Request for: Interim Floor Area Ratio Ordinance for Single-Family Homes.

CEQA: Exempt per CEQA Guidelines §15061(b)(3)

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Reason for the public hearing: In response to concerns about single-family home projects and neighborhood compatibility, the City Council directed staff to study immediate, short-term, and long-term tools for residential development projects. An interim Floor Area Ratio Ordinance can be a short-term tool while the long-term single-family residential design guidelines are developed. Planning Commission recommendation to the City Council is required for all amendments to the Zoning Ordinance.

Key Considerations: Current Architectural Permit process, objective development regulations, appropriate Floor Area Ratio, exemptions to Floor Area Ratio

Public Notice: On May 10, 2019, more than ten days before to the hearing date, notice of the Planning Commission hearing was posted on the City’s website and Redwood City Voice, and placed in the San Mateo Daily Journal. Social media outlets were used including the City’s Facebook and Twitter postings. Notification was also posted on the City’s website.

Staff Recommendation:

Adopt Resolution No. 19-07 recommending that the City Council approve amendments to the Zoning Ordinance by adding Article 48 (Interim Floor Area Ratio for Single-Family Homes) and amending Articles 2 (Definitions) and 41 (Common Procedures).
BACKGROUND
The City of Redwood City receives numerous requests to improve single-family homes every year. Most of these improvements are relatively minor, and include kitchen remodels, new roofs, window replacements and other interior renovations. There are also other larger projects including ground floor additions, second story additions, or complete tear downs and rebuilds of homes.

From January 2017 to December 2018, the City received 98 applications for second story additions or tear downs with new homes. New two-story single family homes and second story additions require Zoning Administrator approval of an Architectural Permit (AP). As part of the AP, planning staff reviews the required development standards of the underlying Zoning District as well as the Architectural Findings (45.4) in order to make a recommendation on the permit. Some of these projects, mostly in the Mt. Carmel neighborhood, have generated neighborhood concerns focusing on compatibility issues, such as the floor area, size, and architectural style of the home compared to existing neighboring homes that may have been built many years ago.

In response to neighborhood concerns, the Redwood City Council held two study sessions on July 23, 2018 and on November 19, 2018 to consider additional tools and development regulations when reviewing an AP. At the time, staff presented short-term and long-term ideas for consideration. On December 3, 2018, the City Council approved a set of Guiding Principles for Neighborhood Compatibility to be used when evaluating the Architectural Findings as they relate to neighborhood compatibility. These Guiding Principles are currently being used to evaluate single-family residential AP applications.

The City Council also directed staff to prepare an Interim Floor Area Ratio (FAR) Ordinance for single-family homes in Redwood City. The Interim Ordinance would provide a short-term mechanism for higher floor area projects to receive additional scrutiny while work continues on the long-term strategy of establishing City-wide Residential Design Guidelines. The City has initiated the development of Residential Design Guidelines study, with anticipated completion by summer of 2020.

ANALYSIS

Current Process - An AP is required for construction of new or expanded second-story additions, or construction of a new two-story home. As part of the AP review, staff evaluates the objective development standards described in the zoning district, as well as evaluates the project for consistency with the Architectural Permit findings.

Objective development standards are typically numerical, and can be measured and applied consistently across a variety of contexts. The objective standards may vary slightly between residential zoning districts. Staff reviews the following objective standards for a single-family home project:

- **Lot Coverage**: A ratio of the amount a lot can be covered by structures. Does not include second stories
- **Setbacks**: Distance a structure must be located from the property line
- **Maximum height**: Total height of the structure as measured from the nearest adjacent grade
- **Parking**: Minimum number of parking spaces required on a lot
• **Minimum pervious surfaces**: A ratio of the amount of the lot that is permeable

Currently, Redwood City has no floor area limits for single family homes. FAR is the ratio of the total building size in proportion to the lot size. For example, if a lot size is 5,000 square feet and the FAR was 0.5, then the maximum home size would be 2,500 square feet. This objective development standard is commonly used in other jurisdictions to evaluate home size, such as in San Mateo, San Carlos, Menlo Park, Palo Alto, and Mountain View.

**Statistics on Past Projects** - Staff compiled the most recent, complete data for all AP’s processed for single-family home projects from 2017 and 2018. The first step was to evaluate square footages of all structures on a lot including the basement, first floor, second floor, and all detached structures (garages, Accessory Dwelling Units (ADU), sheds, etc.).

Staff then refined the calculation by focusing specifically on aspects of the residential structure that contributed to the overall massing when viewed from the street. This includes attached garages, the first floor, and the second floor while excluding detached structures and basements. The decision to focus only on portions that contribute to above grade massing is based on the intent of this Interim FAR Ordinance to create an additional objective tool for establishing neighborhood compatibility. Detached structures are typically located towards the rear of lots and do not visually impact the neighborhood streetscape. Similarly, basements are below grade and do not contribute to the perception of size.

In total, there were 44 single-family home AP projects in 2017 and 54 projects in 2018. Figure 1 shows a breakdown of FAR for these projects.

**FIGURE 1: SINGLE-FAMILY HOME FAR**

<table>
<thead>
<tr>
<th>Year</th>
<th>0.40 and below</th>
<th>0.40 – 0.45 FAR</th>
<th>0.45 – 0.50 FAR</th>
<th>0.5 FAR and more</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>21 (48%)</td>
<td>8 (18%)</td>
<td>4 (9%)</td>
<td>11 (25%)</td>
</tr>
<tr>
<td>2018</td>
<td>17 (32%)</td>
<td>7 (13%)</td>
<td>11 (20%)</td>
<td>19 (35%)</td>
</tr>
</tbody>
</table>

The average home size in 2017 was 3,204 square feet and 2,955 square feet in 2018. In general, the home sizes were fairly consistent with the majority (53%) falling between 2,500 – 3,500 square feet during this period. In addition, the majority of projects (55% of total projects) occurred on standard lots in the 5,000 – 7,000 square feet range with an average house size of 2,948 square feet. The differences and wide range in FAR is mainly due to the range in lot sizes found in Redwood City. For example, larger FARs tend to be on smaller lots (less than 5,000 sq. ft.) and lower FARs tend to be on larger lots (more than 10,000 sq. ft.). Figure 2 below shows this relationship, and also where most of the single-family projects fell within in regard to lot area and FAR.
Proposed Interim Floor Area Ratio Threshold - Redwood City’s wide range of lot sizes, lot widths and home sizes makes it difficult to apply an appropriate FAR limit for the variety of neighborhoods in the City. Rather than create a maximum limit for FAR, staff is recommending a threshold where higher levels of review are required for any two-story project exceeding a specific FAR. Projects below the threshold will continue to be reviewed by the Zoning Administrator at the staff level, while larger projects will be reviewed by the Planning Commission and be subject to an additional set of findings. The additional findings focus on design and neighborhood compatibility and are based on the Guiding Principles for Neighborhood Compatibility (See Attachment 1, Resolution). To ensure appropriate compatibility for larger projects, the findings emphasize contextual setbacks, garage placement, and massing as the house is viewed from the street frontage. While Guiding Principles are applied to all single family home projects as guidelines or best practices, they would serve as findings that must be specifically made to approve any project over the threshold. This recommendation provides flexibility, additional public engagement, and clear guidance for projects over a certain size.

The proposed 0.50 FAR threshold was deemed the most suitable when considering Redwood City’s existing maximum lot coverage is 0.40 in four of the six residential zoning districts, and second stories are allowed on all single-family homes. In addition, based on current data and trends, a 3,000 square feet home would be a good starting point to consider additional neighborhood compatibility measures and analysis. The majority of Redwood City’s residential zoning is Residential – Single-Family (R-1) which sets standard lot sizes at 6,000 square feet. While the City has a range of lot sizes, the majority of projects recently constructed occurred on standard sized lots, and with a 0.50 FAR threshold, the resultant home size would be close to the 3,000 square foot target. The distribution of FARs for proposed homes, along with the recent appealed projects (red dots) are shown in Figure 3. From January 2017 to December 2018, there were 30 projects that exceeded the 0.50 threshold with 9 of those projects occurring on lots less than 5,000 square feet in area.
FIGURE 3: PROJECTS EXCEEDING 0.50 (2017-2018)

Exceptions to FAR Threshold - Staff also proposes some exceptions in this Ordinance where FAR shouldn’t apply. These include:

- Lots of less than 5,000 sq. ft.
- Square footage of basements and detached structures
- Architectural features as described in Article 32.3 E (e.g. bay windows, unenclosed decks, balconies, etc.)
- Single-story additions (projects not requiring an AP)
- Small second story additions of 100 square feet or less.

The first recommended exception would include lots less than 5,000 square feet. These lots are considered non-conforming based on the lot area and possibly minimum lot sizes lot widths. These lots are already constrained, and both lot area and the lot width would naturally limit the size of a proposed house when applying existing objective development regulations like lot coverage, setbacks, and second story setbacks.

The second exemption would be for basements and detached structures because they do not contribute to the massing from the streetscape. When looking at the data from 2017 and 2018, the difference in square feet between the average size of a development that included all the structures on a lot versus the principal residential structure was minimal. Staff suggests that is because the City doesn’t generally receive AP applications that include detached structures, and if exempted from FAR, could incentivize detached garages for neighborhood compatibility and ADUs for additional housing units. And as mentioned earlier, detached structures are typically located toward the rear of the lot while basements are not visible so neither would visually impact the neighborhood streetscape or contribute to the perception of size. The same would be true of architectural features, which are encouraged as part of the design of a home for architectural interest, articulation, and neighborhood compatibility.
Staff also recommends that the proposed Interim FAR Ordinance only apply to projects that require an AP. In this case, ground floor additions would not be subject to FAR. A ground floor addition is usually in the back, and already subject to the objective development regulations that limit its size including setbacks and lot coverage (0.40 for the most part). Similar to detached structures and basements, ground floor additions have minimal massing impacts. The same would also true for small second story additions that are 100 square feet or less. This exception provides flexibility to expand an existing room, or add one small room for a home that may already exceed the 0.50 threshold prior to this Interim Ordinance.

Impacts to Planning Commission Meetings and Staff Resources: Staff anticipates that the Interim FAR Ordinance would dramatically increase the number of projects that are brought to the Planning Commission for review. Based on the above data, the Planning Commission would have reviewed an additional 21 projects from January 2017 to December 2018. For reference, the Planning Commission reviewed approximately 32 projects from within the same time frame, and an addition of 21 more projects is substantial. This would lengthen Planning Commission meetings and have a significant impact on staff’s work load with noticing, preparation of staff reports, and attendance at evening meetings. To carry the additional workload without increasing staff, streamlining review processes and staff time would need to be identified elsewhere.

Alternative FAR Threshold – As an alternative to the proposed 0.50 threshold, a smaller 0.45 may be appropriate to address the concerns with neighborhood compatibility, however the difference between 0.45 and 0.50 on a 6,500 square foot lot is 325 square feet, or less than a two-car garage. With 0.45 FAR, the Planning Commission would have reviewed an additional 36 projects from 2017-2018, which is more than double the amount of projects the Planning Commission reviewed in the same time frame and would have an even more significant impact on Planning Commission hearings and staff time than stated above. For reference, all three of the appealed projects in the last two years would be captured by a 0.45 FAR (as shown in red dots in Figure 3 above) while two out of the three projects would still have been captured under a 0.50 FAR. Within this two year period, there were 98 APs processed, with over two dozen exceeding 0.50 FAR and almost all of these projects were approved without neighborhood concerns or appeals.

ALTERNATIVES

- Alternative 1: The Planning Commission may adjust staff’s recommended 0.50 FAR threshold described above, as well as provide additional direction on the proposed exemptions, or provide comments on the additional findings in order to approve a house that exceeds the FAR threshold.

- Alternative 2: In addition to the recommended Ordinance, staff has one alternative FAR proposal for consideration that includes the following parameters:
  - Maximum 3,000 square feet or 0.45 FAR, whichever is greater. Projects would be reviewed and decided by the Zoning Administrator with Planning Commission reviewing any appealed projects. The same exemptions for detached structures, basements, and lots below 5,000 square feet would apply.

- Alternative 3: The Planning Commission may recommend that the City does not move forward with an Interim FAR Ordinance and that the current objective development standards, AP Findings, and
the Guiding Principles for Neighborhood Compatibility are adequate for regulating single-family homes until the implementation of Residential Design Guidelines.

NEXT STEPS
Upon recommendation from the Planning Commission, the City Council will conduct a public hearing to consider and potentially adopt the Interim FAR Ordinance, tentatively scheduled for June 24, 2019.

ENVIRONMENTAL REVIEW
The proposed Interim Floor Area Ratio Ordinance is exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines 15061 (b) (3). This activity is covered by the common sense exemption that CEQA only applies to projects which have the potential for causing significant effect on the environment and where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. It can be seen with certainty that this project does not have the potential to create a significant impact. Topics evaluated by CEQA include: Aesthetics, Agricultural and Forestry Resources, Air Quality, and Greenhouse Gas Emissions, Biological, Cultural and Mineral Resources, Geology, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Noise, Population and Housing, Public Services and Recreation, Transportation and Traffic, and Utilities and Service Systems. The project is an ordinance that will only add an additional objective standard for reviewing single-family homes. Single-family homes are permitted uses in Residential Zoning Districts within Redwood City, and would still be subject to an Architectural Permit application that would have its own CEQA review as part of the project.

ATTACHMENTS
1. Resolution No. 19-07

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