

DENSITY BONUS ORDINANCE UPDATES

AMEND THE OAKLAND PLANNING CODE TO UPDATE CHAPTER 17.107
DENSITY BONUS AND INCENTIVE PROCEDURE.



CITY OF OAKLAND
PLANNING & BUILDING DEPARTMENT

DENSITY BONUS

- Permitted ***increase in density*** over the maximum otherwise allowed by the City.
- Provides an incentive to developers to ***construct affordable housing*** or provide other amenities desired by the City, such as childcare and senior housing.
- ***California State Density Bonus Law*** requires cities and counties to grant density bonuses to developers who construct a minimum percentage of below market rate or “affordable” housing units to very low- or low-income households or senior housing.
- Every city and county is required to adopt an ordinance that specifies how the jurisdiction will implement the state law.

BACKGROUND

- 2001 – Oakland City Council first adopted ordinance to implement Chapter 17.107 – Density Bonus and Incentive Procedure of the Oakland Planning Code
- 2014 – Oakland City Council adopted Ordinance No. 13224 C.M.S., amending the City’s Planning Code to update Chapter 17.107 Density Bonus and Incentive Procedure
 - To comply with new statutory requirements at the time
 - To fulfill the requirement of the City’s 2007-2014 Housing Element
- 2014 – 2020 – Several changes to State Law
 - Replacement unit requirement
 - Reduced parking ratios
 - Expanded categories of specialized housing
 - Processing requirements for density bonus applications
- 2021 - New State legislation
 - AB 2345 (effective January 1, 2021) made significant changes to the State Density Bonus Law
 - June 16, 2021 – Planning Commission Hearing and recommendation that the City Council adopt amendments to the Planning Code to update Chapter 17.107, Density Bonus and Incentive Procedure.
- Proposed revisions to the Oakland Planning Code – Chapter 17.107 Density Bonus and Incentive Procedure will align them with the current California statutes

SUMMARY OF CHANGES

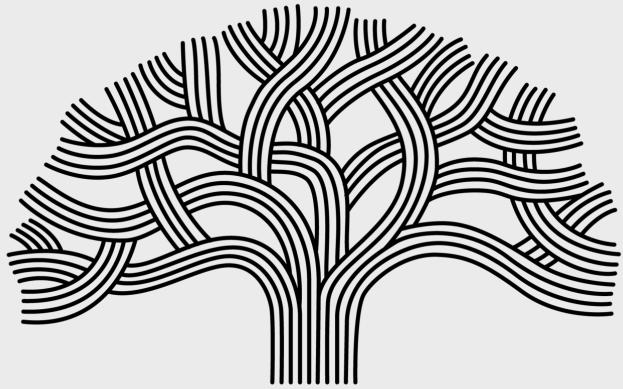
- Section 17.107.040: Updated thresholds for granting of density bonus, incentives or concessions, waivers, and parking ratio reductions when a developer agrees to construct a residential housing development with one of the following 7 categories:
 - 10% of units for Lower Income Household
 - 5% of units for Very Low Income Household
 - A Senior Citizen Housing Development
 - 10% of units in a common interest development for persons and families of Moderate Income Household (for purchase and not for rental)
 - 10% of units for transitional foster use, disabled veterans, or homeless persons
 - 20% of units for lower income students in a student housing development
- 100% of units are made available as affordable housing for lower income Household (20% of units maybe be available for Moderate Income Household)
- Thresholds for the categories are **set by state law**, therefore the City of Oakland cannot adopt a density bonus ordinance that requires higher thresholds for affordable housing.

SUMMARY OF CHANGES

- Section 17.107.030: Revisions to clarify and describe the City's application process
- Section 17.107.040.J: Methodology for calculating the density bonus
- Section 17.107.045: New section to implement the replacement unit requirements
- Section 17.107.080: updates to the State-law permitted density incentives or concessions (simply referred to as incentives under the revised Density Bonus Ordinance), waivers or reductions of development standards, and reduced parking ratios
- Sections 17.107.105 through 17.107.114: Quality and affordability requirements for the affordable units included in the proposed development
- Section 17.107.120: Parking ratio reductions that can be requested by the developer if the project meets the eligibility criteria for a density bonus

ENVIRONMENTAL DETERMINATION

- No possibility of a significant effect on the environment – Categorically exempt from environmental review pursuant to Section 15061(b)(3) (general rule, no significant effect on the environment) and 15183 (projects consistent with General Plan and Zoning) of the CEQA Guidelines
- Planning Code amendments specify how the City will comply with and implement State density bonus law, and adoption is required pursuant to Government Code Section 65915(a). The bonuses, incentives, and waivers permitted by the ordinance are required by State law and the State law effective January 1, 2021, and the proposed amendments do not permit any bonuses, incentives, or waivers greater than those allowed by State Law.



CITY OF OAKLAND

THANK YOU!

RECOMMENDED ACTION

Conduct A Public Hearing And Upon Conclusion Adopt An Ordinance, As Recommended By The Planning Commission, Amending The Oakland Planning Code To Update Chapter 17.107 Density Bonus And Incentive Procedure