

July 24, 2024

Kristina Estudullio, Project Planner
San Rafael Community Development Agency
1400 Fifth Street
San Rafael, CA 94903

Re: Dominican Valley Inclusionary Housing Proposal (File No: CDR23-002, ED23-062, TS23-001 (PLAN23-081))

Dear Kristina:

In response to the April 26, 2024 incompleteness letter, we are writing to provide the requested information needed to satisfy the City of San Rafael's affordable housing requirements as detailed in Chapter 14.16 of the San Rafael Municipal Code.

Per the requested information in Section 2. Density Bonus of the letter, please find the following information.

- A. Density Bonus eligibility table: This table shall include: the number of market rate units in the project; the number of affordable housing units proposed & level of affordability for each of the designated affordable units; the number of other eligible units (senior housing, supportive housing, etc.); number of density bonus units requested; total allowable density bonus (see Table 3 of City Council Resolution);

Unit Type	Total #units		Market Rate	Very Low	Low	Moderate	Total Project
Base Density per Zoning	47 (10% affordable requirement per SRMC 14.16.030)						47
Density Bonus	17 (35% bonus per Govt Code Section 65915(f))						17
A – Margarita SFR	6		6				6
B – Deer Park SFR	5		5				5
C – Margarita Duplex	4		4				4
D.1 – Deer Park Townhome	17		17				17
D.2 – Deer Park Townhome	14*				14 (ADUs)		14
E – Gold Hill SFR	5		5				5
F – Loop Road SFR	13		13				13
Total	50		50		14		64*

*currently, the proposed project consists of 50 market rate units, and 14 affordable, deed-restricted, ADUs. Depending on how the City of San Rafael counts total units, the ADUs and overall units would account for 50 or 64 total units.

- B. Plans noting location of affordable dwelling units. Project plans showing the total number of units, the number and location of the affordable units and the number and location of the proposed density bonus units. *Please show on a plan set which units will be designated as affordable.;*

Please see the revised Dominican Valley Housing Planning Submittal, dated July 24, 2024, that includes Tentative Map and Architectural details. Please see revised Sheet A001 that depicts the proposed site plan and unit types (including the affordable ADUs).

- C. Clarification on Accessory Dwelling units and Junior Accessory Dwelling Units. In this submittal, there are inconsistencies in the identification of Accessory Dwelling Units and Junior Accessory Dwelling Units. *Please state how many of each type of these units are proposed, and show the location of each one of these units on a plan set.*

Consistent with Builders Remedy affordability requirements, the project proposes 20% + of the housing units as affordable. 14 attached accessory dwelling units (ADUs) shall be deed restricted “affordable” for low-income households. Attached ADUs are identified on the Site Plan, sheet A 001 and the Architectural sheets Identified as Lots 15-22, 25-28, 30-31

- D. Concessions/Incentives: The application shall include the total number of concessions or incentives being requested; The written statement shall include the actual cost reduction achieved through the concession/incentive and evidence that the concession/incentive allows the applicant to develop affordable housing at the specified affordable rents/sales price. *Provide the total number of concessions/incentives requested along with the financial explanation requested above;*

The project, by providing 20% of units as affordable housing, qualifies for two incentives /concessions (meaning reduction in development standards pursuant to California government code section 65915(d)(2)(B) or 65915(e) and applicant reserves the right to request as needed through the application process.

The primary concession that the applicant is requesting is to remove the requirements of the Hillside Guidelines for the overall project. This concession will result in identifiable and cost reductions because it will increase the value of the project and help reduce construction costs thereby facilitating the development of the affordable units.

- **The 50 residential units (+ 14 ADUs) comprises of the following types of units.**
 - **27 Single-Family Homes ranging in size from 2612 sq ft - 3215 sq ft**
 - **17 Townhomes ranging in size from 1150 sq ft - 1390 sq ft (14 Townhomes with attached ADUs)**
 - **6 Duplex units each 1705 sq ft**

- E. Waivers. The application shall include a list of requested waivers or reduction of development standards. Any request for waivers or reduction of development standards shall be accompanied with evidence that the development standards for which a waiver is requested would have the effect of physically precluding the construction of a development at the densities or with the concessions or incentives permitted by Government Code Section 65915; *Provide the total number of waivers requested along evidence that the noted development standard would preclude the construction of a development at the densities or with the concessions or incentives permitted by Government Code Section 65915 as requested above.*

At this time, the applicant is requesting waivers to the development standards for certain units within the Hillside Area designations pursuant to SRMC Section 14.12.030 - Property development standards (See Sheet A 001 for details – footnotes 2 through 5 in column “Hillside Guideline Compliant”), including the following:

- **Waiver for specific lots for step back and setback requirements**
- **Waiver for five (5) Unit type “E” lots for balcony projections into the 20 step back**
- **Waiver for 17 Unit types D1 and D2 for step backs and wall planes**
- **Waiver for nine (9) Unit types A and C for road access and height**
Waiver for 26 lots for “natural state” requirements pursuant to Hillside Guidelines

In addition, a waiver is requested for the requirement for two covered off-street parking spaces for all residential units. The townhomes units (unit type D1 and D2) include tandem parking for two cars, or one covered off street parking space, and therefore a waiver is needed for this requirement.

These waivers are necessary because strict application of the development standards will reduce available project area to build housing.

The project also qualifies for unlimited waivers or reductions to any development standard and the applicant reserves the right to request as needed through the application process.

The Development Application includes 50 single-family detached, duplex, and townhome residential units, which under the City’s inclusionary housing requirement for 10% affordable units will require 5 units of affordable housing. To meet those requirements, we are proposing an alternative consisting of 14 Deed Restricted Accessory Dwelling Units (“ADUs”) integrated throughout the townhomes (Unit Type D2) at the Low-Income affordable levels.

Pursuant to Government Code Sections 65852.2(m) and Section 65583.1, ADU’s may be utilized towards meeting the Regional Housing Need Allocation (RHNA) and Annual Progress Report pursuant to Government Code section 65400. The definition of ADUs includes both attached and detached product. In this case, the proposal conforms to the definition of an attached ADU under Government Code section 65852.22.

We look forward to working with San Rafael staff to process this application. Please do not hesitate to contact us should you have any questions.

Sincerely,

Ray Cassidy
Dominican Valley, LLC