



SPUR

San Francisco | San Jose | Oakland

April 6, 2016

Rachel Flynn
Director of Planning and Building at City of Oakland
Citywide and Strategic Planning Division
City of Oakland
250 Frank H. Ogawa Plaza, Suite 3315
Oakland, CA 94612

RE: Downtown Oakland Specific Plan Alternatives Report

Dear Rachel:

Thank you for the opportunity to comment on the Downtown Oakland Specific Plan Alternatives Report. SPUR is pleased that the planning department is crafting a long-term plan that treats Downtown Oakland holistically and we commend planning staff for their diligent work on the draft alternatives as well as their dedication to community outreach and input.

Overall SPUR supports this planning process and many of the recommendations put forth so far. Furthermore, we agree with many of the proposed improvements, including the following: streetscape renovation, ground floor activation, energizing dead zones and significant infill development. Overall, this plan provides reasonable recommendations and its guidance will greatly benefit Downtown Oakland and the Bay Area as a whole.

Nevertheless, SPUR believes that the alternatives report — which appears to be a major downzoning — is too timid. Downtown Oakland is at a key moment in its history. Public and private investment have sparked a renaissance in which empty buildings are being renovated and cultural venues, art galleries, restaurants, bars and retail stores are thriving. The population and job base are growing, companies are relocating or expanding downtown and commercial vacancies are declining.

But downtown Oakland remains in a bind. The current revival has not yet been robust enough to attract new construction so some of the institutions and individuals responsible for the renaissance as well as long-time residents and businesses are being displaced. This is harming Oakland's character and makes it more difficult for Oaklanders to remain and be part of this special place. Without significant new development, this phenomenon of 'displacement without development' will continue. SPUR's hope is that this Downtown Specific Plan can help chart the way out of this bind by stimulating growth that can create new space for housing at all levels,

generate public benefits and provide room for small businesses, arts organizations, and industrial users to thrive.

Now is the time to prepare a bold vision for the future that enables Oakland to grow into its role as a major regional center with significantly more employment, residents and visitors than today. This downtown specific plan should be about how to shape that future in a way that achieves an equitable downtown with significant benefits for everyone.

We also think it is important to remember that two of the biggest tools a city has to shape a downtown are in its land use policies (i.e. zoning) and its transportation policies (i.e. particularly how to allocate space on the streets). This plan should set forth a clear vision for downtown's future that makes effective use of zoning and street design towards the realization of that vision.

In our report, "A Downtown for Everyone" we struggled with all the same issues that are present in the Plan Alternatives report. As a way forward, we identified a series of principles that shape our thinking about downtown Oakland and could be used to help inform this specific plan.

Our six principles are:

1. Downtown should welcome everyone.
2. Downtown should encourage a wide mix of jobs, residents, nightlife and cultural activities.
3. Downtown should strengthen its history, culture and character as it grows.
4. Downtown should generate taxes and investment that allow everyone to benefit from economic growth downtown.
5. Downtown should prioritize getting around by walking, biking or taking transit for everyone, regardless of income.
6. Downtown should embrace its role as an increasingly important regional center.

With these introductory comments, we offer the following recommendations. Many of them suggest that the city should develop a additional "third" alternative that is bolder and more ambitious than the two already included.

Our comments and recommendations are organized around five topic areas and we hope they merit your continued attention as you finalize a preferred alternative.

Growth and Development

Oakland is the third largest city in the Bay Area and home to slightly more than 400,000 people, with many more projected to live and work here in the future. Downtown Oakland is the urban core of this city, a major regional transit hub and holds the potential to be a much larger revenue-generating job center. To achieve this vision, SPUR believes that it is imperative to plan for more intense activity downtown. As we stated in our "A Downtown for Everyone" report, downtown Oakland should bring in at least 25,000 new residents and 50,000 more jobs. These numerical goals were meant as a vision for a larger downtown – but not as a ceiling on growth. In fact, more recent growth figures from the Association of Bay Area Government (ABAG) suggest that

greater downtown Oakland should be planning for up to as many as 140,000 new jobs.¹ Allowing for significant job growth in downtown is key to achieving an equity vision. Not only is downtown Oakland one of the region's only truly transit-oriented and accessible job centers, but downtown job centers offer a wide range of occupations across industries that cater to different skill levels. The key to achieving the equity vision is both adding lots of jobs near transit in combination with a robust workforce system that includes pathways for lower-wage workers to move into middle-wage jobs.²

As written, the Plan Alternatives Report proposes an overall downzoning of the growth potential of downtown. The highest growth alternative allows for less than 6.7 million square feet of new office development — or enough space for less than 44,000 workers (based on 150 square feet per worker).³ It is important to acknowledge that the development capacity in a plan or zoning code is a theoretical maximum that is seldom, if ever, reached in practice. The plan's zoning should be sufficient to shape and accommodate growth over several decades. This issue is exacerbated in this case by the plan's inclusion of large, visionary projects (such as Howard Terminal and I-980) whose implementation would be far into the future. We can and should do more to accommodate growth in the near and medium term and ensure that downtown does not have an unnecessary cap on total development.

In addition, the “Illustrating the Vision” section makes a broad statement about context-sensitivity, which runs throughout the entire report. We agree that it is important for new buildings to be designed with an awareness of their surrounding context. But we don't think we should require new buildings to be small just because they are next to other small buildings. Context-sensitive design in a major regional downtown center needs to accommodate scale changes like taller buildings next to shorter buildings or else we will lock downtown Oakland into a pattern of under-built blocks that will never achieve the “critical mass” necessary to achieve a vibrant pedestrian street life.

We recommend the following:

1. Add a third scenario to the plan that provides sufficient zoned capacity for downtown to develop with more affordable growth to its fullest potential. Specifically, we would highlight the City Center Area, Lake Merritt Office District and the Broadway Corridor as good locations for taller buildings and higher intensities of use. This will take advantage of the already existing transit infrastructure without unduly affecting the residential areas contained in the plan area.
2. Eliminate proposed height reductions throughout most of the plan area, except when explained by important urban design or other considerations. Consider retaining the existing zoning controls, just adopted in 2008.
3. Eliminate the existing density limits for residential development based on square feet per parcel.

¹ Note: The ABAG figures cover a slightly larger area and assume an existing employment base of 98,000 jobs, which is larger than what currently exists in the downtown specific plan area.

² See the Bay Area *Economic Prosperity Strategy*: <http://www.spur.org/publications/spur-report/2014-10-01/economic-prosperity-strategy>

³ For sake of comparison, downtown San Jose is proposing a rezoning of their downtown that will accommodate an additional 17.5 million square feet of office space on top of a smaller base.

4. Exclude the development of Howard Terminal and I-980 from housing or job goals. The future of these areas is unresolved and it should not be assumed that the visions proposed for these areas will materialize any time soon. We support the inclusion of these areas, but think they should be treated as long-term goals.

Neighborhood Character

The plan separates downtown into nine distinct neighborhoods, stating: “Downtown Oakland is comprised of many neighborhoods, each with unique characteristics and opportunities for future preservation, growth and evolution” (Plan Alternatives Report page 5.2). While we agree that different parts of downtown have differing characters, we believe that the report’s exclusive use of the distinct geographies, with little consideration of an organizing vision for the downtown as a whole, has the potential to limit the plan’s cohesiveness and reinforce the relatively dispersed identity of downtown. We believe more should be done to develop policies based on a clear analysis of the assets and opportunities in each neighborhood, in explicit relation to a clear set of policy goals for downtown overall.

We recommend the following:

5. Identify a strong organizing vision and policy agenda for Downtown Oakland as a whole.
6. Present overall plan growth capacity and other aggregate statistics upfront for downtown as a whole, not only for the sub-areas.
7. Present an analysis of the assets, challenges, and opportunities within each district, drawing on land use, transportation resources, demographics, market trends, institutions, and community priorities.
8. Consider specific policies to preserve existing low-income housing in the downtown core, including the Single-Room Occupancy hotels (SROs).
9. Present an analysis of historic assets, including potential landmark buildings and potential historic districts. SPUR believes landmarked buildings and clearly defined districts should be protected, but new buildings throughout the Downtown Plan as a whole should not be predicated on matching the heights and bulks of existing structures. An analysis that clearly defines historic assets will help distinguish which specific historic buildings and districts require protection and which do not. Allow for taller buildings adjacent to smaller historic buildings.
10. Revise the building types presented to reflect contemporary development and design practices as well as include denser and taller buildings.
11. Present policies for each district that flow directly from all items listed. Where these priorities are in tension, carefully explain the balance being sought and seek creative policy approaches that can deliver the best possible outcome. For example, areas where arts preservation is a particular concern might include special ground-floor zoning that allows fabrication or studio space and only limited retail. Areas with particularly significant historic resources should include guidelines for sensitive integration of new structures. But in both of those cases, significant growth should be accommodated, in keeping with the broader vision of a thriving, walkable downtown job center.

Land Use and Parking

We believe downtown should have a mix of uses and we are generally agnostic about where they go, provided there is good physical planning and active ground floors. For instance, industry and manufacturing are part of the fabric of downtown. Ground floors should be activated with a mix of uses, including industry and manufacturing. For the most part, we recommend deferring to the market to decide what uses are feasible in any given place. Doing so will spur new development, because it allows developers to phase in uses as they become economically viable.

However, it is important to make two exceptions: one to account for the delay in market viability of office uses and one to account for the differential in rents and land values between industrial and residential uses. In addition, the plan proposes development in line with current heights without clear rationale for those heights; further analysis should be conducted regarding context-sensitive development.

We recommend the following:

12. Reserve key parcels of greater than 20,000 square feet for employment (likely high rise office development) to ensure space for jobs and increase transit use. This is particularly important for sites near BART and/or within existing employment areas such as within City Center, along Broadway or in the Lake Merritt Office District
13. Encourage industrial uses on the ground floor in the Jack London District.
14. Enhance the survey of historic buildings downtown and include information such as historic value, occupancy status and the potential to change the building use (e.g. commercial to residential). Having an improved survey will clarify to investors and developers what their rights and restrictions are when investing in existing buildings and would provide clear definition to the historic preservation community.
15. Eliminate both minimum parking requirements and the “in-lieu” parking fee for new development. The city should also consider moving towards a parking maximum, as measured by either a percent of gross building square footage or spaces per unit (in the case of a residential project).
16. Control the design of any new parking downtown to minimize its visual impact. Wherever parking is built above ground, in the podium of a building, it should never be exposed to the street and the parking structure should be wrapped with other uses such as retail, office or housing.
17. Pursue charging a fee on surface parking lots downtown as a small incentive to encourage owners of surface lots to redevelop them into office buildings, housing and other uses.

Transportation

The Specific Plan should offer a cohesive vision for how people can get around their city without a car and that involves significant rethinking of streets and roads. Cities that wait too long to redesign their streets face major difficulties in implementing their plans. Downtown roads and streets are not congested with autos today, which means space could be used to improve walking and biking and make transit more efficient — enabling downtown to grow without adding more cars. Unlike many cities, Oakland could increase density without facing contentious trade-offs between cars, transit, bikes and pedestrians.

Although many of the transportation concepts listed in the draft report have merit, they are presented as community feedback and not set in a clear policy framework that can guide future decisions.

For example, the plan proposes converting most one-way streets to two-way as part of the vision for connectivity and access. While we are generally in favor of converting some one-way to two-way streets, as depicted in Figures E-19 and E-32, careful analysis should be done to ensure where this is most appropriate and why. There are also a number of configurations that serve the same purpose. For instance, converting a multi-lane one-way street to a one-lane one-way street with back-in angled parking and a two-way cycle track would improve connectivity for bicyclists, reduce pedestrian exposure and potential for multiple-threat collisions, create a buffer for people on the sidewalks and reduce traffic speed and volume. Also, intersections with one-way streets typically require fewer signal phases and shorter cycle lengths to accommodate vehicular movements, which allow for more pedestrian-friendly signal timing. Not every street is appropriate for a one-way to two-way conversion.

In addition, the downtown plan should more carefully discuss a streetcar line. The case is not made sufficiently for the streetcar as either a mobility solution or an economic development tool. If for mobility, the plan should consider the ability of the streetcar to meet people's needs relative to other investments such as improving bus service, expanding bike share and other sharing programs, or even specialized shuttle programs (like the Emery Go Round). Streetcars lack the fluidity and flexibility of other modes, particularly as other transit vehicles can get stuck behind them. If the streetcar is proposed as an economic development tool, it should also be evaluated against other economic development investments. Downtown Oakland might indeed benefit from a streetcar, however, the case has not yet been made.

More discussion is also required on the transit network serving Oakland, including BART and the Capital Corridor rail connections through Jack London to Sacramento and San Jose.

The city's new Department of Transportation's Strategic Plan vision and priorities should be reflected in the Downtown Specific Plan. The DOT should help identify funding for the many infrastructure projects currently under construction downtown.

We recommend the following:

18. Present a clear policy framework for a multi-modal transportation network building on Oakland's remarkable assets.
19. Set goals for what modes people will use to arrive and get around in downtown Oakland.
20. Develop a vision for surface transit in downtown Oakland in partnership with AC Transit.
21. Develop an approach to multi-modal wayfinding, making it easy for people to get around without a car. For example: The 28 bus lines that run on Broadway provide an extremely high level of bus service, but bus stops and lines are poorly organized and hard to understand for new visitors or others unfamiliar with the network.
22. Develop an overarching set of criteria for when to convert one-way streets to two-way.

23. Explain the role of the streetcar in the transit network and what markets it serves. Explain how it integrates with other modes on the streets it operates on and at the stations it serves.
24. Remove the Broadway off-ramp because it is superfluous and a major obstacle for walking and biking safely.
25. Add discussion of delivery and goods movement. There should be analysis of transportation needs for freight/delivery vehicles and loading/unloading policies (e.g. time of day delivery restrictions). Such policies could help improve circulation and safety by reducing double parking and potential for conflicts with other users.
26. Incorporate emerging transportation services and technology. For example: ride sharing, jitneys, private shuttle buses, e-bikes and bikesharing. These new types of mobility present an opportunity for downtown but it requires the City to be proactive — especially given the rapid rise of shared mobility services and related pick-up and drop-off activity.
27. Add discussion about curb space management and passenger loading/unloading.

Public Benefits

As we noted in our report, “A Downtown for Everyone,” downtown should generate taxes and investment that allow everyone to benefit from economic growth. Downtown Oakland offers many opportunities to generate revenue that can pay for needed services across Oakland. New workers in downtown become new customers for retailers, restaurants, bars and entertainment venues, boosting revenue from sales tax. New residential and commercial developments pay higher property taxes, as well as one-time development fees. With additional revenue from these sources, the city would be able to better fund public safety improvements, provide more amenities like parks and recreation services, build more affordable housing and properly maintain infrastructure throughout the city. At the same time, Oakland and its leaders have to thread the needle of attracting economic growth without losing existing residents and businesses.

We are skeptical of the claim that more public benefits can be extracted by downzoning building heights and then selling height increases back in exchange for public benefits. One implication of this downzoning is that some developers will simply build shorter buildings. We do acknowledge that considerations such as historic preservation can benefit from a transfer of development rights scheme and that is only possible if developers can purchase unused air rights from a historic property.

We recommend the following:

28. Consider all the potential public benefits that will be paid by new development and add them together as a total set of costs. For example, the plan should acknowledge existing and proposed public benefits such as the public art requirement and the upcoming impact fee (for residential development). Ultimately, the issue of public benefits is one of what developers can pay while still going forward within downtown. The city should also consider requiring benefits as a percent of total development and/or on a per unit basis.
29. Create Enhanced Infrastructure Finance Districts (EIFDs) and use the tax increment generated from new development to finance new infrastructure projects.

30. Build in triggers for adding additional public benefits over time, as development feasibility grows. As SPUR recommended in our “A Downtown for Everyone” report, it would be appropriate to have a performance-based plan. One metric of performance is the market strength of development in downtown and the ability for new development to pay for added public benefits.

We support much of what is included in the Downtown Oakland Specific Plan Alternatives Report and appreciate the opportunity to engage in this planning process. We look forward to continued collaboration with the City and other stakeholders on implementing this plan.

Regards,

A handwritten signature in black ink, appearing to be 'GT' with a long horizontal stroke extending to the right.

Egon Terplan, Regional Planning Director
SPUR

A handwritten signature in black ink, appearing to be 'RO' with a long horizontal stroke extending to the right.

Robert Ogilvie, Oakland Director
SPUR

cc: Board of Directors, SPUR Oakland