



MEMORANDUM

DATE: March 5, 2019

TO: Christine Daniel, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: Discussion of Development Bonus System

RECOMMENDATION

Staff requests that the City Council review the development bonus system and provide direction as to whether it should be modified.

BACKGROUND

At the City Council meeting on January 15, 2019, Council Member Martinez requested and received Council support for a review of the development bonus system to make sure that it is in line with the Council's priorities. The bonus development system is contained in Article 2 of Chapter 4 of the Planning Regulations, which are Title 9 of the Emeryville Municipal Code (EMC). This Article is attached for reference.

The development bonus system provides for "base" and "bonus" levels of floor area ratio (FAR), building height, and residential density as designated on such maps of the city, as set forth in the General Plan. Generally, the base level is approximately half of the bonus level. For example, in the 50/100 foot height district, the base height of 50 feet is half the maximum bonus height of 100 feet. Projects seeking development bonuses are required to earn points proportional to the amount of bonus requested, up to a maximum of 100 bonus points for the full bonus. For example, a proposed 75-foot building in the 50/100 foot height district would need 50 points for height, because the requested bonus of 25 feet above the 50-foot base is 50% of the available bonus increment of 50 feet (100 foot bonus minus 50 foot base). A similar calculation is made for each project for height, FAR, and residential density; the total number of bonus points for height, 70 bonus points for FAR, and 85 bonus points for density, then the project would require 85 bonus points, the largest of the three.

Half of the required bonus points must be earned by providing affordable units in the case of a residential project, and by paying an increased Affordable Housing Impact Fee in the case of a non-residential project. The other half of the bonus points must be earned by providing community benefits. There are six categories of community benefits available, plus a "flexible community benefit". The six prescribed categories are: Discussion of Development Bonus System City Council Meeting | March 5, 2019 Page 2 of 2

- 1. Public Open Space
- 2. Zero Net Energy
- 3. Public Improvements
- 4. Utility Undergrounding
- 5. Additional Family Friendly Units (above what is otherwise required)
- 6. Small Business Fund Contribution

The flexible community benefit allows developers to propose benefits that are not included in the above list. It requires approval of the entire project by the City Council, which then determines the number of points to be granted, based on 10 bonus points for every 1% of project construction valuation.

DISCUSSION

Should the City Council wish to modify the development bonus system, an amendment to the Planning Regulations will be required. This involves a recommendation from the Planning Commission followed by passage of an ordinance by the City Council. EMC Section 9-7.1303 stipulates that an amendment to the Planning Regulations "may be initiated by ... an order of the City Council or Planning Commission, on its own motion or on the recommendation of the Director of Planning and Building [i.e. Community Development Director]." Thus, the Council may intimate such an amendment if it wishes to do so, and may direct the Planning Commission to hold a public hearing and provide a recommendation to the Council on the proposed amendment. Alternatively, the Council may wish to refer the matter to the Planning Commission for a study session and a recommendation on future direction.

CONCLUSION

Staff requests that the City Council determine whether it wishes to modify the development bonus system, and if so, to provide direction to staff and the Planning Commission accordingly.

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:

Christine Daniel, City Manager

ATTACHMENT

• Planning Regulations Chapter 4, Article 2, Development Bonus System