

Memorandum

April 9, 2014

TO: Sausalito Housing Element Subcommittee
FROM: Lilly Schinsing, Administrative Analyst 
SUBJECT: **Draft HMU Ordinance**
Sausalito 2009-2014 Housing Element Program #8b

The attached revised HMU Ordinance shows a redlined version of the draft HMU Ordinance the Subcommittee reviewed in February to incorporate the following changes regarding the incentives/concessions:

- Insertion of a purpose statement which makes it clear that the purpose of the HMU regulations is to encourage residential uses on the ground floor of buildings that accommodate a mix of housing opportunities and reduce the need for increased building heights that pose potential adverse impact on views from surrounding properties.

RECOMMENDATION

Provide staff and the consultants with comments on the attached draft HMU Ordinance (Attachment 1) for consideration by the Planning Commission in their review of the Ordinance.

Attachments

- 1- Revised Draft HMU Ordinance (track changes from 2/25 version shown)

I:\CDD\PROJECTS - NON-ADDRESS\ZOA\2014\14-007 Housing Element Implementation\VMU-HMU\Subcommittee Draft\4-9-14\memo.docx

1 **Horizontal Mixed Use Regulations** (revised 04.09.14)

2 **Amendment to Chapter 10.28 – Overlay Districts**
3 **(New Section 10.28.080)**

4 **Section 10.28.080 Horizontal Mixed Use (HMU)**

5 **A. Purpose.** To encourage residential uses on the ground floor of buildings that accommodate a mix of
6 housing opportunities and reduce the need for increased building heights that pose potential adverse
7 impact on views from surrounding properties.

8
9 **A.B. Applicability.** These regulations apply to Horizontal Mixed Use (HMU) Overlay sites situated
10 within the Neighborhood Commercial 1 (CN-1) zoning district. An applicant may elect to comply with
11 the provisions of this Section 10.28.080 in which case the requirements of MSC 10.44.190 shall not
12 apply. In the event an applicant does not elect to comply with the provisions of this Section 10.28.080
13 then the requirements of SMC 10.44.090 shall apply.

14
15 **B.C. Zoning Map Indicator.** Each HMU overlay district shall be shown on the zoning map by adding
16 an “—HMU” designator to the base district designation.

17
18 **C.D. Permit Applications for Residential Units.**

19
20 1. Location. Residential dwelling units within HMU projects may be permitted on all levels of
21 existing and new buildings.

22
23 2. Development Standards. Development standards shall be those of the base zoning district for
24 residential projects per Table 10.24-2 (Site Development Standards – Commercial Zoning Districts).
25 For Residential Density Bonus and Incentives see Section 10.40.130.

26
27 3. Requirements. HMU projects shall comply with each of the following provisions:

- 28 a. Thirty percent of residential units within HMU projects shall provide a minimum of three (3)
29 bedrooms in order to accommodate “large households” (i.e., households with five or more
30 persons, typically consisting of families with children). If the number of units is calculated to
31 a fractional number, any fraction of less than 0.5 shall be rounded down to the next whole
32 number; any fraction of 0.5 or greater shall be rounded up to the next whole number.
- 33 b. A minimum of 25 percent of the units in an HMU project must be provided at an affordable
34 rents or sales price to very low income (50% AMI) households, and an additional 25% must
35 be provided as affordable to low income (80% AMI) households. If the affordable number of
36 units is calculated to a fractional number, any fraction of less than 0.5 shall be rounded
37 down to the next whole number; any fraction of 0.5 or greater shall be rounded up to the
38 next whole number.
- 39 c. Affordable Units shall be deed-restricted for a period of not less than forty years.

40 4. Incentives. The following incentives shall be granted to HMU projects compliant with the
41 development standards and requirements in these regulations.

- 42 a. Affordable Units may be permitted to be smaller in aggregate size and have different
43 interior finishes and features within reason from market-rate units. The interior amenities in

1 Affordable Units should generally be the same as those of the market rate units in the
2 project. Appliances need not be the same make, model, or type of such item as long as they
3 are of good and new quality and are consistent with current standards for housing.
4 Deviations between market rate and Affordable Units shall be described in writing by the
5 applicant and shall require approval by the Director.

- 6 b. Development and application fees, including plan check and building permit fees, shall be
7 reduced to a rate of 50 percent of the adopted development fees for the affordable portions
8 of the project. The fee reduction shall be calculated on pro-rata basis by the Director.

9 5. Access and Facilities. Residential units of both market rate and affordable varieties shall
10 maintain separate entrances from commercial and/or office uses. A Minor Use Permit shall be
11 required to deviate from the separate entrance requirement. In order to approve a Minor Use
12 Permit for joint entrance, the Applicant shall demonstrate that the addition of a separate
13 entrance is infeasible due to physical constraints. All residential units shall contain a separate
14 kitchen and bathroom facility.

15 6. Exceptions to HMU Requirements. The Planning Commission may waive the requirement in
16 Section 10.28.080.C.3.a, which requires that 30% of the units provide a minimum of units of three
17 (3) or more bedrooms in order to accommodate larger households in special situations when it is
18 demonstrated that there are physical site constraints which make infeasible units of three or more
19 bedrooms. In order to waive this requirement, the following findings shall be made:

- 20 a. Based on the unique project characteristics and location, the requirement in Section
21 10.28.080.C.3.a is not necessary to meet the goals and policies of the General Plan and
22 specific programs in the Housing Element.
23 b. There is an adequate mix of units in the proposed development for larger households.
24
25