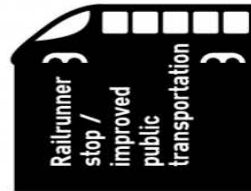


WHAT IS THE MOST SIGNIFICANT CHANGE YOU'D LIKE TO SEE ON ST. MICHAEL'S DRIVE IN THE NEXT TEN YEARS?

- Increased Pedestrian Safety
- Railrunner Train Stop | Improved Public Transportation
- Storefront Space for Small Business + Entrepreneurs
- Mixed Use Development with Live/Work 2nd Floor Residential
- Zoning Changes to Encourage Nightlife Venues + Businesses



Increased Pedestrian Safety
and Bicycle Friendliness



Railrunner
stop /
improved
public
transportation



Storefront space
for small
businesses and
entrepreneurs

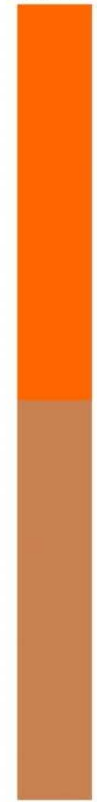


Mixed Use development
with Live/Work and
second floor residential



Zoning changes to
encourage nightlife
venues and businesses

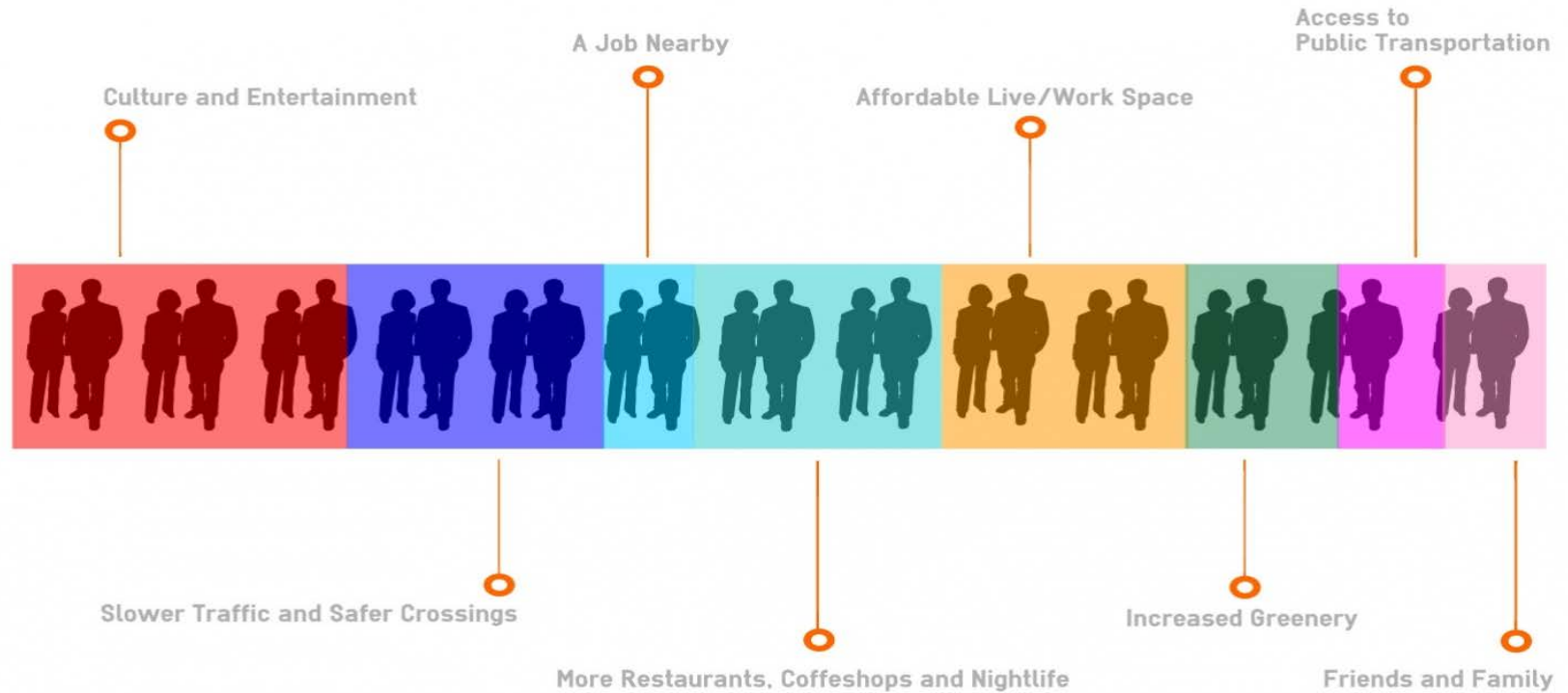
100%



Source: RE-MIKE



WHAT WOULD MAKE ST. MICHAEL'S A STREET YOU WOULD WANT TO LIVE ON OR NEAR?



" I LIVE NEARBY AND THINK ST. MIKE'S HAS POTENTIAL TO BE A COMMUNITY SPACE AND THIS EVENT IS ONE EXAMPLE OF THAT POTENTIAL."

RE:MIKE Urban Prototyping Festival participant

Source: RE-MIKE



Midtown *LINC* (Local Innovation Corridor) District

378.0 ACRES | 1.1% OF CITY | 0.45% CITY LOTS

Ordinance 2016-39
Adopted October 26, 2016



Midtown Local Innovation Corridor Overlay District



Incentivized Redevelopment – “Qualifying” Projects

- **Qualifying Residential Project**

A ***qualifying residential project*** means a new development that: (a) is composed solely of new multiple-family dwellings, or (b) results in a development that is a mix of primarily new multiple-family dwellings and any lesser amount and combination of the eligible non-residential uses listed in Table 14-5.5-3 as measured by gross floor area.

- **Qualifying Non-Residential Project**

A ***qualifying non-residential project*** means a new development that is composed of a new building or buildings, or of alterations to an existing building or buildings, for the eligible uses identified in Table 14-5.5-3.

- **Other Development Projects**

Development projects not meeting the above definitions **are permitted** as provided in Subsection 14-5.5(D) **but are not qualifying projects**. NO INCENTIVES.



Development Code Changes for Qualifying Projects

- Max. Building Height: **52'** (Allows 4 Stories) | **62'** @ SFUAD Proposed
(Elevator “Over-Runs” + Solar/Wind equipment not counted)
- Setbacks: **0' to 5'** @ Street Façade | **5'** Side Yard
(Exceptions for Integral Courtyards + Architectural Design)
- Max. Lot Coverage: **None**
- Max. Gross Density: **None**
- Min. Parking Required: **None** (Determined by Developer based on a Demand Study)
Shared Parking Allowed throughout
On-Street Parking may be used toward required parking (if available)
- Signage: **Restriction of max. number of colors and letters do not apply**
Signs may be mounted on building walls
Area of illumination not counted toward max. sign size
- Development Plan: **Administrative** (For Qualifying Projects)



Fee Incentives for Qualifying Projects

<u>Construction Permit Fees:</u>	None
<u>Plan Review Fees:</u>	None
<u>Development Review Fees:</u>	None
<u>Impact Fees:</u>	None
<u>Water UEC:</u>	None
<u>Wastewater UEC:</u>	None
<u>Development Water Budget Fees:</u>	72% of Regular Fee (\$12,000/Ac-Ft instead of \$16,600/Ac-Ft) (Tender of Water Rights no longer a requirement)



Midtown LINC (Local Innovation Corridor) District

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Analysis of Fee Incentives:

Sample 60-Unit Apartment Complex

ESTIMATED PROJECT COSTS

Multi-Family Apartments

Dwelling Units:	60	Cost/Unit:	\$ 110,000	Adj. Soft Costs:	20%
Hard Costs:	\$ 6,600,000	Other (Site/Off-site):	\$ 200,000	(Units % Hard Cost)	
Soft Costs:	\$ 1,320,000				
Other (Site/Off-site)	\$ 200,000				
Total (Project):	\$ 8,120,000				

FEE INCENTIVES (Multi-Family)

Fee Type	Normal Fee		Reduced Fee		Waived Amt. Per Unit	TOTAL Waived
	Amt.	Fee Unit	Amt.	Fee Unit		
Impact	\$ 2,457	per Apt. DU	\$ -	per Apt. DU	\$ 2,457	\$ 147,420
Building Permit	\$ 30,533	Const. Value	\$ -	Const. Value	\$ 30,533	\$ 30,533
Building Plan Rev.	\$ 15,267	50% Bldg Permit	\$ -	50% Bldg Permit	\$ 15,267	\$ 15,267
Secondary Permits	\$ 5,000	Estimated	\$ -	Estimated	\$ 5,000	\$ 5,000
Wastewater UEC	\$ 561	per Apt. DU	\$ -	per Apt. DU	\$ 561	\$ 33,660
Water UEC	\$ 2,103	per Apt. DU	\$ -	per Apt. DU	\$ 2,103	\$ 126,180
WABO	\$ 2,656	0.16 Ac-Ft/Unit	\$ 1,920	at 12K/Ac-Ft	\$ 736	\$ 44,160
Dev. Review (LUD)	\$ 14,600	Const. Value	\$ -	Const. Value	\$ 14,600	\$ 14,600

TOTAL Fee Incentives: \$ 416,820

ESTIMATED REVENUE

NM GRT

Construction Valuation	\$ 6,800,000	
City-share NMGR Percentage	3.5375%	
Net NMGR to City	\$ 240,550	
NMGR (Secondary Effects)	\$ 176,564	73.4%
Total Net New NMGR to City	\$ 417,114	(A)

NM Property Tax (1 Year)

	CI-N	Rate
Property Valuation:	\$ 8,160,000	120%
Mill Rate:	0.031737	Per \$1,000
Taxable Amt.:	\$ 2,717,280	0.333
Property Tax:	\$ 86,238	
Total Net New NM Prop. Tax to City	\$ 7,848	(B) 9.1%
TOTAL Net New Tax Revenue to City:	\$ 424,961	(A + B)

NOTE: Estimates of new GRT are based on construction valuation only and do not include secondary effects of economic output through indirect and induced activities related to the construction. The Sacramento Regional Research Institute (SRRI), utilizing the IMPLAN input-output model has calculated that an additional \$781,054 per \$1.0 million of construction valuation (78.1%) can be expected from new single-family & multi-family construction. Adjusting for NM pricing by applying 2015 CPI-U (NM-Western Urban) vs CA (San Francisco area) (243/258.5) x 78.1% yields an NM-adjusted rate for secondary economic effects of 73.4%.



Midtown LINC (Local Innovation Corridor) District

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Analysis of Fee Incentives:

5,000 SF Retail to Restaurant Conversion

ESTIMATED PROJECT COSTS

Retail Space to Restaurant Remodel

Square Footage:	5,000	Cost/Unit:	\$ 140	Adj. Soft Costs:	15%
Hard Costs:	\$ 700,000	Other (Site/Off-site):	\$ 50,000	(Units % Hard Cost)	
Soft Costs:	\$ 105,000				
Other (Site/Off-site)	\$ 50,000				
Total (Project):	\$ 855,000				

FEE INCENTIVES (Restaurant Remodel)

Fee Type	Normal Fee		Reduced Fee		Waived Amt. Per Unit	TOTAL Waived
	Amt.	Fee Unit	Amt.	Fee Unit		
Impact	\$ 4,388	per 1,000 SF	\$ 4,388	per 1,000 SF	\$ -	\$ -
Building Permit	\$ 4,638	Const. Value	\$ -	Const. Value	\$ 4,638	\$ 4,638
Building Plan Rev.	\$ 3,479	75% Bldg Permit	\$ -	75% Bldg Permit	\$ 3,479	\$ 3,479
Secondary Permits	\$ 750	Estimated	\$ -	Estimated	\$ 750	\$ 750
Wastewater UEC	\$ 4,818	Est. 2" Meter*	\$ -	Est. 2" Meter*	\$ 4,818	\$ 4,818
Water UEC	\$ 11,072	Est. 2" Meter*	\$ -	Est. 2" Meter*	\$ 11,072	\$ 11,072
WABO	\$ 48,804	0.02 Ac-Ft/Seat**	\$ 35,004	at 12K/Ac-Ft	\$ 13,800	\$ 13,800
Dev. Review (LUD)		N/A Const. Value		N/A Const. Value	\$ -	\$ -

* Fees assume upgrade from 1" to 2" meter. ** Assuming 150 seats.

TOTAL Fee Incentives: \$ 38,557

ESTIMATED REVENUE

NMGR

Construction Valuation	\$ 750,000
City-share NMGR Percentage	3.5375%
Net NMGR to City	\$ 26,531
NMGR (Secondary Effects)	\$ 19,474
Total Net New NMGR to City	\$ 46,005

NOTE: Estimates of new GRT are based on construction valuation only and do not include secondary effects of economic output through indirect and induced activities related to the construction. See Supplemental page 1 for more explanation on accounting for secondary economic effects of construction.

73.4%

