

DATE:	September 12, 2023
TO:	Mayor and City Council
FROM:	Development Services Director
SUBJECT:	Residential Design Standards: Draft Regulations for the Hayward Residential Design Study

RECOMMENDATION

That the Council provides feedback on the draft regulations for the Hayward Residential Design Study.

SUMMARY

The Hayward Residential Design Study is a long-range planning project that will result in the development of objective residential design standards as well as zoning amendments that ensure General Plan and Zoning Ordinance consistency. At this work session, staff is requesting Council's feedback on the following proposed revisions to the Hayward Municipal Code:

• **Consolidated Residential District Section.** Sections 10-1.200 through 10-1.500¹ of the Municipal Code have been consolidated into a single section governing the four residential zoning districts: Residential Natural Preservation (RNP), Low Density Residential (RL, previously referred to as "RS" or "Single Family Residential"), Medium Density Residential (RM), and High Density Residential (RH). Within this section are new standards and revisions related to building types, setbacks, heights, lot coverage, design standards, and open space. The revised standards are aimed at facilitating new development up to the maximum allowed densities set in the *Hayward 2040 General*

¹ HMC Section 10-1.200, Single-Family Residential District (RS):

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.200SIMIREDIRS

HMC Section 10-1.300, Residential Natural Preserve District (RNP):

https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART1ZOOR S10-1.300RENAPRDIRN

HMC Section 10-1.400, Medium Density Residential District (RM):

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.400MEDEREDIRM

HMC Section 10-1.500, High Density Residential District (RH):

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.500HIDEREDIRH

Plan while promoting visually attractive development that is aligned with community priorities. The new consolidated Residential District is included in its entirety as Attachment II.

- Additional changes to Chapter 10, Article 1, Zoning Ordinance. In addition to the consolidated Residential District section, further updates were made to Chapter 10, Article 1 of the Hayward Municipal Code to remove subjective standards related to residential development, align with recent State housing legislation, and complete simple "clean up" updates required by the City's Housing Element. Revisions to the Zoning Ordinance are provided in redline in Attachment III.
- **Chapter 10, Article 2, Parking Regulations.** The proposed updates include changes to the Off-Street Parking Regulations² which are aimed at addressing community concerns, introducing new Transportation Demand Management and unbundled parking policies, and ensuring that standards align with State Law. There are also "clean up" revisions to correct terminology for consistency, remove redundancies and consolidate all residential parking standards in this Article. Revisions to the Off-Street Parking Regulations are provided in redline in Attachment IV.
- **Zoning Map Amendments.** The *Hayward 2040 General Plan* and Zoning Ordinance shape and regulate development throughout the City. Under California State law, the Zoning Ordinance shall be internally consistent and compatible with the City's adopted General Plan. Furthermore, if inconsistencies exist, residential development is required to fully comply with the General Plan. Of the 20,791 RL zoned parcels in the city, 857 of those parcels have General Plan land use designations that require a greater density than is currently allowed by the RL District. To remedy these inconsistencies, two changes are proposed. First, all residentially zoned parcels will default to their underlying General Plan land use designations to determine the applicable density range. Second, as identified in Attachment V, 49 parcels are proposed to be rezoned where defaulting to the density allowed by the underlying General Plan land use designation is not sufficient to address the inconsistency.

At the August 24th Planning Commission work session, staff received the following specific feedback on the draft standards:

- The Commission generally supported the updated development standards as proposed. However, they suggested the façade design standards use a point system rather than a menu of options to allow for the options to be weighted differently. They also suggested staff consider further reducing the front yard setback for RH zoned properties.
- The Commission supported adding some of the design standards for the Residential Districts to the Mission Boulevard Code, including a point system for façade design.
- The Commission applauded the point system for open space amenities but recommended minor adjustments, including reducing point values for pools and

² HMC Chapter 10, Article 2, Off-Street Parking Regulations: <u>https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART2OREPARE</u>

amphitheaters, increasing the number of lower point options, and re-weighting options based on frequency of use (i.e. basketball courts are more likely to be used daily than amphitheaters).

- The Commission unanimously recommended that staff develop standards to streamline the development review process for small lot detached residential subdivisions.
- The Commission supported the idea of Transportation Demand Management measures, but recommended expanding the measures to incentivize ride-share services, shuttle services, services aimed at larger households, and other alternative modes of transportation. Additionally, they wanted staff to explore converting the proposed TDM table into a point system and/or restricting eligibility for the TDM reductions to certain transit-rich areas of the city.
- The Commission supported establishing reduced parking ratios for senior and special needs housing, understanding these populations have less parking demand than other types of housing.

At this work session, staff is requesting specific feedback from the Council on the following questions:

- Does the Council support the updated development standards being proposed?
- Does the Council support the recommendations proposed by the Planning Commission at the August 24th Work Session?

BACKGROUND

Summary of State Legislation. In response to California's housing crisis, the State legislature has passed several laws removing barriers for residential development, protecting existing housing inventory, and expediting permit processing. These laws include Senate Bill 9 (SB 9), Senate Bill 35 (SB 35), and Senate Bill 330 (SB 330).

Under these State laws, residential development must be approved if the project meets all objective development and design standards and is consistent with the City's Zoning Ordinance and General Plan. Objective standards are defined as standards that "involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available to and knowable by both the development applicant or proponent and the public official before submittal." In other words, an objective standard must be written in such a way that anyone reading it would have the same understanding as to what the standard requires. The draft regulations described later in the report were crafted to ensure their objectivity and align with State law.

<u>Project Overview.</u> In 2019, the City of Hayward was awarded an SB 2 Planning Grant by the California Department of Housing and Community Development (HCD) for various housing projects, including the Hayward Residential Design Study. The Hayward Residential Design Study is an update to the City's zoning regulations to support the development of quality housing while ensuring that the City's residential standards are "objective" by including measurable, enforceable, and understandable parameters. In addition, the Study aims to

resolve inconsistencies between the General Plan, Zoning Ordinance, and other portions of the Municipal Code to eliminate ambiguity that may pose as a barrier to residential development.

<u>Kickoff Meeting Joint Session</u>. On February 1, 2022,³ the Council and Planning Commission held a joint work session to provide initial guidance and feedback on the Hayward Residential Design Study. The Council and Commission provided significant feedback during this session, including that new standards should address building massing, height and setback standards, frontage treatments including landscaping, aesthetics, relationship to existing development, and the development of "missing middle" housing.⁴

Initial Public Outreach. To date, outreach efforts for the Hayward Residential Design Study have included an online community survey, an online interactive mapping tool, in-person "walkshops" (walking workshops) and various in-person community events. These efforts were promoted through the City's e-newsletter, social media platforms, Permit Center, libraries, and community-based organizations. The community survey and promotional materials were provided in Spanish, Mandarin, and English.

Through these efforts, staff has gathered both quantitative and qualitative data that has been used to inform the development of the draft standards and zoning amendments attached to this staff report. Key findings from the outreach include a range of community priorities, including allowing for a variety of architectural styles, avoiding "bulky" buildings, creating a relationship between buildings and the street, ensuring well designed landscaping and open space areas, consideration of an existing neighborhood's design characteristics, and development of strategies to reduce on-street parking demand. A full summary and analysis of public outreach conducted to date is available on the City's website.⁵

<u>Informational Reports.</u> On October 11, 2022⁶ and October 27, 2022,⁷ the City Council and Planning Commission respectively, received Informational Reports from staff providing a status update on the Hayward Residential Design Study. The Reports and their attachments provided a detailed overview of community outreach conducted to date, a project vision statement and objectives, and background information related to relevant State legislation, including a summary of the City's current regulations for residential development and best practices from surrounding communities. As these items were informational only, no discussions were held, or actions taken.

https://hayward.legistar.com/LegislationDetail.aspx?ID=5397460&GUID=B175606F-4591-4D2E-B41A-328BD292B038

³ Joint Session of City Council and Planning Commission, February 1, 2022:

⁴ The term "Missing Middle Housing" was originally coined by Daniel Parolek of Opticos Design to refer to small scale multi-unit residential development that is naturally more walkable and affordable than traditional detached residential subdivisions. More information about Missing Middle Housing can be found here: <u>https://missingmiddlehousing.com/about/</u>.

⁵ Project Webpage on City of Hayward Website:

https://www.hayward-ca.gov/your-government/departments/planning-division/residential-design-study 6 Informational Report to the City Council, October 11, 2022:

https://hayward.legistar.com/LegislationDetail.aspx?ID=5866918&GUID=894C7C53-DC5C-4221-B088-0EBF8B2AEA96 7 Informational Report to the Planning Commission, October 27, 2022:

https://hayward.legistar.com/LegislationDetail.aspx?ID=5892998&GUID=7857C30F-1A87-4B4B-9E5E-A8B0339C69FF

<u>Parking Analysis.</u> On January 24, 2023⁸ and February 9, 2023⁹, the City Council and Planning Commission respectively, held work sessions to provide feedback on the proposed Parking Analysis and Recommendations Report associated with the Hayward Residential Design Study. The Council and Commission provided clear guidance during these sessions, including to maintain parking requirements along Mission Boulevard and further consider Transportation Demand Management (TDM) strategies and the unbundling of parking.

<u>Options and Recommendations Report.</u> On April 13, 2023¹⁰ and April 18, 2023¹¹, the Planning Commission and City Council respectively, held work sessions to provide feedback on the Options and Recommendations Report associated with the Hayward Residential Design Study. Comments and recommendations from the Council and Planning Commissions are summarized below:

- Increased building heights are acceptable if necessary to allow for the maximum densities permitted by the General Plan;
- Employ a menu of options or a points system for design features rather than being overly prescriptive and use specific numbers and percentages for these design features where possible;
- Minimize "boxy" building styles;
- Consider specific standards that distinguish the ground floor, middle, and top of buildings;
- Require stepped back upper floors, including for detached residential units;
- Allow for a diversity of design styles;
- Ensure high quality open spaces that are located outside of required setback areas;
- Incentivize pet relief areas, dog parks, and dog runs in multi-unit development;
- Incentivize or require, where possible, pedestrian and bicycle connections; and
- Consider standards regarding mailbox design, building entrances, and lighting to enhance security.

<u>Stakeholder Interviews.</u> During spring of this year, the project team held interviews with various stakeholders to gather feedback on the recommendations outlined within the Options and Recommendations Report. The stakeholders included market-rate and affordable housing developers, architects, community and housing advocates, neighborhood group representatives and other "walkshop" attendees. The stakeholders expressed support for building height increases, upper story massing requirements, a variety of facade treatments

⁸ Work Session of the City Council, January 24, 2023: <u>https://hayward.legistar.com/MeetingDetail.aspx?ID=1067802&GUID=1C292A3B-F528-43B6-BE57-6258FAD071AF&Options=info[&Search=</u>

⁹ Work Session of the Planning Commission, February 9, 2023:

https://hayward.legistar.com/MeetingDetail.aspx?ID=1079506&GUID=73806132-61F2-40A7-ABB7-FE0E8074DF34&Options=info|&Search= ¹⁰ Work Session of the Planning Commission, April 13, 2023:

https://hayward.legistar.com/LegislationDetail.aspx?ID=6124459&GUID=9247590B-5A20-47F4-9149-33DE135F8263&Options=&Search= ¹¹ Work Session of the City Council, April 18, 2023:

https://hayward.legistar.com/LegislationDetail.aspx?ID=6171585&GUID=D0718FF2-DDC8-4949-9F0C-6FD5FA838B2F&Options=&Search=

and open space amenity requirements. A comprehensive summary of all stakeholder feedback is available on the project website¹².

<u>Planning Commission Work Session on Draft Regulations.</u> On August 24, 2023,¹³ staff presented the draft regulations and amendments contained in Attachments II through VI of this agenda item at a work session of the Planning Commission. A summary of the Commission's feedback on the draft regulations is provided in the Discussion section below.

DISCUSSION

The proposed revisions to the Hayward Municipal Code consist of changes to Chapter 10, Article 1, Zoning Ordinance,¹⁴ including a new, consolidated section for the residential zoning districts, and revisions to Chapter 10, Article 2, Off-Street Parking Regulations. In addition, changes to the Zoning Map are proposed to ensure consistency between the *Hayward 2040 General Plan* and the Zoning Ordinance. The proposed revisions are discussed in detail below.

<u>Consolidated Residential District Section.</u> For the purposes of clarity and easier navigation, Sections 10-1.200 through 10-1.500 of the Municipal Code are proposed to be consolidated into a single section governing the four residential zoning districts: Residential Natural Preservation (RNP), Low Density Residential (RL, previously referred to as "RS" and "Single Family Residential"), Medium Density Residential (RM), and High Density Residential (RH). This consolidation is consistent with other recent updates adopted by the city, including the Industrial District. Within the new Residential District section, some of the proposed development standards, such as building setbacks, are established by zoning district while other proposed standards, such as façade design, are set by building type. This ensures that development within each zoning district maintains a similar scale, while allowing for different design requirements for different building types.

- **Building Types.** In the current Zoning Ordinance, residential uses are classified as single-family dwellings, second single family dwellings, condominiums, townhouses, and multi-family dwellings. The proposed Residential District re-classifies residential uses within three categories, based on number of residential units per building: detached residential units, duplexes/triplexes, and multi-unit residential developments with four or more units. Not only does this provide clearer, more neutral descriptions of residential building types, but it sets the stage for different development standards for different scales of housing.
- **Setbacks.** As shown in Table 1 below, front yard setbacks are proposed to be reduced from 20 feet to 15 feet in the RL District (excluding garages, which must continue to be setback 20 feet to accommodate driveway parking) and 10 feet in the RM and RH Districts. Additionally, side yard setbacks for the RL, RM, and RH Districts have been

¹² Hayward Residential Design Study Website:

https://www.hayward-ca.gov/your-government/departments/planning-division/residential-design-study

¹³ Planning Commission Work Session, August 24, 2023: <u>https://hayward.legistar.com/LegislationDetail.aspx?ID=6319713&GUID=12261BD6-8DE2-48A3-8665-1A03BF3D8E6&&Options=&Search=</u>

¹⁴ HMC Chapter 10, Article 1, Zoning Ordinance:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR

reduced from 5 to 10 feet, depending on lot width, to 5 feet for all lots. Much of the existing housing stock in Hayward was constructed with 5-foot side setbacks, so this update brings a significant portion of existing development into code compliance. Rear yards in the RM and RH Districts have been reduced from 20 feet to 10 feet. As proposed, these reduced setbacks will allow greater flexibility for site layouts, which the Options and Recommendations Report identifies as critical for development feasibility. However, the proposed setbacks will still allow for ample landscape buffers, which were identified as a priority by the Council, Commission, and community members.

TABLE 1: EXISTING AND PROPOSED YARD SETBACKS					
	Existing Proposed				
Standard	All Residential Districts	RNP	RL	RM	RH
Front Yard	20	20	15 (primary structure) 20 (attached garage)	10	10
Side Yard	5, or 10% of lot width up to 10' max, whichever is greater	10	5	5	5
Side Street Yard	10	10	10	10	10
Rear Yard	20	30	20	10	10

• **Building Heights.** In the existing Zoning Ordinance, building heights are set by zoning district with a 30- foot maximum height allowed in the RL and RNP Districts and a 40-foot maximum height permitted in the RM and RH Districts. The analysis in the Options and Recommendations Report found that these height limits are generally appropriate for detached homes but present a significant constraint for multi-unit development.

To address this, as shown in Table 2, height limits are now proposed to be set based on building type. Detached residential units will continue to be limited to 30 feet or 2-stories in height, regardless of which zoning district they are located in. Duplexes and triplexes in the RL District would also be limited to 30 feet and 2-stories, in order to maintain a consistent massing to existing development. However, duplexes and triplexes located in the higher density RM and RH Districts would be permitted to be built up to 40 feet or 3-stories in height. Further, multi-unit developments would be allowed to build up to 50 feet or 4 stories in the RM District and up to 60 feet or 5 stories in the RH District. While this additional height is necessary to allow buildings in the RM and RH Districts to be built to the maximum allowed densities, the height limits are still generally lower than what is permitted in the higher density areas of the city, which are concentrated along the Mission Boulevard corridor and in downtown.

TABLE 2: EXISTING AND PROPOSED MAXIMUM BUILDING HEIGHTS					
	Existing	Proposed			
Standard	All Residential Districts	RNP	RL	RM	RH
Detached Residential	301	30	30	30	30
Unit(s)		(2-stories)	(2-stories)	(2-stories)	(2-stories) ⁴
Duplex/Triplex	30 - 40 ²	-	30	40	40
			(2-stories)	(3-stories)	(3-stories)
Multi-Unit Residential	40 ³	-	-	50	60
(4+ Units)				(4-stories)	(5-stories)

Notes:

- 1. Existing height limit in RL and RNP Districts
- 2. Existing height limit in RL District is 30 feet and in RM and RH Districts is 40 feet.
- 3. Existing height limit in RM and RH Districts.
- 4. Only applicable to existing detached residential unit(s)
- Lot Coverage. The Options and Recommendations Report identified lot coverage as a constraint to residential development, particularly in the RM and RH Districts. To address this, maximum lot coverage limitations are proposed to be removed from all residential zoning districts and instead, setbacks will define the developable area of each parcel, with height limits tied to the building massing and façade design, which will control the size and massing of structures.
- **Design Standards.** The existing Zoning Ordinance does not include any design requirements for development in the residential zoning districts. Community members, the Council and the Commission expressed support for the adoption of design standards to help ensure that future housing is attractive and consistent with community priorities. As proposed in Sections 10-1.204 to 10-1.206 of Attachment II, the proposed residential design standards are organized into the following three categories:
 - <u>Standards Applicable to All Residential Development.</u> Many of the standards in this section are carried over from the existing Zoning Ordinance. However, some new standards have been introduced requiring building entrances to be visible from streets or walkways, retaining walls to be architecturally treated, and required landscaped areas to be largely covered by plants. In addition, this section specifies that density shall be determined by the General Plan (more on this below) and that hillside developments on slopes exceeding 15 percent shall be "stepped down" the hillside to preserve the natural slope. As proposed, new development would also be required to install landscape buffers with evergreen trees if the new buildings are 15 feet or taller than existing buildings on abutting properties. Finally, there are also significant changes proposed to the open space

requirements for developments with four or more units, which are discussed further below.

- <u>Standards Applicable to Detached Residential Units, Duplexes, and Triplexes (1-3 Units)</u>. There are two new standards proposed for Detached Residential Units, Duplexes, and Triplexes, which tend to be smaller in mass and scale than most multi-family residential buildings. First, to control building massing, the floor area of the highest story is restricted to a maximum of 75 percent of the gross floor area of the first floor. This will ensure that two- and three-story buildings have upper floor stepbacks that provide architectural variation and reduce the overall massing of the structure. To ensure further architectural interest, detached residential units, duplexes, and triplexes are also required to use at least two design elements from a menu of options which includes dormer windows, balconies, front porches, building material variety, window detailing, and use of projections or recesses.
- Standards Applicable to Multi-Unit Residential Development (4+ Units). The proposed standards for multi-unit residential development build upon the requirements for smaller structures with some additional standards that are more appropriate to larger buildings. As currently proposed, fourth and fifth stories of buildings are limited to 85 percent of the gross floor area of the first floor to reduce the overall massing of the largest buildings. In addition, facades that exceed 75 feet in length are required to be broken up using recesses or projections. Three design elements are also required from a menu of options, which includes building material variety, roof and façade variation, window detailing, balconies, elevated ground floor units, and additional architectural features. Moreover, in direct response to Council and Commission feedback, four and five story buildings are further required to have a clearly defined base and top that is visually distinct from the middle of the building.
- **Open Space**. Significant revisions are proposed to the open space requirements for residential developments with four or more units in order to provide developers more flexibility and ensure that open space areas are designed to be desirable areas with high quality amenities. Each development will be required to include a combination of common use or private open space equal to at least 150 square feet per dwelling unit. Common use open space can be indoors or outdoors and must be available to all residents. For developments with 21 or more units, at least half of the required open space must be located outdoors. Additionally, as shown in Table 3 below, depending on the number of dwelling units in a development, the project will be required to achieve between 50 and 200 points worth of open space amenities. Proposed open space amenities and their associated points values are listed in Table 4. These points have

been assigned based on perceived level of impact and community interest but can be adjusted if needed.

TABLE 3: RESIDENTIAL OPEN SPACE AMENITIES BY PROJECT SIZE				
Size of Project	Points Value			
(number of dwelling units)				
4 - 10	50			
11 - 20	100			
21 - 50	150			
51 and up	200			

TABLE 4: RESIDENTIAL OPEN SPACE AMENITIES AND ASSOCIATED POINTS VALUES		
Amenity Type	Points Value	
Courtyard/Garden		
With seating and/or tables for at least 4 people	25	
With seating and/or tables for at least 10 people	35	
With seating and/or tables for at least 20 people	50	
Pergola, shade, trellis or arbor structure	15	
Playground with at least 3 pieces of play equipment including slides, swings, monkey bars, climbing walls, etc.	40	
Community Garden with at least 5 garden beds	40	
Permanent affixed barbecue	15	
Outdoor kitchen with a countertop, sink, an appliance and seating and tables for at least	15	
10 people	50	
Sports Court		
Bocceball	20	
Table Tennis	20	
Badminton	30	
Tennis	30	
Pickleball	30	
Basketball	50	
Splash Pad or Fountain	25	
Swimming Pool or Hot Tub	75	
Open Lawn Areas with no dimension less than 10 feet	15	
Walking/running path at least 1000 linear feet in length with lighting and signage (i.e.	25	
mile markers, information boards, etc.)		
Amphitheater with seating for at least 25 people	75	
Community Room	25	
Library Room with bookshelves and seating for at least 5 people	25	
Media Room with television and seating for at least 10 people	35	
Game Room with a least two game tables or consoles	30	
Gathering Room with countertop, cabinets, and sink	50	
Gym/Fitness Room with at least 5 pieces of gym equipment	50	
Co-working space with wi-fi, tables and seating for at least 8 people, and a bathroom	75	
Fenced Dog Park with trash can		
Measuring at least 50 feet by 20 feet	25	
Measuring at least 100 feet by 20 feet with a dog waste bag dispenser and dog water	50	
fountain.		

• Additional Changes. Additional changes have been made to the Residential District section of the code to eliminate subjective standards and reduce redundancy. To allow

for a detailed comparison, the proposed Residential District is included as Attachment II while the existing residential code sections are found in Sections 10-1.200 to 10-1.500 of the Municipal Code.¹⁵

<u>Additional Revisions to Chapter 10, Article 1, Zoning Ordinance.</u> In addition to the updated Residential District section, updates are also proposed to Chapter 10, Article 1 of the HMC to remove any subjective standards related to residential development, to align with recently adopted State legislation, and to "clean up" some discrepancies following the adoption of the City's 6th Cycle Housing Element. This includes updating the City's ADU Ordinance to align with State law, adding references to SB 9, AB 2011 and SB 6, and complying with SB 234 to allow home-based daycares, by right, in all districts where residential uses are permitted. Further, a new section has been added about the demolition and replacement of existing housing, consistent with the provisions of SB 330. In addition, the findings within the Reasonable Accommodations section¹⁶ have been updated and the Special Design District sections have been updated to revise and/or remove subjective standards. All additional revisions to Chapter 10, Article 1, Zoning Ordinance are provided in redline in Attachment III.

<u>Revisions to Article 2, Off-Street Parking Regulations.</u> The proposed updates include changes to the Off-Street Parking Regulations, which are aimed at addressing community concerns and ensuring standards align with State Law and involves some "clean up" revisions to correct terminology for consistency and remove redundancies. The most significant revisions to this Article are discussed below. All additional revisions to Chapter 10, Article 2, Off-Street Parking Regulations are provided in redline in Attachment IV.

• **Unbundled Parking.** The *Hayward 2040 General Plan* states the City should encourage multi-unit developments to separate (i.e., "unbundle") the cost of parking from lease or rent payments, which is currently explicitly not permitted by the Municipal Code. Aligned with the General Plan, this ban has been removed and replaced with a new regulation which allows developers the option to unbundle parking. When developments opt to offer unbundled parking, the proposed policy requires that a notice be posted in common area(s) that highlights the cost difference in rent for units that

HMC Section 10-1.300, Residential Natural Preserve District (RNP):

HMC Section 10-1.500, High Density Residential District (RH):

¹⁵ HMC Section 10-1.200, Single-Family Residential District (RS):

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.200SIMIREDIRS

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.300RENAPRDIRN

HMC Section 10-1.400, Medium Density Residential District (RM): https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART1ZOOR S10-

^{1.400}MEDEREDIRM

https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART1ZOOR S10-1.500HIDEREDIRH

¹⁶ HMC Section 10-1.145, Reasonable Accommodation:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.100GEPR_S10-1.145REAC

forgo a parking spot. The regulation is modeled after the City of Oakland's Unbundled Parking Policy.¹⁷

• **Transit Demand Management (TDM).** Currently, the Municipal Code allows for a reduction in the number of required off-street parking spaces for non-residential developments that implement a TDM plan; however, there is no similar option available for residential developments. Aligned with the Parking Analysis and Council and Commission feedback, the proposed updates include a reduction for residential developments of at least 50 units that provide specific TDM measures. Please note only one reduction would be allowed for each project. Table 5 contains a summary of the proposed reductions that would be permitted in exchange for specific TDM measures.

TABLE 5: RESIDENTIAL TRANSPORTATION SYSTEMS MANAGEMENT PROGRAM			
Reduction Allowed (%)	TDM Measures		
10	On-site transit route maps and schedules, a car sharing space AND car		
	sharing membership for all residents		
15	A bicycle facility OR a bus shelter		
20	A financial contribution for capital improvements OR monthly bus passes		
	made available to all units based on bedroom count		

- Senior and Special Needs Housing¹⁸ Parking. The Municipal Code allows for a 25 percent reduction in parking spaces for senior and special needs housing if certain findings can be made. Based upon TransForm's parking database,¹⁹ an average of 49 percent of parking spaces are unused in the surveyed senior, special needs and affordable housing development projects. Furthermore, the demand for parking in senior and special needs housing developments is typically significantly lower than other residential developments. Instead of allowing a reduction, a new, lower parking ratio (parking spaces per dwelling unit) of 0.5 for senior housing and 0.3 for special needs housing is proposed.
- **Driveways and Tandem Parking.** Currently, the Municipal Code requires detached residential units, where there is no street parking, to provide two covered and two uncovered parking spaces per dwelling unit. It is also stated that the driveway area cannot satisfy the uncovered parking space requirement. The proposed update includes a provision that would allow driveways to satisfy the uncovered parking requirement, as long as they meet the parking space dimensions in the Code. The Code also currently only allows tandem parking for multi-unit dwellings in limited scenarios but the proposed updates would allow tandem parking for multi-unit dwellings, as long as the tandem spaces are assigned to the same unit. Both changes are intended to create additional flexibility for developments needing to meet their parking requirements.

¹⁷ City of Oakland Unbundled Parking Policy:

https://library.municode.com/ca/oakland/codes/planning_code?nodeld=TIT17PL_CH17.116OREPALORE_ARTVSTREPALOFA_17.116.310UN PA

¹⁸ This terminology is used to be consistent with terminology in Health and Safety Code Section 15312.

¹⁹ Transform's Parking Database: <u>http://database.greentrip.org/</u>

<u>Consistency with Hayward 2040 General Plan.</u> The Hayward 2040 General Plan and Zoning Ordinance shape and regulate development throughout the city. The General Plan serves as a city's "blueprint" for future decisions concerning a variety of issues. The land use designations within the General Plan determine what densities and general land uses are allowed in various parts of the city. The Zoning Ordinance contains regulations that determine the form and design of development and the specific uses are allowed. Under California State law, the Zoning Ordinance is required to be internally consistent and compatible with the General Plan²⁰. Furthermore, if inconsistencies between the General Plan and Zoning Ordinance exist, State law requires that development is comply with the requirements of the General Plan.²¹

The City currently has several land use designations and zoning districts that allow for residential development. However, this project focuses on bringing parcels that are zoned Low-Density Residential (RL, previously referred to as "RS" or "Single Family Residential") into conformance with the densities permitted by the Hayward 2040 General Plan. Of the over 20,000 RL zoned parcels in the city, as shown in Table 6, 857 of these parcels are inconsistent with their underlying residential General Plan land use designations, in that the General Plan requires a higher density than is currently allowed by the Zoning Ordinance.²² Because of this inconsistency, these parcels would require rezonings and be subject to environmental analysis in order to redevelop, which would not otherwise be required if their General Plan and zoning designations were in alignment.

TABLE 6: GENERAL PLAN RESIDENTIAL LAND USE DESGINATION INCONSISTENCIES WITH RL ZONING DISTRICT				
General Plan Land Use Designation	Allowed density (dwelling units per acre)	Allowed Residential Uses	Parcels with an Inconsistent RL (RS) Zoning	
Limited Medium Density Residential (LMDR)	8.7-12	Detached & attached single-family homes, multi-family homes, second units	85	
Medium Density Residential (MDR)	8.7-17.4	Detached & attached single-family homes, multi-family homes, second units	723	
High Density Residential (HDR)	17.4-34.8	Attached single-family homes, multi- family homes	7	
Commercial High Density Residential (C/HDR)	Up to 34.8	Attached single-family homes, mixed use with multi-family homes on upper floor; multifamily homes, live-work units	42	
	857			

The following Zoning Ordinance text and map amendments are proposed to address the inconsistencies shown in Table 6:

• LMDR & MDR Inconsistencies: A series of Zoning Ordinance text and map amendments is proposed to address the inconsistencies of parcels with Limited Medium

²⁰ Government Code Section 65300.5:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65300.5. ²¹ Government Code Section 65589.5 (j)(4):

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65589.5.

²² Currently, the RL District does not have an explicit density standard, but rather, allowable density is determined through allowed uses (typically one primary detached dwelling unit, or two if a lot exceeds 10,000 square feet) and minimum lot size requirements.

Density Residential (LMDR) or Medium Density Residential (MDR) General Plan land use designations, but which are zoned as Low Density Residential (RL). As shown in Table 6, LMDR parcels are required to have a density of 8.7 to 12 dwelling units per acre, while MDR parcels must have a density between 8.7 and 17.4 dwelling units per acre. The RL District does not currently have an explicit density standard, but rather, allowable density is determined through allowed uses (typically one primary detached dwelling unit, or two if a lot exceeds 10,000 square feet) and minimum lot size requirements. In some cases, this creates an inconsistency. For example, for lots that are between 5,001 and 9,999 square feet, only one unit would be allowed per the RL District requirements. For lots over 15,000 square feet, a maximum of two units would be permitted by the RL District, while at least three would be required by the General Plan land use designations.

These inconsistencies are proposed to be remedied by amending the Zoning Ordinance to remove references to the number of dwelling units allowed per lot, and instead specify that residential development is allowed at the density set by the applicable General Plan land use designation. However, the form of residential development within the RL District will be limited to two-story detached residential units, duplexes, and triplexes to ensure the new development reflects the size and height of the existing neighborhoods.

- **HDR Inconsistencies:** The majority of RL zoned parcels with a General Plan land use designation of High Density Residential (HDR) are currently developed with religious institutions or multi-unit residential buildings. Based on the existing surrounding development and zoning, five parcels are proposed to be rezoned to High Density Residential (RH) and one rezoned to Medium Density Residential with a minimum lot size of 4,000 square feet (RMB4). The final parcel is a mapping error and should be rezoned to Planned Development in accordance with Ordinance 85-013²³.
- **CHDR Inconsistencies**: The final group of inconsistencies are parcels zoned as RL with an underlying General Plan land use designation of Commercial High Density Residential (CHDR). Most of the parcels with this inconsistency are located along 12th and 13th Streets where the existing development is predominately detached residential units. This area is proposed to be rezoned to RM to provide a transition between the higher density residential uses along Mission Boulevard Corridor to the east and the lower density residential areas to the west. There are four parcels which are proposed to be rezoned to High Density Residential (RH), consistent with neighboring parcels and development. The last parcel with this type of inconsistency is County owned, along with the adjacent parcel which is zoned Neighborhood Commercial (CN). The parcel is proposed to be rezoned CN to be consistent with the adjacent parcel under the same ownership.

²³ City Council Ordinance 85-013: <u>https://portal.laserfiche.com/Portal/DocView.aspx?id=53935&repo=r-b6d2994c</u>

A comprehensive list and map of all 49 parcels proposed to be rezoned can be found in Attachment V and VI.

<u>Other Topics for Consideration.</u> In addition to the revisions described above and detailed in the attachments to this staff report, staff would like the Council to consider two additional potential updates to the Municipal Code.

- Mission Boulevard and Downtown Development Codes. Two other sections of the Municipal Code that regulate residential development are the Mission Boulevard Code (Chapter 10, Article 24)²⁴ and the Downtown Development Code (Chapter 10, Article 28).²⁵ Both of these code sections were updated within the past five years and contain design and development standards that are largely objective already, with one notable exception the Architectural Standards section of the Mission Boulevard Code (Section 10-24.3.2.010).²⁶ As currently written, the seven standards within this section covering façade articulation, materials, openings, and roofs would be considered subjective per State law. For ease of understanding and simplicity of implementation, staff recommends that the Mission Boulevard Code adopt the same or similar design standards as are proposed for the Residential Districts (summarized on pages 7 and 8 of this staff report and shown in Attachment II).
- Small Lot Subdivisions. Over the past several years, "small lot subdivisions" or detached residential subdivisions with reduced minimum lot sizes of 3,500 to 4,500 square feet and reduced side and rear yard setbacks, have been a popular development typology within Hayward and beyond. Currently, small lot subdivisions are inconsistent with the development standards of the RL District, meaning that properties must be rezoned and environmental review must be conducted in order to allow this type of development, adding significant time and expense to the entitlement process. Staff recommends that the Council consider amending the RL District to allow reduced lot sizes and setbacks through an administrative review process, possibly with additional design requirements.

<u>Planning Commission Recommendations.</u> At the August 24th Planning Commission work session, staff received the following specific feedback on the draft standards:

• The Commission generally supported the updated development standards as proposed. However, they suggested the façade design standards use a point system rather than a menu of options to allow for the options to be weighted differently. They also suggested staff consider further reducing the front yard setback for RH zoned properties.

²⁴ HMC Chapter 10, Article 24, Mission Boulevard Code:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART24MIBOCO ²⁵ HMC Chapter 10, Article 28, Downtown Development Code:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART28DECO ²⁶ HMC Section 10-24.3.2.010, Architectural Standards:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART24MIBOCO_SUB ARTICLE_10-24.3SUZO_DIV10-24.3.2GEST_10-24.3.2.010ARST

- The Commission supported adding some of the design standards for the Residential Districts to the Mission Boulevard Code, including a point system for façade design.
- The Commission applauded the point system for open space amenities but recommended minor adjustments, including reducing point values for pools and amphitheaters, increasing the number of lower point options, and re-weighting options based of frequency of use (i.e. basketball courts are more likely to be used daily than amphitheaters).
- The Commission unanimously recommended that staff develop standards to streamline the development review process for small lot detached residential subdivisions.
- The Commission supported the idea of Transportation Demand Management measures, but recommended expanding the measures to incentivize ride-share services, shuttle services, services aimed at larger households, and other alternative modes of transportation. Additionally, they wanted staff to explore converting the proposed TDM table into a point system and/or restricting eligibility for the TDM reductions to certain transit-rich areas of the city.
- The Commission supported establishing reduced parking ratios for senior and special needs housing, understanding these populations have less parking demand than other types of housing.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Preserve, Protect and Produce Housing for All. Specifically, this item relates to the implementation of the following project (s):

Project 4, Part 4d: Implement housing incentives and production work plan in accordance to state housing limits; Develop an Overlay Zoning District to allow RS zoned properties (single family residential) to develop into a variety of housing types at densities permitted under the applicable General Plan designation.

FISCAL IMPACT

Consultant Mintier Harnish's approved contract and associated budget, including contingency, is \$234,910. There is sufficient funding to cover the cost of the contract through the use of the HCD SB2 Planning Grant that was originally awarded in 2019. There is no additional fiscal impact associated with the draft regulations for the Hayward Residential Design Study.

NEXT STEPS

Using the feedback received from this work session and the input from all project meetings and community outreach events held to date, the final draft of the objective standards and zoning amendments will be brought back to the Planning Commission and City Council for final consideration and adoption later this Fall.

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