July 18, 2012

Location:	Central Estuary Area which is bounded by 19th Avenue to the north, 54th Avenue to the south, I-880 to the east and the Bay to the west.
Proposal:	Per the City Council's direction, the City of Oakland is creating the Central Estuary Implementation Guide (CEIG) as called for in Policy MF-2 of the City of Oakland General Plan Estuary Policy Plan for the Oakland Central Estuary Area. Staff will present the Draft CEIG and associated Draft Zoning Chapter, Draft Design Guidelines and Draft General Plan Estuary Policy Plan Amendments.
Applicant:	Department of Planning, Building and Neighborhood Preservation
Case File Numbers:	**ER11-0016/ ZT12109 / GP12110**
General Plan:	Waterfront
Estuary Policy Plan:	Light Industry-2, Waterfront Commercial Recreation-2, Planned Waterfront Development-2, Residential Mixed Use, Heavy Industrial, and General Commercial-1, Light Industry-3, Planned Waterfront Development-3, Parks
Zoning:	M-30 General Industrial, M-40 Heavy Industrial, and HBX-3 Housing and Business Mix
Service Delivery District:	3, 4, 5
City Council District:	5
Action to be Taken:	Recommend draft documents be forwarded to full Planning Commission
For Further Information:	Contact Alicia Parker at **510-238-3362,** aparker@oaklandnet.com

SUMMARY

The City of Oakland is preparing the Central Estuary Implementation Guide (CEIG) and related documents to guide future development in the Central Estuary Area. The project focuses on ten sub-districts within the larger Estuary area where some land use change from existing conditions is anticipated. The project entails the rezoning of these areas consistent with direction from the Estuary Policy Plan, as well as General Plan (GP) Amendments to: (1) update existing GP goals and strategies to reflect the direction established in the Central Estuary Implementation Guide, and (2) increase the allowable Floor Area Ratios. In addition, the Draft CEIG includes proposed design guidelines and development standards for the various subareas. A Supplemental Environmental Impact Report is currently in preparation.

BACKGROUND

The Draft Central Estuary Implementation Guide (CEIG) is intended as a companion to the City of Oakland's 1999 **Estuary Policy Plan (EPP).** The EPP serves as part of the Oakland General Plan for pertinent waterfront areas. An "Implementation Guide" is called for in Policy MF-2 of the Estuary Policy Plan. The CEIG identifies specific steps to be undertaken to implement the recommendations of the EPP. These include detailed strategies and work programs to create and implement projects, site design and development standards, funding and institutional strategies, and other administrative steps necessary to carry out EPP recommendations.

In 2008, the City established a **Citywide Industrial Land Use Policy,** based on Council direction, aimed at preserving certain industrial areas and establishing a more integrated and predictable approach to the management of industrial lands in Oakland. In the final 2008 report recommending the adoption of the Industrial Land Use Policy, staff recommended that the City Council not make a recommendation about the future of the Policy Sub-Areas that falls within the Central Estuary, as the CEIG planning process would analyze them in depth and make recommendations regarding appropriate uses.

On December 9, 2008, the Oakland City Council initiated a planning process for the Central Estuary to develop a coordinated vision for the future development of the area that would address infrastructure deficiencies and conflicting land uses. The CEIG and the related zoning and Estuary Policy Plan amendments and Supplemental Environmental Impact Report will provide the policy framework for improving the area.

As part of the public outreach effort, six community workshops were held between March and November 2009. Initial workshops focused on developing a shared vision statement for the area, and subsequent workshops involved hands-on small group activities to develop and evaluate land use and transportation alternatives and reach consensus on a community-preferred alternative. Technical analysis of the alternatives included land use, transportation, sustainability, public health and fiscal impact analyses.

The three alternative concepts and a draft community preferred alternative were presented for comment at hearings of the Parks and Recreation Advisory Commission, Landmarks Preservation Advisory Board, Planning Commission, Community & Economic Development (CED) Committee, and City Council between December 2009 and July 2010.

The CED Committee discussed modifications to the community preferred alternative including the proposed land uses envisioned for the Owens Brockway site and the south of Tidewater area; there was general consensus about the proposals for the areas west of Fruitvale Avenue that were part of the community preferred alternative. On July 20, 2010, the City Council adopted the following land use alternative (in Resolution 82944; illustrated in **Attachment A**) which represents less change from existing conditions than envisioned during the community outreach process of 2009:

(1) West Subarea: mixed-use infill, strengthening the existing specialty food producing industrial area;
(2) Central West Subarea: preservation of the existing neighborhood including live/work uses;
(3) Central-East Subarea: no change from existing conditions at the Owens Brockway site and retail/commercial use between High Street and (the new alignment for) 42nd Street; and
(4) East Subarea: commercial-industrial mix, similar to the existing CIX-1 zone, in the area at the tip of Tidewater Ave., adjacent to Martin Luther King Jr. Regional Shoreline Park, with research and development (R&D) uses to the north and west.

Planning Context

The Oakland Estuary waterfront is a significant citywide and regional resource that connects the City of Oakland and the surrounding region to the San Francisco Bay. The Central Estuary, the focus of the Draft CEIG, is an area generally encompassed by 19th Ave. to the north, 54th Ave. to the south, I-880 to the east and the Oakland Estuary to the west. The landside portion of the Central Estuary area is roughly 416 acres.

The Oakland Estuary waterfront has experienced significant development interest in recent years. However, a number of physical and policy challenges, including conflicting land use priorities and essential infrastructure deficiencies, have highlighted the need for a formal and district-wide planning process. A significant citywide challenge of the last decade has been the importance of preserving a healthy diversity of employment and industry in Oakland. Historically, many industries have depended on waterfront access for raw materials or distribution, and some of the industrial uses in the Estuary Area do to this day. As a result, the area was historically predominantly zoned for industrial use, and a number of well-established industrial uses remain.

In recent years, residential development interests have focused on industrial areas throughout the City because of the relative affordability of large land parcels, and the Central Estuary waterfront has been particularly appealing because of its attractive views and central location. At the same time, the desire to increase public access to and recreational use of the City's waterfront adds another potentially conflicting demand on this area. The CEIG is intended to address these many demands by clarifying City policy for this dynamic area.

Planning for the Central Estuary is further complicated by the complexity of the area, where conditions vary markedly by sub-district. For the purposes of the Draft CEIG, the area has been divided into 10 sub-districts, as shown in **Attachment B** and described below.

- **Embarcadero Cove:** this waterfront area currently includes a number of commercial and recreational uses, predominantly oriented to the waterfront. Among these are office spaces, commercial retail and services including Port of Oakland-owned offices and Quinn's Lighthouse. There are also a number of marine activity-related facilities. The waterfront orientation and constrained parcel depth make this area well suited for continued commercial-recreational and water-dependent uses.
- **Mixed-Use Triangle:** this area includes an office development owned by Alameda County, a private school, and other commercial and industrial uses. Many of the early industrial and warehouse buildings have remained intact, salvaged by adaptive reuse into lofts, live-work, offices and educational facilities. The pattern of land uses is relatively fine-grained, with some older structures and smaller increments of development oriented to the street. Additional adaptive reuse, and new educational, office and commercial uses should be encouraged, as well as multi-family residential and work/live units, where these uses would not create land use conflicts with existing industrial activities.
- **Food Industry Cluster:** this area is generally characterized by light industrial and service uses, and larger scale food processing and food warehousing/distribution operations. Food processing is a major source of employment in this portion of the waterfront, with some 450 individuals employed, many in skilled positions. Manufacturing and food processing/distribution should be encouraged, both for incubator businesses as well as for established and growing concerns.
- **Con-Agra:** this area, primarily in heavy industrial use, is dominated by the 11-acre Con-Agra facility, which mills grain for flour that is distributed throughout the Bay area and Northern

California. Cemex and Star Marine are two other large operators immediately adjacent to the Con-Agra facility. While the area historically attracted construction-related uses because of barge access via the Estuary, these business operations remain in the area today largely because of its central location and good freeway accessibility, and because of investments in existing facilities. Policies encourage heavy industry in the vicinity of the Con-Agra plant to continue, while providing for the transition to a mix of new uses if heavy industrial users choose to relocate.

- **Union Point Park:** a 10-acre waterfront park that was completed in late 2005 and expanded in 2010, offering spectacular views of the marina and Estuary, waterfront access, park activities and open space.
- **Jingletown/Elmwood:** the area between 23rd and Fruitvale Avenues, and along Elmwood Avenue east of Fruitvale Avenue, includes a substantial amount of residential mixed in with lower-intensity and smaller scale industrial and commercial uses. The area is home to an increasingly vibrant residential and artist population. Housing includes work/live spaces in renovated warehouses as well as single-family bungalows, houses and more recently developed multi-family housing. A mixture of residential, live/work, work/live, light industrial and neighborhood-serving uses should be maintained in the future, with an emphasis on affordability, livability, and an enhanced relationship with the Estuary.
- **Owens/Brockway:** this site consists of approximately 28 acres of land devoted entirely to the business of glass recycling and manufacturing. These operations are expected to remain viable for the foreseeable future. Improvements along the edges of the Owens-Brockway plant should be undertaken to establish a more positive relationship with surrounding uses, including the neighborhood and the waterfront.
- **High Street Retail:** this commercial center includes a Home Depot and various other commercial uses, including a gym. This is a relatively successful regional commercial destination that capitalizes on its close proximity to the I-880 and High Street, capturing traffic from both the Estuary area and Alameda. At the 42nd Street interchange, there is the opportunity for the expansion and development of new commercial activities that are oriented to both regional and local markets. Specific uses that should be encouraged in this area include region-serving retail, office, general commercial, and light industrial. Street-facing retail uses along High Street, and landscaping and streetscape improvements should be incorporated into all new development, subject to development standards and design guidelines developed for the Central Estuary Area.
- **High Street Warehouse Wedge:** On the east side of Alameda Avenue, the Brinks warehouse and a cluster of small-scale light industrial uses and warehouses are located along the Estuary, impeding public access opportunities. While Bay Trail segments have been completed along some of these uses, a portion of the waterfront remains inaccessible. Public access opportunities should be pursued over time along the shoreline.
- **Tidewater North:** This portion of the Central Estuary District functions as a service support area, with links to the adjacent Coliseum area. It supports wholesale and retail businesses, container storage, and smaller industrial uses. In addition, Pacific Gas & Electric (PG&E) and East Bay Municipal Utility District (EBMUD) have service facilities within this area. Current uses and activities should be maintained and encouraged, but there are opportunities to intensify underutilized sites, now used for equipment and container storage. These sites should be targeted for redevelopment as industrial and service-oriented uses, which would contribute to the overall viability of the area.
- **Tidewater South:** This area is unique in that it adjoins Martin Luther King Jr. Regional Shoreline, one of the larger assemblies of waterfront open space within the Estuary. The East Bay Regional Parks District (EBRPD) continues to develop the MLK Regional Shoreline, including the Tidewater Aquatic Center completed in 2009. Economic development objectives for this sub-district can be realized by deemphasizing service, storage and heavy industry and focusing more on employment-intensive uses that are more complementary with the public nature of the waterfront. Successful

development will require an effort to balance competing objectives brought about by the proximity of the sites to regional park and nearby utility facilities.

REGULATORY AND POLICY FRAMEWORK

Citywide policies, such as the City General Plan and zoning, as well as a number of other plans and studies that have focused on the Estuary area, define the potential future for the Central Estuary.

General Plan and Estuary Policy Plan

The Land Use and Transportation Element (LUTE) of the Oakland General Plan, entitled *Envision Oakland*, outlines a long-range vision for land use and transportation in the City of Oakland. Adopted in 1998, the General Plan LUTE was designed to emphasize integration of planning, economic development, and implementation, and spur a commitment to action while serving as the ongoing policy guide regarding physical development for the City. The LUTE defined a number of subsequent planning efforts that would be required to complete this process and further delineate the vision for certain areas, including the waterfront in particular. The General Plan LUTE includes policies and detail applicable to the Central Estuary, most notably the recommendation for a subsequent planning effort that created the Estuary Policy Plan.

The **Land Use and Transportation Element (LUTE)** of the General Plan also recommends that future residential growth in Oakland be targeted to areas with high transit connectivity (Transit Oriented Districts) and the waterfront, and suggests that land uses, densities, and transportation systems be planned to support increased development in these areas. It identifies the importance of regional commercial uses in Oakland's future, and suggests the waterfront as one opportune location for these uses. Key goals and policies address the importance of increasing public access to the waterfront and better connecting waterfront areas to the rest of the city, integration of mixed-use development with adjacent land uses, and defining the type, density, and quality of development that should be encouraged along the waterfront.

The City of Oakland's **Bicycle and Pedestrian Master Plans** provide important policy guidance for bike and pedestrian connections throughout the City. The Bicycle Master Plan includes policies and implementation measures to create safe bicycling opportunities. The Pedestrian Master Plan sets forth the policy, design standards and implementation plan to create a pedestrian friendly environment. Both of these plans contain recommendations applicable to the Central Estuary Area.

The **Shoreline and Creeks** section of the **Open Space, Conservation and Recreation (OSCAR) Element** of the Oakland General Plan includes policies and actions that emphasize the Jack London to High Street waterfront as an opportunity area for improved public access, recreational amenities, and land uses which capitalize on the waterfront's presence. This section recognizes two significant challenges to improving the waterfront: (1) the tenuous balance between the importance of increasing access to the waterfront without interrupting active and essential maritime uses, and (2) the challenge of creating linkages to bring the rest of the City to the waterfront. The section proposes the promotion of some beneficial waterfront uses, such as

maritime industry, and coordinated waterfront planning in balance with the increased dedication of accessible shoreline.

Because of the long history of the Central Estuary as a vibrant industrial and residential district of the City, a number of policies of the **Historic Preservation Element** of the Oakland General Plan also apply to the area. In recent decades, large numbers of Oakland's historic properties have been allowed to deteriorate, experience adverse alterations or be demolished. The Historic Preservation Element envisions that preservation and enhancement of significant historic properties could contribute to Oakland's economy, affordable housing stock, overall image, and quality of life. The Historic Preservation Element also aims to clarify and revise many of the City's past historic preservation regulations that created unnecessary burdens and uncertainties for property owners and developers.

The General Plan LUTE established important general goals and policies for the waterfront and created a single broad land use designation, "Waterfront," which is applied to the entire Estuary waterfront, including the Central Estuary. The **Estuary Policy Plan** (EPP), adopted in June 1999, is an element of the General Plan that sets forth policies and principles to guide development in the Estuary area, refining and superseding the policy guidance for this area contained in the City's General Plan LUTE. Since the 1999 Estuary Policy Plan was adopted, the two other districts included the EPP, the Jack London District and Oak to Ninth, have undergone significant redevelopment and planning.

The EPP divided the Estuary Area into three districts: Jack London, Oak to Ninth, and 'San Antonio/Fruitvale' (since re-named the Central Estuary). The EPP also recommended nineteen unique land use designations for the Estuary Waterfront, which supersede and subdivide the broad Waterfront designation of the General Plan LUTE into more fine-grained land use areas. The existing EPP land use designations for the Central Estuary consist of Light Industrial, Planned Waterfront Development, Residential Mixed Use, Heavy Industrial, and General Commercial and variations thereof.

Zoning Regulations

With the exception of the Housing and Business Mix (HBX-3) zone adopted in 2006, much of the zoning for the Central Estuary, largely put in place in the 1960's, was never updated to be in conformance with the EPP land use designations. The existing zoning for the Central Estuary is primarily M-40 Heavy Industrial, with a sliver of M-30 General Industrial, and the designation of HBX-3 Housing and Business Mix, in the residential area known as Jingletown/Elmwood. The Housing and Business Mix (HBX-3) zone is intended to provide development standards for areas that have a mix of industrial, heavy commercial and higher density residential development. This zone is intended to promote housing with a strong presence of commercial and industrial activities.

Citywide Industrial Land Use Policy

As numerous areas throughout the region and the City have converted from industrial to residential use, industrial land has become both increasingly scarce and increasingly important to maintaining the city's diversity. In 2008, the City established a Citywide Industrial Land Use

Policy, based on Council direction, aimed at preserving certain industrial areas and establishing a more integrated and predictable approach to the management of industrial lands in Oakland.

In the recommendations of the Industrial Land Use Policy the Central Estuary is divided between two different Policy Sub-Areas (4 and 11a). Policy Sub-Area 4, which falls within the eastern portion of the Central Estuary, was identified in the Estuary Policy Plan (EPP) as moving towards industrial business park. The Industrial Land Use Policy, on the other hand, found that industrial uses on the upper part of High Street between Tidewater and the 1-880 will likely remain, as more intense uses including residential would further aggravate the existing traffic congestion at High Street and 880 caused by commuters crossing the High Street Bridge from the City of Alameda. The Industrial Land Use Policy also recommended that the Central Estuary retain the core industrial uses south of Embarcadero Cove through Jingletown/Elmwood north (Park Street Bridge), due to the importance of the area for the food production, warehousing and distribution sector, a strong and growing part of the Oakland industrial economy. It also cites the growing presence of craftsmen and artisans in the Jingletown/Elmwood area and their growing importance in Oakland, as well as the need for the material industries that support them.

In the final 2008 report recommending the adoption of the Industrial Land Use Policy, staff recommended that the City Council not make a recommendation about the future of the Policy Sub-Areas that falls within the Central Estuary, as the CEIG planning process would analyze them in depth and make recommendations regarding appropriate uses. Although the Industrial Land Use Policy was never formally adopted by City Council, it remains the City's only industrial land use guidance.

Regional and Other Agency Regulation and Planning Efforts

The San Francisco Bay Trail

One of the most significant current regional planning efforts, the creation of a continuous San Francisco Bay Trail, has many direct implications for the Central Estuary. The *Oakland Waterfront Trail: Bay Trail Feasibility and Design Guidelines* (2003) includes a detailed feasibility study, site plans and design standards for development of a waterfront promenade and Bay Trail alignment along the Oakland Estuary shoreline. Significant resources were invested to develop and partially implement these improvements. Construction of new parks and trail connections is on-going throughout Oakland, but is particularly pronounced within the Central Estuary, as the waterfront is rapidly being transformed by new projects.

Army Corps of Engineers

The Oakland Inner Harbor Tidal Canal (OIHTC), which includes areas of the Estuary to the east of Coast Guard Island, is federal property governed by the United States Army Corps of Engineers (USACE). Some additional waters of the Estuary not considered part of the OIHTC are still regulated by the USACE, though the federal government is not the owner. The USACE is responsible for overseeing, managing, developing and maintaining the nation's water and related environmental resources, including its navigable waterways. As such, any improvements to facilities that come into contact with the Estuary, such as bridges and piers, will require the cooperation of the USACE. Docks, piers and other structures abutting from private parcels along

the Estuary are considered encroachments into federal property where they stretch into the OIHTC and require permits, called Section 404 Permits, and licensing from the USACE for repair, modification, or any new construction.

Bay Conservation and Development Commission
Waterfront development in the Central Estuary, as throughout the Bay Area, is regulated by the San Francisco Bay Conservation and Development Commission (BCDC). BCDC is dedicated to the protection and enhancement of San Francisco Bay and to the encouragement of the Bay's responsible use, through governance of the Bay and its adjacent areas to ensure compliance with federal, State, and regional laws and policies governing the Bay. BCDC has review and permit authority over all land areas in the entire San Francisco Bay that lie within a 100-foot 'Shoreline Band.' Within the Shoreline Band, BCDC ensures that development is consistent with the *San Francisco Bay Plan* and *San Francisco Bay Area Seaport Plan*, as well as the Public Trust Doctrine. BCDC also works to improve public access to the waterfront and along the water's edge as waterfront projects are developed.

Port of Oakland
The Port of Oakland is a major landowner in the Central Estuary. The Oakland City Charter gives the Port the responsibility to own, develop and manage lands along the Estuary on behalf of the California State Lands Commission under the Tidelands Trust. Through this role, the Port has the ability to plan for, permit, and manage development in parts of the Central Estuary governed by the Tidelands Trust. Specifically, the Port acts as the owner of Embarcadero Cove and areas on either side of Embarcadero to the west of Dennison Street. Also, the Port owns Union Point Park, including the Cryer Site Waterfront Park expansion; these properties are leased to the City of Oakland to provide this park.

OVERVIEW OF THE DRAFT CENTRAL ESTUARY IMPLEMENTATION GUIDE

The Draft CEIG presents recommendations related to land use, development, urban design, shoreline access, public spaces, regional circulation, and local street improvements for the Central Estuary waterfront and individual districts within it. **Attachment C** contains the Draft CEIG.

The Visions, Goals and Objectives of the EPP and Draft CEIG aim to retain, encourage and support a diverse and vibrant mix of uses; a destination waterfront; complete, safe and clear transportation connections; and infrastructure to support development.

The Draft CEIG includes the following sections:

- **Section I** includes introductory elements, which provide an overview and summary of the planning process, the planning area and surrounding context, as well as the vision for the Central Estuary and the goals and objectives established for implementation.
- **Section II** describes the land use context and includes an overview of existing land uses, zoning, and General Plan designations, along with a discussion of planned land use changes.
- **Section III** includes a review of existing transportation conditions and recommendations for near-term and long-term improvements, including an introduction to transportation policy and issues.

- **Section IV** describes the existing conditions of infrastructure throughout the Central Estuary and provides recommendations for required upgrades that should occur along with new development in the area.
- **Appendix A** provides policy-level recommendations for future transportation projects throughout the Central Estuary.

Concurrently with the Draft CEIG, proposed **new zoning** has been prepared for the area (See **Attachment D**), consistent with direction from the Estuary Policy Plan (EPP), as well as proposed **General Plan Amendments** (See **Attachment E**), to increase the allowable Floor Area Ratios (FARs) in some areas and update policy language. The Draft CEIG also includes a related document under separate cover, a **Design Review Manual for the Central Estuary** (See **Attachment F**), that contains proposed design guidelines for the various sub-districts.

APPROACH

The proposed new Central Estuary zoning districts are based on the recently adopted Community Commercial zoning districts (CC-2 and CC-3), the Housing and Business Mix zoning district (HBX-3) and the City's Industrial zones (CIX-2 and IG). These base zones have been tailored to meet the intent of the unique area in which they apply. The proposed Central Estuary zoning chapter presents a cohesive set of regulations covering a complex area where conditions vary markedly by sub-district. The regulations have been modified from their base zone (e.g., HBX-3) to reflect the EPP, as well as direction to increase FARs in some areas.

The approach used to develop zoning regulations and implement the EPP in the Central Estuary is presented below, organized by the sub-district within the Central Estuary, shown in **Attachment B**.

Embarcadero Cove. This sub-district is currently zoned M-40. The proposed new zone is based on the CC-3 zone. The EPP General Plan designation is Waterfront Commercial Recreation 2 (WCR-2). No change to residential density is proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 1.0 to 2.0. This change will allow larger buildings than originally contemplated in the EPP, consistent with the type of development envisioned such as hotels.

Mixed Use Triangle. This sub-district is currently zoned M-40. This proposed new zone is based on the HBX-3 zone. The EPP General Plan designation is Light Industry 2 (LI-2). This designation is proposed to be changed to the Residential Mixed Use designation. This would enable mixed use infill including multi-family residential. The permitted density is proposed to be increased to 60 units per acre (up from the maximum intensity of 30 units per acre). The FAR is proposed to be increased from 2.0 to 3.0. These changes will enable development consistent with mixed use infill including commercial and light industrial uses and multi-family residential uses.

Food Industry Cluster. This sub-district is currently zoned M-40 (with a sliver of M-30). The proposed new zone is based on the CIX-2 zone. The EPP General Plan designation is LI-2. No

change to residential density is proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 2.0 to 3.0. The change will allow larger infill development appropriate for the intended uses such as food processing and wholesale distribution.

Con Agra. This sub-district is currently zoned M-40. The EPP General Plan designation is Planned Waterfront Development 2 (PWD-2). The proposed new zone is based on the IG industrial zone. No changes to residential density or FAR are being proposed.

Jingletown/Elmwood. This sub-district is currently zoned HBX-3, which is its base zone. The EPP General Plan designation is Residential Mixed Use (RMU). The EPP allows a density of 40 units/acre; however, the General Plan Conformity Guidelines reference the HBX zoning regulations which contains a density of 60 units/acre for HBX-3. The proposed new residential density is 60 unit per acre, consistent with HBX-3. The FAR is proposed to increase to 3.0. With these proposed changes, new residential development in this area would be allowed at higher densities and potentially taller heights than buildings currently existing in the area.

Owens-Brockway. This sub-district is currently zoned M-40. The EPP General Plan designation is Heavy Industrial (HI). The proposed new zone is based on the IG industrial zone. No change to residential density is being proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 0.75 to 2.0. The change in FAR could eventually result in larger buildings.

High Street Retail. This sub-district is currently zoned M-40. The EPP General Plan designation is General Commercial 1 (GC-1)**.** The proposed new zone is based on the CC-2 commercial zone. No change to residential density is being proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 1.0 to 3.0. The change will facilitate larger buildings relative to existing buildings, allowing for large new buildings that can capitalize on their proximity to the I-880 freeway for attracting potential customers.

High Street Warehouse Wedge. This sub-district is currently zoned M-40. The EPP General Plan designation is General Commercial 1 (GC-1)**.** The proposed new zone is based on the CIX-2 industrial zone. No change to residential density is being proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 1.0 to 3.0. The change will facilitate larger buildings relative to existing buildings.

Tidewater North. This sub-district is currently zoned M-40. The EPP General Plan designation is Light Industry 3 (LI-3). The proposed zone is based on the IG industrial zone. No change to residential density is being proposed (as residential uses are proposed to be prohibited). The FAR is proposed to increase from 0.5 to 2.0. The change will allow larger buildings than currently exist.

Tidewater South. This sub-district is currently zoned M-40. The EPP General Plan designation is Planned Waterfront Development 3 (PWD-3). The proposed new zone is based on the CIX-2 industrial zone. No change to residential density is being proposed (as residential uses are

proposed to be prohibited). The FAR is proposed to increase from 0.5 to 3.0. On the ground, this change could eventually result in taller buildings relative to those existing.

The two parks in the area, Union Point Park and Martin Luther King Jr. Regional Shoreline, will adopt the open space designation of OS-NP (Opens Space – Neighborhood Park) and OS-RSP (Open Space – Region Serving Park) respectively. No changes to these sub-districts are contemplated as part of the new Central Estuary zoning.

Land Use Policy Framework
The proposed land use policy framework for the Central Estuary is illustrated in **Attachment G**. The proposed land use designations presented will guide development and contribute towards achieving the vision described in the CEIG. This guidance will have to be closely coordinated with the transportation improvements envisioned for the area, presented in Chapter III and Appendix A of the CEIG.

The EPP provides eight (8) land use designations for the Central Estuary Area which depict the type and intensity of allowable future development. These designations may be used to evaluate future development because they reflect the on-the-ground conditions, areas identified for greater intensity and areas slated for infill development. Taken together the eight land use designations describe the development pattern for the Central Estuary. See **Attachment H** for a description of each proposed EPP land use designation. The new Central Estuary zoning ordinance implements the direction of the land use designations by establishing maximum densities for individual properties.

Zoning Framework
The new Central Estuary Zoning Ordinance will regulate densities, intensities and allowed activities (such as residential, commercial and industrial uses). Zoning will further refine direction provided by the eight land use designations by determining which activities are permitted as-of-right, and which will be permitted conditionally with careful consideration of possible impacts to adjacent properties. Limitations on uses have been designed to reduce the impacts on more sensitive residential uses in the Jingletown/Elmwood area, while providing maximum flexibility for operations in more heavy industrial areas such as in the Tidewater area. Zoning also establishes detailed development standards (such as height limits and permitted and conditionally permitted density, etc.).

A set of zones, using the naming system “CE-#” (where “CE” stands for Central Estuary), were created for the Central Estuary area, based on existing zones. Refer to **Attachment I** for the location of each new zoning district within the Central Estuary as well as the existing zoning designation. The new zoning designations for the Central Estuary would be contained in a new zoning chapter of the Oakland Zoning Code (Chapter 17.60). See **Attachment D** for proposed zoning chapter.

The intent of each new Central Estuary zone is described below.

- **CE-1** (Embarcadero Cove**)** – The **CE-1** zone is intended to create, maintain, and enhance the marine, office and other commercial uses in the Central Estuary area.

- **CE-2** (High Street Retail) – The **CE-2** zone is intended to create, maintain, and enhance areas of the Central Estuary with a wide range of commercial and residential uses with direct street frontage and access to the freeway.

- **CE-3** (Jingletown/Elmwood) – The **CE-3** zone is intended to provide development standards for areas of the Central Estuary that have a mix of industrial, heavy commercial and residential development. This zone is intended to promote housing with a strong presence of commercial and industrial activities.

- **CE-4** (Mixed Use Triangle). The **CE-4** zone is intended to create, maintain and enhance areas of the Central Estuary that have a mix of industrial and heavy commercial activities. Higher density residential development is also appropriate in this zone.

- **CE-5** (Food Industry Cluster, Warehouse Wedge, Tidewater South)– The **CE-5** zone is intended to create, preserve, and enhance areas of the Central Estuary that are appropriate for a wide variety of heavy commercial and industrial establishments. Uses with greater off-site impacts may be permitted provided they meet specific performance standards.

- **CE-6**(Con Agra, Owens Brockway, Tidewater North) – The **CE-6** zone is intended to create, preserve and enhance areas of the Central Estuary that are appropriate for a wide variety of businesses and related commercial and industrial establishments that may have the potential to generate off-site impacts such as noise, light/glare, odor, and traffic. This zone allows heavy industrial and manufacturing uses, transportation facilities, warehousing and distribution, and similar related supporting uses. Uses that may inhibit such uses, or the expansion thereof, are prohibited. This district is applied to areas with good freeway, rail, seaport, and/or airport access.

- **OS-NP** (Union Point Park) – The **OS-NP** zone is intended to create, preserve, and enhance land for permanent open space to meet the active and passive recreational needs of Oakland residents and to promote park uses which are compatible with surrounding land uses and the city's natural environment.

- **OS-RSP** (Martin Luther King Jr. Regional Shoreline Park) – The **OS-RSP** zone is intended to create, preserve, and enhance land for permanent open space to meet the active and passive recreational needs of Oakland residents and to promote park uses which are compatible with surrounding land uses and the city's natural environment.

Proposed Changes to Existing Zoning

This section describes the proposed changes to current zoning. The changes to current regulations are grouped as follows: Proposed Changes to Activities, Proposed Changes to Development Standards, and Proposed Changes to Work/Live and Live/Work regulations.

Proposed Changes to Activities

The proposed new CE-3 zone would apply to Central Estuary areas that are currently primarily zoned HBX-3. The proposed activities in the CE-3 zone are a refinement from those in the HBX-3 zone. CE-3 would permit fewer consumer services (for example medical service and dry

cleaning would be prohibited) to ensure that the character of the zone is primarily residential and light industrial, as opposed to service oriented. To this end, research and development and general warehousing would be permitted activities. Large scale retail and grocery sales will be conditionally permitted in the zone. To assist with bringing visitors to the waterfront, bed and breakfast and hotels would be conditionally permitted in this zone.

The remaining proposed new zones will largely replace existing M-40 zoning (as discussed under the "Approach" section of this report). The M-40 zone is an industrial zone that permits a limited range of commercial activities including general food sales such as restaurants and cafes, general retail sales and auto related activities. Industrial activities are either permitted or conditionally permitted. The changes from existing zoning (M-40) to CE-1, CE-2, CE-4, CE-5 and CE-6 are described below.

The proposed CE-1 zone encompasses the Embarcadero Cove sub-district, a small zone where many consumer services, wholesale sales and building material sales, as well as surface parking lots, and heavy industrial activities would be prohibited. Custom and light manufacturing would be conditionally permitted, as would transient habitation – to capitalize on the fantastic waterfront location of this zone. This zone would conditionally permit boat and marine-related activities to support the many marine-related activities are in and around this area.

The proposed CE-2 zone, the High Street Retail area, would encourage large format retail (such as the existing Home Depot), and prohibit heavy manufacturing, auto fee parking and medical service. Auto sales and boat and marine related sales, rental and servicing would be conditionally permitted.

The proposed CE-4 zone located in the northern area called "Mixed Use Triangle" would permit multi-family residential activities along with commercial and less intense industrial uses. Many types of consumer service-related activities (such as medical service and dry cleaning) would be prohibited, as would general and heavy manufacturing. Auto sales, gas stations, and auto repair would all be prohibited. Mini-storage activities would be conditionally permitted.

The proposed CE-5 zone would apply to the Food Industry Cluster and Tidewater South sub-districts. Although this proposed zone is more industrial in character, the changes to this zone (from existing M-40 zoning) include prohibiting heavy manufacturing, and large scale hazardous waste storage and transfer. Auto repair and gas stations would be conditionally permitted.

The proposed CE-6 zone would apply to the existing heavy industrial sites in the area including the Con Agra, Owens-Brockway and Tidewater North sub-districts. This zone contains the fewest changes to permitted and conditionally permitted uses from the existing M-40 zoning. However, this zone would prohibit some of the general retail currently allowed, as well as the consumer service-oriented activities currently permitted. Building materials sales would be prohibited (to retain land for manufacturing-related uses). Auto sales and servicing would be conditionally permitted.

A number of industrial classifications were not included in the existing M-40 zones. The proposed new CE zoning chapter would include all of the industrial classifications developed for the CIX, IG and IO Industrial Zones. The application of these classifications corresponds to the intensity of industrial uses envisioned for the CE zones with the proposed CE-5 and CE-6 containing the majority of permitted and conditionally permitted activities in these industrial classifications. The remaining CE zones would typically prohibit the industrial activities in these classifications.

Proposed Changes to Development Standards
The most significant change from existing M-40 zoning is the proposed application of height limits to the new CE zones. Height limits are proposed corresponding to the EPP amendments for greater intensity while accounting for existing context. Lower heights are proposed near the Jingletown/Elmwood mixed residential-commercial district and in the Embarcadero Cove sub-district near the shoreline. The proposed heights range from 45 ft. in CE-1 and CE-3, to 85 ft. in CE-2, CE-4 and CE-5. No height limit is proposed for the CE-6 zone (i.e., no change from existing regulations).

Floor Area Ratio (FAR) standards are not currently in the M-40 zoning regulations; however the EPP contains FAR standards for each EPP land use classification. In CE-1 the proposed FAR would increase from 1.0 to 2.0; in CE-2 FAR would increase from 1.0 to 3.0; in CE-4 FAR would increase from 1.0 to 3.0; in CE-5 the FAR would increase from 0.5 to 2.0 and in CE-6 FAR would increase from 0.5 to 2.0.

Additional standards specific to CE-5 and CE-6 would apply to address landscaping, driveways and site access.

The change in development standards from the existing HBX-3 to the new CE-3 may be characterized as a refinement. Setbacks would be required in the front, side and rear (10 ft., 4 ft., and 10 ft., respectively). The maximum non-residential FAR would increase from 2.5 to 3.0 and the maximum residential density would be 700 square feet of lot area per unit (rather than 730 square fee of lot area per unit) for greater standardization.

The CE zones propose regulating frontage types. Frontage types will help to create cohesive and engaging frontages along streets and the waterfront by providing consistency in the massing and articulation of building facades. Four frontages types are proposed including a Public Frontage (applying to main thoroughfares), a Semi-Public Frontage (applying to commercial spaces with less pedestrian traffic), a Private Frontage (applying to private space such as front yards of residential buildings), and Service Frontages (to support delivery loading and unloading of goods, etc.). The frontage types regulate maximum blank wall lengths, minimum facade transparency requirements and access requirements. **Attachment J** depicts the locations of the various frontage types proposed in the area.

Proposed Changes to Work/Live
Work/Live is proposed to be allowed in the CE-3 and CE-4 zones and conditionally permitted (for the conversion of an existing building only) in the CE-5 zone. Work/Live rules have been

simplified and streamlined; however many of the basic standards are the same (e.g., permitted and conditionally permitted activities and rules for minimum unit size, and required parking and loading). The most significant proposed changes to Work/Live rules are summarized as follows:

- A Work/Live unit has been listed as a facility type (applicable to the CE chapter only).
- Definitions (that apply only to this chapter) have been expanded to include the following:
  - An "existing building" has been defined as being at least 10 yrs old.
  - "Residential Floor Area" and "Non-Residential Floor Area" have been defined.
- The distribution of unit space devoted to "work" and "live" activities has been simplified. There would be two types of units: Type 1 (one third of floor area dedicated to residential activities) and Type 2 (50 percent of floor area dedicated to residential activities). The remaining floor area in each type would be dedicated to work activities. These two types replace the existing three unit types (in HBX). Current HBX rules allow for three types of units: one third residential floor area, 45 percent residential floor area and 55 percent residential floor area. Under this proposal the last two categories would be collapsed into one 50 percent residential category. This is in comparison to the existing CIX-IG-IO industrial zones Work/Live regulations that only have one category: one third of the unit can be residential floor area.

Proposed Changes to Live/Work

Live/Work is proposed to be allowed in CE-3 and CE-4 (the two zones proposed to permit residential activities). Many of the basic standards for Live/Work would remain the same such as location of residential and non-residential floor area and parking and loading requirements. The most significant proposed changes to Work/Live rules are summarized as follows:

- A Live /Work unit has been listed as a facility type (applicable to this chapter only).
- Definitions (that apply only to this chapter) have been expanded to include the following:
  - An "existing building" has been defined as being at least 10 yrs old.
  - "Residential Floor Area" and "Non-Residential Floor Area" have been defined.
- Live/Work units are proposed to permit and conditionally permit a wider range of activities including, for example, salons, print production and realty and accounting businesses. Conditionally permitted activities include small group classes and custom and light manufacturing. Manufacturing activities would have to take place in an enclosed building under 5,000 square feet, and the intensity of activities would have to meet stringent building code regulations.

Design Guidelines

The Central Estuary Implementation Guide (CEIG) includes Draft Design Guidelines for the Central Estuary (Guidelines), which provide qualitative guidance and graphic and photographic examples to complement the development standards embodied in the new Central Estuary zoning districts. The Draft Guidelines are intended to give residents, building designers, property owners, and business owners a clear guide to achieving development that improves the area's livability while retaining its diverse character. City staff will utilize these guidelines to determine project conformance in meeting the goals set for the Central Estuary. See **Attachment F** for the Draft Design Review Manual for the Central Estuary.

The Draft Guidelines incorporate and expand upon many of the existing guidelines contained in the HBX Design Guidelines Manual, which they supersede for the former HBX District located within the Central Estuary. The Draft Guidelines would apply to all projects in the applicable Central Estuary area requiring design review.

The general intent of the Draft Guidelines is to retain the eclectic mix of industrial, warehousing, residential, and retail uses that define the character of the area, while encouraging its on-going informal evolution into a unique set of sub-districts that also take advantage of and enhance the area's waterfront, its historic character, and the fine-grained fabric of streets that define much of the Central Estuary. The Draft Guidelines define ways to minimize land use incompatibilities and their resulting impacts; guide appropriate employment-intensive and commercial development; and promote the enhancement of frontages along streets and the waterfront.

The Draft Guidelines include the following sections:

Site Planning provides guidance for establishing a site's context in terms of its relationship to neighboring structures, streets and public spaces, including the waterfront, and guidance for the placement and relationship of buildings, open spaces, parking, and service areas on a site. Context-sensitive guidelines for building height and setbacks in the Draft Guidelines provide qualitative guidance to supplement the development standards in the Zoning Code. Additional guidance is provided for building access location; off-street parking and driveways; loading, service and storage; and landscaping and screening. Guidelines for waterfront access, the Bay Trail, open space, and stormwater management are provided in the Site Planning section.

Building Design provides guidance for the architectural design and detailing of sites and buildings. Windows and transparency, blank walls, façade articulation and architectural detailing, roofs and utilities are also addressed in the Site Planning section. Of particular note is the organization of the building design guidance according to four *frontage types*. The frontage types are intended to create cohesive and engaging frontages along streets, the waterfront, public plazas, and open spaces by providing consistency in the massing and articulation of building facades, and creating interest in the spaces that front them. The frontage types provide guidance for developing appropriate street level frontages relative to a project's context and the intended character of adjacent streets.

The Draft Guidelines include a map showing recommendations for frontage type locations in the Central Estuary, based on the character of the street and surrounding development. In general, Public and Semi-Public frontages are encouraged on higher-capacity and more prominent streets, particularly those adjacent to the waterfront; Semi-Public and Private frontages are encouraged in the sub-districts that include residential uses; and Private frontages are encouraged along certain blocks in the Jingletown/Elmwood sub-district that are already characterized by predominantly private frontages.

Other sections of the Draft Guidelines provide guidance for lighting, signage, green building design, and active design (the design of sites and buildings so as to encourage physical activity).

Throughout the Draft Guidelines, photos from the Central Estuary are used to convey a vivid sense of the uniqueness of the area and its sub-districts and the desired eclectic urban character.

ENVIRONMENTAL IMPACT REPORT

A Supplemental Environmental Impact Report for the Central Estuary Implementation Guide (CEIG), EPP amendments and Zoning Code is currently in preparation. A Notice of Preparation (NOP) was issued on Nov. 21, 2011, and a CEQA Scoping Session before the Planning Commission was held on Dec. 14, 2011. It is anticipated that the Draft EIR will be released for public review/comment and a public hearing held before the Planning Commission in the fall/winter. The Final EIR/Response to Comments Document will be presented to the full Planning Commission for certification when it is completed.

NEXT STEPS

The Draft CEIG, new Central Estuary zoning, and General Plan amendments will be presented to the Bicycle and Pedestrian Advisory Committee and Design Review Committee for review and comment in July and August 2012, and to the Landmarks Preservation Advisory Board in September 2012. The CEIG, new Central Estuary zoning, General Plan amendments and Supplemental Environmental Impact Report (SEIR) will be presented to the full Planning Commission in the fall/winter. After the Final EIR/Response to Comments Document and the Final planning-related documents are presented to the full Planning Commission, further public hearings will be held before the Community & Economic Development Committee of the City Council and the City Council will consider final adoption.

RECOMMENDATION

Provide comments on the Draft Central Estuary Implementation Guide, Draft Estuary Policy Plan amendments, Draft Zoning Code, and Draft Central Estuary Design Guidelines Manual, and recommend that the draft documents be forwarded to the full Planning Commission.

Prepared by:

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Reviewed by:

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Ed Manasse, Strategic Planning Manager

Approved for forwarding to the
Zoning Update Committee:

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SCOTT MILLER
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Attachments:
A. City Council Adopted Land Use Alternative

B. Central Estuary Sub-districts Map

C. Draft Central Estuary Implementation Guide

D. Draft Central Estuary Zoning Chapter

E. Draft General Plan Amendments

F. Draft Design Review Manual for the Central Estuary

G. Land Use Policy Framework map [existing and proposed EPP designations]

H. Draft General Plan Classifications

I. Draft Zoning Districts Map

J. Frontage Types Map