Performance Zoning Now

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Activity/Use
Zoning Tries To
Reduce
Externalities
Historical injustices aren’t history
Is Manufacturing Still Manufacturing?
What’s An Office Park?

In 2016, 43% of employed Americans said they spent at least some time working remotely (+4 percentage points from 2012)

![Diagram showing the time employees spend working remotely](chart.png)

*Source: Gallup*
Shoup called it — we zoned wrong for parking
Euclidean vs Performance Zoning

- Traditional model: central planning knows problem and solution
- Performance standard model: central planning can define problem and local actors know which solution to use
Principles for doing better

1. Address the actual externality

“allow developers to reduce parking demand rather than increase the parking supply” (Shoup 1999)
Principles for doing better

2. Allow for flexibility to take advantage of hyper-local information
## Principles for doing better

3. Assign an actual cost

<table>
<thead>
<tr>
<th>Option</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underground Parking Space</td>
<td>$20,000 to $80,000</td>
</tr>
<tr>
<td>Annual Transit Pass - Portland</td>
<td>$1,100 per year</td>
</tr>
<tr>
<td>Shuttle Operations</td>
<td>Several $100,000s?</td>
</tr>
<tr>
<td>Berkeley Parking-In Lieu Fee</td>
<td>$15,000-$30,000</td>
</tr>
<tr>
<td>Fremont Transportation Impact Fee</td>
<td>$3,680 per unit</td>
</tr>
</tbody>
</table>
Dangers of Performance Zoning

- Regulatory capture
- Difficult to decide on prices
- Who decides what’s right in a local community?
- It’s too difficult/time consuming
Short Term Rentals

Performance Zoning Ideas

• Local community benefits districts
• Affordable housing impact fees
• California coastal access – subsidized STR stays?
• Severely graduated taxation based on last year occupancy
Advanced Manufacturing

- Noise overlay zones
- Odor and vibration permits
- Warm springs innovation zone
Neighborhood Character

• Density: price congestion based on bedrooms
• Encourage local flexibility: Temporary to permanent permits
• Shadow/shade requirement: transferrable development rights/in-lieu payments
• Open space requirements: local park maintenance/improvements or in-lieu payments
• Design review: aesthetic waivers for historic preservation credits
Performance Zoning

• The cost of inaction is high
• We’ve done this before

In taking the next step towards mitigating impacts with performance zoning:
  • Address the problem directly
  • Allow for flexibility
  • Assign a price
Thanks!
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