



Citywide place-based analysis

What locations in Sacramento are suitable for the development of Missing Middle Housing (MMH)?

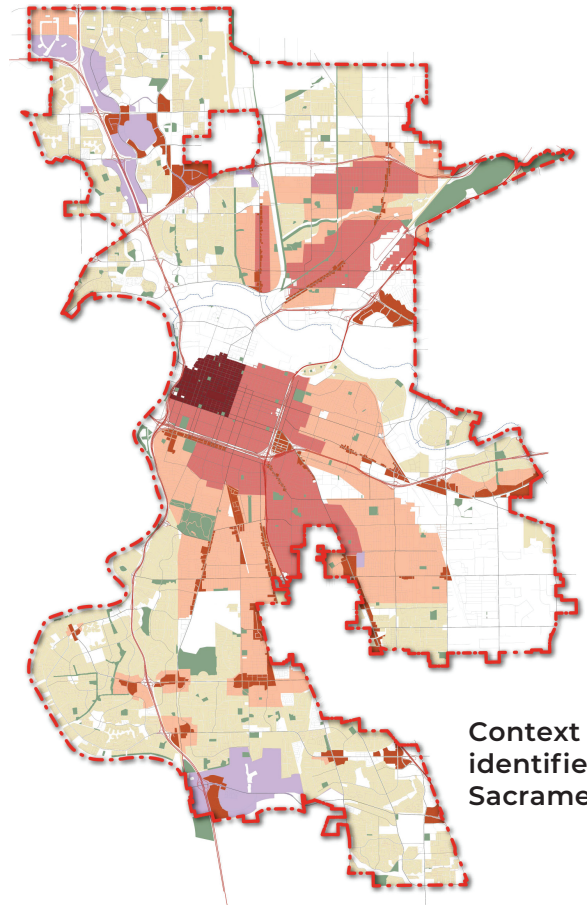


Why do we need a city-wide analysis?

In Sacramento, we see a **variety of development patterns with distinct physical characteristics**. For example, Central City looks and feels different from Land Park or Pocket. Analyzing characteristics such as connectivity, built form patterns, mix of uses, and access to transit and amenities in different parts of Sacramento helps us determine the "degree of change" for each area, to incrementally introduce MMH types that are appropriate for the existing context.

What did the analysis find?

Like many other cities, Sacramento has **walkable neighborhoods** near the historic core. These areas are already home to and support many MMH types. Many other areas are "**compact and connected**" with the potential to support a variety of MMH. Other areas such as "**transitional**" and "**low-scale residential**" environments will need a more nuanced approach to implementing MMH.



Context types identified in Sacramento

The city-wide analysis classifies Sacramento's existing built environment into six distinct "context types". The colors of the circle outlines below relate to the map above.



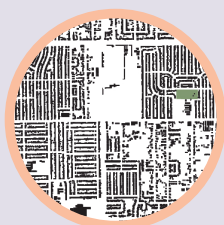
Downtown Core



Compact + Connected



Corridors + Centers



Transitional



Low-Scale Residential



Large Infill Sites

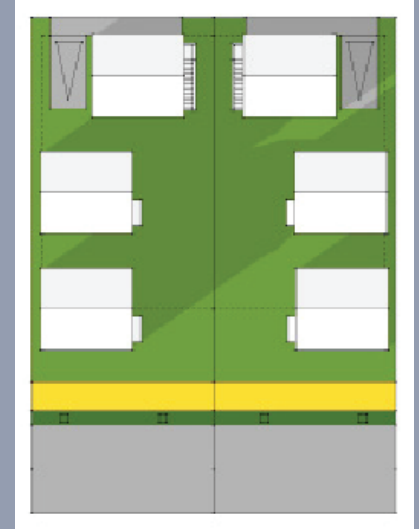


MISSING MIDDLE HOUSING

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Analyzing factors that are limiting Missing Middle Housing (MMH)

What regulatory and development challenges must be addressed to make MMH financially feasible, attainable to middle-income earners and be physically compatible with residential areas?



What makes a project viable?

Three key factors will be used to assess the viability or “success” of MMH in Sacramento:

■ Is the physical form compatible?

Compatibility in scale and form with existing homes in the neighborhood is a key factor of success for MMH implementation.

■ Is it financially feasible?

Financial analysis will evaluate if a project will generate enough revenue to cover project costs, meet financial obligations (such as paying back a construction loan) and provide a return on the builder’s investment.

■ Is it attainable?

To promote housing access and to address rising housing unaffordability, MMH needs to be **attainable for the average middle-income household in Sacramento**. MMH types feature smaller units and require no specialized construction techniques, making them more “**affordable by design**” than many other building types.

What does a “test fit” do?

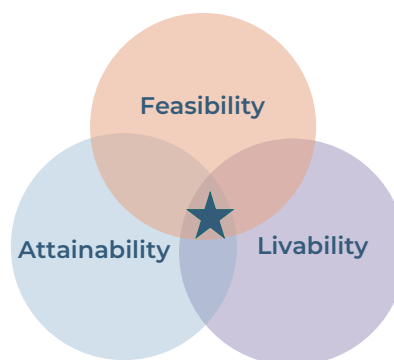
A test fit explores whether it is possible to build MMH under current regulations and whether the development will be feasible and attainable. It helps identify what needs to change to make MMH types viable to build.



The example above shows a **Cottage Court** built on a 100 ft x 100 ft lot with an alley for parking access. While the built form is compatible with existing single-family homes, it exceeds the allowed number of units and required front setbacks for this lot.

Next, the test fit’s development program is analyzed from the perspective of a builder or investor, to see if it is financially feasible under current market conditions. Note that often a

project may be more feasible with larger units, but those units will be at a **higher price point and not be attainable** to most middle-income earners.



The test fit will be calibrated to hit the **MMH “sweet spot” of feasibility, attainability and livability**, and this will inform future regulations for MMH.



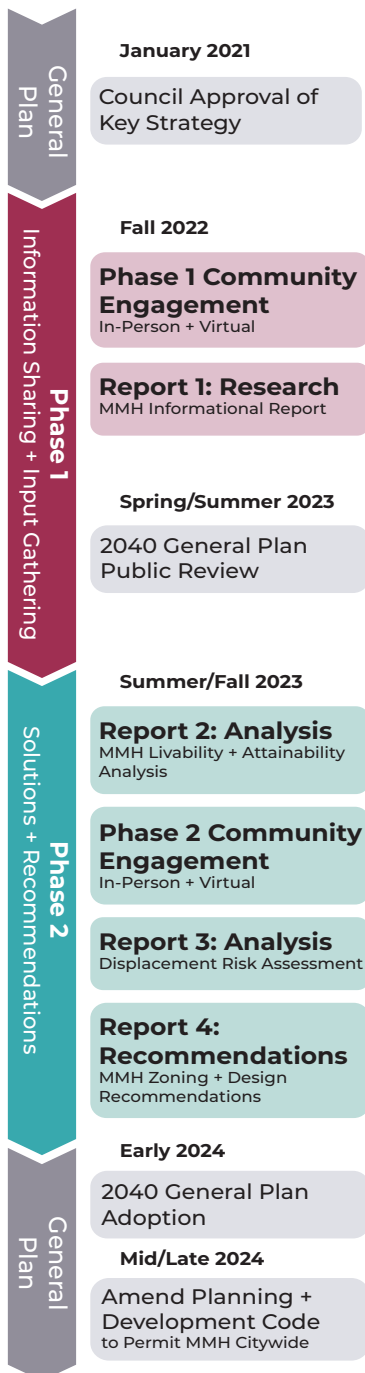
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How has community input from Phase One informed Phase Two?

This study's final recommendations will inform code revision efforts that will take place in late Spring of 2024, after the 2040 General Plan is adopted by Council.

Permit a greater array of housing types such as duplexes, triplexes, fourplexes, and bungalow courts in existing single-unit neighborhoods.

*Key Strategy, 2040
General Plan Update,
Sacramento City Council,
January 19, 2021*



Phase Two Engagement Framework

In Phase One, residents emphasized the importance of open space, trees, compatibility, attainability and addressing displacement risk. This feedback has helped to shape Phase Two's engagement framework. The **preliminary recommendations** presented in this workshop will strive to answer **three key questions**.

3 Key Questions



What could MMH look like?

We will recommend design standards and development requirements to ensure predictable built outcomes.



Will it be lower-cost and attainable?

We will recommend incentives to boost the production of attainable as well as regulated affordable units.



How can the City promote homeownership and address potential displacement through MMH?

We will recommend strategies and incentives that can promote ownership and reduce displacement risk.