Decision Table Q: Bonus and Transfer Amendments, Part 1

This table highlights and responds to two specific topics related to the Bonus Options and Floor Area Ratio (FAR) transfers and incentives. These include:

- Prohibiting the transfer of FAR from surface parking lots.
- Modifying the transfer within a subdistrict to require as part of the transfer an agreement from the developers to require the eventual building operators to pay higher wages to service workers employed at the building.

Contents of Decision Packet Q:

• Decision Table Q

Items Marked for Discussion:

• Q3, Q6

Ref #	Comment	Commenter(s)	Торіс	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss?	PSC decision
Q3	NA		from a surface parking lot	Reference: Volume 2A: Part 1 Central City Plan District, p. 63 33.510.205.D. Surface Parking lots are prohibited from being sending sites for an FAR transfer.	Does that last sentence mean that the whole site cannot be a sending site if it has surface parking or only sites that are fully developed with surface parking cannot be sending site? Is there a formula when part of the site is surface parking?	Amend 33.510.205.D. Staff recommends clarifying the sentence as follows: <u>Lots that are</u> <u>entirely used for</u> S surface parking		X	 Support staff rec. Other

Ref #	Comment	Commenter(s)	Торіс	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss	PSC decision
Q6	20334, 20395	David Noren	Transfer within a subdistrict	Reference: Volume 2A: Part 1 Central City Plan District, p. 65 33.510.205.D.2 Transfer from both sending and receiving sites must be located in the same subdistrict	Require a public benefit for increased floor area from the transfer within a sub district. The public benefit would be tied to living wage jobs for workers within new commercial development. The proposal is to allow a transfer of developable floor area to a site from another only with an agreement from the developers to require the eventual building operators to pay higher wages to service workers employed at the building. The required level of compensation, including wages and benefits, would be equivalent to 50% of the Area Median Income for a family of four (50% AMI). The proposed requirement would apply to any commercial development using a floor area transfer of at least an additional 1:1 FAR or 35,000 square feet. The latter amount is the floor area that would typically require one additional worker for janitorial service.	Retain Proposed Draft Version	 The proposed transfer within a subdistrict provides a public benefit. The proposed ability to transfer floor area between parcels helps meet the City and Regional density goals more rapidly. The floor area transferred is already part of the approved development capacity for the Central City. Transferring it between properties does not increase or decrease that total amount of development capacity. It allows floor area to be utilized sooner than waiting for the eventual development of the site donating the floor area. Staff thinks that the request could discourage development. Developers, investors or lenders likely would find the short and long-term risks unacceptable. The risks come from complicating the title with restrictive covenants and opening the current and future owners to the risk of enforcement by third parties. This may reduce the ability to get new development financed. The Bureau of Development Services may not be able to administer the regulations. BDS likely would have no way to inspect, monitor or enforce the terms of the proposal. BDS inspectors compare the approved permit plans with what is physically developed on the site. This approach would not work for ensuring compliance with wage provisions over time. BDS Code Compliance staff, in essence, would enforce contracts between a developer and SEIU. This would be best implemented in some way other than the zoning code. SEIU hasn't offered any examples of cities where this approach has been implemented through a zoning code. To date, SEIU has only advanced this concept through a community benefits agreement for a large public infrastructure project or other project that receives some public funding, etc. 		□ Support staff rec. □ Other