-site parking exceeds required parking for all activities on the lot, in which case the number of parking spaces shall not be reduced below the number of spaces prescribed in Chapter 17.116 for all activities on the lot.</u>
- c. <u>All open space associated with the building is retained for use</u> <u>bv the residents, unless existing open space exceeds the</u> <u>requirement of the applicable zone or zones.</u>
- d. <u>All existing ground-floor commercial space is retained for</u> <u>commercial activities.</u>
- e. <u>If located within the S-4, S-7, or S-8 zone, the project does not</u> involve exterior changes that would qualify for Regular Design Review as defined in Section 17.136.020.
- <u>f.</u> The total-floor area of the project does not exceed 100,000 square feet.
- In no case shall the height, footprint, wall area, or other aspect of the exterior of the building proposed for conversion be expanded to accommodate Residentially-Oriented Joint Living and Working Quarters, except for incidental appurtenances such as elevator shafts, skvliahts, rooftop gardens, or other facilities listed in Section 17.108.030.
- 3. If the project is located within the S-4. S-7, or S-8 zone and involves exterior alterations, the desian review requirements of those zones shall still apply. (Sections 17.80.030; 17.84.030, 17.84.040, 17.86.030.)
- D. <u>Conditional use permit required in certain instances. In the area</u> prescribed in Subsection A, a project that involves the conversion of an existing building or portion of a building that was originally designed for non-residential occupancy to Residentiallv-Oriented Joint Living and Working Quarters and does not meet one or more of the requirements of Subsection C(1) above may be permitted upon the granting of a conditional use permit pursuant to the conditional use permit procedure in Chapter 17.134. A conditional use permit may be granted only upon determination that the proposal conforms to the general use permit criteria set forth in the conditional use permit procedure in Chapter 17.134 and to anv and all applicable use permit criteria set forth in the proposal.
- E. Non-applicability of certain requirements pertaining to dwelling units. In the area prescribed in Subsection A, the conversion to Residentially-Oriented Joint Living and Working Quarters of a buildina or portion of a building that was originally designed for non-residential occupancy is not subject to the requirements for off-street parking in Section 17.116.020 (New Parking to Be Provided for New Living Units in Existing Facilities) and is not subject to the open space requirements for new residential dwelling units contained in the applicable zoning district or districts, but is

subject to the requirements of Subsection C(1) above for retention of existing parking and open space.

<u>SECTION 4</u>. Except as specifically set forth herein, this ordinance suspends and supercedes all conflicting resolutions, ordinances, plans, codes, laws, and regulations.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

SECTION 6. This ordinance shall become effective as provided in section 216 of the City Charter. This ordinance shall be published once with the names of the City Council Members voting for and against it in the Oakland Tribune, a newspaper which is published in this City and in Alameda County.

In Council, Oakland, California, _____,2003, Passed By The Following Vote:

AYES-

NOTES-

ABSENT-

ABSTENTION-

ATTEST:

CEDA FLOYD City Clerk and Clerk of the Council of the City of Oakland, California

> 14.3 ORA/COUNCIL DCT 2 1 2003

AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ADD PROVISIONS FOR THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORK QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET.

NOTICE AND DIGEST

An ordinance amending the Oakland Planning Code to add provisions for the conversion of existing non-residential buildings to Residentially-Oriented Joint Living and Work Quarters in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street.

Y CLER 50 -9 PH 12 OFFICE OF THE CIT 2003 OCT



INTRODUCEDBY COUNCILMEMBER

APPROVED AS TO FORM AND LEGALITY 2.09 CITY ATTORNEY

ORDINANCE NO. _____C.M.S.

ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTEDJOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

WHEREAS, in October 1996, the Oakland City Council approved a resolution declaring the City's support of public transit and other transportation alternatives to the single-occupant vehicle, and stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit as part of the City's Zoning Code Update; and

WHEREAS, an updated Land Use and Transportation Element of the Oakland General Plan was adopted by the Oakland City Council in March, 1998 to guide future land use and development in the city; and the Estuary Policy Plan, a component of the Land Use and Transportation Element, was adopted in 1999 to provide a framework for future land use and development of the area between the Nimitz Freeway and the Estuary shoreline; and

WHEREAS, the City Council certified the accompanying Environmental Impact Reports to the Land Use and Transportation Element and Estuary Policy Plan, and these EIRs addressed the potential impacts of future development in the downtown area: and

WHEREAS, the Land Use and Transportation Element contains objectives to increase the use of alternative modes of transportation by directing more intensive land development and redevelopment activities close to the city's urban core and major transit installations such as the 12th Street, 19th Street, and Lake Merritt BART Stations and major bus lines; and

WHEREAS, the Land Use and Transportation Element and the Estuary Policy Plan contain objectives for Oakland's downtown that promote: maximizing housing opportunities to create a better sense of community and a 24-hour

> 14.3 OFA/COUNCIL OCT 2 12003

presence (Objective D10, Policy D10.1); fostering mixed-use development to create a more vibrant downtown and Estuary area (Objectives D11, LU-1); eliminating blight caused by underutilized properties (Objective D6); encouraging the adaptive re-use and sensitive rehabilitation of existing vacant or underutilized buildings (Policy D6.2; Objective JL-4); and developing locational and performance criteria for live-work developments in the downtown area (Policy D10.7); and

WHEREAS, in 1999, Mayor Jerry Brown made it a top priority to attract 10,000 new residents to downtown Oakland and the City Council supported the Mayor's "10K Initiative"; and

WHEREAS, on June 22, 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S, establishing interim zoning controls to facilitate the conversion of existing non-residential facilities into residentially-oriented joint living and working quarters in the downtown area bounded by Highway 980/Brush street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street; and

WHEREAS, corresponding amendments to the Oakland Building Code were made at this time to facilitate the conversion of existing non-residential buildings in the downtown area to residentially-oriented joint living and working quarters; and

WHEREAS, Oakland's downtown still contains underutilized or vacant commercial buildings that may be eligible for conversion to residentially-oriented joint living and working quarters; and

WHEREAS, the interim zoning controls adopted under Ordinance No. 12148 C.M.S. have since expired and there is a need to adopt more permanent controls; and

WHEREAS, the City Planning Commission held a duly noticed public hearing on May 21, 2003 to consider adopting text amendments to the Oakland Zoning Code to allow the conversion of existing non-residential buildings to residentially-oriented joint living and working quarters, and voted to recommend approval of said text amendments to the City Council; and

WHEREAS, passage of this ordinance will authorize the expeditious reuse and conservation of existing underused non-residential buildings in the service of meeting goals to accommodate 10,000 new residents downtown;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The requirements of the California Environmental Quality Act (CEQA), as amended, the guidelines, as prescribed by the Secretary of Resources, and the provisions of the City of Oakland, have been met through certification of the Environmental Impact Report accompanying the Land Use and Transportation Element of Oakland's General Plan in 1998, and the City Council relies upon this previously certified EIR.

SECTION 3. The Oakland Planning Code is hereby amended to add, delete, or modify sections as set forth below. Section numbers and titles are indicated in **bold type**, additions are indicated by <u>underlining</u>, and deletions are indicated by strike out type. Portions of the code not cited, or not shown in underlining or strike-out type, are not changed:

Chapter 17.102 GENERAL REGULATIONS APPLICABLE TO ALL OR SEVERAL ZONES

Section 17.102.195 Residentially-Oriented Joint Living and Working Quarters.

- A. <u>Area of applicability.</u> The provisions of Section 17.102.195 apply to the area bounded by Highwav 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel. the western shore of Lake Merritt. and 27th Street.
- B. <u>Definition. Residentially-Oriented Joint Living and Working Quarters</u> <u>means residential occupancy by persons maintaining a common</u> <u>household of one or more rooms in a building originally designed for non-</u> <u>residential occupancy which includes cooking space and sanitary facilities</u> <u>which satisfy the provisions of other applicable municipal codes. A</u> <u>Residentially-Oriented Joint Living and Working Quarter consists of a</u> <u>designated residential area and a designated work area. However, the</u> <u>definitions applied by City Council Resolution No. 68518 C.M.S that apply</u> <u>to "Joint Live/Work Space," including criteria that define space</u> <u>requirements, are not applicable to Residentially-Oriented Joint Living and</u> <u>Working Quarters.</u>
- C. Conditions for conversion.
 - In the area prescribed in Subsection A, an existing building or portion of a building that was originally designed for non-residential occupancy may be converted to Residentially-Oriented Joint Living and Working Quarters as long as each of the following standards is met:
 - a. <u>The total number of Residentially-Oriented Joint Living and</u> <u>Working Quarter units on the subject property after the</u> <u>conversion will not exceed the maximum number of residential</u> <u>units permitted by the underlying zone.</u>

- b. <u>All existing on-site parking spaces are retained for use by the</u> residents, unless existing on-site parking exceeds required parking for all activities on the lot, in which case the number of parking spaces shall not be reduced below the number of spaces prescribed in Chapter 17.116 for all activities on the lot.
- c. <u>All open space associated with the building is retained for use</u> by the residents, unless existing open space exceeds the requirement of the applicable zone or zones.
- d. <u>All existing ground-floor commercial space is retained for</u> <u>commercial activities.</u>
- In no case shall the height, footprint. wall area, or other aspect of the exterior of the building proposed for conversion be expanded to accommodate Residentially-OrientedJoint Living and Working Quarters, except for incidental appurtenances such as elevator shafts, skylights, rooftop gardens, or other facilities listed in Section 17.108.030.
- 3. If the project is located within the S-4, S-7, or S-8 zone and involves exterior alterations, the design review requirements of those zones shall still apply. (Sections 17.80.030; 17.84.030;17.84.040; 17.86.030.)
- D. <u>Conditional use permit required in certain instances. In the area</u> prescribed in Subsection A, a project that involves the conversion of an existing building or portion of a building that was originally designed for non-residential occupancy to Residentially-Oriented Joint Living and Working Quarters and does not meet one or more of the requirements of Subsection C(1) above may be permitted upon the granting of a conditional use permit pursuant to the conditional use permit procedure in Chapter 17.134. A conditional use permit may be granted only upon determination that the proposal conforms to the general use permit criteria set forth in the conditional use permit criteria set forth in the conditional use permit criteria set forth in the permit criteria.
- E. Non-applicability of certain requirements pertaining to dwelling units. In the area prescribed in Subsection A, the conversion to Residentially-Oriented Joint Living and Working Quarters of a building or portion of a building that was originally designed for non-residential occupancy is not subject to the requirements for off-street parking in Section 17.116.020 (New Parking to Be Provided for New Living Units in Existing Facilities) and is not subject to the open space requirements for new residential dwelling units contained in the applicable zoning district or districts, but is subject to the requirements of Subsection C(1) above for retention of existing parking and open space.

<u>SECTION 4</u>. Except as specifically set forth herein, this ordinance suspends and supercedes all conflicting resolutions, ordinances, plans, codes, laws, and regulations.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

SECTION 6. This ordinance shall become effective as provided in section 216 of the City Charter. This ordinance shall be published once with the names of the City Council Members voting for and against it in the Oakland Tribune, a newspaper which is published in this City and in Alameda County.

In Council, Oakland, California, _____, 2003, Passed By The Following Vote:

AYES-

NOTES-

ABSENT-

ABSTENTION-

ATTEST:_

CEDA FLOYD City Clerk and Clerk of the Council of the City of Oakland, California



AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ADD PROVISIONS FOR THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORK QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET.

NOTICE AND DIGEST

An ordinance amending the Oakland Planning Code to add provisions for the conversion of existing non-residential buildings to Residentially-Oriented Joint Living and Work Quarters in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street.



14.3 ORA/COUNCIL OCT 212003

AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ADD PROVISIONS FOR THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORK QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET.

NOTICE AND DIGEST

An ordinance amending the Oakland Planning Code to add provisions for the conversion of existing non-residential buildings to Residentially-Oriented Joint Living and Work Quarters in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt. and 27th Street.

DEFICE OF THE CITY CLERA OAKLAND 2003 OCT -9 PM 12: 56

> 14.3 ORA/COUNCIL OCT 21 2003

APPROVED AS TO FORM AND LEGALITY CITY ATTORNEY

ORDINANCE NO. _____C.M.S.

INTRODUCED BY COUNCILMEMBER

ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

WHEREAS, in October 1996, the Oakland City Council approved a resolution declaring the City's support of public transit and other transportation alternatives to the single-occupant vehicle, and stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit as part of the City's Zoning Code Update; and

WHEREAS, an updated Land Use and Transportation Element of the Oakland General Plan was adopted by the Oakland City Council in March, 1998 to guide future land use and development in the city; and the Estuary Policy Plan, a component of the Land Use and Transportation Element, was adopted in 1999 to provide a framework for future land use and development of the area between the Nimitz Freeway and the Estuary shoreline; and

WHEREAS, the City Council certified the accompanying Environmental Impact Reports to the Land Use and Transportation Element and Estuary Policy Plan, and these EIRs addressed the potential impacts of future development in the downtown area: and

WHEREAS, the Land Use and Transportation Element contains objectives to increase the use of alternative modes of transportation by directing more intensive land development and redevelopment activities close to the city's urban core and major transit installations such as the 12th Street, 19th Street, and Lake Merritt BART Stations and major bus lines; and

WHEREAS, the Land Use and Transportation Element and the Estuary Policy Plan contain objectives for Oakland's downtown that promote: maximizing housing opportunities to create a better sense of community and a 24-hour



presence (Objective D10, Policy D10.1); fostering mixed-use development to create a more vibrant downtown and Estuary area (Objectives D11, LU-1); eliminating blight caused by underutilized properties (Objective D6); encouraging the adaptive re-use and sensitive rehabilitation of existing vacant or underutilized buildings (Policy D6.2; Objective JL-4); and developing locational and performance criteria for live-work developments in the downtown area (Policy D10.7); and

WHEREAS, in 1999, Mayor Jerry Brown made it a top priority to attract 10,000 new residents to downtown Oakland and the City Council supported the Mayor's "1CK Initiative"; and

WHEREAS, on June 22, 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S, establishing interim zoning controls to facilitate the conversion of existing non-residential facilities into residentially-oriented joint living and working quarters in the downtown area bounded by Highway 980/Brush street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street; and

WHEREAS, corresponding amendments to the Oakland Building Code were made at this time to facilitate the conversion of existing non-residential buildings in the downtown area to residentially-oriented joint living and working quarters; and

WHEREAS, Oakland's downtown still contains underutilized or vacant commercial buildings that may be eligible for conversion to residentially-oriented joint living and working quarters; and

WHEREAS, the interim zoning controls adopted under Ordinance No. 12148 C.M.S. have since expired and there is a need to adopt more permanent controls; and

WHEREAS, the City Planning Commission held a duly noticed public hearing on May 21, 2003 to consider adopting text amendments to the Oakland Zoning Code to allow the conversion of existing non-residential buildings to residentially-oriented joint living and working quarters, and voted to recommend approval of said text amendments to the City Council; and

WHEREAS, passage of this ordinance will authorize the expeditious reuse and conservation of existing underused non-residential buildings in the service of meeting goals to accommodate 10,000 new residents downtown;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The requirements of the California Environmental Quality Act (CEQA), as amended, the guidelines, as prescribed by the Secretary of Resources, and the provisions of the City of Oakland, have been met through certification of the Environmental Impact Report accompanying the Land Use and Transportation Element of Oakland's General Plan in 1998, and the City Council relies upon this previously certified EIR.

SECTION 3. The Oakland Planning Code is hereby amended to add, delete, or modify sections as set forth below. Section numbers and titles are indicated in **bold type**, additions are indicated by <u>underlining</u>, and deletions are indicated by strike-out type. Portions of the code not cited, or not shown in underlining or strike-out type, are not changed:

Chapter 17.102 GENERAL REGULATIONS APPLICABLE TO ALL OR SEVERAL ZONES

Section 17.102.195 Residentially-OrientedJoint Living and Working Quarters.

- A. <u>Area of applicability.</u> The provisions of Section 17.102.195 apply to the area bounded by Highwav 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street,
- B. Definition. Residentially-Oriented Joint Living and Working Quarters means residential occupancy by persons maintaining a common household of one or more rooms in a building originally designed for nonresidential occupancy which includes cooking space and sanitary facilities which satisfy the provisions of other applicable municipal codes. A Residentially-Oriented Joint Living and Working Quarter consists of a designated residential area and a designated work area. However, the definitions applied by Citv Council Resolution No. 68518 C.M.S that apply to "Joint Live/Work Space," including criteria that define space requirements, are not applicable to Residentially-Oriented Joint Living and Working Quarters.
- C. Conditions for conversion.
 - 1. In the area prescribed in Subsection A. an existing building or portion of a building that was originally designed for non-residential occupancy may be converted to Residentially-Oriented Joint Living and Working Quarters as long as each of the following standards is met:
 - a. <u>The total number of Residentially-Oriented Joint Living and</u> <u>Working Quarter units on the subject property after the</u> <u>conversion will not exceed the maximum number of residential</u> <u>units permitted by the underlying zone.</u>

- b. <u>All existing on-site parking spaces are retained for use by the</u> residents, unless existing on-site parking exceeds required parking for all activities on the lot, in which case the number of parking spaces shall not be reduced below the number of spaces prescribed in Chapter 17.116 for all activities on the lot.
- c. All open space associated with the building is retained for use by the residents, unless existing open space exceeds the requirement of the applicable zone or zones.
- d. <u>All existina around-floor commercial space is retained for</u> <u>commercial activities.</u>
- In no case shall the height, footprint, wall area, or other aspect of the exterior of the building proposed for conversion be expanded to accommodate Residentially-Oriented Joint Living and Working Quarters, except for incidental appurtenances such as elevator shafts, skylights, rooftop gardens, or other facilities listed in Section 17.108.030.
- 3. <u>If the project is located within the S-4, S-7, or S-8 zone and involves</u> <u>exterior alterations, the design review requirements of those zones</u> <u>shall still apply. (Sections 17.80.030; 17.84.030;17.84.040;</u> <u>17.86.030.)</u>
- D. <u>Conditional use permit required in certain instances. In the area prescribed in Subsection A, a project that involves the conversion of an existing building or portion of a building that was originally designed for non-residential occupancy to Residentially-Oriented Joint Living and Working Quarters and does not meet one or more of the requirements of Subsection C(1) above may be permitted upon the granting of a conditional use permit pursuant to the conditional use permit procedure in Chapter 17.134. A conditional use permit may be granted only upon determination that the proposal conforms to the general use permit criteria set forth in the conditional use permit criteria set forth in the conditional use permit criteria set forth in the permit criteria.</u>
- E. Non-applicability of certain requirements pertaining to dwelling units. In the area prescribed in Subsection A, the conversion to Residentially-Oriented Joint Living and Working Quarters of a building or portion of a building that was originally designed for non-residential occupancy is not subject to the requirements for off-street parking in Section 17.116.020 (New Parking to Be Provided for New Living Units in Existing Facilities) and is not subject to the open space requirements for new residential dwelling units contained in the applicable zoning district or districts, but is subject to the requirements of Subsection C(1) above for retention of existing parking and open space.

<u>SECTION 4</u>. Except as specifically set forth herein, this ordinance suspends and supercedes all conflicting resolutions, ordinances, plans, codes, laws, and regulations.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

SECTION 6. This ordinance shall become effective as provided in section 216 of the City Charter. This ordinance shall be published once with the names of the City Council Members voting for and against it in the Oakland Tribune, a newspaper which is published in this City and in Alarneda County.

In Council, Oakland, California, _____, 2003, Passed By The Following Vote:

AYES-

NOTES-

ABSENT-

ABSTENTION-

ATTEST:

CEDA FLOYD City Clerk and Clerk of the Council of the City of Oakland, California



AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ADD PROVISIONS FOR THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORK QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET.

NOTICE AND DIGEST

An ordinance amending the Oakland Planning Code to add provisions for the conversion of existing non-residential buildings to Residentially-Oriented Joint Living and Work Quarters in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street.

OFFICE OF THE CITY CLERE 0ARLANDY CLERE 2003 OCT -9 PH I2: 57



CITY OF OAKLAND AGENDA REPORT

OFFICERT DE DE DE CARDE DE CAR

200320031 25: 1P21 5H328 38

- TO: Office of the City Manager
- ATTN: Robert C. Bobh
- FROM: Community and Economic Development Agency
- DATE: June 24,2003
- RE: ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

SUMMARY

In 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S. to establish interim controls for a two-year period to facilitate the conversion of existing non-residential buildings to residentially-oriented live work quarters in downtown Oakland. These interim controls are consistent with policies in the 1998 Land Use and Transportation Element (LUTE) of the General Plan for increased residential density in the downtown, re-use of existing buildings, and promoting transit-oriented development. They also support the Mayor's 10K Initiative to bring 10,000 more residents to the downtown area. Planning staff has received a number of recent inquiries from downtown property owners about converting underutilized commercial buildings to residentially-oriented live work conversions be afforded more permanent status by incorporating them into *the* Oakland Planning Code as text amendments. This proposal was brought before the Oakland City Planning Commission on May 21, 2003 and the commission voted unanimously to recommended adoption of the proposed text amendments to the City Council.

FISCAL IMPACT

The proposed text amendment has no direct fiscal impacts. It does not involve expenditure of city funds or require additional staff or staff time to implement. The proposed text amendment will become part of the zoning regulations and will be administered concomitantly with other zoning regulations.

Indirectly, the proposed regulations could increase property tax revenues. The proposed regulations will facilitate the conversion of existing non-residential buildings in the downtown, some of which are currently vacant or underutilized, to use as residentially-oriented joint living and working quarters. The change in use, potential increase in occupancy rates, and the potential

OCT 21 2003

COMMUNITY & ECONOMIC

DEVELOPMENT CMTE

subdivision of larger buildings into individually saleable live/work units, could lead to higher property values and an increase in property tax revenues generated by affected properties. Any increased property tax revenues would accrue to the Oakland Redevelopment Agency, as the affected properties are located in the Central District Project Area.

BACKGROUND

Ordinance No. 12148 C.M.S. (Attachment B) was adopted by the City Council on June 22, 1999 to establish interim zoning controls to facilitate the conversion of existing non-residential buildings into "Residentially Oriented Live Work" in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Memtt, and 27th Street. "Residentially Oriented Live Work" was intended as a type of facility containing both living and working space but with greater flexibility in the size and distribution of the space than is normally required of joint liveiwork quarters, which are required to be at least 600 square feet in size and have at least two-thirds of the floor area devoted to work activities. No minimum unit size or minimum floor area for work activities was prescribed for Residentially Oriented Live Work. The type of work activities intended to occur in Residentially Oriented Live Work quarters are home offices, which often do not consume a full two-thirds of the floor area of a unit, or other light commercial uses compatible with the downtown area.

The interim controls allowed conversion of existing buildings to Residentially Oriented Live Work as long as a project met certain standards, including conformance with the density regulations of the underlying zone, retention of all on-site parking and open space for use by the residents, and retention of any ground-floor commercial space. Where these standards were not met or a proposed project was located in certain special overlay zones, a minor conditional use permit was required for conversion to Residentially Oriented Live Work.

At the same time as the interim zoning controls were adopted, the Oakland Building Code was amended to allow greater flexibility in the re-use of existing buildings for liveiwork activities. A new occupancy type, "Residentially Oriented Joint Living and Work Quarters," or R-7, was added to the Oakland Building Code. Certain requirements normally applying to residential occupancy were made more flexible to reflect the characteristics of existing buildings and of the typical layout of liveiwork spaces.

The interim zoning controls under Ordinance 12148 C.M.S. were originally adopted for a twoyear period and have now expired. Pursuant to State Government Code Section 65858(f), a city's legislative body can only readopt a set of interim zoning controls that have expired if there are a different set of circumstances than those that led to adoption of the original ordinance. The circumstances that led to the adoption of the interim controls – existing underutilized commercial buildings in Oakland's downtown and their proximity to transit services, a market for residentially oriented live work units, and City policies that promote increased residential development in the downtown – still exist and indicate the need for continuing to allow conversions to residentially-oriented live work. Therefore, staff recommends adopting more permanent provisions for residentially-oriented live work as part of the Oakland Planning Code.

PROJECT DESCRIPTION

The proposed project is an amendment to the Oakland Planning Code to allow the conversion of existing buildings originally designed for non-residential occupancy to Residentially-Oriented Joint Living and Working Quarters. The term "Residentially-Oriented Joint Living and Working Quarters" (JLWQ) is proposed to be used now for consistency with the Building Code. The proposed text amendment encompasses the intent and provisions of the interim controls adopted in 1999. It would continue to allow the conversion of existing non-residential buildings in the downtown area to Residentially-Oriented Joint Living and Working Quarters as long as all of the following standards are met:

- 1. The total number of Residentially-Oriented Joint Living and Working Quarter units on the subject property after the conversion will not exceed the maximum number of residential dwelling units that would be allowed by the applicable zoning district(s).
- 2. All existing off-street parking spaces are retained for use by the occupants of the Residentially-Oriented Joint Living and Working Quarters, unless existing off-street parking already exceeds the number of required off-street parking spaces for all activities on the lot.
- **3.** All open space associated with the building is retained for use by the occupants of the Residentially-Oriented Joint Living and Working Quarters unless existing open space exceeds the open space requirement of the applicable zoning district(s).
- 4. All existing ground-floor commercial space is retained for commercial activities.
- 5. If located within the S-4, S-7, or S-8 zone, the project does not involve exterior changes that would require Regular Design Review.
- 6. The total floor area of the project does not exceed 100,000 square feet.

The proposed regulations contain the same requirements as the original ordinance but with refinements to the text for consistency with the existing Planning Code and to articulate policies implicit in the original ordinance. In addition, a provision was added to the original controls setting a threshold of 100,000 square feet for conversion projects that are permitted outright. This threshold is consistent with the C-51 and C-55 zones, the predominant downtown zoning districts, where a conditional use permit is required for any project involving more than 100,000 square feet of floor area. This provision will allow for discretionary review of any very large conversion project.

Staff recommends retaining the flexibility of the interim controls and prescribing no minimum unit size or minimum floor area devoted to work activities. However, staff recommends that Residentially-Oriented Joint Living and Working Quarters be defined to include both residential areas and working areas. This is consistent with the intent of the original ordinance and with the

Oakland Building Code definition. Floor plans submitted for conversion projects will simply need to indicate designated working and living areas.

KEY ISSUES AND IMPACTS

Impacts of the proposed zoning text amendment to allow conversion of existing buildings to Residentially-Oriented Joint Living and Working Quarters include: realizing city policies to increase downtown residential development; facilitating the adaptive re-use of existing buildings; promoting transit use and balancing parking needs with other goals; retaining existing open space; and facilitating appropriate residential and mixed-use development in the downtown.

Supporting Policies Directing Residential Develoament in Downtown

The 1998Land Use and Transportation Element (LUTE) of Oakland's General Plan contains major objectives to direct housing development to the downtown and near transit facilities. Objective D10 of the LUTE is to maximize housing opportunities in the downtown to create a better sense of community. Policy D10.1 is to encourage housing in downtown as one component of a vital, 24-hour presence in the downtown. Policy D10.7 is to develop locational and performance criteria for live-work quarters. Policy D6.2 is to re-use vacant or underutilized properties and to encourage repair and rehabilitation of historic or architecturally significant properties. Objective T2 is to provide mixed use, transit-oriented development that encourages public transit use at major transportation nodes. By facilitating conversions to residentially-oriented live work quarters in the downtown, the proposed regulations support all of these General Plan policies and objectives as well as the Mayor's 10K initiative.

Facilitating Adaptive Re-use of Buildings

The proposed regulations will provide for the adaptive re-use of existing vacant or underutilized commercial buildings in the downtown area. The downtown contains many buildings that have historic architectural value, and the provisions for Residentially-Oriented Joint Living and Working Quarters will provide an option for their retention and rehabilitation. The regulations are designed to address the typical characteristics of existing buildings, many of which do not have on-site parking and open space that meet current standards. These regulations complement the special provisions for live-work conversions in the Oakland Building Code.

Minimizing Parking Demand and Promoting Transit Use

Downtown Oakland is served by many local and regional transit services, and contains three BART stations, many AC Transit bus routes, an Amtrak station, and a ferry dock. Focusing redevelopment of existing non-residential buildings into residentially-oriented live-work use in downtown Oakland is expected to contribute to increased use of these transit services. Because of the superior transit access in downtown Oakland, the need for parking spaces to serve

residents and workers is expected to be lower than in other parts of the city. Consistent with the interim zoning controls implemented in 1999 under Ordinance No. 12148 C.M.S., staff recommends that existing on-site parking be maintained but that no new parking be required for conversions to residentially-oriented live work. It should be emphasized that these provisions apply only to existing buildings and encourage their re-use.

Retaining Open Space

The proposed standards require the retention of any existing open space associated with the building. Requiring the addition of open space in former commercial buildings up to the standards for new residential construction would prove costly and unworkable in the majority of cases, and prevent many live-work conversions from occurring. In addition, the adoption of the S-17 open space standards for downtown in 2001 attest to the need for flexible residential open space requirements in the most dense urban settings. Furthermore, the downtown area is accessible to Lake Memtt and the waterfront of the Oakland Estuary, which provide opportunities for outdoor recreation.

Retaining Ground-Floor Retail or Commercial Space

The proposed text amendments require that conversion projects retain existing ground-floor commercial space for commercial activities. Existing ground-floor commercial space contributes to a pedestrian-friendly environment in the downtown and helps meet the needs of downtown residents by providing locally-accessible goods and services. Establishing residentially-oriented live work quarters on upper floors of downtown buildings can in turn contribute to the local market for ground-floor commercial activities. The proposed regulations also provide some flexibility by allowing applicants to pursue other ground-floor uses through a conditional use permit process.

Relationship to Other Regulations for Joint Living and Work Quarters

Planning staff expects to examine the standards for all classes of live-work activities throughout Oakland in upcoming months with the City Planning Commission and City Council. However, there is urgency in adopting the proposed text amendments for residentially-oriented live work quarters because of strong development interest for the re-use of existing buildings in Chinatown and other parts of the downtown area. While the Planning Code contains provisions for joint living and working quarters, these existing provisions require that two-thirds of the floor space be devoted to work activities. The proposed regulations would allow greater flexibility in floor plans to facilitate development of a unit type that is appropriate for the downtown area.

SUSTAINABLE OPPORTUNITIES

<u>Economic</u>: The proposed project can contribute to Oakland's housing inventory by facilitating the conversion of existing underutilized buildings to a particular type of living facility that is in demand. If live-work conversions occur as allowed by the proposed regulations, it will create opportunities for people to operate businesses from their homes and can foster the development of small-scale and locally-owned businesses. The introduction of new residents and workers in the downtown will also help create a market for commercial goods and services in the downtown.

<u>Environmental</u>: The proposed project will facilitate the re-use of existing buildings and thus minimize waste of building materials. The proposed project will facilitate the creation of new living and working spaces downtown, where there is very good access to transit services. It thus has the potential to limit the number of vehicle miles traveled in the city and region and minimize air pollution.

<u>Social Equity</u>: The proposed project will provide a type of housing opportunity in downtown Oakland, an area that is accessible to transit, open space along the lake and waterfront, and commercial goods and services. Live-work quarters can provide affordable opportunities for Oakland residents to start their own businesses. A potential benefit to downtown neighborhoods is a greater 24-hour presence, with the additional worker/residents creating a market for goods and services and more activity and a greater sense of safety at night.

DISABILITY AND SENIOR CITIZEN ACCESS

The proposed text amendment will have no direct impacts on access for disabled people or senior citizens. The proposal simply provides for the re-use of existing buildings. Any conversion from a commercial or other occupancy will have to comply with ADA standards in the California Building Code.

RECOMMENDATION AND RATIONALE

In order to support the Mayor's 10K initiative to bring 10,000 new residents to downtown and to realize Oakland General Plan goals for creating a vibrant downtown through promoting housing development, providing unique living and working opportunities, maintaining and promoting a pedestrian-friendly character, fostering the re-use and rehabilitation of existing vacant and blighted commercial buildings, and promoting increased use of alternative modes of transportation, staff recommends adopting the proposed text amendments facilitating the conversion of existing non-residential buildings in Oakland's downtown to Residentially-Oriented Joint Living and Working Quarters.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council:

- 1. Affirm staffs environmental determination.
- 2. Adopt the attached proposed ordinance.

Respectfully submitted,

Robert C. Bobb City Manager for the Community and Economic Development Agency

APPROVED AND FORWARDED TO THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

Prepared by: Heather Coleman, Planner III Community and Economic Development Agency Planning and Zoning Division

Attachments:

- A. Planning Commission Staff Report, May 21,2003
- B. Ordinance No. 12184 C.M.S., June 22, 1999
- C. City Council Agenda Report, June 15, 1999

ORA/COUNCIL OCT 21 2003

COMMUNITY & ECONOMIC DEVELOPMENT CMTE

FILED OFFICE OF THE OLTY CLERK DA KLAHD

2003 JUN 12 PM 2:38

INTRODUCED BY COUNCILMEMBER_

APPROVED AS TO FORM AND LEGALITY TTORNEY CITY

ORDINANCE NO.____C.M.S.

ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ALLOW THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORKING QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET

WHEREAS, in October 1996, the Oakland City Council approved a resolution declaring the City's support of public transit and other transportation alternatives to the single-occupant vehicle, and stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit as part of the City's Zoning Code Update; and

WHEREAS, an updated Land Use and Transportation Element of the Oakland General Plan was adopted by the Oakland City Council in March, 1998 to guide future land use and development in the city; and the Estuary Policy Plan, a component of the Land Use and Transportation Element, was adopted in 1999 to provide a framework for future land use and development of the area between the Nimitz Freeway and the Estuary shoreline; and

WHEREAS, the City Council certified the accompanying Environmental Impact Reports to the Land Use and Transportation Element and Estuary Policy Plan, and these EIRs addressed the potential impacts of future development in the downtown area; and

WHEREAS, the Land Use and Transportation Element contains objectives to increase the use of alternative modes of transportation by directing more intensive land development and redevelopment activities close to the city's urban core and major transit installations such as the 12th Street, 19th Street, an ORA/COUNCIL Lake Merritt BART Stations and major bus lines; and

WHEREAS, the Land Use and Transportation Element and the Estuary Policy Plan contain objectives for Oakiand's downrown that promote: maximizing housing opportunities to create a better sense of community and a 24-hour CGMMUNITY & ECONOMIC

DEVELOPMENT CMTE

presence (Objective D10, Policy D10.1); fostering mixed-use development to create a more vibrant downtown and Estuary area (Objectives D11, LU-1); eliminating blight caused by underutilized properties (Objective D6); encouraging the adaptive re-use and sensitive rehabilitation of existing vacant or underutilized buildings (Policy D6.2; Objective JL-4); and developing locational and performance criteria for live-work developments in the downtown area (Policy D10.7); and

WHEREAS, in 1999, Mayor Jerry Brown made it a top priority to attract 10,000 new residents to downtown Oakland and the City Council supported the Mayor's "10K Initiative"; and

WHEREAS, on June 22, 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S, establishing interim zoning controls to facilitate the conversion of existing non-residential facilities into residentially-oriented joint living and working quarters in the downtown area bounded by Highway 980/Brush street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt, and 27th Street; and

WHEREAS, corresponding amendments to the Oakland Building Code were made at this time to facilitate the conversion of existing non-residential buildings in the downtown area to residentially-oriented joint living and working quarters; and

WHEREAS, Oakland's downtown still contains underutilized or vacant commercial buildings that may be eligible for conversion to residentially-oriented joint living and working quarters; and

WHEREAS, the interim zoning controls adopted under Ordinance No. 12148 C.M.S. have since expired and there is a need to adopt more permanent controls; and

WHEREAS, the City Planning Commission held a duly noticed public hearing on May 21, 2003 to consider adopting text amendments to the Oakland Zoning Code to allow the conversion of existing non-residential buildings to residentially-oriented joint living and working quarters, and voted to recommend approval of said text amendments to the City Council; and

WHEREAS, passage of this ordinance will authorize the expeditious reuse and conservation of existing underused non-residential buildings in the service of meeting goals to accommodate 10,000 new residents downtown;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

<u>SECTION 1</u>. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

<u>SECTION 2</u>. The requirements of the California Environmental Quality Act (CEQA), as amended, the guidelines, as prescribed by the Secretary of Resources, and the provisions of the City of Oakland, have been met through certification of the Environmental Impact Report accompanying the Land Use and Transportation Element of Oakland's General Plan in 1998, and the City Council relies upon this previously certified EIR.

<u>SECTION 3</u>. The Oakland Planning Code is hereby amended to add, delete, or modify sections as set forth below. Section numbers and titles are indicated in bold type, additions are indicated by <u>underlining</u>, and deletions are indicated by <u>strike-out type</u>. Portions of the code not cited, or not shown in underlining or strike-out type, are not changed:

Chapter **17.102** GENERAL REGULATIONS APPLICABLE TO ALL OR SEVERAL ZONES

Section **17.102.195** Residentially-Oriented Joint Living and Working Quarters.

- A. <u>Area of applicability</u>. <u>The provisions of Section 17.102.195 apply to the area bounded by Highway 980/Brush Street</u>, the Estuary shoreline, the <u>Lake Merritt/Estuary channel</u>, the western shore of Lake Merritt, and 27th *Street*.
- B. Definition. Residentially-Oriented Joint Living and Working Quarters means residential occupancy by persons maintaining a common household of one or more rooms in a building originally desianed for nonresidential occupancy which includes cooking space and sanitary facilities which satisfy the provisions of other applicable municipal codes. A Residentially-Oriented Joint Living and Working Quarter consists of a designated residential area and a designated work area. However, the definitions applied by City Council Resolution No. 68518 C.M.S that apply to "Joint Live/Work Space." including criteria that define space requirements, are not applicable to Residentially-Oriented Joint Living and Working Quarters.
- C. Conditions for conversion.
 - In the area prescribed in Subsection A, an existing building or portion of a building that was originally designed for non-residential occupancy may be converted to Residentially-Oriented Joint Living and Working Quarters as long as each of the following standards is met:
 - a. <u>The total number of Residentially-Oriented Joint Living and</u> <u>Working Quarter units on the subject property after the</u> <u>conversion will not exceed the maximum number of residential</u> <u>units permitted by the underlying zoning district.</u>

- b. <u>All existing on-site parking spaces are retained for use by the</u> residents, unless existing on-site parking exceeds required parking for all activities on the lot, in which case the number of parking spaces shall not be reduced below the number of spaces prescribed in Chapter 17.116 for all activities on the lot.
- c. <u>All open space associated with the building is retained for use</u> by the residents, unless existing open space exceeds the requirement of the applicable zone or zones.
- d. <u>All existing ground-floor commercial space is retained for</u> <u>commercial activities.</u>
- e. If located within the S-4, S-7, or S-8 zone, the project does not involve exterior changes that would qualify for Regular Design Review as defined in Section 17.136.020.
- f. The total floor area of the project does not exceed 100,000 square feet.
- In no case shall the height. footprint. wall area, or other aspect of the exterior of the building proposed for conversion be expanded to accommodate Residentially-Oriented Joint Living and Working Quarters, except for incidental appurtenances such as elevator shafts, skylights, rooftop gardens, or other facilities listed in Section 17.108.030.
- D. Conditional use permit required in certain instances. In the area prescribed in Subsection A, a project that involves the conversion of an existing building or portion of a building that was originally designed for non-residential occupancy to Residentially-Oriented Joint Livina and Working Quarters and does not meet one or more of the requirements of Subsection C(1) above may be permitted upon the granting of a conditional use permit oursuant to the conditional use permit procedure in Chapter 17.134. A conditional use permit may be granted only upon determination that the proposal conforms to the general use permit criteria set forth in the conditional use permit criteria set forth in the conditional use permit criteria set forth in the permit criteria.
- E. Non-applicability of certain requirements pertaining to dwelling units. In the area prescribed in Subsection A, the conversion to Residentially-Oriented Joint Living and Working Quarters of a building or portion of a building that was originally designed for non-residential occupancy is not subject to the requirements for off-street parking in Section 77.116.020 {New Parking to Be Provided for New Living Units in Existing Facilities} and is not subject to the open space requirements for new residential dwelling units contained in the applicable zoning district or districts, but is subject to the requirements of Subsection C(1) above for retention of existing parking and open space.

<u>SECTION 4</u>. Except as specifically set forth herein, this ordinance suspends and supercedes all conflicting resolutions, ordinances, plans, codes, laws, and regulations.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

<u>SECTION 6</u>. This ordinance shall become effective as provided in section 216 of the City Charter. This ordinance shall be published once with the names of the City Council Members voting for and against it in the Oakland Tribune, a newspaper which is published in this City and in Alameda County.

In Council, Oakland, California, June 24, 2003, Passed By The Following Vote:

AYES-

NOTES-

ABSENT-

ABSTENTION-

ORA/COUNCIL OCT 2 12003

ATTEST: CEDA FLOYD City Clerk and Clerk of the Council of the City of Oakland, California AN ORDINANCE AMENDING THE OAKLAND PLANNING CODE TO ADD PROVISIONS FOR THE CONVERSION OF EXISTING NON-RESIDENTIAL BUILDINGS TO RESIDENTIALLY-ORIENTED JOINT LIVING AND WORK QUARTERS IN THE DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL, THE WESTERN SHORE OF LAKE MERRITT, AND 27TH STREET.

NOTICE AND DIGEST

An ordinance amending the Oakland Planning Code to add provisions for the conversion of existing non-residential buildings to Residentially-Oriented Joint Living and Work Quarters in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Merritt. and 27th Street.
Development Control Map Attached to Report and Draft Ordinance Re: Non-Residential Building conversion To Residentially Oriented Joint Living and Working Quarters



STAFF REPORT

Case File No. ZT03-194

May 21,2003

	The area bounded by Highway 980/Brush Street, the Estuary		
Location:	shoreline, the Lake Merritt/Estuary channel, the western		
	shore of Lake Merritt, and 27 th Street.		
Proposal:	Add provisions to the Oakland Planning Code to allow for the conversion of existing non-residential buildings in the downtown area to residentially-orientedjoint living and working quarters. Proposed requirements for conversion include retention of existing on-site parking and open space for use by residents. The proposed text amendment would give more permanent status to a set of interim controls approved by the Oakland City Council in 1999 (Ordinance No. 12184 C.M.S.).		
A mulicounte	City Diagning Commission		
Applicant:	City Planning Commission		
Planning Permits Required:	Zoning Text Amendment		
General Plan:	Land Use and Transportation Element: Central Business District		
	(majority of affected area); Urban Residential; Community Commercial.		
	Estuary Policy Plan: Light Industry; Retail, Dining, and Entertainment 1		
	& 2; Off Price Retail; Waterfront Warehouse; Mixed Use; Loft District,		
	Waterfront Mixed Use; Waterfront Commercial Recreation,: Planned		
	Waterfront District.		
Zoning:	Various: R-80 High-Rise Apartment Residential Zone, R-90 Downtown		
	Apartment Residential Zone, C-40 Community Thoroughfare		
	Commercial Zone, C-45 Community Shopping Commercial Zone, C-51		
	Central Business Service Commercial Zone, C-52 Old Oakland		
	Commercial Zone, C-55 Central Core Commercial Zone, C-60 City		
	Service Commercial Zone, M-20 Light Industrial Zone, M-30 General		
	Industrial Zone, S-2 Civic Center Zone, S-4 Design Review Combining		
	Zone, S-7 Preservation Combining Zone, S-8 Urban Street Combining		
	Zone, S-17 Downtown Residential Open Space Combining Zone		
Environmental Determination:	The requirements of the California Environmental Quality Act (CEQA)		
	have been met through previous certification of the Environmental		
	Impact Reports accompanying the Land Use and Transportation Element		
	of Oakland's General Plan in 1998 and the Estuary Policy Plan, in 1999.		
	Pursuant to Section 15183 of the State CEQA Guidelines, the proposed		
	zoning text amendment is a project consistent with the development		
	density established by an existing general plan for which an EIR was		
	certified, and does not require additional environmental review.		
Historic Status:	N/A		
Service Delivery District:	I – Central Distinct, Chinatown (majority of affected area); II – North		
	Oakland; III – San Antonio		
City Council District:	2, 3		
Support/Opposition:	At the date of this report, staff has not received any public comments		
	in support or opposition of the proposed text amendment.		
Action to be taken:	Recommendation to City Council based on staff report.		
Finality of decision:	Recommendation to City Council.		
For further information:	Contact case planner Heather Coleman at 510-238-6417 or		
	hcoleman@oaklandnet.com.		

SUMMARY

In 1999, the Oakland City Council adopted Ordinance No. 12148 C.M.S. to establish interim controls to facilitate the conversion of existing non-residential buildings to residentially-oriented live-work facilities in downtown Oakland. These interim controls are consistent with policies in the 1998 Land Use and Transportation Element (LUTE) of the General Plan for increased residential densities in the downtown area, for re-use of existing buildings, and for promoting transit use. They also support the Mayor's 10K Initiative to bring 10,000 more residents to the downtown. Staff is recommending that the interim controls for residentially-oriented live work conversions be afforded more permanent status by incorporating them into the Oakland Planning Code as text amendments.

BACKGROUND

Ordinance No. 12148 C.M.S. (Attachment B) was adopted by the City Council on June 22, 1999 to establish interim zoning controls to facilitate the conversion of existing non-residential buildings into "Residentially Oriented Live Work" in the downtown area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Memtt, and 27th Street. "Residentially Oriented Live Work" was defined as residential occupancy by persons maintaining a common household of one or more rooms or floors in a building originally designed for non-residential occupancy. Residentially Oriented Live Work was intended to be a type of facility with both living and working space but with greater flexibility in the distribution of the space than that required in other areas of the city, where there is a minimum size of 600 square feet per live/work unit and two-thirds of the floor area of each unit must be devoted to "work" activities.

The interim zoning controls were written to facilitate conversion to Residentially Oriented Live Work by allowing it outright as long as certain standards were met. The standards included conformance with the density regulations of the underlying zone; retention of all on-site parking and open space for use by occupants of the Residentially Oriented Live Work units; and retention of ground-floor commercial space. Where these standards were not met or a proposed project was located in certain special zones (the S-4, S-7, and S-8 zones) and would trigger design review, the ordinance provided that conversion to Residentially Oriented Live Work could still occur upon the granting of a minor conditional use permit.

At the same time as the interim zoning controls were adopted, the Oakland Building Code was amended to allow greater flexibility in the re-use of existing buildings for liveiwork activities. A new occupancy type, "Residentially Oriented Joint Living and Work Quarters" (R-7) was added to the Oakland Building Code. Certain requirements normally applying to residential occupancy were made more flexible to reflect the characteristics of existing buildings and of liveiwork spaces. These included provisions for openings (windows) near property lines, flexibility in the provision of secondary means of egress from the building and of emergency egress from bedrooms, requiring seismic upgrades to 75% rather than 100% of normal California Building Code standards, and certain provisions for mezzanine spaces, such as allowing ladders rather than full stairs to access sleeping mezzanines and sleeping bunks.

The interim zoning controls under Ordinance 12148 C.M.S. were originally adopted for a two-year period and have now expired. Pursuant to State Government Code Section 65858(f), a city's legislative body can only readopt a set of interim zoning controls that have expired if there are a different set of circumstances than those that led to adoption of the original ordinance. The circumstances that led to the adoption of the interim controls – existing underutilized commercial buildings in Oakland's downtown and their proximity to transit facilities, a market for residentially oriented live work units, and City policies that promote increased residential development in the downtown – still exist and indicate the need for continuing to allow conversions to residentially oriented live work. Therefore, staff recommends adopting more permanent provisions for residentially oriented live work as part of the Oakland Planning Code.

A small number of residentially oriented live work projects has been developed pursuant to Ordinance No. 12148 C.M.S.. Of note is the Sears Lofts project at Telegraph Avenue and 27th Street, which involved the conversion of a long-vacant retail store into spacious loft apartments. Oakland's downtown still contains existing vacant or partially vacant non-residential buildings that have the potential for re-use as residentially oriented live work units. While the number of projects developed under the prior interim controls has been small, Planning staff has received a number of recent inquiries from property owners in the downtown area about converting underutilized commercial buildings to residentially-oriented uses.

PROJECT DESCRIPTION

The proposed project is an amendment to the Oakland Planning Code to allow the conversion of existing buildings originally designed for non-residential occupancy to Residentially Oriented Joint Living and Working Quarters. The proposed text amendment (Attachment A) encompasses the intent and provisions of the interim controls adopted under Ordinance No. 12148 C.M.S.. It would continue the policy of allowing the conversion of existing non-residential buildings in Oakland's downtown to residentially oriented live work facilities (now termed "Residentially-Oriented Joint Living and Working Quarters") with the same basic requirements as the original ordinance, but with refinements to the text to make it consistent with the existing Planning Code and promote clarity in implementation. (Note: The proposed ordinance text may be refined further upon recommendations from the Office of the City Attorney). As with the interim controls, the proposed regulations will allow conversions by right as long as all of the following standards are met:

- 1. The total number of Residentially-Oriented Joint Living and Working Quarter units on the subject property after the conversion will not exceed the maximum number of residential dwelling units that would be allowed by the applicable zoning district(s).
- 2. All existing off-street parking spaces are retained for use by the occupants of the Residentially-Oriented Joint Living and Working Quarters, unless existing off-street parking exceeds the number of required off-street parking spaces for all activities on the lot.
- 3. All open space associated with the building is retained for use by the occupants of the Residentially-Oriented Joint Living and Working Quarters unless existing open space exceeds the open space requirement of the applicable base or overlay zone.
- 4. All existing ground-floor commercial space is retained for commercial activities.
- 5. If located within the S-4, S-7, or S-8 zone, the project does not involve exterior changes that would qualify for Regular Design Review.
- 6. The total floor area of the project does not exceed 100,000 square feet.

Clarifying phrases are added to the text to articulate policies implicit in the original ordinance. For example, the original ordinance stated that conversion is allowed as long as all existing parking is retained for use by the residents. The proposed text specifies that conversion projects are not subject to the provisions of Planning Code Section 17.116.020, which states that off-street parking shall be provided for new living units in existing buildings. It also clarifies that in a situation where existing parking exceeds required parking, existing parking must be maintained to the level required by the code for the particular combination of uses located on the subject property. Another clarifying addition to the regulatory text is that the outside dimensions of a building proposed for conversion may not be expanded in order to accommodate the proposed residentially-oriented joint living and working quarters. This reinforces the intent of the ordinance that the allowances for conversions apply only to the re-use of *existing* non-residential buildings.

A provision was added to the original controls, setting a threshold of 100,000 square feet for conversion projects that are permitted outright. This threshold is consistent with the regulations for the C-51 and C-55 zones (the predominant downtown zoning districts), which require a conditional use permit for

projects involving more than 100,000 square feet of floor area. This will allow for discretionary review of any very large conversion project.

"Residentially Oriented Live Work" in Ordinance No. 12148 was intended to be a type of facility with both living and working space but with greater flexibility in the distribution of the space than that required in other areas of the city, where two-thirds of the floor area of each unit must be devoted to "work" activities. Staff recommends retaining the flexibility of the interim controls and not prescribing a minimum floor area devoted to work activities. The type of work activities likely to occur in this type of unit are lighter commercial activities such as home offices. Staff proposes using the term "Residentially-Oriented Joint Living and Working Quarters (JLWQ)" because this terminology is consistent with the Building Code, where it was created as a special occupancy type specific to the downtown area.

GENERAL PLAN ANALYSIS

The proposed regulations for Residentially-Oriented JLWQ support the land use designations and policies of the 1998 Land Use and Transportation Element (LUTE) and the 1999 Estuary Policy Plan, a component of the LUTE.

Land Use Designations

The LUTE includes a Land Use Diagram illustrating the desired future development pattern for Oakland with 15 broad land use classifications. The proposed regulations would primarily apply to the area designated Central Business District on the diagram but also a limited area above Grand Avenue that is designated Urban Residential and Community Commercial. All of these areas are intended to accommodate a mix of commercial and residential uses and increased residential densities. The LUTE designates residential densities in the Central Business District up to 300 units per gross acres and the Urban Residential and Community Commercial areas for up to 125 units per gross acres. The regulations would also apply to the downtown area between Highway 880 and the Estuary that is included in the Estuary Policy Plan with the following land use designations: Light Industry; Retail, Dining, and Entertainment 1 & 2; OffPrice Retail; Waterfront Warehouse; Mixed Use; Loft District, Waterfront Mixed Use; Waterfront Commercial Recreation, Planned Waterfront District. These areas are intended to accommodate a range of residential, commercial, and light industrial uses. Additional residential and live/work opportunities, and adaptive re-use of existing buildings, are promoted in the Jack London area in the policy objectives of the Estuary Plan.

General Plan Objectives and Policies

Oakland's General Plan contains major objectives to direct housing development in the downtown and near transit facilities. The proposed provisions for Residentially-Oriented JLWQ would help realize the following objectives and policies of the LUTE and the Estuary Policy Plan:

Downtown Objectives and Policies:

- *Objective 03: Create a pedestrian-jiriendly downtown.*
 - *3* Policy 03.1. Promoting Pedestrians. Pedestrian-friendly commercial areas should be promoted.

The above objective and policy for a pedestrian-friendly downtown will be promoted by the requirement that live-work conversion projects retain ground-floor commercial space. It will also be promoted by exempting conversion projects from providing new on-site parking, thus avoiding

situations where the first floors of buildings are occupied by parking instead of more active uses, or where the sidewalk is interrupted by driveways and car movements in and out of a garage.

- *Objective D6. Eliminate blight caused by underutilized properties.*
 - *3* Policy D6.2. Reusing Vacant or Underutilized Buildings. Existing vacant or underutilized buildings should be reused. Repair and rehabilitation, particularly of historic or architecturally significant structures, should be strongly encouraged ...

The proposed text amendment would facilitate the re-use of existing vacant or underutilized buildings in the downtown by allowing their conversion to Residentially-Oriented Joint Living and Working Quarters.

- Objective D10. Maximize housing opportunities in the downtown to create a better sense of community.
 - **9** Policy 010.1 Encouraging Housing. Housing in the downtown should be encouraged as a vital component of a 24-hour community presence.

The proposed text amendments can help bring residents downtown and encourage a 24-hour presence. Residentially-Oriented Joint Living and Working Quarters represents one type of housing that is desirable in an urban setting and will add to the mix of housing opportunities in the downtown. New residents will contribute to a market for goods, services, and community events.

Policy D10.7 Developing Live- Work Spaces. Locational and performance criteria should be developed for live-work developments.

The proposed regulations represent a set of standards for a type of live-work development that is particularly appropriate to the downtown area. Planning staff expects to examine the standards for all classes of live-work activities throughout Oakland in upcoming months with the City Planning Commission and City Council.

- Objective D11. Foster mixed use developments to help create a diverse, lively and vibrant downtown.
 - **3** Policy D11.1. Promoting Mixed-Use Development. Mixed use developments should be encouraged in the downtown for such purposes as to promote its diverse character provide for needed goods and services, support local art and culture, and give incentive to reuse existing and underutilized structures.

The proposed provisions for Residentially-Oriented JLWQ will bring residents to the downtown and encourage more 24-hour activity. Residentially-Oriented JLWQ will add to the mix of land uses in the downtown and contribute to a market for commercial services. In addition, the provisions are designed to require retention of existing ground-floor commercial space. The proposed regulations encourage the re-use of existing and underutilized structures.

Integrating Transportation and Land Use Planning

• Objective T2: Provide mixed use, transit-oriented development that encourages public transit use and increases pedestrian and bicycle trips at major transportation nodes.

• Objective **T4**. Increase use of alternative modes of transportation.

The downtown area affected by the proposed regulations is in good proximity to a variety of local and regional transit facilities, including many AC transit lines and three BART stations. Encouraging live-work development within the downtown will promote transit use.

Land Use (Estuary Policy Plan)

• Objective LU-1. Provide for a broad mixture of activities within the Estuary area

The proposed provisions for Residentially-Oriented JLWQ would contribute to the mix of activities in the Estuary area.

• Objective LU-3. Expand opportunities and enhance the attractiveness **o** the Estuary as a place to live.

In a description under this objective, the Estuary Policy Plan states that a larger day and night population would add to the safety and livability of the waterfront. The proposed provisions would facilitate conversion to residentially-oriented JLWQ and thereby encourage a larger day and night population. It could also contribute to attractiveness by encouraging the renovation of historic buildings.

Jack London (Estuary Policy Plan)

- JL-4. Encourage the sensitive rehabilitation and adaptive re-use *d* existing buildings
- JL-6 (Waterfront Warehouse area). Encourage the preservation and adaptive reuse of existing buildings Use of buildings and new infill development should include joint living and working quarters ...

The proposed regulations will encourage the preservation and adaptive re-use of existing buildings.

ZONING ANALYSIS

The Oakland Planning Code provides for amendments to the code in Chapter 17.144. Pursuant to Section 17.144.020, the City Council cannot change the text of the zoning regulations until it has received a recommendation or findings from the City Planning Commission on the proposed action. Staff is requesting that the Planning Commission consider the proposed text amendment and make a recommendation supporting the amendment to the City Council.

The proposed text amendments will apply to the area bounded by Highway 980/Brush Street, the Estuary shoreline, the Lake Merritt/Estuary channel, the western shore of Lake Memtt, and 27th Street. This area encompasses a number of existing zoning districts. Most of the area is commercially zoned (C-40, C-45, C-51, C-52, C-55, or C-60), but a few areas are zoned for high-density residential development (R-80, R-90) and there is a small area of light and general industrial zoning (M-20, M-30) near the Estuary, and a designated civic center (S-2) near Lake Merritt. The basic development standards – including density, parking, open space, and other regulations – in each of the underlying districts will not he affected, nor will the requirements for new construction. The proposed regulations will apply only to the conversion of existing non-residential buildings. There are several special overlay zones – the S-4, S-7, and S-8 – that require design review. The original zoning controls under Ordinance No. 12148 stated that when design

review is triggered by a project in any of these special zones, a conditional use permit shall also be required. Staff recommends retaining this requirement.

Staff recommends adding a section to Chapter 17.102 of the Planning Code, General Regulations Applicable to All or Several Zones and proposes placing this section directly after the section on "Joint Living and Working Quarters" (Section 17.102.190) in order to make it easy for staff and the public to locate and compare the standards.

The proposed text defines "Residentially-Oriented Joint Living and Working Quarters" as residential occupancy in a building originally designed for non-residential occupancy. Residentially-Oriented Joint Living and Working Quarters (JLWQ) will be a special type of use that is distinguished from both "Permanent Residential" activities and "Joint Living and Work Quarters" in its function and pertaining requirements. As described under "Project Description" above, the proposed text includes standards for conversion to this type of use: maintenance of existing parking and open space for use by occupants of the live/work units and maintenance of any existing ground-floor commercial space, etc.. The text provides for a conditional use permit process for conversion projects that differ from these standards.

ENVIRONMENTAL DETERMINATION

Pursuant to Section 21083.3 of CEQA and Section 15183(i) of the State CEQA Guidelines, projects (including re-zoning actions) that are consistent with the development density established by existing general plan policies for which an EIR was certified do not require additional environmental review unless there are significant effects which are peculiar to the project. The requirements of the California Environmental Quality Act (CEQA) have been met through previous certification of the Environmental Impact Reports accompanying the Land Use and Transportation Element of Oakland's General Plan in 1998 and its subcomponent, the Estuary Policy Plan, in 1999.

KEY ISSUES AND IMPACTS

Impacts of the proposed zoning text amendment to allow conversion of existing buildings to Residentially-Oriented JLWQ include: facilitating the adaptive re-use of existing buildings; promoting transit use and balancing parking needs with other goals; retaining existing open space; and facilitating appropriate residential and mixed-use development in the downtown. Issues for the Planning Commission to consider regarding the particulars of the proposed new regulations include: the range of ground-floor uses that should be allowed and whether there should be requirements for devotion of a portion of floor area to work activities.

Adaptive Re-use of Buildings

The proposed regulations will provide for the adaptive re-use of existing vacant or underutilized commercial buildings in the downtown area. The downtown contains many buildings that have historic architectural value and the provisions for Residentially-Oriented JLWQ conversions will provide an option for their retention and rehabilitation. The regulations are designed to address the typical characteristics of existing buildings, many of which do not have on-site parking and open space that meet current standards. These regulations complement the special provisions for live-work conversions in the Oakland Building Code.

Minimizing Parking and Promoting Transit Use

In October of 1996, the City Council approved a resolution declaring the City's support of public transit and other transportation alternatives to the single-occupant vehicle. This resolution stated the City's intent to explore incentives such as density bonuses and reduced parking requirements to encourage development near transit. These directives were reinforced by the adoption of the LUTE in 1998, which encouraged establishment of transit-oriented development near BART stations. The proposed provisions

for Residentially-Oriented JLWQ support these policies by encouraging new residents in downtown Oakland, which is accessible to a range of local and regional transit services unrivaled by those in almost any other Northern California city. The downtown serves as a major destination on the AC Transit bus network and hosts three BART stations, an Amtrak station, and a ferry dock. Focusing redevelopment of existing non-residential buildings into residentially-oriented live-work use in downtown Oakland is expected to contribute to increased use of these transit services.

Because of the superior transit access in downtown Oakland, the need for parking spaces to serve residents is expected to be lower than in other parts of the city. Consistent with the interim zoning controls implemented under Ordinance No. 12148 C.M.S., staff recommends that existing on-site parking be maintained hut that no new parking be required for conversions to Residentially-Oriented JLWQ. It should be emphasized that these provisions apply only to existing buildings and encourage their re-use. Many older buildings do not contain enough on-site parking to meet either the commercial or residential parking ratios (typically one parking space per unit in the higher-density areas) prescribed in the Oakland Planning Code and several factors make it unpractical or undesirable to add parking to existing buildings. Adding parking spaces to existing buildings would he extremely expensive and present considerable design challenges if a pedestrian-oriented environment is also desired. The significant additional costs associated with providing additional parking on-site would diminish the chances that reuse projects would be undertaken. Adding on-site parking to more historic buildings could also lead to alterations that are inconsistent with the architectural character of the buildings.

Open Space

The proposed standards require the retention of any existing open space associated with the building. Requiring the addition of open space in former commercial buildings would prove costly and unworkable in the majority of cases, and prevent many conversions from occurring. The adoption of the S-17 open space standards for downtown in 2001 attested to the need for more flexible residential open space requirements in the most dense urban settings. The downtown area is accessible to Lake Merritt and the waterfront of the Oakland Estuary, which provide opportunities for outdoor recreation.

Ground-Floor Retail or Commercial Space

The proposed text amendments require that conversion projects retain existing ground-floor commercial space for commercial activities. Existing ground-floor commercial space contributes to a pedestrian-friendly environment in the downtown and helps meet the needs of downtown residents by providing locally-accessible goods and services. Establishing Residentially-Oriented JLWQ on upper floors of downtown buildings can in turn contribute to the local market for ground-floor commercial activities. The proposed regulations also provide some flexibility by allowing applicants to pursue other ground-floor uses through a conditional use permit process. Any proposed uses will also have to be consistent with the regulations for the underlying zoning district(s). For example, the S-8 zone along Broadway and Telegraph Avenue emphasizes ground-floor retail uses, and requires a conditional use permit for other commercial uses such as food sales on the ground floor.

Consistent with the interim controls under Ordinance No. 12148 C.M.S., the proposed standards for conversion only require retention of ground floor commercial activities, and do not address civic activities. Staff considered whether ground-floor civic uses that are also pedestrian-oriented, such as offices for non-profits, social service offices, or public art galleries, should also be required to be retained on the ground floor. However, as proposed, a conditional use permit could address non-commercial ground-floor uses on a case-by-case basis.

Relationship to other regulations for Joint Living and Work Quarters

The standards for Residentially-Oriented JLWQ allow conversion of existing "non-residential" buildings (which could include commercial, industrial. *or civic* buildings), whereas the definition of JLWQ specifies only "commercial or industrial" but not civic buildings.

Compared to the provisions for JLWQ, the standards for Residentially-Oriented JLWQ do not have a minimum floor area that must be devoted to work uses. Planning Commission could consider a specific recommendation for a minimum percentage of work space within the units. As currently drafted, there is no minimum percentage, and the units could be developed as almost entirely residential. Staff invites Planning Commission comments on this issue.

Planning staff expects to examine the standards for all classes of live-work activities throughout Oakland in upcoming months with the City Planning Commission and City Council. However, there is urgency in adopting the proposed text amendments for Residentially-Oriented JLWQ because of strong development interest for the re-use of existing buildings in Chinatown and other parts of the downtown area. Furthermore, unlike for other types of live-work facilities, there are no current provisions in the Planning Code to allow for Residentially-Oriented JLWQ.

SUMMARY AND RECOMMENDATIONS:

In order to support the Mayor's 10K initiative to bring 10,000 new residents to downtown and to realize Oakland General Plan goals for creating a vibrant downtown through promoting housing development, providing unique living and working opportunities, maintaining and promoting a pedestrian-friendly character, fostering the re-use and rehabilitation of existing vacant and blighted commercial buildings, and promoting increased use of alternative modes of transportation, staff recommends adopting the proposed text amendments facilitating the conversion of existing non-residential buildings in Oakland's downtown to Residentially-Oriented Joint Living and Working Quarters. Staff recommends that the Planning Commission:

- 1. Affirm staffs environmental determination.
- 2. Recommend adoption of the proposed text amendment to the Oakland Planning Code to the Oakland City Council.

Prepared by KN

Heather E. Coleman Planner III

Approved for forwarding to the City Planning Commission:

LESLIE GOULD / Director of Planning and Zoning

ATTACHMENTS:

- A. Proposed ordinance
- B. Ordinance No. 12184 C.M.S., June 22, 1999C. City Council Agenda Report, June 15, 1999

APPROVED BY:	City Planning Commission:	(date)	(vote)
	City Council:	(date)	(vote)

INTRODUCED BY COUNCILMEMBER

APPROVED AS TO FORM AND LEGALITY: TIDO

(Revised for Supplemental Asenda: 6/75/99)

ORDINANCE NO. $\frac{12148}{C.M.S.}$

AN ORDINANCE ESTABLISHING INTERIM ZONING CONTROLS TO FACILITATE THE CONVERSION OF EXISTING NON-RESIDENTIAL FACILITIES INTO RESIDENTIALLY ORIENTED LIVE WORK FACILITIES IN THE CENTRAL BUSINESS DISTRICT DOWNTOWN AREA BOUNDED BY HIGHWAY 980/BRUSH STREET, THE ESTUARY SHORELINE, THE LAKE MERRITT/ESTUARY CHANNEL. THE WESTERN SHORE OF LAND MERRITT. AND 27TH LAKE STREET **USE** CLASSIFICATION OF THE OAKLAND GENERAL PLAN

WHEREAS, The Mayor and City Council *of* Oakland are currently considering the 1999-2001 Proposed Policy Budget that contains a set of Major *Goals for 1997-2002* that include Major Goal # 2: **To** plan, develop and revitalize the neighborhoods and the downtown; Major Goal # **4,** *to* encourage and attract more development and appropriate use of land within the city; Major Goal #9, To maintain an environmentally safe city and enhance the physical appearance of the city; Major Goal # 10, to maintain and improve the City's infrastructure and prepare the city for the 21st century;, and, Major Goal # 14, to develop, maintain, and effectively utilize a dynamic strategic planning process for the city which maximizes citizen input and participation; and,

WHEREAS, The Mayor and City Council of Oakland are currently considering the 1999-2001 Proposed Policy Budget that refers to the *Mayor and City Council Priority* Objectives for 1999-2001, including Objective 2: Attract, help startup, retain, and expand environmentally sound and sustainable development businesses which support the long range comprehensive and sustainable economic development plan of the City and its neighborhoods; and, Objective 3: Combat blight and improve the physical appearance, livability and integrity of the City's neighborhoods and improve housing opportunities including 10,000 new people living in the downtown area; and,

WHEREAS, the City's Land Use and Transportation Element policies for the Downtown and for Transportation direct more intensive land development and redevelopment activities close to the City's urban core and major transit installations such as 12th, 19th and Lake Merritt BART Stations and major bus lines; and that development in such locations is expected to expand everyday travel and commuting options, reduce dependency on the single passenger automobile, lessen the use of finite natural resources, reduce air pollution, and provide local housing and business locations that do not contribute to the spread of sprawl in the Bay Region; and,



WHEREAS, in October 1996, the City Council approved a resolution declaring the City's support of public transit (Transit-First) and other transportation alternatives to the single-occupant vehicle, and stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit, as part of the City's Zoning Code update; and,

WHEREAS, the City's Building Services Division is proposing companion amendments that set standards for the conversion of non-residential buildings into residentially oriented live work while still providing adequate life and health safety protections; and,

WHEREAS, Building Code amendments, in order to be most effective, require a set of coordinated and supportive Zoning Code amendments to allow the conversion of non-residential buildings into residentially oriented live work to occur; and,

WHEREAS, the City is focused on bringing new residents into the downtown, and has found that the majority of buildings that may be eligible for this type of conversion are located in this urban core, and that this area has been mapped as the <u>Central Business District Downtown</u> area bounded by Highway 980/Brush Street, the estuary shoreline, the Lake Merritt/estuary channel, the western shore of Lake Merritt. and 27th Street on the 1998 Land Use Diagram of

the adopted Land Use and Transportation Element of the City's General Plan; and,

WHEREAS, the City Council adopted the award-winning Land Use and Transportation Element of the City's General Plan and certified the accompanying Environmental Impact Report on March **24**, 1998, and that EIR addressed the potential impacts of future development in the downtown area; and,

WHEREAS, passage of this Ordinance will not increase new downtown development per se but authorize the expeditious reuse and conservation of existing underused non-residential buildings in the service of meeting goals to accommodate 10,000 new residents; now, therefore.

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct, and hereby make them a part of this Ordinance.

SECTION 2. The requirements of the California Environmental Quality Act (CEQA) of 1970, **as** amended, the guidelines, as prescribed by the Secretary of Resources, and the provisions of the City of Oakland, have been met through certification of the Environmental Impact Report accompanying the Land Use and Transportation Element *of* Oakland's General Plan in 1998, and the City Council relies upon this previously certified EIR.

SECTION 3. That the Interim Controls established by this Ordinance shall begin on the effective date of this Ordinance, and shall remain in effect until a decision is rendered by the City Council in adopting permanent Zoning Controls as part of the citywide Zoning Update or until two years after the effective date of this ordinance, whichever occurs earlier. This Ordinance shall apply to all applications for building, zoning, or other permits, unless, before the effective date of this Ordinance, the applicant has received from the City all required final building permits for the project, and has begun substantial construction in reliance thereon.

SECTION 4. These Interim Controls shall govern the conversion of all non-residential buildings into Residentially Oriented Live Work in the <u>Central Business District</u> <u>Downtown</u> area bounded by Hiqhwav 980/Brush Street, the estuarv shoreline. the Lake <u>Merritt/estuary</u> channel, the western shore of Lake <u>Merritt</u> and 27th Street. To the extent existing sections of the Zoning Code conflict with the Interim Controls outlined below, the provisions of this Ordinance shall govern.

SECTION 5 These Interim Controls apply to applications for the conversion of nonresidential buildings into Residentially Oriented Live Work in the Gentral Business-District Downtown area bounded by Hiahwav 980/Brush Street, the estuary shoreline, the Lake Merritt/estuary channel, the western shore of Lake Merritt. and 27th Street.

A. For purposes of this Ordinance, the following definitions shall apply:

1. "Residentially Oriented Live Work" means residential occupancy by persons maintaining a common household of one or more rooms or floors in a building originally designed for non-residential occupancy which includes cooking space and sanitary facilities which satisfy the provisions of other municipal applicable codes. The definitions applied by City Council Resolution No. 68518 C.M.S. that apply to "Joint Live/Work Space", including criteria that define space requirements, are not applicable to Residentially Oriented Live Work.

2. "Central Business-District Downtown area bounded by Hiahway 980/Brush Street, the estuary shoreline, the Lake Merritt/estuary channel. the western shore of Lake Merritt. and 27th Street" means-that-area that is mapped on the 1998 Land Use Diagram of the Oakland-General-Plan is shown on {-Development Control Map CBD, attached-).

- B. The conversion of a non-residential building into "Residentially Oriented Live Work" is permitted in the <u>Central Business District</u> <u>Downtown area bounded by Hiahwav 980/Brush</u> <u>Street, the estuary shoreline, the Lake Merritt/estuary channel, the western shore of Lake</u> <u>Merritt. and 27th Street</u> only if:
 - 1. The proposal conforms to density requirements of the underlying zone, and
 - 2. All existing parking spaces are retained for use by the residents; and
 - 3. All open space associated with the building (including plazas, balconies, yards, rooftop gardens, or other open space suitable for outdoor leisure and recreation activities) is retained for use by the residents; and
 - 3. Existing non-residential ground floor retail or ground floor commercial space is retained; and
 - 4. Design review requirements are not triggered by the S-4, S-7, or S-8 zone.

- C. A Minor Conditional Use Permit for the conversion of a non-residential building into "Residentially Oriented Live Work" shall be required in the following instances:
 - 1. The proposal exceeds density requirements of the underlying zone or
 - 2. The development proposal for building conversion does not retain the existing parking associated with the building for the use of the residents as described in Section B above, or
 - 3. The development proposal for building conversion does not retain the existing open space associated with the building for the use of the residents as described in Section B above, or
 - 4. The proposal for building conversion includes elimination of existing nonresidential ground floor retail or commercial space, or
 - 5. S-4, S-7, or S-8 Design Review is required by the existing zone.

D. A Minor Conditional Use permit for Residentially Oriented Live Work may be granted upon the determination that the proposal conforms to all the following general use permit criteria and the use permit criteria required by the S-4, S-7, or S-8 Zone, as applicable. The General use permit criteria are as follows:

1. That the location, size, design, and operating characteristics of the proposed development will be compatible with and will not adversely affect the livability or appropriate development of abutting properties and the surrounding neighborhood, with consideration to be given to harmony in scale, bulk, coverage, and density; to the availability of civic facilities and utilities; to harmful effect, if any, upon desirable neighborhood character; to the generation of traffic and the capacity of surrounding streets; and to any other relevant impact of the development; and

2. That the location, design, and site planning of the proposed development will provide a convenient and functional living environment, and will be as attractive as the nature of the use and its location and setting warrant; and

3. That the proposed development will enhance the successful operation of the surrounding area in its basic community functions, or will provide an essential service to the community or region.

SECTION 5. The City Council finds that the public health, safety, and general welfare will be furthered by passage of this Ordinance.

SECTION 6. If any provision of Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of this Ordinance and application of such provisions to other persons or circumstances shall not be affected thereby.

SECTION 7. The City Council enacts this Ordinance pursuant to its general police powers, section 106 of the City Charter, and Article XI of the California Constitution.

14.3 ORAICOUNCIL OCT 2 1 2003 Introduced = 6-15-99 V COUNCIL, OAKLAND, CALIFORNIA, JUN 2 2 1999 , 19 ASSED BY THE FOLLOWING VOTE: YES- BRUNNER, CHANG, PRESIDENT DE LA FUENTE, MILEY, NADEL, REID, RUSSO, SPEES-OES- None BSENT- NONC BSTENTION- NONe XCUSED- NONE CEDA FLOYD CITY CLERK AND CLERK OF THE COUNCIL OF THE CITY OF OAKLAND, CALIFORNIA

Supplemental June 15, 1999 Attachment to Agenda Report and Ordinance

DEVELOPMENT CONTROL MAP "CBD"

ATTACHED TO REPORT AND ORDINANCE RE: NON-RESIDENTIAL BUILDING CONVERSION TO RESIDENTIALLY ORIENTED LIVE WORK.



CITY OF OAKLAND

Agenda Report

Revised for Supplemental Agenda: 6/1/99

- To: Office of the City Manager
- Attn: Robert C. Bobb
- From: Community and Economic Development Agency
- Date: June 1, 1999
- Re: Ordinances And Resolutions Adopting the Triennial Editions of the California Model Building, Housing, and Fire Codes: And Adopting Interim Zoning Controls For the Central Business District: and Adopting Dust Control Measures For Building, Grading, and Demolition Permits

Adopting Local Amendments To The California Building Standards Codes, California Code of Regulations (CCR), Title 24, Parts 2. 3, 4. & 5, Amending Oakland Municipal Code Chapter 15.04, and Establishing Interim Zoning Controls in the Urban Core.

Executive Summary

Ordinances and resolutions have been prepared adopting local amendments to the 1998 editions of the California Building Code (Uniform Building, Plumbing, and Mechanical Codes and the National Electrical Code), the California Substandard Housing Code (Uniform Housing Code), and the California Fire Code (Uniform Fire Code). An additional ordinance has been prepared amending chapter 15.36 (Demolition Permits) of the Oakland Municipal Code to establish dust control regulations for the demolition of structures, as well as an ordinance to establish Interim Zoning Controls in the <u>Central Business District Urban Core</u> for residentially oriented live work<u>uses</u>.

The California Health and Safety Code requires local jurisdictions to enforce the recently adopted 1998 triennial editions of the California Model Codes (Title 24 and 25) by July 1, 1999. Local jurisdictions are allowed to amend these newest editions of the Model Codes before this date and add and/or maintain equivalent or more restrictive alternative regulations based on findings of local climatic, geologic, or topographic conditions.

A resolution of findings for such amendments must be passed by the elected body of the local jurisdiction before July 1 and subsequently filed with the various State commissions who oversee Model Code adoption process to allow for continuous enforcement of local code regulations.

June 1, 1999

Page 4

Newly proposed Model Code City amendments, not previously adopted which will enhance code enforcement and facilitate residential development adopted, which will enhance code enforcement and facilitate residential development, in the downtown area are summarized as follows:

Oakland Building Code

- Establishing alternative technical standards for Conversion Residence occupancies (renovating existing commercial buildings to residential) in the downtown area
- Establishing that Conversion Residence occupancies are equivalent to Live/Work occupancies to allow conversion
- ___Establishing dust control measures for grading and building activities
- Establishing alternative building code regulations for the temporary use of the Army Base facility.

Oakland Building Conservation Code

- Authorizing public disclosure (prominent signage on the premises) of ownership for substandard properties
- Authorizing expedited (24-hour) code enforcement action to secure vacant properties with potential hazards to inquisitive children or detrimental activities for the surrounding neighborhood

Oakland Fire Code

 Incorporating additional Authorize the Fire Services Agency to use the code enforcement abatement regulations (from the Oakland Building Conservation Code) when they enforce the Fire Code

Oakland Municipal Code Chapter 15.36 (Demolition Permits)

Establishing dust control measures for demolition activities

Major changes in the new editions of the State Model Codes include the following:

California Model Building Codes

 Modifying the methodology for calculating energy conservation compliance_in new and remodeled construction

The following discussion of Interim Zoning Controls supplements the original staff report for June 2, 1999. The Supplemental Interim Controls Ordinance corrects and clarifies zoning language but does not affect the substance or intent of the previously submitted Ordinance.

June 1, 1999 Interim Zoning Controls include the following:

 Interim Zoning Controls for the Central Business District expedite the reuse of underutilized non-residential buildings toward meeting the goal of establishing 10 000 new residents downtown

Opportunities to expedite the reuse of existing non-residential buildings through Interim Zoning Controls are presented here as companion legislation to the Building Code Revisions discussed earlier in this report. These Interim Controls respond to the Mayor and City Council Maior Goals for 1997-2002 that include Goal 2: To plan, develop and revitalize the neighborhoods and the downtown, along with Mayor and City Council Priority Objectives for 1999-2001 that include Objective 3: Combat blight and improve the physical appearance, livability and integrity of the City's neighborhoods and improve housing opportunities including 10,000 new people living in the downtown area.

The City's Land Use and Transportation Element of the Oakland General Plan also contains major objectives to direct intensive land development, land reuse, and redevelopment activities in the downtown, along major transit corridors, and near transit facilities. Implementing this objective through Interim Controls in the Central Business District, as recommended by this report, will be the first step in implementing new sustainable guidance for Oakland development. The Interim Controls address sustainable development through: the adaptive reuse of buildings, allowing high densities, retaining existing ground floor retail or commercial space, retaining open space, minimizing parking requirements, and promoting transit use. Each of these components of the Interim Controls is discussed below.

Adaptive Reuse of Existing Buildings

Approximately 20 buildings in the Central Business District may be feasible candidates for conversion from non-residential to residentially oriented live work use, according to experts in the development community. It is difficult to assess the total number of residentially oriented live work units that would result from conversion of these buildings due to a number of factors: wide ranging differences in the size of the buildings themselves, variances in the unit sizes possible, the receptivity of the market to these unit types, and the potential impact of revised life safety requirements on interior design.

Most existing non-residential buildings in the Central Business District- office, commercial, or retail uses - have a very high ratio of employees per square foot. Office employee ratios can be as high as one person per 150 square feet of floor area. Residential densities, on the other hand, are typically much lower - on the order of one person per 400 to 500 square feet or more of floor area. Conversion of non-residential buildings to residentially oriented live work uses then, will actually serve to reduce the

June 1, 1999

Page 6

ultimate "density" of people in a building. Therefore, without knowing the ultimate number of units that will become available through building conversion, we can anticipate that the total number of people occupying any given structure will slightly decrease.

Ground Floor Retail or Commercial Space

Additionally the interim Controls recommend that converted buildings in the downtown retain existing around floor retail or commercial space. Existing ground floor space that was designed to meet pedestrian needs by providing local goods and services is attractive to pedestrians and passersby and should be retained for that use now or in the future. If the market for such retail or commercial activities is insufficient at this time, alternative uses may be proposed. However, blank walls and uninviting views, such as those of ground floor parking garages are to be avoided if Oakland truly desires a pedestrian-friendly downtown. Establishing a new use of residentially oriented live work in upper floors of these converted buildings will also help to increase the local "market" for goods.

Open Space

The Interim Controls require the retention of any existing open space associated with the building. Requiring the addition of open space (as described in existing zoning regulations) in former office or commercial buildings would prove costly and unworkable in the majority of cases studied, and prevent many conversions from occurring. As permanent zoning controls for downtown are developed, staff is exploring the feasibility of offering developers the option of contributing an in-lieu fee to pay for establishment and maintenance of public open space. instead of meeting the existing private open space requirements.

Minimizing Parking and Promoting Transit Use

In October of 1996, the City Council approved a resolution declaring the City's support of public transit (Transit-First) and other transportation alternatives to the singleoccupant vehicle. This resolution stated the City's intent to explore development of incentives such as density bonuses and reduced parking requirements to encourage development near transit. This objective was confirmed by City Council's adoption of the Land Use and Transportation Element in 1998, which encouraged establishment of transit-oriented development near BART Stations. These policy directives, coupled with those encouraging sustainable development practices in Oakland, have been the foundation for the following section of the Interim Controls. These Interim Controls require that existing parking be retained, but that no new parking be required to be added for conversions.

June 1, 1999 Parking

Many older existing non-residential buildings lack sufficient parking spaces for existing office tenants and these buildings are not expected to meet present residential parking ratios upon conversion to residentially oriented live work. Staff recommends only that existing parking pe retained for the use of residents for the following reasons

The supply of transit options is greater in the Oakland downtown than in any other Northern California City. Both BART and AC Transit are easily accessible, and the widest range of destinations are available from the downtown. For example, San Francisco is 10 minutes away by BART, while downtown Berkeley takes less than 15 minutes – and no parking is needed. Buses from UC Berkeley run along Telegraph Avenue and down Broadway every 15 minutes, and take approximately 15 minutes to reach downtown from the campus. The new Amtrak station is a ten minute walk from the Lake Merritt BART station, and ferries dock hourly at the foot of Broadway in Jack London Square. Additionally, a free Shopper Shuttle runs during lunchtime between the Financial District and Jack London Square. Focusing redevelopment of existing non-residential buildings into residentially oriented live work use in the downtown is instead expected to contribute to increased use of transit by new residents.

There are many other reasons why requiring additional parking for building conversions is not recommended. First, adding parking spaces to existing buildings would not only be extremely expensive, but a considerable design challenge if a pedestrian-oriented environment is also desired. Second, the significant additional costs associated with providing additional parking on site will greatly diminish chances that a reuse project would be undertaken. Third, if residents occupying converted buildings desire parking, spaces are available in downtown garages on a fee basis. Fourth, and most important, requiring additional parking for the reuse of existing buildings in downtown will work against the City's sustainable development objectives of reducing auto trips, air pollution, and reuse of existing buildings in the City's core.

Staff invited representatives of the neighborhood community, contractor associations, design professionals. <u>developers</u>, and real estate and business groups to several meetings to solicit comments on these ordinances and the interim zoning controls. There were no objections to the proposed ordinances or controls. Other regulations such as the Administrative Penalty Ordinance will not be affected by the adoption of these ordinances and resolutions. The proposed Model Code ordinances and Interim Zoning Controls would become effective on July 1, 1999.

June 1, 1999

Recommendations

Since State law requires local jurisdictions to re-adopt local amendments whenever a new triennial edition of the State Model codes are enacted and because the proposed new proposed amendments will enhance blight abatement and facilitate conversion of underused existing commercial buildings to residentially oriented live work uses, staff recommends that this report be approved by the Committee and forwarded to the City Council for adoption of the ordinances and resolutions.

Respectfully submitted,

Columbion

For WILLIAM E. CLAGGETT Executive Agency Director Community and Economic Development Agency

Prepared by: Calvin N. Wong Director, Building Services

APPROVED FOR FORWARDING TO THE PUBLIC WORKS COMMITTEE

Office of the City Manager

COMMUNE & ECONOMIC DEVELOPMENT CMTE 2003

PUBLIC WORKS CMTE