



DATE: March 6, 2018

TO: Mayor and City Council

FROM: Interim Development Services Director

SUBJECT: Informational Report on Tiny Homes

RECOMMENDATION

That the City Council reviews the informational report regarding Tiny Homes.

SUMMARY

This report provides information regarding the potential development of “tiny homes” within the City of Hayward with respect to building code requirements, zoning development standards, density restrictions, and other related issues.

BACKGROUND

Definition. Currently, the International Building and International Residential Code (IBC/IRC) does not have an officially adopted definition for “tiny homes.” However, the California Department of Housing and Community Development (HCD) has classified tiny homes as the following:

“Structures, which may range anywhere from 80 to 400 square-feet in size, may be built with a variety of standards and no construction standards; may or may not be constructed on a chassis (with or without axles or wheels); and usually are offered for use and placement in variety of sites.”

As such, tiny homes can be constructed and defined in a variety of configurations depending on and based upon their unit size, location, and the types of amenities available (living, sleeping, cooking, sanitation, etc.) within the structure. Recently, tiny homes have grown in popularity due to their potential as an affordable alternative for homeownership, transitional solution for homelessness, and a mechanism to alleviate the housing shortage. Individuals find the benefit of tiny homes to minimize financial obligations, reduce material possessions, and have a smaller environmental footprint. Figure 1 displays examples of common residential structures that have been characterized as tiny homes.

Figure 1: Tiny Homes Configurations and Characteristics.



Park Trailer – “Tiny Home”



Manufactured Home



Accessory Dwelling Unit

Tiny Home Bulletin. In May 2016, HCD published a bulletin related to the various construction methods and configurations of tiny homes within the State of California. The HCD bulletin (Attachment II) further clarified the legality of use, design, and construction of residential structures that are commonly referred to as tiny homes. Given that these structures are intended for human occupancy, tiny home structures shall receive one of several types of local or state government approvals depending on the unit type and its proposed location. According to the HCD bulletin, a tiny home may only be approved and constructed as one of the following types of structures listed below contingent on whether it is located inside or outside of a mobile-home park or special occupancy park. Any occupancy of a residential structure not conforming to the California Building Standards Code (CBSC) or the construction standards for those listed below are deemed as nonconforming structures which are illegal and subject to prosecution.

1. HUD-Code Manufactured Home (MH);
2. California Building or California Residential Code Dwelling Unit – CBSC Standards;
3. Factory-Built Home (FBH);
4. Recreational Vehicle (RV);
5. Park Trailer (PT); or
6. Camping Cabin (CC)

Normally, the City of Hayward Development Services Department would only maintain construction review and inspection authority over structures that are either compliant with CBSC standards or FBH. CBSC residential structures generally include single-family dwellings, duplexes, micro-units, accessory dwelling units (ADUs), townhouses, apartments, and efficiency units which are developed on a permanent foundation (no wheels) and include independent provisions for living, sleeping, eating, cooking, and sanitation. FBH units are assembled at off-site locations and include the same amenities as typical CBSC dwelling units; however, such residential structures are approved by HCD except for the installation and utility connection that is reviewed by local building departments. All other types of tiny home structures would be reviewed by outside government agencies for compliance, primarily the Federal Department of Housing and Urban Development (HUD). Furthermore, pursuant to the California Health and Safety Code (HSC) – RVs, PTs, and CCs are not permitted as permanent dwellings thereby precluding such tiny home structures from being used as dwelling units in urbanized areas.

DISCUSSION

Density Restrictions. With respect to planning and zoning law and local municipal codes, density is defined by the number of separate dwelling units with the independent provisions on a plot of land. Based on the various forms, configurations, and amenities that tiny homes may or may not include introduces a gray area of how to calculate density. For example, if a tiny home maintains sleeping and sanitation facilities but does not include a permanent cooking facility, it cannot be identified as one dwelling unit based on CBSC standards. Therefore, such tiny homes would be more closely aligned with single-room occupancy (SRO) units or similar to dormitories provided that communal sanitation and cooking accommodations exist.

Land Use. Another common issue related to the development of tiny homes is how they are defined in relation to land use, local zoning ordinances, and where they can be located as a primary, accessory, or conditional use – if at all. Currently, the Hayward Municipal Code (HMC) does not permit the use of detached, accessory structures to be constructed with sleeping and cooking facilities unless they are constructed as ADUs. On November 7, 2017, the City Council adopted Ordinance No. 17-16 (Attachment III) to allow for the development of ADUs on properties with existing single-family residences provided they comply with the standards set forth in the HMC. ADUs serve as dwelling units accessory and/or subordinate to primary residential structures that allow for appropriate infill development in either attached, detached, or internal configurations. Further regulations would have to be studied and developed to allow for the creation of tiny homes as primary uses on properties. Attachment IV provides a housing matrix explaining the various residential housing structures and types and how they comply with the applicable standards locally, statewide, and federally.

Proposed Micro-Unit Village in Hayward. On [December 4, 2017](#), the Council Economic Development Committee (CEDC) reviewed a [preliminary plan proposal](#) from Abode Services to develop a multi-family, high-density development comprised of 240-square foot micro-units on a 3.07-acre parcel located at 2595 Depot Road. The project will be a combination of modular and site built construction modeled on other successfully completed local projects of income restricted affordable and supportive housing. The micro-unit village will include supportive services teams that work closely with on-site property management to achieve a well maintained fiscally responsible property with residents who are stably housed and thriving. Residents of the micro-unit village will be extremely-low and very-low income and will receive support through funding sources identified and secured by Abode Services.

**Tiny Home Communities.* Several cities and counties have allowed and zoned for the use of “tiny home communities” to increase affordable housing stock to the community. [“Caravan – The Tiny House Hotel”](#) is an example of a tiny home community located in Portland, Oregon that created rental and ownership units. The community was constructed as a commercial land use that allowed for the temporary residency of individuals with six units that ranged between 120-170 square-feet. Each unit was developed with all provisions for independent living. [“The Village of Wildflowers”](#) was a tiny lot subdivision located in Henderson County, North Carolina where the developer created thirty-two 400 square-foot permanent housing units that were also able to be rented or purchased.

**Emergency and Transitional Housing Villages.* Other cities and counties have also allowed the development of tiny home villages to serve as emergency housing for the homeless or transitional homes. Seattle, Washington allowed the placement of 14 tiny homes less than 120 square-feet in size with a community kitchen and sanitation facilities to serve as an accessory land use to an existing church. [Eugene, Oregon](#) also allowed a similar establishment of a tiny home village focused on homeless individuals as emergency housing. In both cases noted above, a Conditional Use Permit (CUP) was obtained for local review which provided the ability for the City or County to implement a monitoring program of the site to ensure that proper maintenance was maintained, services were provided for such individuals, security was present, etc.

*Listed cities and counties cited in the case studies may have implemented different building code, alternative standards, or have declared a state of emergency for homelessness to allow for the development, placement, or operation of tiny home villages.

ECONOMIC AND FISCAL IMPACT

The policies, actions, and/or expenditures of this informational report do not have any economic or fiscal impact on the Hayward community.

STRATEGIC INITIATIVES

The allowance for tiny homes within Hayward could eventually meet some of the Council's objectives within the Complete Communities Initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This report provides an informational document on the various types of housing units and explains how such structures may or may not work within the limits of the Hayward Municipal Code or the California Building Standards.

Goal 1. Provide a mix of housing stock for all Hayward residents and community members, including the expansions of affordable housing opportunities and resources.

Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.

Objective 3: Increase supply of affordable, safe and resilient housing in Hayward.

PUBLIC CONTACT

This agenda item is an informational item and does not require a public notice.

NEXT STEPS

If the Council wishes to further discuss policy changes to allow for tiny home development within the City, staff can agendize this at a future meeting. If not, staff can review proposals received for tiny home developments on a case by case basis and determine the appropriate mechanisms for review and approval of these projects.

Prepared by: Marcus Martinez, Assistant Planner

Recommended by: Stacey Bristow, Interim Development Services Director

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

Kelly McAdoo, City Manager