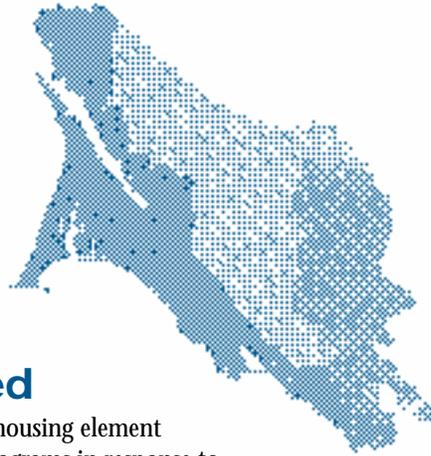


Chapter One

About the Housing Workbook and the Housing Element



Why the Housing Workbook has been Prepared

All the cities and counties in California are required to have a housing element which establishes housing objectives, strategies, policies and programs in response to community housing conditions and needs. The housing element is one part of a jurisdiction's general plan and it is used as a guide for near-term and long-range planning. All 101 cities and nine counties in the San Francisco Bay Area region are required to update the housing element of their respective general plans. While this is a legal requirement for all jurisdictions, it is an unprecedented opportunity to share our experiences and ideas, and to forge a common understanding of how best to face the challenge of meeting Marin's housing needs.

Despite all of our successes, housing affordability in Marin and in the Bay Area as a whole is now at an all-time low. This has implications for all of us, as it becomes more difficult to fill vacant jobs; roadways are clogged with workers traveling longer distances; and many young families, longtime residents, and other community members relocate because they can no longer afford to live here.

The *Marin Housing Workbook* process is being jointly sponsored by all of the local government jurisdictions in Marin — all eleven towns and cities, and the County. Although each jurisdiction in Marin has different characteristics and a pride in uniqueness, they also have many opportunities and challenges in common. This is especially true in the area of housing. Thus, an opportunity exists to learn from each other and to establish strategic cooperation to respond to the pressing need for workforce and special needs housing in Marin. This approach can:

- (1) **Provide Better Data.** Through combining resources, we can support a more detailed and comprehensive level of data collection and analysis of countywide and jurisdiction-specific housing issues.
- (2) **Ensure a Multi-Jurisdictional Approach to Multi-Jurisdictional Issues.** Marin's housing markets operate across jurisdictional lines. Without coordination of common housing policy, data and definitions between jurisdictions — or at least a forum to discuss the possibility of coordination — local housing policies may not effectively respond to market realities. Implementation will be much easier when there are common data, definitions and program approaches when appropriate.
- (3) **Promote Innovation and Sustainability.** Long-term viability depends on the ability to develop innovative, effective responses (“best practices”) to the affordable housing crisis.
- (4) **Efficiently Address Issues.** Many of the tasks required in the housing element process will be repeated by each jurisdiction in the County. By pooling resources and coordinating work efforts, everyone can realize a substantial cost savings.

- (5) **Provide a Coordinated Response.** The State (Department of Housing and Community Development -- HCD) requires that each jurisdiction develop a housing element that complies with very specific requirements of State law regarding actions to address housing needs and issues. By working together, the Marin County jurisdictions can provide a coordinated response to this State mandate on many issues, while still having jurisdiction autonomy as appropriate. Not only will this demonstrate to HCD that there is a serious effort on the part of local jurisdictions, it will provide support for making sure individual housing elements are certified.
- (6) **Build a Framework for Implementation.** A valuable outcome of this coordinated strategy will be countywide agreement on housing terms and methodologies, allowing communication to occur more effectively on housing issues, coordinating future efforts, and monitoring success over time.
- (7) **Develop Real Solutions.** The critical nature of the affordable housing crisis in Marin County (and throughout the Bay Area) requires that more is done than just responding to the State's mandate. It requires that real solutions are found. A coordinated housing element effort cannot provide all the solutions, but it will be an important step in the process.

Legal Requirements for Housing Elements

The Role of the Housing Element

The State of California has enacted legislation that sets forth the requirement that the general plans of all cities and counties contain, among other things, a housing element. The rules regarding housing elements are stated in California Government Code Sections 65580-65589. The statewide goal is given as "decent housing and a suitable living environment for every California family." As with any element or part of a jurisdiction's general plan, the evaluation of local housing plans and programs can essentially occur whenever needed. However, State law is much more specific in regard to the timing and requirements for updating the housing element—"the housing element shall be revised as appropriate, but not less than every five years to reflect the results of this periodic review" (65588(a)).

Currently, every county, city and town in the Bay Area is undertaking a process to update its Housing Element. This represents a rare opportunity to consider and address the Bay Area's housing crisis in a meaningful fashion, laying the foundation for a more sustainable and livable future. The Housing Element process is a strategic opportunity to develop real solutions to local housing needs. It is an opportunity to engage local residents, housing advocates, developers, elected officials, and other stakeholders in a constructive dialogue to define and evaluate potential strategies and solutions.

The law establishes that all cities and counties have responsibilities to contribute to the attainment of that state goal. Each jurisdiction's housing element is required to demonstrate how the goal will be furthered locally. Housing elements are required to contain analyses of local housing needs and resources (including funds and sites), and elements must make adequate provision for the existing and projected needs of all economic segments of the community. The substantive requirements for a housing element are set forth in Article 10.6 and §65583 of the California Government Code.

"The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobilehomes, and shall make adequate provision for the existing and projected needs of all economic segments of the community."

Review by HCD

Before it is adopted, a Housing Element must be submitted to the California Department of Housing and Community Development (HCD) for review. New Housing Elements must be submitted 90 days prior to adoption, while amended, updated or revised Housing Elements (such as those in Marin County) must be submitted 60 days prior to adoption. In other words, unless it is the very first Housing Element adopted by a community, all amendments and revisions (including the five-year revisions) must be submitted *60 days before adoption*. Section 65584(b) and (c) of the Government Code specifies:

“At least ... 60 days prior to the adoption of an amendment to this [housing] element, the planning agency of a local government shall submit a draft of the element or amendment to the department. The department shall review drafts submitted to it and report its findings to the planning agency ... within 45 days of receipt of the draft... The legislative body shall consider the department’s findings prior to final adoption of the housing element or amendment unless the department’s findings are not available within the above prescribed time limits...”

When reviewing housing elements, HCD evaluates a housing element's effectiveness based on the sufficiency of the element for the following:

- (1) **Housing Needs and Resources.** “An assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs.” (Section 65583(a))
- (2) **Goals and Strategies.** “A statement of the community’s goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.” (Section 65583(b))
- (3) **Follow-up Actions.** “A program which sets forth a five-year schedule of actions...to implement the policies and achieve the goals and objectives....” (Section 65583(c))

The housing element must also include an analysis of the community's current and projected housing needs and resources, and of the constraints to housing development in meeting identified needs. Here, the local government must provide an up-to-date appraisal of the state of the unmet housing needs of all economic segments of the community, including the community's share of the regional housing need, and an inventory of the land and resources that are available to meet these needs.

The needs analysis must also address any special housing needs, such as for the disabled, elderly, female-headed households and homeless. Income categories to be addressed are defined as a percentage of Marin County Median Household Income for four person households:

- ◆ *Very-Low Income* 50% and below of county median income
- ◆ *Low Income* 50-80% of county median income
- ◆ *Moderate Income* 80-120% of county median income
- ◆ *Above-Moderate Income* 120% and above of county median income

Once a draft housing element is submitted, HCD then conducts a review and must issue written findings determining whether the element or amendment “substantially complies” with housing element law. Any public agency, group, or person may submit written comments during the review process. Prior to submittal of a formal response letter, HCD staff will review the element, consider other correspondence received, and call the local jurisdiction to clarify issues and gain a better understanding of local issues.

When HCD’s review letter is received, the local legislative body must consider HCD’s findings. If HCD finds that the element is substantially out of compliance with the Housing Element laws, the legislative body is required to either: (1) Change the *draft housing element* to achieve substantial compliance; or (2)

KEY FINDING (1.1): What Happens If a Housing Element Does Not Comply with State Law?

If HCD determines that a Housing Element fails to substantially comply with the State's Housing Element Law, there are potentially serious consequences that extend beyond the realm of residential land use planning.

When a jurisdiction's Housing Element is found to be out of compliance, its General Plan is at risk of being deemed inadequate, and therefore invalid. As a result, because all planning and development decisions must be consistent with a valid General Plan, a local government with a non-compliant General Plan may not proceed to make land use decisions and approve development until it brings its General Plan—including its Housing Element—into compliance with State law. A Housing Element is considered out of compliance if: (1) It has not been revised and updated by the statutory deadline, or (2) its contents do not substantially comply with the statutory requirements. When determining whether a Housing Element is inadequate, a court must give great weight to the determination of HCD.

Additional repercussions can include:

- (1) **Reduced Access to Infrastructure and Transportation Funding.** Both the California Infrastructure and Economic Development Bank (CIEDB) and the Bay Area's Metropolitan Transportation Commission (MTC) award funds based on competitions that take into consideration the approval status of a community's housing element. (See CIEDB's Criteria, Priorities and Guidelines for its Infrastructure State Revolving Fund Program and MTC's Project Review Criteria for its Transportation for Livable Communities Program.)
- (2) **Reduced Access to Housing Funds.** Lack of an HCD-certified housing element can also seriously undermine a jurisdiction's ability to access competitive housing funds. For example, HCD takes into consideration the approval status of a community's Housing Element when awarding state-controlled HOME funds. Thus, it is virtually impossible for a community that does not have an approved Element to win such funds, which can mean the potential loss of millions of dollars of housing funds in some jurisdictions.
- (3) **Court Order Restricting Development and/or Approving Affordable Housing.** Upon finding that a Housing Element is out of compliance with the law, the court must order the community to bring the Element into compliance within 120 days and: 1) Suspend the locality's authority to issue building permits or grant zoning changes, variances or subdivision map approvals; and/or 2) mandate approval of residential developments that will not inhibit the ability of the locality to adopt an adequate element. (Government Code §65754) (Note: Affordable housing developments are presumed not to inhibit the adoption of an adequate element. (§65760))
- (4) **Payment of Substantial Attorney Fees.** If a jurisdiction faces a court action stemming from its lack of compliance, and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid to its own attorneys.

adopt the *draft housing element* without changes and include written findings explaining why the legislative body believes it does substantially comply.

Upon adoption, the *final housing element* must be submitted back to HCD for review for *90 days*, after which HCD will report its final written findings to the local government, stating whether the *housing element* complies with State law requirements. HCD's letters of review frequently mention several common deficiencies, including: (1) Lack of quantified, numeric objectives; (2) lack of analysis of the special needs of certain population groups; (3) lack of specific programs tied to the needs identified in the

element; (4) failure to identify a time frame or responsible agency for carrying out programs; (5) failure to describe data methodology and the assumptions used when deriving estimates; (6) insufficient sites zoned at high enough densities to accommodate the regional need for very low, low and moderate income housing; and (7) lack of sufficient analysis of potential governmental constraints (processing time or development standards) which may pose an impediment to the development of housing.

Community Involvement in the Housing Workbook

The housing element must identify community involvement and decision-making processes and techniques that are affirmative steps to get input from low-income persons and their representatives as well as other members of the community. This means that input should be sought, received and considered before the draft housing element is completed.

Specific processes will be used for much more detailed discussion of each community's goals, policies and specific actions to address their housing needs. Those processes are intended to build upon the process undertaken to date on the Housing Workbook. Below is an overview of each event conducted as part of the Housing Workbook. The VISION for Housing In Marin County, and many of the ideas proposed in the Housing Workbook evolved from the events described below. Also included in the Housing Workbook is a summary of each event.



'TELL US' workshop -- Small group discussion.

In an effort to involve all economic segments of the community, the Marin Housing Workbook process, from its inception, has been developed through an open, inclusive process, including the events described below. The 4,000 persons and organizations on the mailing list include all housing-related non-profits in Marin County and persons from a mailing list provided by the Marin Housing Authority. In addition, recommendations considered as part of the "best practices", contained later in this document, were made by groups such as the Marin Housing Element Coalition, Greenbelt Alliance and Non-Profit Housing of Northern California. A study session was also conducted with HCD staff and the County's Planning Directors.

November and December 2000 Workshops

In November and December of 2000, four workshops were held throughout the county (San Rafael, Mill Valley, Kentfield, and Point Reyes Station) to discuss a VISION for Housing In Marin County and to take an initial cut on ways to address workforce and special housing needs. Notices were sent to a mailing list of over 1,000 individuals and organizations. Approximately 150 people attended the four workshops. Each workshop followed the same agenda. The workshops focused on the following three questions:

- (1) ***What are trends and challenges we face today?*** Despite all of our successes, Marin faces critical challenges in many areas, including housing. Housing affordability in Marin and in the Bay Area as a whole is now at an all-time low. This has implications for all of us, as it becomes more difficult to fill vacant jobs; roadways are clogged with workers traveling longer distances; and many young families, longtime residents, and other community members relocate because they can no longer afford to live here.

The purpose of this part of the workshop was to take a few moments to talk about the trends and challenges facing Marin today, especially in the area of housing, and to help establish a comprehensive understanding of housing needs, issues, trends and challenges based on peoples' firsthand views and perspectives.

- (2) **What is our VISION for housing?** Visioning is a way of looking at the future. Instead of focusing only on today's issues and concerns, visioning jumps to a point in time (say the year 2020) to help us define what we want to achieve. It helps us to understand what we value, and to take a positive, constructive look at our community. With a clearer idea of what it is we want our community to be like, we can chart a more meaningful and effective course to get there.
- (3) **How can we realize our VISION?** The *VISION* for housing will be refined over the course of the coming months as we explore our ideas more fully and focus more closely on specific areas of need and each individual community. A key role of the Housing Element—assisted by information in the *Marin Housing Workbook*—will be to clearly articulate a vision for housing, including specific goals and objectives, and to lay out a set of strategies, policies and programs for achieving them. The final part of the workshop was intended to spend some time talking about possible key strategies which will help us to effectively realize our vision for housing.

'Housing Experts' Work Session Participants

Dirk Brinckerhoff, San Rafael Chamber, Workforce Housing
 Bob Brown, San Rafael Community Development Director
 Barbara Collins, Marin County Affordable Housing Strategist
 Charlotte Flynn, Sausalito Planning Director
 Kathleen Foote, MCF Board and former Mill Valley Councilmember
 Mike Ghilmetti, private affordable housing developer
 John Leonard, former Mill Valley Councilmember
 Marge Macris, Sierra Club and former Marin County Planning Director
 Betty Padgett, EAH and Housing Council
 David Rosen, financial expert
 Jim Shafer, private affordable housing developer
 Susan Stompe, MCL
 Janet Stone, Greenbelt Alliance
 Lydia Tan, Bridge Housing
 Lamar Turner, EAH
 Chantel Walker, MCF Program Officer, Community Develop.
 Dick Watts, San Rafael General Plan Steering Committee
 Sallyanne Wilson, MCF Program Officer, Environment
 Maurice Wolahan, MCHA, BMR Program

**March 2001
 'Housing Experts'
 Work Session**

This work session was designed as a way to involve practitioners in identifying workable "best practices" for consideration in each jurisdiction's housing element. The session provided an opportunity to draw upon different experiences, expertise and perspectives about how best to respond to our housing needs while achieving goals for livability, commerce and environmental protection.

The work session also provided an opportunity to share perspectives of affordable housing providers/practitioners, staff and neighborhood/environmental concerns on barriers and opportunities for providing affordable housing. Twenty people were invited in order to keep the dialogue focused and manageable, and to include people who might bring new perspectives.

Participant comments were recorded either on flip chart pads or on a large wall-graphic. The work session was structured around participant discussion of second units, how we can make the most of housing opportunity sites, local funding for affordable housing, and mixed use and infill housing opportunities.

April 2001 'Open House' to Review Housing Options

The Open House was held on April 4, 2001 from 5:00 to 9:00 P.M. in the 3rd floor lobby and Board of Supervisors Chambers at the Marin County Civic Center in San Rafael. An initial notice and then follow-up postcard notice were sent to a mailing list of over 4,000 individuals and organizations. The Open House was designed as a drop-in event so that people could come for 30 minutes or stay longer depending on their interest. It was designed this way in respect to peoples' time in coming, and to make it easier to review information and give comments.

One hundred thirty two individuals registered and participated in the event. An approximate additional 12 to 15 individuals participated but did not register as they were admitted quickly, in order for them to attend the presentations in a timely fashion. Participants were asked to express their opinions, ideas and strategies that would positively effect the development of affordable housing.

Six interactive stations were developed along with several informational areas. Each station had planning staff members from various jurisdictions throughout Marin County to answer questions and listen to ideas and concerns. In addition, two special presentations were provided on density and design, and workforce housing. The stations included:

- (1) **Identification of where open house participants live and work** -- *mapping exercise*
- (2) **Confirming Our VISION for Housing**
- (3) **Designing Housing that "Fits In"** -- *a density and design exercise*
- (4) **What Is "Affordable Housing"?** -- *Video, Powerpoint and other displays*
- (5) **How Can We Use Our Land Efficiently?**
- (6) **Meeting Special Housing Needs**
- (7) **How Can We Make It Happen?**
- (8) **Where Should We Put New Housing?**

Participants were given dots to apply to the ideas they believe are the most effective. Comment space was also provided to allow for additional comments. Every participant was given a zip code map based on where they live in Marin County or, secondly, where they work in Marin County. Participants used this map to identify where they thought mixed use housing, second units, and new multifamily housing could be developed in their communities. If they did not believe these housing strategies should be pursued then they did not place those dots on their map.

At the last station, participants posted their maps for others to view in a collage format. The maps were collected and are summarized in the attachment to this summary report. Materials provided to participants included: Overview of Regional Housing Needs, Overview of State Law Requirements for Local Housing Elements, Glossary of Key Housing Terms, a summary of the four previous workshop sessions, and a guide to the Open House.



'Experts' Work Session participants group discussion.



'Open House' participants reviewing Nov/Dec 2001 Workshops wall-graphics, which were also reduced and included in a Summary Report.

Use of the Housing Workbook in Follow-Up Activities

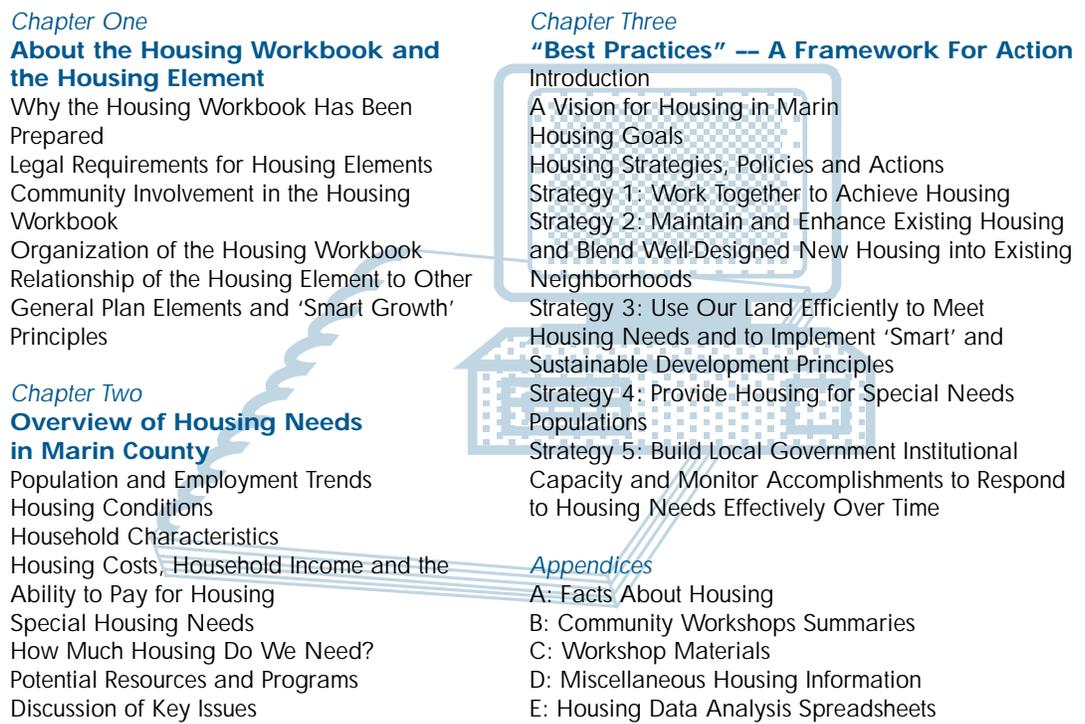
The *Housing Workbook* is intended to assist each community in its process for: (1) setting strategic directions; (2) developing policies and programs; (3) reviewing and adopting the housing element; and (4) initiating implementation activities. Materials from the Workbook include “Fact Sheets” on Housing and other workshop displays and presentation materials. Requirements for public participation are described in Section 65583(6)(B) of the Government Code. To date, materials from the Workbook have been used at community workshops for Marin County, the City of Novato and the City of San Rafael.

The process is also intended to coordinate among various departments and other local agencies and housing groups, community organizations and housing sponsors in the collection of data and development of “best practices”. Collaboration enhances the effectiveness of housing element programs in indicating “the agencies and officials responsible for the implementation” (Section 65583(c)(6)(B)).

Organization of the Marin Housing Workbook

The *Marin Housing Workbook* compiles and analyzes a wide range of data on housing conditions and needs as part of this project, to provide a comprehensive understanding of housing needs, issues, trends and challenges. It was conceived as a way to comprehensively examine countywide housing issues, share resources in undertaking necessary background analysis, and develop “best practices” (model policies, programs and implementing tools) tailored to Marin County. A special emphasis has also been placed on facilitating effective community dialogue of housing issues, opportunities and choices. Appendices and attachments to the Housing Workbook include: Facts About Housing; Community Workshops and Meeting Summaries; Data Analysis Spreadsheets; Miscellaneous Housing Information; and Community Workshop Materials.

Figure 1.1: TOPICS COVERED IN THE MARIN HOUSING WORKBOOK



The products from this work effort include (1) the *Marin Housing Workbook*, and (2) a *Preliminary Draft Housing Element* for each participating jurisdiction. The *Preliminary Draft Housing Element* for each participating jurisdiction will include all topics required to be addressed in State law, while the *Housing Workbook* is intended to provide an overview of key issues. Data from the *Marin Housing Workbook* will supplement more specific information collected for each jurisdiction. As shown below, the *Marin Housing Workbook* goes beyond merely meeting State law requirements for Housing Elements to provide a "kit of parts" of housing information for use by each jurisdiction.

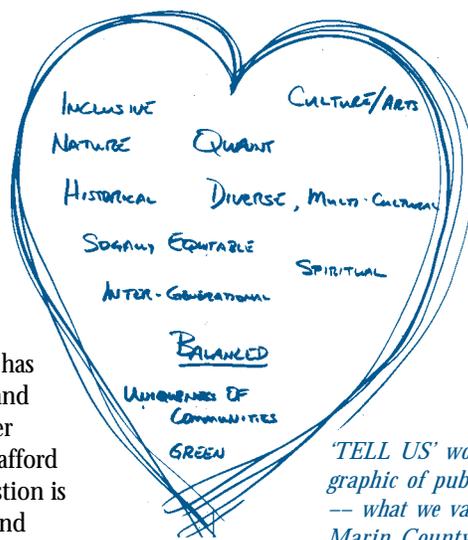
Relationship of the Housing Element to Other Elements in the General Plan and to 'Smart Growth' Principles

The goals and policies of all general plan elements must be internally consistent. Internal consistency of in each jurisdiction's general plan assures that the goals, policies and actions of all elements are mutually supportive. The housing element must address all State requirements, including relevant legislation enacted subsequent to adoption of previous elements. Updated housing elements will contain information on housing constraints and actions to deal with constraints. In some cases, specific actions will be recommended to look at land use designations or examine ways we can use our land more wisely and somewhat differently than we have in the past. One of the benefits of undertaking the Marin Housing Workbook is the use of common base population, housing, land use, environmental and employment data, including the most recent 2000 Census data.

Each jurisdiction's housing element will includes information on the number of units required to meet their specific housing need and share of the regional need. Sites with development potential in accordance with each jurisdiction's housing needs will be evaluated. The general plan, including an updated housing element, will (1) act as a guide for municipal decisions which effect the quality and quantity of housing; and, (2) maintain the present quality of life by balancing the availability of housing with other environmental considerations.

As Marin communities feel increasingly "built out" and as the affordability crisis deepens, the challenge of meeting community housing needs has become increasingly difficult. Residents who feel that their community is already overbuilt or who fear that continued growth will have significant adverse impacts on community livability are understandably concerned about a planning process that seeks to accommodate more growth in their community. The result is that we have increasingly been reluctant to allow new residential development in Marin in the hopes of preserving our community quality and livability.

But what we have learned over the past twenty years is that saying "no" to housing has not preserved the quality and livability of our communities. As the demand for housing has grown, the severe constraint on housing supply has resulted in significant inflation of home prices and rents, forcing people to move further and further from where they work to find a home they can afford or to double-up. Partly as a result, traffic congestion is growing at nearly twice the rate of population and



"TELL US" workshop graphic of public comments -- what we value about Marin County

employment growth in the County. Saying “no” to housing has resulted in more urban sprawl and loss of open space in outlying areas; an imbalance between the types of jobs and housing affordability; long commutes for local workers; a loss of community diversity; and high housing prices.

There is a substantial and growing movement in the Bay Area to find ways to encourage ‘smart growth’ development patterns that are more compact, transit-oriented, well-designed, and livable. A central focus of this movement for achieving a more sustainable and livable Bay Area—is rethinking the way in which we plan, design, rehabilitate, preserve and manage housing

Smart growth principles help us understand and respond to the relationships between housing and other issues that are critical to the long-term livability of our communities. Housing strategies should help us to grow smart—making efficient use of vacant parcels, putting under-used areas to better use, ensuring innovative designs that fit in with existing neighborhoods, responding to local needs, and enhancing our quality of life.

The Bay Area Alliance for Sustainable Development is a coalition of business groups, government agencies, environmentalists, developers, and neighborhood interests working together to develop and promote a shared vision for how the region can grow in a more sustainable manner. The Alliance has developed the ‘Compact for a Sustainable Bay Area’ to define a region-wide consensus for sustainability. The ‘ten commitments’ (see side-bar) are taken from a draft version of the compact, now under review and discussion by elected officials, business leaders and residents throughout the region.

According to the California Department of Finance projections, about 75% of the new housing needed in California is due to the natural growth of our existing population. In the Bay Area, according to ABAG, about 50% of our population increase will be due to natural increases. As we continue to have children and we continue to live longer, our housing needs grow and change along with us. As the Bay Area’s economy grows and generates wealth, new housing needs are created as well.

KEY FINDING (1.2): Bay Area Alliance for Sustainable Development -- Ten Commitments for a Sustainable Bay Area

- 1 Enable a diversified, sustainable and competitive economy to prosper and provide jobs in order to achieve a high quality of life for all residents.
- 2 Accommodate sufficient housing affordable to all income levels within the Bay Area to match population increases and job generation.
- 3 Target transportation investments to achieve a world-class, comprehensive, integrated and balanced multi-modal system that supports efficient land use and decreases dependency on single-occupant vehicle trips.
- 4 Preserve and restore the region’s natural assets, including San Francisco Bay, farmland, open space, other habitats and the region’s air and water quality.
- 5 Use resources efficiently, eliminate pollution and significantly reduce waste.
- 6 Focus investment to preserve and revitalize neighborhoods.
- 7 Provide all residents with the opportunity for quality education and lifelong learning to help them meet their highest aspirations.
- 8 Promote healthy and safe communities.
- 9 Implement local government fiscal reforms and revenue sharing.
- 10 Stimulate civic engagement.

(Underlining added for emphasis)

Below are “Interim Guiding Principle” prepared as part of the current Marin Countywide Plan Update process. As noted below, providing affordable housing near transit, jobs, shopping, and recreational areas is a core consideration.

KEY FINDING (1.3): Marin Countywide Plan Update Interim Guiding Principles

Link equity, economy, and the environment locally, regionally and globally — We will improve the vitality of our community, economy, and environment. We will seek innovations that provide multiple benefits to Marin County.

Use finite and renewable resources efficiently and effectively — We will reduce consumption and reuse and recycle resources. We will reduce waste by optimizing the full life cycle of products and processes.

Reduce the release of hazardous materials — We will make continual progress toward eliminating the release of substances that cause damage to living systems. We will strive to prevent environmentally-caused diseases.

Steward our natural and agricultural assets — We will continue to protect open space and wilderness, and enhance habitats and bio-diversity. We will protect and support agricultural lands and activities and provide markets for fresh, locally grown food.

Provide efficient and effective transportation — We will expand our public transportation systems to better connect jobs, housing, schools, shopping and recreational facilities. We will provide affordable and convenient transportation alternatives that reduce our dependence on single occupancy vehicles, conserve resources, improve air quality and reduce traffic congestion.

Supply housing affordable to the full range of our workforce and community — We will provide and maintain well designed, energy efficient, diverse housing close to job centers, shopping and transportation links. We will pursue innovative opportunities to finance workforce housing, promote infill development and reuse and redevelop underutilized sites.

Foster businesses that provide a balance of economic, environmental and social benefits — We will retain, expand and attract a diversity of businesses that meet the needs of our residents and strengthen our economic base. We will partner with local employers to address transportation and housing needs.

Educate and prepare our workforce and residents — We will make high quality education, workforce preparation and lifelong learning opportunities available to all sectors of our community. We will help all children succeed in schools, participate in civic affairs, acquire and retain well-paying jobs, and achieve economic independence.

Cultivate ethnic, cultural and socioeconomic diversity — We will honor our past, celebrate our cultural diversity, and respect human dignity. We will build vibrant communities, enact programs to maintain, share and appreciate our cultural differences and similarities.

Support public health, safety, and social justice — We will live in healthy, safe communities and provide equal access to amenities and services. We will particularly protect and nurture our children, our elders, and the more vulnerable members of our community.

(Underlining added for emphasis)

The lack of affordable, workforce housing impacts the services available to us. Local businesses have to pay more to recruit and retain employees and risk losing experienced personnel. Public agencies, school districts, social services, and child and elder care have a difficult time attracting people to work in Marin. And there are safety issues associated with the large percentage of police, fire and other public safety personnel who live out of the area.

Not responding to our changing housing needs will have environmental, economic, and social consequences. Our communities will continue to change -- they will be more expensive, less diverse, and more auto-dependent as people live further from where they work. People who grow up here will not be able to find a house here because there will not be enough housing available, regardless of the price.

While the updated housing element must be consistent with the goals, policies and land use designations contained in each community's adopted general plan, they may also include several recommended modifications to the current general plan in response to issues brought up during the update process, including those related to "smart growth". These items may include: (1) How to calculate densities and apply density and other development incentives to make more efficient use of land; (2) incentives for residential mixed use and mixed use intensity calculations; and (3) second unit standards and processing.

However, none of the tools, strategies or programs developed through our housing elements will be of use if local residents and stakeholders do not understand, appreciate and support their implementation. Our challenge is to develop strategies for saying "yes", particularly to more affordable housing that enhances our communities. Not "yes" to any type of housing of any design in any location, but "yes" to a diversity of housing types that are well designed and located in places that make sense. Meeting the challenge of housing in Marin will require a countywide dialogue, collaboration and commitment.

Fortunately, the communities of Marin have long been committed to broad community involvement in local planning matters and collaboration among its various jurisdictions to address important countywide issues. Issues from shared police and safety services to regional traffic and countywide land use planning have brought together our jurisdictions to share in ideas and develop solutions to pressing needs. We have now reached a point in Marin County's evolution where the lack of housing in our community--for our workforce and special needs populations--will have dramatic long-term implications for what our county is like environmentally, socially, and economically.

Chapter Two

Overview of Housing Needs In Marin County

Population and Employment Trends

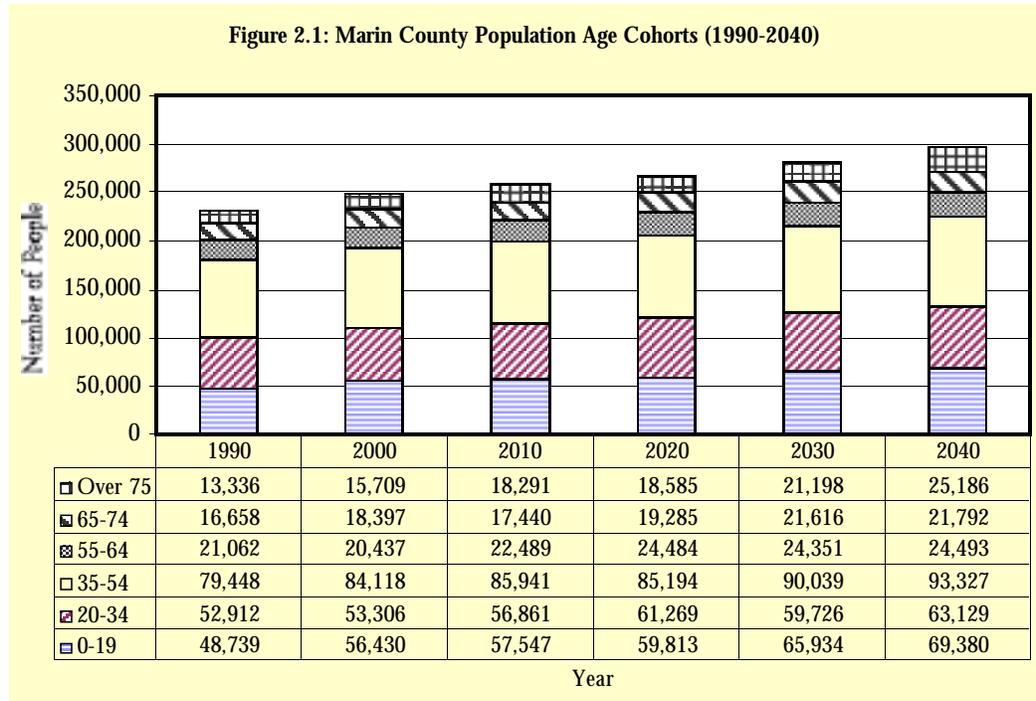
Population Trends

Marin County has many unique qualities and the people who live and work here have long appreciated the county's exceptional quality of life - its small towns, rolling hills and bay vistas, cultural events, quality schools, creativity, and diversity of thought. Nevertheless, Marin's quality of life faces serious challenges. While issues in the past focused largely on environmental concerns and personal health and safety, their scope has grown to embrace far more. Quality of life issues now include a vibrant economy, manageable traffic, affordable housing, appreciation of diverse cultures and outlooks, accessible recreational and cultural opportunities and broad community dialogue.

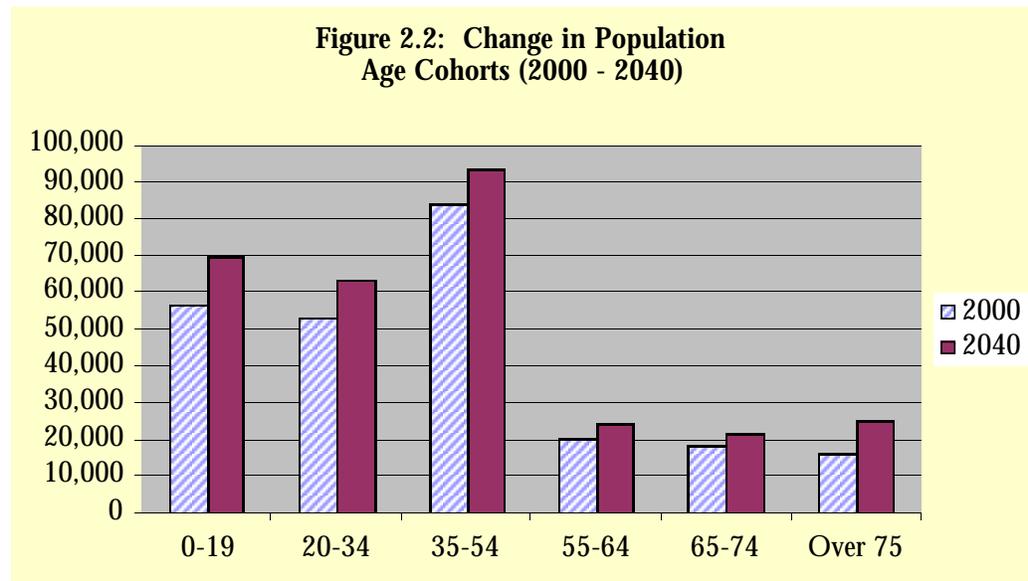
Compared to other Bay Area counties, Marin experienced slow population growth from 1980 to 1990, adding 7,500 persons (a 3.4% increase). Between 1990 and 2000, the population increase within the County more than doubled the rate for the previous decade at 8.8%, but Marin remained the slowest growing area in the Bay Area region. Marin currently has a population of 247,289 people (100% count from the 2000 U.S. Census). Over the next 40 years, between 2000 and 2040, the California Department of Finance projects that Marin County as a whole will grow at an average annual rate of 0.5%, which amounts to about 1,220 people per year or roughly 500 households per year countywide. The projected population for the county in the year 2040 is 299,347.

KEY FINDING (2.1): Needs Analysis Conclusions

- **Many communities in Marin have a mix of housing, but more affordable rental housing, especially multi-family housing, is needed.** According to the 2000 Census, 54 percent of the dwellings in Marin are occupied by their owners. Renters occupy the remainder. Approximately 69 percent of the housing stock in Marin County are single-family units, with the remaining 31% being multi-family units. A December 2000 vacancy survey by RealFacts, Inc. (December 2000) found that about 2.3 percent of the units in apartment complexes throughout Marin are vacant. A vacancy rate of 5% is considered a "healthy" balance between supply and demand.
- **Market rate housing is generally not affordable to low and very low income households.** About 22% of the households in Marin County are considered either very low or extremely low income. About two out of five households (39%) currently residing in Marin County are considered lower income (earning less than 80% of median income, or \$64,100 per year for a family of four). New construction for very low and low income households usually must rely on some type of project-based or occupant-based subsidy to provide affordable units.
- **The affordable housing crisis is especially severe for our highest growing household types -- younger households (under 34), senior households (65+), and special needs populations.** Young households comprise about 15% percent of all households and Senior households comprise about 20% of all households in Marin County. Over 53% of younger households are low income or below, and about 44% of the senior households are low income or below. A 1999 study conducted under the Marin Continuum of Housing and Services found that 4,266 households comprising 11,090 people were at imminent risk of losing their housing during 1999. Nearly half of the at-risk households were families with children. Over half of the at-risk households were working families, with incomes averaging \$947 per month (20% of the median income and 31% of a "living wage" in Marin County).
- **Single-family homes are only affordable to above moderate income households.** Due to high prices, above moderate income housing need is expected to be met by market rate construction of single-family homes. The median priced conventional single-family home in Marin County sold for \$599,000 in 2000. An income of above \$150,000 would be needed to purchase a typical single-family home. The median priced condominium or townhouse in Marin County sold for \$315,000 in 2000. An income above \$82,000 per year (which is about at the current median income for a family of four) would be needed to purchase a median-priced condominium or townhouse in Marin County.



Source: California Department of Finance, 2000



Source: California Department of Finance, 2000

The conclusion of these tables is that Marin as a whole is a “graying” community that is becoming increasingly wealthy as well. The median age has increased significantly since 1980, when it was 33.6 years, to the year 2000 where we now have a median age, according the 2000 U.S. Census, of 41.3 years. By the year 2020, Marin is expected to have the oldest population in the State, with a median age of 47.7 years — almost 10 years older than the projected statewide median age of 38.1 years.

The greatest increases in population age groups over the next 40 years are expected to be elderly and young adult households, which tend to have the lowest income levels. According to the California Department of Finance, the elderly population is expected to comprise 26% of the population increase in Marin over the next 40 years, with the greatest percentage increase in those elderly over 75 years of age. As a person gets past the age of 75, the risk for age-related dementia increases significantly. The Marin Commission on Aging (MCA) predicts even greater increases in Marin's elderly population. By the year 2020, according to MCA, one out of every three Marin residents will be 60 years of age or older. MCA predicts this age group will nearly double in size from 40,000 to 74,000 persons by 2020. Three out of four individuals of the "oldest old", 85 years of age or greater, are expected to be women.

"The aging of America will be the single, most dramatic change in the first half of the twenty-first century. It will have profound social and cultural implications for our society as a whole, as well as for individuals themselves. In particular, 'because there is such a high correlation between advanced age and increased functional disabilities, the United States can expect an intensified demand for health and social services, especially for costly long term care, and a greater strain on government and fiscal resources' (Barberis, M., America's Elderly: Policy Implications, 1981)."

Marin Commission on Aging, "Beyond 2001: The Future of Marin's Services to the Elderly."

Relationship of Population, Jobs and Housing

The substantial increase in employment in the Bay Area has and is expected to continue to draw new people to live in the region and will generate demand for housing at all income levels. Nevertheless, according to the State Department of Housing and Community Development (HCD), it is projected that about 70% of the future population growth in California (16 million people by the year 2020) will be due to natural increases in our current population (births over deaths), and only 30 percent is expected to be due to people moving into California from elsewhere. Marin County is expected to continue to have about 16,500 fewer jobs than employed residents in the year 2020. The projections for population, households and jobs in the Bay Area and Marin County are shown below.

Figure 2.3: Bay Area and Marin County Projections (1995-2020)

Location	1995	2000	2005	2010	2015	2020	Change 2000-2020
Bay Area Regional Total							
Population	6,394,300	6,930,600	7,380,100	7,631,400	7,832,600	8,026,900	+1,096,300
Households	2,329,690	2,438,060	2,553,930	2,656,650	2,753,440	2,839,630	+401,570
Average Household Size	2.68	2.78	2.83	2.81	2.79	2.77	-0.01
Employed Residents	3,127,800	3,538,000	3,799,000	4,017,500	4,230,700	4,438,300	+900,300
Jobs	3,227,390	3,688,590	3,966,990	4,227,560	4,460,660	4,687,950	+999,360
Employed Residents/Job	0.97	0.96	0.96	0.95	0.95	0.95	-0.01
Jobs/Household	1.39	1.51	1.55	1.59	1.62	1.65	+0.14
Marin County							
Population	238,500	250,400	259,900	267,900	272,400	275,400	+25,000
Households	97,110	99,500	102,550	106,180	109,300	111,430	+11,930
Average Household Size	2.37	2.43	2.45	2.44	2.41	2.39	-0.04
Employed Residents	128,000	140,400	148,100	156,200	162,400	167,100	+26,700
Jobs	112,290	123,510	132,180	136,800	143,590	150,510	+27,000
Employed Residents/Job	1.14	1.14	1.12	1.15	1.13	1.11	-0.03
Percent of Ba Area Populatio	3.70%	3.60%	3.50%	3.50%	3.50%	3.40%	-0.20%
Percent of Bay Area Jobs	3.50%	3.30%	3.30%	3.20%	3.20%	3.20%	-0.10%
Jobs/Household	1.16	1.24	1.29	1.28	1.31	1.35	+0.11

Source: Association of Bay Area Governments, "Projections 2000"

The Bay Area's economy has grown significantly since the mid-1990s, becoming one of the most dynamic and innovative regional economies in the world. This economic growth has provided opportunities for many Bay Area residents and resulted in a variety of other benefits for the region. However, as regional economic growth has soared, housing growth has not. While many new jobs were created in the region since 1990, not as many new housing units were built. With demand outpacing supply, the competition for housing has sent rents and prices skyward.

Even with the recent economic downturn the gap in wages for workers in highly skilled positions and in the retail and personal services sector has grown, and lower wage workers still have significant difficulty securing affordable housing. Already the mismatch between the location of jobs and housing is straining the region's roadways and environment. As the cost for housing near job centers has risen, workers have sought more affordable housing in communities farther and farther away from their jobs, compounding traffic congestion. This trend is common in many of the booming regions in California.

In 2000, the public employees union (MAPE/SEIU) conducted a survey of over 1,500 represented employees working for 14 different agencies, including the County of Marin. The survey focused on housing and found the following:

- Almost 23% of those returning the survey failed to identify themselves as eligible for some sort of housing subsidy or support when indeed they would be eligible. This indicates that outreach of information about available programs would be beneficial.

KEY FINDING (2.2): The Need for "Workforce Affordable Housing" Matched to Jobs

- **"Workforce housing" is a critical need throughout Marin as housing costs are relatively high compared to salaries for many local jobs.** In the past decade, the supply of jobs has been growing faster than the number of employed residents, indicating that there is a net immigration of workers. For the next two decades, the Association of Bay Area Governments reports that the majority of new jobs will be in retail sales and service jobs that are relatively low paying. Statistics from the U.S. Commerce Department's Bureau of Economic Analysis indicate that the average wage of workers in Marin County is only 88 percent of the Bay Area average wage. While housing in the county is relatively expensive compared to some of the salaries these jobs pay.
- **The lack of availability of affordable housing contributes to traffic congestion.** Our lack of affordable housing pushes people farther and farther away, commuting within, to and through Marin for job destinations. Very little growth in either population or employment is projected for Marin County over the next 20 years. Congestion is growing about two times the rate of either population or employment growth in the County, but our growth in congestion has very little to do with growth in Marin County. Providing affordable housing and improving the jobs/housing balance reduces the need for commuting. Creating transit-oriented development focused on transit modes is also beneficial, as is creating mixed-use developments that avoid the need for many "midday trips". This not only has implications for traffic, but also for the people employed, businesses and services available in the community.
- **The lack of affordable housing will impact available services and businesses.** The economic impacts of inadequate workforce housing on businesses include: (1) The cost of recruitment and retention of employees; (2) loss of experienced personnel; (3) lost investment in staff training; and (4) money earned locally is spent elsewhere. The economic vitality of smaller businesses and very low wage jobs may also be disproportionately impacted. Public agencies, School districts, social services, and child and elder care will continue to have a difficult time attracting people to work in Marin as affordable housing becomes more difficult to find. There are also safety issues when a large percentage of police, fire and other public safety personnel live out of the area.

- Over 52% owned a residence, but 57% of those would like to move closer to work.
- More than half the renters considered owning a home as their top priority, with Marin *down payments* and *monthly mortgage* payments being roughly equal obstacles preventing employees from owning a home.
- Of the respondents, 74% were eligible for a subsidized housing program of some sort according to the income levels established by HUD. By examining County income levels for Union members with a family of one, the Union determined that 94% of those employees qualify for assistance, with 57% qualifying for Section 8 rental subsidies. The difference between 74% and 94% may represent the added benefits of spousal income, something the survey could not track.
- The most frequently reported income was \$35,000 per year, which would qualify for a Section 8 subsidy. Over half the respondents had incomes of less than \$45,700, which for a family of two also makes them qualified for Section 8 subsidies.
- Commutes averaged from 34 to 37 minutes and ranged from 5 minutes to 3 hours. Given that this figure represents one direction, members reported spending over an hour per day commuting, which is slightly above federal statistics from the census for Northern California.

Below and on the next page are projections for Marin County jurisdictions for jobs, households and employed residents. All projections indicate that affordable housing is likely to remain a major regional issue for many years, with long-term economic repercussions and significant impacts on the quality of life in the Bay Area and Marin County.

Figure 2.4: Jobs, Households and Employed Residents by Jurisdiction (2000 and 2020)

Location	Estimates for 2000			Projections for 2020			Employed Resident/Job	
	Jobs	Households	Empl Resid	Jobs	Households	Empl Resid	2000	2020
Belvedere	350	990	980	360	990	1,100	2.80	3.06
Corte Madera	9,110	3,760	5,100	10,270	4,050	5,700	0.56	0.56
Fairfax	1,800	3,130	5,300	1,990	3,440	6,400	2.94	3.22
Larkspur/Kentfield	13,280	6,010	11,200	14,740	6,340	13,500	0.84	0.92
Mill Valley	8,170	6,110	14,700	8,730	6,370	17,600	1.80	2.02
Novato	24,970	18,500	32,000	37,060	22,170	38,000	1.28	1.03
Ross	1,270	750	980	1,330	780	1,100	0.77	0.83
San Anselmo	4,060	5,200	8,300	4,270	5,510	9,100	2.04	2.13
San Rafael	44,140	22,020	37,200	53,240	25,620	45,600	0.84	0.86
Sausalito/Marin City	5,900	4,170	7,300	6,930	4,560	8,500	1.24	1.23
Tiburon	3,650	3,560	8,600	4,040	4,050	10,100	2.36	2.50
Remaining Unincorporated	6,810	25,300	8,700	7,550	27,550	10,400	1.28	1.38
Marin County Total	123,510	99,500	140,360	150,510	111,430	167,100	1.14	1.11

Source: Association of Bay Area Governments, "Projections 2000"

There are different ways to examine the balance between jobs and housing in the county. One way is to define it as the ratio resulting from the absolute numbers of jobs divided by the absolute numbers of housing. However, since many households are comprised of two working adults, a jobs/housing ratio of 1.0 does not necessarily connote a 'balance' between housing and jobs.

Figure 2.5: Projected Numeric Change by Jurisdiction from 2000 to 2020

Location	Population	Households	Employed Residents	Jobs	Jobs Per Household	Employed Res/Job
Belvedere	+80	0	+120	+10	+0.01	+0.26
Corte Madera	+500	+320	+600	+1,160	+0.10	0.00
Fairfax	+900	+320	+1,100	+190	+0.01	+0.27
Larkspur	+1,600	+520	+2,300	+1,520	+0.07	+0.07
Mill Valley	+1,440	+770	+2,900	+570	0.00	+0.21
Novato	+9,900	+3,670	+6,000	+12,130	+0.31	-0.25
Ross	+120	+30	+120	+60	+0.01	+0.06
San Anselmo	+200	+310	+800	+220	0.00	+0.08
San Rafael	+6,600	+3,900	+8,400	+9,240	+0.08	+0.02
Sausalito	+1,000	+550	+1,200	+1,060	+0.07	-0.01
Tiburon	+1,100	+730	+1,500	+430	-0.01	+0.13
Remaining Unincorporated	+1,560	+810	+1,660	+410	0.00	+0.11
Marin County Total	+25,000	+11,930	+26,700	+27,000	+0.11	-0.03

Source: Association of Bay Area Governments, "Projections 2000"

Figure 2.6: Proportion of Projected Change from 2000 to 2020 by Jurisdiction

Location	Population	Households	Employed Residents	Jobs
Belvedere	0.3%	0.0%	0.4%	0.0%
Corte Madera	2.0%	2.7%	2.2%	4.3%
Fairfax	3.6%	2.7%	4.1%	0.7%
Larkspur	6.4%	4.4%	8.6%	5.6%
Mill Valley	5.8%	6.5%	10.9%	2.1%
Novato	39.6%	30.8%	22.5%	44.9%
Ross	0.5%	0.3%	0.4%	0.2%
San Anselmo	0.8%	2.6%	3.0%	0.8%
San Rafael	26.4%	32.7%	31.5%	34.2%
Sausalito	4.0%	4.6%	4.5%	3.9%
Tiburon	4.4%	6.1%	5.6%	1.6%
Remaining Unincorporated	6.2%	6.8%	6.2%	1.5%
Marin County Total	100.0%	100.0%	100.0%	100.0%

Source: Association of Bay Area Governments, "Projections 2000"

Another way to view jobs/housing balance is to compare total employment (i.e., the number of jobs that exist in Marin County or a specific jurisdiction) with the number of employed residents (whether their jobs are here or elsewhere). This helps to account for the numerous two wage-earner households that exist. When total employment equals resident employment, with a jobs/employed resident ratio of 1.0, a more accurate measure of balance results than when the comparison is between the number of jobs and the number of houses, because it accounts for the numerous two wage-earner households in existence throughout Marin County.

There are many benefits from a balance between jobs and employed residents of 1.0, including improved air quality, less congested freeways, reduced fuel consumption, reduced expenditures on major transportation projects, a labor supply more closely matched to local employment needs, and savings in travel time for both businesses and individuals. However, a 1.0 ratio between jobs and employed residents does not guarantee a reduction in commute trips. Although Marin County as a whole has expanded its jobs base, many residents still commute elsewhere to work, while many of the people who

work in Marin are living in other communities due to high housing costs and availability, or other lifestyle choices. The analysis of jobs and housing presented above does not address the issue of matching housing costs and types to the needs and incomes of the community's workforce. So, even with a 1:1 ratio of jobs to housing, cities or counties can continue to exchange workers regardless of a correlation of employed residents to total jobs.

Over 57% of the jobs expected to be created over the next 20 years in Marin County will be in the relatively low-paying services sector. The only sector projected to lose jobs is agriculture, which also has implications for the county. The construction, manufacturing and wholesale sector will comprise 14% of the new jobs, retail will be 14%, and the remaining 15% will include a variety of professional and other jobs. The lack of housing, particularly affordable housing, consistent with the projected lower paid jobs in the services sector, will continue to exacerbate the mismatch of job salaries and housing costs. The table below shows the growth in jobs in the relatively lower paying services and retail sectors, with services sector jobs accounting for 80% of the 19,130 jobs anticipated between 2000 and the year 2020.

Figure 2.7: Employment by Industry Projections for Marin County (1990-2020)

Industry	1990	1995	2000	2005	2010	2015	2020	Change 2000-2020
Agriculture, Mining	900	1,000	1,000	1,000	960	930	920	-80
Construction	6,450	6,420	6,750	7,070	7,220	7,470	7,900	+1,150
Manufacturing	6,120	6,510	6,680	7,040	7,380	7,610	8,030	+1,350
<i>High Technology*</i>	<i>1,890</i>	<i>2,080</i>	<i>2,070</i>	<i>2,340</i>	<i>2,490</i>	<i>2,580</i>	<i>2,730</i>	+660
Transp., Comm., Utilities	4,480	4,490	4,680	5,190	5,410	5,570	5,970	+1,290
Wholesale Trade	5,300	4,920	5,060	5,800	5,980	6,120	6,400	+1,340
Retail Trade	24,480	24,500	26,670	27,420	28,150	29,400	30,470	+3,800
F. I. R. E.	10,780	11,110	12,280	13,030	13,410	13,840	14,280	+2,000
Services	41,650	46,480	53,450	58,510	60,990	65,270	68,890	+15,440
Government	7,250	6,860	6,940	7,120	7,300	7,380	7,650	+710
Total Jobs	107,410	112,290	123,510	132,180	136,800	143,590	150,510	+27,000

*High Technology jobs are counted in Manufacturing and Business Services jobs are counted in Services.

Source: Association of Bay Area Governments, "Projections 2000"

Figure 2.8: Growth in What Are Generally Lower Paying Service and Retail Jobs (1995-2020)

Location	1995	2000	2005	2010	2015	2020	Change 2000-2020
Belvedere	180	180	180	180	190	190	+10
Corte Madera	5,650	6,180	6,270	6,560	6,830	6,970	+790
Fairfax	1,380	1,470	1,490	1,530	1,600	1,640	+170
Larkspur	9,720	10,640	11,120	11,270	11,660	11,870	+1,230
Mill Valley	5,380	5,550	5,680	5,710	5,880	5,990	+440
Novato	13,090	17,020	20,080	21,710	23,970	26,080	+9,060
Ross	1,170	1,240	1,270	1,270	1,290	1,300	+60
San Anselmo	2,430	2,630	2,670	2,680	2,720	2,750	+120
San Rafael	24,170	26,920	28,670	29,520	31,310	32,790	+5,870
Sausalito	3,800	4,000	4,060	4,170	4,580	4,820	+820
Tiburon	2,670	2,840	2,970	3,040	3,120	3,140	+300
Remaining Unincorporated	1,340	1,450	1,470	1,500	1,520	1,710	+260
Marin County Total	70,980	80,120	85,930	89,140	94,670	99,250	+19,130

Source: Association of Bay Area Governments, "Projections 2000"

Relationship of Population and Jobs to Transportation

There is projected to be a continuing increase in regional travel activity in the Bay Area as a result of an expanding exurban population and the continuing predominance of the automobile as the primary commute mode. Projections for the Bay Area as a whole show that there will be longer commute *travel times* and *distances* increases. Recommendations currently being considered by the County's Congestion Management Agency conclude that while there is clearly a need for improvements in all modes, and a rational transportation plan for Marin County must emphasize solutions to the problems as they exist today.

While population and employment growth in Marin is expected to be lower than any county in the Bay region, except San Francisco, congestion is projected to continue to increase at about two times the rate of either population or jobs growth in the county. It is apparent that our growth in congestion has very little to do with growth in Marin County. Not all solutions to our transportation problems relate to improvements in modes of transportation. These include:

- Improve the jobs/housing balance in the County to reduce the need for commuting;
- Create transit-oriented development focused on transit modes;
- Create mixed-use developments that avoid the need for many "midday trips" — including targeted placement of day care, convenience retail and other services co-located with employment centers.

The number of jobs in an area has implications for the number of houses needed in the area. If there is an inadequate supply of affordable housing, persons working locally will tend to

KEY FINDING (2.3): Facts About Traffic Conditions (Marin County Public Works)

■ What Factors Contribute to Congestion?

- (1) People in Marin County and in the Bay Area is taking more trips per day.
- (2) More local trips are being made, taking congestion from "long haul" trips on the highway and creating more congestion on arterials and other routes, as well as adding more short trips on the highway.
- (3) School trips account for 21% of our morning peak period congestion.
- (4) Peak periods are "spreading," creating congestion throughout the day and during critical periods on weekend.
- (5) Our lack of affordable housing pushes people farther and farther away, commuting to and through Marin for job destinations.

■ Our Congestion is a Local Problem with a Regional Component

- (1) 77% of trips destined for Marin begin in Marin.
- (2) Over 50% of all jobs in Marin are filled by Marin County residents.
- (3) About 28% of Marin County residents are destined for jobs in San Francisco.
- (4) At the morning peak hour, about half of the trips made from the north via Highway 101 at the Marin/Sonoma County line are destined for jobs in Marin, 24% go through Marin en route to San Francisco, and about 20% go to the East Bay.
- (5) The proportion of trips destined to Marin and San Francisco from Sonoma is expected to decrease as Sonoma County further develops its own job base.
- (6) Longer distance trips to Marin from Solano, Napa and other counties will continue to grow as Marin is still a major destination due to the lack of affordable housing.

■ Solutions Must Focus on the Problem

- (1) Provide local transit (school bus, local and express bus, and rail) that bring people from neighborhoods to destinations in Marin.
- (2) Provide local gap filler and targeted improvements on intersections and arterials that are not operating effectively.
- (3) Implement transportation demand management programs focused towards employers to encourage carpools and HOV commuting.
- (4) Provide for "Safe Routes to Schools", including bicycles and pedestrian programs and school busing that will encourage parents to stop driving their children to school.

commute from less expensive outlying areas. This problem is manifest in Marin. Although housing has been built, job growth has still outpaced the growth in the housing supply. Furthermore, while Marin housing costs are among the highest in the Bay Area, the payroll from Marin jobs is among the lowest in the region. This imbalance contributes to severe traffic congestion on Highway 101 (the main link between Marin and Sonoma County where housing costs are lower).

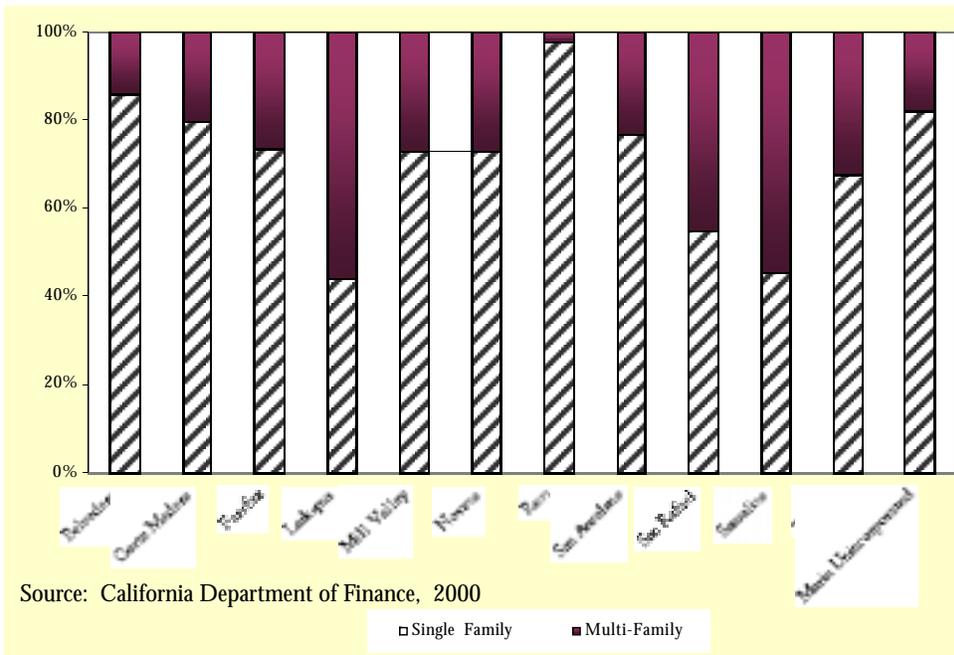
Housing Conditions

Housing Types and Production in Marin County

A variety of housing types are needed to provide shelter for local residents and employees. A housing mix and supply that does not meet the needs of residents can have significant impacts on the cost of housing, whether owner- or renter-occupied. When housing is not added commensurate with job growth, housing costs can increase dramatically over what would occur with normal inflationary increases in value. Marin has experienced this firsthand, especially related to detached single family dwellings and rental units.

Detached single family homes are the majority of residential units, comprising about 60% of the total housing stock. Apartments are the next most common housing types, with about 29% of the total units, while condominiums and townhomes provide 9%. The distribution of single family and multiple family homes by jurisdiction is shown below and on the next page.

Figure 2.9: Percentage Distribution of Single and Multiple Family Housing Units (2000)



Nationwide, there was a sharp drop in multifamily housing construction during the 1990's which contributed to low vacancy rates and rising rents. According to a study conducted by University of Southern California demographer and planner Dowell Myers, the reason for the drop was due to the loss of federal tax credits, local resistance to apartment construction, litigation and liability issues, and population changes. Until the 1990's single-family and multifamily permits were fairly evenly matched in California, but recently multifamily has represented only 22 percent of the total.

Figure 2.10: Number and Percent of Single Family and Multiple Family Homes by Jurisdiction (2000)

Jurisdiction	Single Family	Percent	Multi-Family	Percent	Total
Belvedere	899	86%	150	14%	1,049
Corte Madera	3,113	80%	793	20%	3,906
Fairfax	2,405	74%	860	26%	3,265
Larkspur	2,775	44%	3,530	56%	6,305
Mill Valley	4,565	73%	1,694	27%	6,259
Novato	14,680	73%	5,453	27%	20,133
Ross	775	98%	17	2%	792
San Anselmo	4,127	77%	1,241	23%	5,368
San Rafael	12,525	55%	10,347	45%	22,872
Sausalito	2,009	45%	2,422	55%	4,431
Tiburon	2,561	68%	1,229	32%	3,790
Marin Unincorporated	22,201	82%	4,886	18%	27,087
Marin County Total	72,635	69%	32,622	31%	105,257

Source: California Department of Finance, 2000

In Marin County, between 1990 and the year 2000, a total of 5,233 housing units were added to the housing stock in the county. Of these, 60.1% were single family detached units, 9.2% were single family attached units, and 30.7% were multi-family units. Housing units by type and within each jurisdiction are shown below. Marin has grown at a fairly low rate, averaging an increase of about 0.5% in housing units each year. The County's population has grown at a slightly higher rate.

Figure 2.11: Housing Types and Number Added to the Marin County Housing Stock (1990-2000)

Year	Single Family						Multi Family Housing						Total Housing Units		
	Single Family Detached	%	Single Family Attached	%	Single Family Total	%	2 to 4 Units	%	5 or More Units	%	Mobile-homes	%		Multi Family Total	%
2000	63,061	59.9%	9,574	9.1%	72,635	69.0%	8,603	8.2%	22,297	21.2%	1,722	1.6%	32,622	31.0%	105,257
1999	62,445		9,553		71,998		8,580		22,119		1,723		32,422		104,420
1998	62,105		9,536		71,641		8,565		22,021		1,723		32,309		103,950
1997	61,772		9,524		71,296		8,532		21,720		1,723		31,975		103,271
1996	61,483		9,479		70,962		8,500		21,510		1,723		31,733		102,695
1995	61,197		9,479		70,676		8,491		21,488		1,723		31,702		102,378
1994	61,007		9,465		70,472		8,469		21,396		1,723		31,588		102,060
1993	60,791		9,417		70,208		8,447		21,348		1,723		31,518		101,726
1992	60,577		9,376		69,953		8,439		21,222		1,723		31,384		101,337
1991	60,306		9,317		69,623		8,404		20,745		1,723		30,872		100,495
1990	59,966	60.1%	9,206	9.2%	69,172	69.3%	8,372	8.4%	20,490	20.5%	1,723	1.7%	30,585	30.7%	99,757
Units Added	3,095		368		3,463		231		1,807		-1		2,037		5,500

Source: California Department of Finance, 1990-2000

Figure 2.12: Number of Single Family and Multiple Family Homes Added by Jurisdiction (1990-2000)

Year	Single Famil				Multi Famil Housing				Total Housing Units Added				
	Single Family Detached	%	Single Family Attached	%	Single Family Total	% of Total Units	2 to 4 Units	%		5 or More Units	%	Multi Family Total	% of Total Units
Belvedere	12	100%	0	0%	12	100%	0	n/a	0	n/a	0	0%	+12
Corte Madera	164	96%	7	4%	171	90%	18	100%	0	0%	18	10%	+189
Fairfax	40	100%	0	0%	40	100%	0	n/a	0	n/a	0	0%	+40
Larkspur	98	100%	0	0%	98	29%	7	3%	235	97%	242	71%	+340
Mill Valley	106	92%	9	8%	115	91%	0	0%	11	100%	11	9%	+126
Novato	930	89%	110	11%	1,040	77%	22	7%	289	93%	311	23%	+1,351
Ross	17	100%	0	0%	17	100%	0	n/a	0	n/a	0	0%	+17
San Anselmo	39	100%	0	0%	39	91%	4	100%	0	0%	4	9%	+43
San Rafael	409	70%	174	30%	583	34%	123	11%	1,025	89%	1,148	66%	+1,731
Sausalito	37	109%	-3	-9%	34	64%	9	47%	10	53%	19	36%	+53
Tiburon	326	94%	20	6%	346	100%	-2	n/a	3	n/a	1	0%	+347
Marin Unincorp.	917	95%	51	5%	968	77%	50	18%	234	82%	284	23%	+1,252
Marin Co. Total	3,095	89%	368	11%	3,463	63%	231	11%	1,807	89%	2,038	37%	+5,501

Source: California Department of Finance, 1990-2000

Figure 2.13: Population and Housing Units Change by Marin County Jurisdiction (1990-2000)

	----- Population -----				----- Housing Units -----			
	1990	2000	Change	Percent	1990	2000	Change	Percent
Belvedere	2,147	2,125	-22	-1.0%	1,037	1,059	22	2.1%
Corte Madera	8,272	9,100	828	10.0%	3,717	3,850	133	3.6%
Fairfax	6,931	7,319	388	5.6%	3,225	3,418	193	6.0%
Larkspur	11,068	12,014	946	8.5%	5,965	6,413	448	7.5%
Mill Valley	13,029	13,600	571	4.4%	6,133	6,286	153	2.5%
Novato	47,585	47,630	45	0.1%	18,782	18,994	212	1.1%
Ross	2,136	2,329	193	9.0%	775	805	30	3.9%
San Anselmo	11,735	12,378	643	5.5%	5,325	5,408	83	1.6%
San Rafael	48,410	56,063	7,653	15.8%	21,141	22,948	1,807	8.5%
Sausalito	7,152	7,330	178	2.5%	4,378	4,511	133	3.0%
Tiburon	7,554	8,666	1,112	14.7%	3,443	3,893	450	13.1%
Unincorporated	64,077	68,735	4,658	7.3%	25,836	27,405	1,569	6.1%
Total County	230,096	247,289	17,193	7.5%	99,757	104,990	5,233	5.2%

Source: California Department of Finance; U.S. Census, 2000

Age and Condition of the Housing Stock

As shown below, about 64% of the existing homes in Marin County were built more than 30 years ago. Forty-two percent were built more than 40 years ago. These estimates are based on the 1990 breakdown of housing units by age contained in the U. S. Census, updated with construction data for 1990-2000, and year 2000 census data on total units and occupancy status.

Figure 2.14: Age of the Housing Stock in Marin County (2000)

Age of Housing	Number of Units	Percent of Total Units	Percent Rentals	Percent Owner	Percent Vacant
51+ Years	23,202	22.1%	38%	57%	5%
41-50 Years	21,406	20.4%	31%	65%	4%
31-40 Years	23,274	22.2%	35%	61%	4%
21-30 Years	20,108	19.2%	40%	55%	5%
11-20 Years	11,767	11.2%	35%	58%	7%
Less than 10 Years	5,233	5.0%	29%	67%	4%
Marin County Total	104,990	100.0%	35%	61%	4%

Source: U.S. Census, 1990; U.S. Census 2000

In general, the condition of the housing stock in Marin County is good. Windshield surveys conducted over the past 15 years by various jurisdictions indicate a high level of maintenance and renovation, which is consistent with the high value of housing in the County. Still, there are areas where housing condition is an issue, especially where rental units have deteriorated due to age and lack of maintenance. The CDBG Rehabilitation Loan Program provides the greatest amount of funding for rehabilitation. Specific programs include single family home repair loans, emergency repair and accessibility grants, exterior enhancement rebates, weatherization and home security grants for seniors, and a multi-family rehabilitation loan program. In 2000, 533 Residential Rehabilitation Loans were made to low income homeowners. There are also multi-family inspection programs that are implemented by various jurisdictions to ensure code enforcement and fire safety in multi-family developments.

Household Characteristics

Household Types and Size

The Bureau of the Census defines a household as all persons who occupy a housing unit, including families, single people, or unrelated persons. Persons living in licensed facilities, dormitories, or other group living situations are not considered households.

The number of households in Marin County increased from 95,233 in 1990 to 100,650 in 2000, which is a 5.7 percent increase, or an additional 5,417 households. As shown below, about 60 percent of the households in 2000 were families and 40 percent were not. Most of the County's non-family households were people living alone, with about a third of those being individuals age 65 or over (representing about 10 percent of all households).

The average household size in Marin was 2.35 persons per household in 1985. Occupancy dipped to 2.33 in 1990, but increased to 2.40 in 2000. It is expected to increase to 2.41 by 2005 before declining to 2.39 by 2020. Compared to the rest of the Bay Area, Marin County's average household size is significantly lower, averaging 0.3 fewer persons per household. With a lower average rate of occupancy,

Figure 2.15: Households By Type (2000)

Jurisdiction	Family Households	Family Age 65+	Single Person Households	Single Person Age 65+	Non-Family Household (2+)	Non-Family (2+) Age 65+	Total Households	Total HH Age 65+
Belvedere	657	247	258	146	41	16	956	409
Corte Madera	2,472	536	937	296	367	60	3,776	892
Fairfax	1,813	252	1,029	245	464	43	3,306	540
Larkspur	2,901	758	2,650	903	591	71	6,142	1,732
Mill Valley	3,420	699	2,098	761	629	99	6,147	1,559
Novato	12,419	2,379	4,661	1,714	1,444	158	18,524	4,251
Ross	626	146	97	40	38	14	761	200
San Anselmo	3,191	559	1,511	386	565	60	5,267	1,009
San Rafael	12,776	2,785	7,187	2,446	2,408	222	22,371	5,453
Sausalito	1,663	326	1,945	331	646	58	4,254	715
Tiburon	2,408	623	1,026	351	278	43	3,712	1,017
Marin Unincorporated	16,333	3,520	6,642	1,994	2,459	327	25,434	5,841
Marin County Total	60,679	12,830	30,041	9,613	9,930	1,171	100,650	23,610

Source: 2000 U.S. Census

more residential units will be required to accommodate any given increases in population. Although, small households generate less impact on a per unit basis than larger households. High housing prices can force people to share living accommodations, thereby increasing household size. However, Marin's aging population, discussed earlier, also reduces the occupancy rate as children move out and mortality increases. On average, renter households in Marin (2.21 persons per household in 2000) are slightly smaller than owner households (2.42 persons per household in 2000). Trends in the average household size by jurisdiction are shown below.

Figure 2.15: Trends in Persons Per Household (1990-2020)

Jurisdiction	Year 1990	Year 1995	Year 2000	Year 2005	Year 2010	Year 2015	Year 2020
Belvedere	2.23	2.30	2.22	2.36	2.36	2.38	2.40
Corte Madera	2.31	2.34	2.41	2.43	2.42	2.42	2.37
Fairfax	2.25	2.28	2.20	2.33	2.36	2.35	2.35
Larkspur	2.08	2.07	1.93	2.21	2.24	2.20	2.19
Mill Valley	2.23	2.22	2.20	2.31	2.27	2.24	2.25
Novato	2.60	2.61	2.52	2.76	2.77	2.71	2.67
Ross	2.78	2.92	2.94	2.93	2.99	2.99	2.99
San Anselmo	2.35	2.37	2.30	2.38	2.34	2.34	2.32
San Rafael	2.37	2.44	2.42	2.50	2.46	2.42	2.40
Sausalito	1.81	1.90	1.72	1.95	1.95	1.93	1.94
Tiburon	2.17	2.21	2.31	2.27	2.22	2.20	2.18
Marin Unincorporated	2.44	2.49	2.62	2.54	2.55	2.55	2.54
Marin County Total	2.33	2.37	2.34	2.45	2.44	2.41	2.39

Source: Association of Bay Area Governments, Projections 2000; 2000 U.S. Census

Housing Tenure (Ownership and Rental Housing)

Tenure refers to whether a housing unit is rented or owned. According to the 2000 census figures, there were 64,024 owner-occupied units in Marin County (61 percent of all units) and 36,626 renter-occupied units (35 percent of the total) in the year 2000. This is an increase in the percentage of owner-occupied units in comparison to 1990 (when 59 percent were owner-occupied and 36 percent were rented), which also reflects that a higher proportion of single family homes were built as compared to multi-family units.

Figure 2.16: Housing Units by Tenure by Jurisdiction (1990 and 2000)

	----- 1990 -----				----- 2000 -----			
	Renter	Owner	Vacant	Total	Renter	Owner	Vacant	Total
Belvedere	223	741	73	1,037	239	717	103	1,059
Percent	22%	71%	7.0%	100%	23%	68%	9.7%	100%
Corte Madera	1,087	2,490	140	3,717	1,038	2,738	74	3,850
Percent	29%	67%	3.8%	100%	27%	71%	1.9%	100%
Fairfax	1,250	1,842	133	3,225	1,275	2,031	112	3,418
Percent	39%	57%	4.1%	100%	37%	59%	3.3%	100%
Larkspur	2,811	2,911	691	6,413	3,081	3,061	271	6,413
Percent	76%	78%	10.8%	173%	80%	80%	7.0%	167%
Mill Valley	2,072	3,883	178	6,133	2,121	4,026	139	6,286
Percent	34%	63%	2.9%	100%	34%	64%	2.2%	100%
Novato	6,947	11,289	546	18,782	6,009	12,515	470	18,994
Percent	37%	60%	2.9%	100%	32%	66%	2.5%	100%
Ross	45	679	51	775	98	663	44	805
Percent	6%	88%	6.6%	100%	12%	82%	5.5%	100%
San Anselmo	1,766	3,364	195	5,325	1,751	3,516	141	5,408
Percent	33%	63%	3.7%	100%	32%	65%	2.6%	100%
San Rafael	9,240	11,055	846	21,141	10,346	12,025	577	22,948
Percent	44%	52%	4.0%	100%	45%	52%	2.5%	100%
Sausalito	2,103	1,990	285	4,378	2,166	2,088	257	4,511
Percent	48%	45%	6.5%	100%	48%	46%	5.7%	100%
Tiburon	1,107	2,166	170	3,443	1,121	2,591	181	3,893
Percent	32%	63%	4.9%	100%	29%	67%	4.6%	100%
Unincorporated	7,364	16,581	1,443	25,388	7,381	18,053	1,971	27,405
Percent	29%	65%	5.7%	100%	27%	66%	7.2%	100%
Total County	36,015	58,991	4,751	99,757	36,626	64,024	4,340	104,990
Percent	36%	59%	4.8%	100%	35%	61%	4.1%	100%

Source: California Department of Finance; U.S. Census, 2000; Baird + Driskell

Vacancy Rate Trends

The vacancy rates for housing in Marin County, as indicated by the 1990 and 2000 census, are shown in the preceding table. Vacancy rates have decreased since 1990, when the census recorded a vacancy rate of 4.7 percent. In 2000, the total vacancy rate was recorded at 4.1 percent. However, as shown below, the effective vacancy rate for rental housing units is at 2.2 percent to exclude units that are unavailable as long term rentals. The 2.2 percent figure is indicative of a very tight rental housing market in which demand for units exceeds the available supply. Based on rent level surveys, the rental vacancy rate is most likely much tighter for units affordable to very low, low and even moderate income households.

In general, a higher vacancy rate is considered necessary by housing experts to assure adequate choice in the marketplace and to temper the rise in home prices. According to the Bay Area Council and Association of Bay Area Governments, a five percent rental vacancy rate is considered necessary to permit ordinary rental mobility. In a housing market with a lower vacancy rate, tenants will have difficulty

Figure 2.17: Vacancy Status for Vacant Housing Units by Jurisdiction (2000)

	For Rent	Effective Vacancy % for Rentals	For Sale	Rented or Sold/Not Occupied	For Seasonal/Occasional/ Rec Use	For Mirgrant Workers	Other Vacant	Total Vacant	Vacancy Rate for All Units
Belvedere	10	4.0%	4	11	59	0	19	103	9.7%
Corte Madera	20	1.9%	9	9	14	1	21	74	1.9%
Fairfax	42	3.2%	13	8	27	0	22	112	3.3%
Larkspur	70	2.2%	18	18	94	0	71	271	4.2%
Mill Valley	36	1.7%	24	20	28	0	31	139	2.2%
Novato	151	2.5%	120	75	51	0	73	470	2.5%
Ross	6	5.8%	3	3	11	0	21	44	5.5%
San Anselmo	34	1.9%	9	19	31	0	48	141	2.6%
San Rafael	181	1.7%	108	40	111	0	137	577	2.5%
Sausalito	68	3.0%	12	36	106	0	35	257	5.7%
Tiburon	36	3.1%	18	23	77	0	27	181	4.6%
Unincorporated	152	2.0%	86	138	1,293	5	297	1,971	7.2%
Total County	806	2.2%	424	400	1,902	6	802	4,340	4.1%

Source: U.S. Census, 2000; Baird + Driskell

locating appropriate units and strong market pressure will inflate rents. Thus, the 1990s have seen a significant tightening in the local housing market, a phenomenon that has been experienced in many Bay Area communities.

As demand increases and rents increase with demand, the costs for land and buildings will increase proportionally, keeping rents high. Even in an economic downturn, such as the one which began in later 2001, it is not expected that rents will go much lower than they are currently. The low and very low income are most dramatically impacted. As stated earlier, the market is generally not providing an adequate supply of multi-family rental housing, especially those affordable at the lower income levels.

Conclusions of this analysis underscore the importance of affordable housing to our economy and to the quality of life we experience in Marin and in the Bay Area. In the absence of efforts to increase the supply of affordable housing, higher paid workers will continue to move into the area, displacing lower income workers. Lower income workers will double up in overcrowded conditions, commute long distances and will be required to pay more than they can afford for housing. Employers will have increasing difficulty finding workers to fill lower paid positions.

In addition, the lower the vacancy rate the greater the tendency for landlords to discriminate against potential renters. Fair Housing of Marin is a civil rights agency that investigates housing discrimination, including discrimination based on race, origin, disability, gender, and children. Their caseload consists almost entirely of renters. The organization receives approximately 1,200 inquiries a year, of which about 250 are discrimination complaints that are fully investigated. Fair Housing of Marin also educates landowners on fair housing laws, provides seminars in English, Spanish, and Vietnamese on how to prepare for a housing search and recognize discrimination, and education programs on the importance of community diversity in schools, which includes an annual "Fair Housing" poster contest. The organization also advocates for affordable housing policies and works with the Housing Council.

Overcrowding

Overcrowded housing is defined by the US Census as units with more than one inhabitant per room, excluding kitchen and bathrooms. Year 2000 census data on overcrowding are not yet available. The table below provides data on overcrowding from the 1990 Census. In 1990, the incidence of overcrowding in

Marin County was 1 percent for owner-occupied units, and 6 percent for rental units. However, it is likely that 1990 census counts of overcrowding underestimated the actual occurrence, as households living in overcrowded situations were unlikely to provide accurate data on other household members who might be living in the unit illegally or in violation of their rental agreement.

Figure 2.18: Overcrowded Housing Units by Tenure by Jurisdiction (1990)
(Housing Units with More Than One Person Per Room)

	Renters ¹	Owners ¹	Total ² Overcrowded	Total Occupied Housing Units
Belvedere	5	0	5	964
Percent	2%	0%	1%	
Corte Madera	0	20	20	3,577
Percent	0%	1%	1%	
Fairfax	21	39	60	3,092
Percent	2%	2%	2%	
Larkspur	22	15	37	5,722
Percent	1%	1%	1%	
Mill Valley	58	0	58	5,955
Percent	3%	0%	1%	
Novato	457	103	560	18,236
Percent	7%	1%	3%	
Ross	0	0	0	724
Percent	0%	0%	0%	
San Anselmo	9	27	36	5,130
Percent	1%	1%	1%	
San Rafael	1,151	91	1,242	20,295
Percent	12%	1%	6%	
Sausalito	10	21	31	4,093
Percent	0%	1%	1%	
Tiburon	23	0	23	3,273
Percent	2%	0%	1%	
Unincorporated	300	102	402	23,945
Percent	4%	1%	2%	
Total County	2,056	418	2,474	95,006
Percent	6%	1%	3%	
<i>Bay Area</i>	122,399	54,424	176,823	2,246,242
	13%	4%	8%	
<i>California</i>	876,133	339,482	1,215,615	10,381,206
	19%	6%	12%	

¹Shows the percentage of overcrowded renter or owner housing units
²Shows the percentage of overcrowded housing to total housing units

Source: U.S. Census, 1990

It is also likely that the incidence of overcrowding has *increased* over the 1990 levels, given the increase in housing prices relative to local incomes, the increase in the average household and family size, and the very low vacancy rates reported in the census statistics. An increase in overcrowding has been identified as an issue by staff working in various cities who work in inspection programs.

It should be noted that studies show that overcrowding results in a multitude of negative public health indicators, including increased transmission of tuberculosis and hepatitis. In addition, studies show increases in domestic violence, sexual assault, mental health problems and substance abuse related to overcrowded living conditions.

Addressing the issue of overcrowding will require the construction of new units and rehabilitation of existing units to meet the needs of larger families, a correction in the local balance between supply and demand so that the market returns to a more functional vacancy rate level, and addressing the gap between local incomes and housing prices. The recent 'softening' of the housing market being experienced in the Bay Area due to the economic slowdown both regionally and nationally will address some of these issues, but continued policy direction in promoting housing development to meet the needs of lower income households and larger families—as well as encouraging the development and rehabilitation of more units to meet demand—will also help alleviate the issue of overcrowding.

Housing Costs, Household Income, and the Ability to Pay for Housing

Housing Affordability -- A Bay Area Perspective

The housing crisis in the Bay Area has been an evolving phenomenon over several decades as demand has continually exceeded supply. Housing affordability in the Bay Area is now at an all-time low. Only 16% of Bay Area households can afford a median priced home, with affordability dropping as low as 12% in Contra Costa and San Mateo Counties and 10% in San Francisco, according to the California Association of Realtors, July 2000.

The shortage of local housing at affordable prices means that many employees who work in Marin County must live elsewhere. This requires additional personal and societal costs, as the price of commuting is not just the actual expenses for car and gas; but also includes the commute time, the environmental impact on air quality, the costs of extended day care, and the toll on peoples' lives.

When housing affordability erodes, many residents are affected. Those on fixed incomes are not able to keep up with rising rents; local employers experience difficulty in attracting and retaining qualified employees; local employees move further away from their jobs in search of affordable housing in other communities because they cannot find adequate housing in the local area that they can afford; and many households postpone home improvements and new investments, and /or devote an increasing proportion of their monthly budget to meeting housing costs. Overcrowding also increases as people turn to sharing homes and apartments to reduce monthly costs.

An adequate supply of affordable housing, including rental and owned housing, is essential to satisfying the housing needs of all economic segments of Marin's existing and projected population. The analysis of housing affordability requires consideration of trends in household income in comparison to trends in housing prices and rents, trying to quantify as best as possible the incidence of overpayment for housing

KEY FINDING (2.4): "Marin Profile 2001 -- A Survey of Economic, Social, and Environmental Indicators" (Marin Economic Commission)

- Marin Grows, But Steady
- Marin Getting Older Overall, Senior Population and Children Increasing
- Racial Diversity Lacking But Increasing as Marin Grows
- Marin Residents Becoming More Educated
- Crime Rates Remain Low
- Marin Residents Politically Active
- Marin Per Capita Income Highest in Bay Area and California
- Marin Household Income Increasing
- Household Occupancy to Remain Relatively Constant Over the Long Term
- New Residential Units Added Slowly
- High Percentage of Incomes Spent on Rent, New Unit Construction Falls Behind
- Rental rates Climb
- Need for Housing Assistance Continues
- Home Sales Prices Jump Dramatically But Overall Sales Decline
- Per Capita, Total Vehicle Miles Traveled Increasing Rapidly
- In and Out of County Commute Patterns Shifting
- Energy Consumption Rates Increasing
- Vast Majority of Land Area in Agriculture, Parks, and Protected Open Space

costs, or what might be termed ‘the affordability gap’ between the structure of local wages and salaries and the costs of local housing.

Household Income

Income is defined as wages, salaries, pensions, social security benefits, and other forms of cash received by a household. Non-cash items, such as Medicare and other medical insurance benefits, are not included as income. It is generally expected that people can afford to pay about a third of their income on housing. It is therefore critical to understand the relationship between household income and housing costs to determine how affordable—or unaffordable—housing really is.

Information on household income by household size is maintained by the U.S. Department of Housing and Urban Development (HUD) for each county. In Marin County, examples of income levels that would qualify for affordable housing in 2001 are shown on the next page. The breakdown of current households in Marin County by income category is shown in the graph to the right.

The current income levels by jurisdiction are shown in the tables below. Income categories are defined as a percentage of Marin County Median Household Income for four person households:

- *Very-Low Income* Below 50% of median income (“Extremely Low Income is below 35%)
- *Low Income* 50-80% of Marin County median income
- *Moderate Income* 80-120% of Marin County median income
- *Above-Moderate Income* 120% and above of Marin County median income

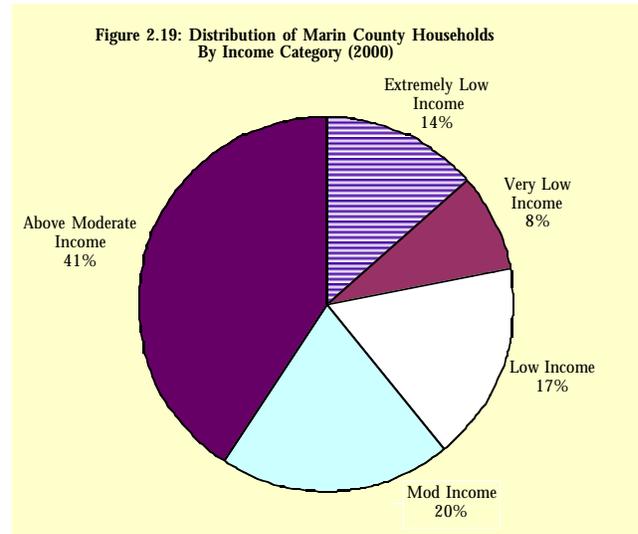
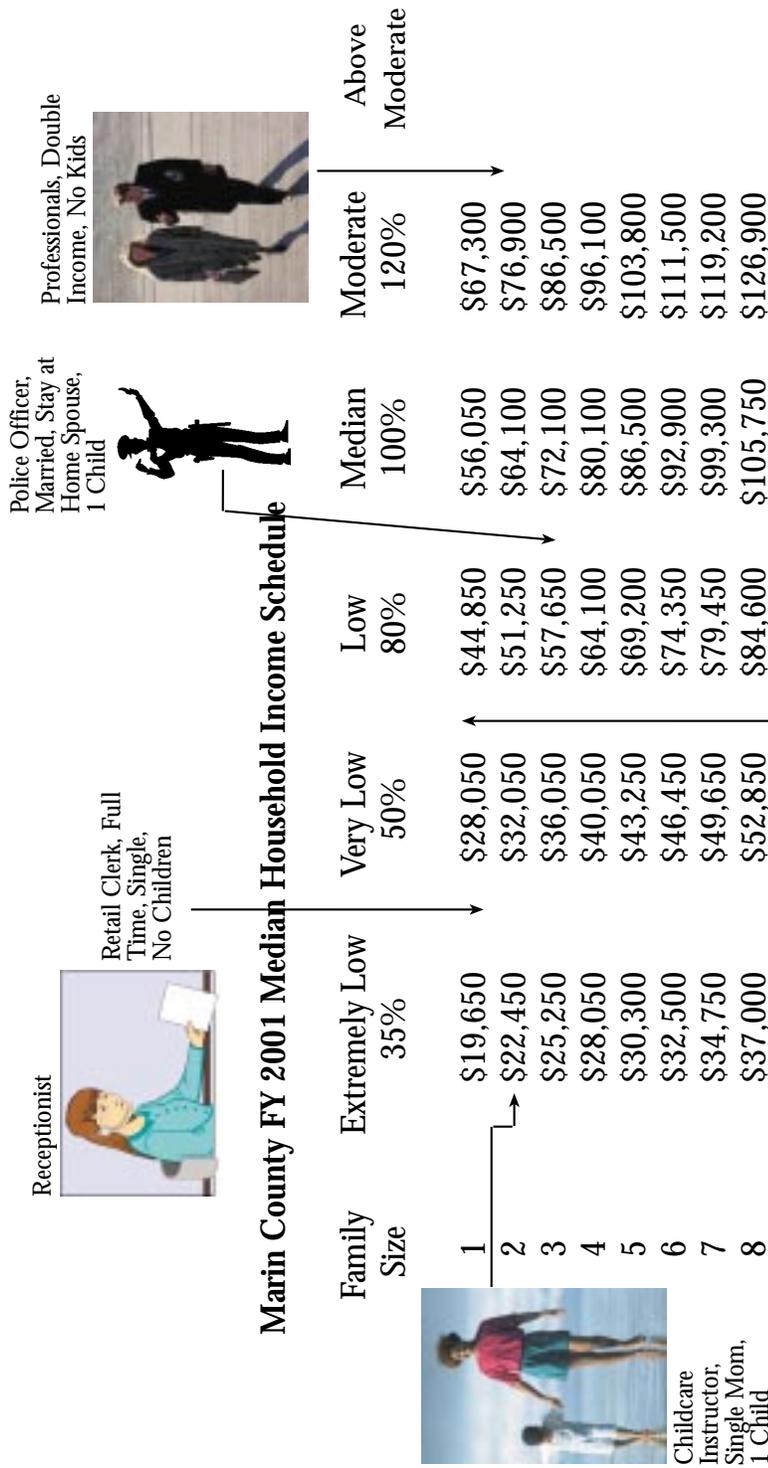


Figure 2.20: Estimated Distribution of Households By Income Category (2000)

Jurisdiction	Extremely Low Income	Very Low Income	Very Low Subtotal	Low Income	Moderate Income	Above Moderate	Tota
Belvedere	64	29	93	58	101	705	956
Corte Madera	340	350	690	687	854	1,546	3,777
Fairfax	581	402	983	742	812	769	3,306
Larkspur	1,023	713	1,736	1,375	1,242	1,788	6,144
Mill Valley	813	557	1,370	1,072	1,052	2,653	6,148
Novato	2,920	1,929	4,850	3,957	4,290	5,427	18,523
Ross	41	21	61	83	102	515	761
San Anselmo	1,182	499	1,681	964	983	1,640	5,266
San Rafael	4,658	2,569	7,227	4,373	4,314	6,457	22,377
Sausalito	536	259	794	616	755	2,089	4,254
Tiburon	357	228	586	364	552	2,211	3,711
Marin Unincorporated	1,397	1,069	2,466	3,390	5,046	14,532	25,433
Marin County Total	13,911	8,624	22,536	17,681	20,103	40,330	100,660

Source: Baird + Driskell/Community Planning; 2000 U.S. Census; Claritas, Inc.



Source: Department of Housing and Urban Development, effective April 6, 2001

Although the average household income in Marin has been increasing, the number of households that fall into the low and very low income categories has also increased. It is currently estimated that 39.3% of all Marin households fall in the very low and low income category. There is even a greater proportion of very low and low income households among renters. It is estimated in 2000 that 55.9% of all renters fall in the very low and low income category, earning less than \$64,100 for a family of four.

Figure 2.21: Percentage Estimated Distribution of Households By Income Category (2000)

Jurisdiction	Extremely Low Income	Very Low Income	Very Low Subtotal	Low Income	Moderate Income	Above Moderate
Belvedere	6.7%	3.0%	9.7%	6.0%	10.5%	73.8%
Corte Madera	9.0%	9.3%	18.3%	18.2%	22.6%	40.9%
Fairfax	17.6%	12.1%	29.7%	22.4%	24.6%	23.3%
Larkspur	16.7%	11.6%	28.3%	22.4%	20.2%	29.1%
Mill Valley	13.2%	9.1%	22.3%	17.4%	17.1%	43.2%
Novato	15.8%	10.4%	26.2%	21.4%	23.2%	29.3%
Ross	5.3%	2.7%	8.1%	10.9%	13.4%	67.7%
San Anselmo	22.4%	9.5%	31.9%	18.3%	18.7%	31.1%
San Rafael	20.8%	11.5%	32.3%	19.5%	19.3%	28.9%
Sausalito	12.6%	6.1%	18.7%	14.5%	17.7%	49.1%
Tiburon	9.6%	6.2%	15.8%	9.8%	14.9%	59.6%
Marin Unincorporated	5.5%	4.2%	9.7%	13.3%	19.8%	57.1%
Marin County Total	13.5%	8.4%	21.9%	17.4%	19.9%	40.8%

Source: Baird + Driskell/Community Planning; 2000 U.S. Census; Claritas, Inc.

Figure 2.22: Percentage Distribution of Renter and Owner Households By Income (2000)

Jurisdiction	Very Low Income	Low Income	Moderate Income	Above Moderate	Total
Renters	32.3%	23.6%	18.0%	26.1%	100.0%
Owners	16.8%	14.1%	21.1%	48.0%	100.0%

Source: Baird + Driskell/Community Planning; 2000 U.S. Census; Claritas, Inc.

Figure 2.23: Distribution of Renter and Owner Households By Income (2000)

Jurisdiction	Very Low Income	Low Income	Moderate Income	Above Moderate	Total
Renters	11,794	8,644	6,593	9,559	36,626
Owners	10,742	9,037	13,510	30,771	64,024
Marin County Total	22,536	17,681	20,103	40,330	100,650

Source: Baird + Driskell/Community Planning; 2000 U.S. Census; Claritas, Inc.

Figure 2.24: Percentage Distribution of All Households By Tenure and Income (2000)

Jurisdiction	Very Low Income	Low Income	Moderate Income	Above Moderate	Total
Renters	11.7%	8.6%	6.6%	9.5%	36.4%
Owners	10.7%	9.0%	13.4%	30.6%	63.6%

Source: Baird + Driskell/Community Planning; 2000 U.S. Census; Claritas, Inc.

Sales Prices and Rents

The Bay Area's phenomenal growth has led to unprecedented economic prosperity for many of those who live here. However, the region's desirability has made it increasingly expensive. This is particularly true in Marin County because of its beautiful setting, convenient location and quality of life. From 1993 to 2000 the median home sales price has increased from \$314,250 to \$523,000. The median price for a single family detached home price in Marin County in 2000 was \$599,000, requiring an income over \$150,000 per year to qualify for a loan. The market prices are out of reach for many people who work in Marin County, and even for those who currently reside in the county.

Data from Real Facts, Inc., which surveys all rental complexes with 50 or more units quarterly (*see table on the next page*), the average rents in Marin County in 2000 were: \$1,372 for a one-bedroom apartment, requiring an annual income of \$54,880; \$1,559 for a two-bedroom apartment, requiring a \$62,360 annual income; and \$2,420 for a three-bedroom apartment, requiring \$96,800 annually. The rent survey below shows that average rents countywide for a one-bedroom apartments have increased from \$733 per month in 1992 to \$1,205 in the third quarter of 2000. Two-bedroom apartments have increased from \$922 per month in 1992 to \$1,588 in the third quarter of 2000.

Figure 2.25: Marin Real Estate Sales - Year End 2000

Jurisdiction	Conventional Detached Dwellings			Condominiums/Townhouses		
	# Sales	Mean Price	Median	# Sales	Mean Price	Median
Belvedere	30	\$2,372,707	\$2,000,000	2	\$1,305,000	\$1,305,000
Corte Madera	111	\$661,609	\$625,000	47	\$391,755	\$390,000
Fairfax	95	\$447,680	\$429,000	13	\$298,038	\$283,000
Larkspur	95	\$815,018	\$820,000	64	\$379,799	\$347,500
Mill Valley	167	\$994,050	\$800,000	55	\$455,026	\$425,000
Novato	628	\$526,263	\$478,560	372	\$274,863	\$274,863
Ross	25	\$1,465,800	\$1,325,000			
San Anselmo	166	\$583,111	\$549,000	4	\$306,625	\$289,000
Sausalito	85	\$1,237,091	\$1,025,000	59	\$467,339	\$411,500
San Rafael	480	\$640,239	\$562,500	287	\$325,084	\$270,000
Tiburon	115	\$1,610,295	\$1,300,000	37	\$790,669	\$675,000
Unincorporated	861	\$830,685	\$657,000	101	\$441,667	\$400,000
TOTAL	2,858	\$772,354	\$599,000	1,041	\$357,781	\$315,000
Total Single Family Homes Sold: 3,899						
MEAN / MEDIAN Home Sale Price: \$661,667 / \$523,000						
Mean Home Living Area: 1,772 sq. ft.						
Source: Marin County Assessor - Recorder, 2001						

Figure 2.26: "Apartment for Rent" Rent Survey (1992-2000)

Location	#BR	1 yr. (+/-)	2 yr. (+/-)	2000	1999	1998	1997	1996	1995	1994	1993	1992
				3rd Qtr	Year Ave.							
Sausalito/Tiburon	1 BR	13%	18%	\$1,670	\$1,477	\$1,416	\$1,181	\$1,106	\$1,036	\$956	\$970	\$957
	2 BR	12%	20%	\$2,231	\$1,984	\$1,852	\$1,664	\$1,405	\$1,400	\$1,330	\$1,250	\$1,270
South Central	1 BR	13%	23%	\$1,334	\$1,182	\$1,081	\$933	\$837	\$811	\$784	\$770	\$775
	2 BR	13%	22%	\$1,607	\$1,425	\$1,321	\$1,191	\$1,074	\$1,003	\$962	\$945	\$931
San Rafael	1 BR	11%	22%	\$1,117	\$1,006	\$919	\$824	\$740	\$704	\$683	\$675	\$671
	2 BR	9%	18%	\$1,403	\$1,288	\$1,189	\$998	\$914	\$860	\$842	\$815	\$818
San Anselmo/Fairfax	1 BR	15%	23%	\$1,175	\$1,026	\$955	\$849	\$779	\$726	\$698	\$701	\$687
	2 BR	9%	24%	\$1,427	\$1,309	\$1,149	\$994	\$874	\$841	\$814	\$833	\$828
Novato	1 BR	13%	22%	\$1,119	\$988	\$916	\$759	\$719	\$705	\$681	\$651	\$670
	2 BR	18%	31%	\$1,420	\$1,205	\$1,083	\$971	\$885	\$823	\$809	\$797	\$788
Marin Count Average	1 BR	7%	17%	\$1,205	\$1,125	\$1,031	\$881	\$807	\$753	\$733	\$736	\$733
	2 BR	10%	17%	\$1,588	\$1,445	\$1,354	\$1,133	\$988	\$943	\$935	\$907	\$922
Ads/week Marin		-61%	-55%	40	103	89	74	92	161	182	221	184

Source: Michael Burke, Realtor with Frank Howard Allen Relators, compiled this data from Sunday Marin Independent Journal

Figure 2.27: Marin County Average Rent by Unit Type in Apartment Complexes of Over 50 Units, 1999-2000

Type of Unit Bed/Bath	Jan-Mar 1999	April-June 1999	July-Sept 1999	Oct-Dec 1999	Jan-Mar 2000	April-June 2000	July-Sept 2000	Oct-Dec 2000	Four Period +/-	Average 1999	Average 2000	% Change Jan 2000 - Dec 2000	% Change Jan 1999 - Dec 2000
0/1	\$855	\$870	\$891	\$922	\$942	\$981	\$1,020	\$1,024	11.1%	\$885	\$992	8.7%	19.8%
1/1	\$1,172	\$1,195	\$1,220	\$1,247	\$1,264	\$1,326	\$1,419	\$1,480	18.7%	\$1,209	\$1,372	17.1%	26.3%
2/1	\$1,237	\$1,248	\$1,278	\$1,312	\$1,333	\$1,397	\$1,440	\$1,508	14.9%	\$1,269	\$1,420	13.1%	21.9%
2/2	\$1,505	\$1,533	\$1,578	\$1,620	\$1,656	\$1,724	\$1,883	\$1,921	18.6%	\$1,559	\$1,796	16.0%	27.6%
2 TH	\$1,550	\$1,579	\$1,601	\$1,521	\$1,528	\$1,699	\$1,757	\$1,790	17.7%	\$1,563	\$1,694	17.1%	15.5%
3/2	\$1,923	\$1,909	\$2,017	\$2,075	\$2,087	\$2,331	\$2,640	\$2,621	26.3%	\$1,981	\$2,420	25.6%	36.3%
3 TH	\$1,911	\$1,948	\$1,958	\$2,130	\$2,130	\$2,346	\$2,396	\$2,382	11.8%	\$1,987	\$2,314	11.8%	24.6%
Average	\$1,356	\$1,376	\$1,414	\$1,446	\$1,466	\$1,558	\$1,687	\$1,750	21.0%	\$1,398	\$1,615	19.4%	29.1%
Overall													
Occupancy	97.2%	97.5%	97.8%	97.3%	98.2%	98.7%	98.8%	97.7%	0.4%	98.3%	98.4%	-0.5%	0.5%
Vacancy	2.8%	2.5%	2.2%	2.7%	1.8%	1.3%	1.2%	2.3%		2.6%	1.7%		

Source: RealFacts, Inc., 2001

The Ability to Pay for Housing

Housing that costs 30% of a household’s income is referred to as “affordable housing.” Because household incomes and sizes vary, the price which is considered “affordable” for each household also varies. For example, a large family with one small income would afford a different type of housing than a double-income household with no children.

Households ‘overpay’ for their housing when they must pay more than 30 percent of their income on housing. Because income and housing cost data from the 2000 census are not yet available, the most reliable data on the incidence of overpayment in Marin County has been derived from the 1990 Census. The table below estimates current overpayment in Marin County jurisdictions based on 1990 Census applied to 2000 data on housing tenure. As shown in the table, approximately 47 percent of renters are estimated to be overpaying for housing (i.e., paying greater than 30 percent of their income on housing) in 2000, while approximately one-third of owners are overpaying for housing.

Figure 2.28: Estimated Overpaying Households by Tenure by Jurisdiction (2000)
(Households Paying More Than 30% of Their Income on Housing)

	Renters ¹	Owners ¹	Total ² Overpa	Total Households
Belvedere	102	193	295	956
Percent	43%	27%	31%	
Corte Madera	523	796	1,319	3,776
Percent	50%	29%	35%	
Fairfax	608	743	1,350	3,306
Percent	48%	37%	41%	
Larkspur	1,477	1,038	2,514	6,142
Percent	48%	34%	41%	
Mill Valley	1,146	1,387	2,533	6,147
Percent	54%	34%	41%	
Novato	2,556	4,047	6,603	18,524
Percent	43%	32%	36%	
Ross	0	236	236	761
Percent	0%	36%	31%	
San Anselmo	973	1,162	2,135	5,267
Percent	56%	33%	41%	
San Rafael	5,519	3,586	9,104	22,371
Percent	53%	30%	41%	
Sausalito	877	624	1,501	4,254
Percent	41%	30%	35%	
Tiburon	402	762	1,164	3,712
Percent	36%	29%	31%	
Unincorporated	2,992	6,144	9,136	25,434
Percent	41%	34%	36%	
Total County	17,174	20,718	37,892	100,650
Percent	47%	32%	38%	

¹Shows the percentage of renter or owner households overpaying
²Shows the percentage of total households overpaying

Source: Ca. Dept. of Finance; Census, 1990 and 2000; Baird + Driskell

Given the household income trends and housing cost trends discussed previously, it is reasonable to conclude that the incidence of overpayment for very low, low and moderate income households may increase in the future. It should be noted as well that owners are given tax breaks for mortgage interest payments while renters are not. In fact, by far the largest (and often least recognized) federal housing subsidy is for mortgage deductions.

According to the National Low Income Housing Coalition (LIHC), Marin County, San Mateo and San Francisco counties are the least affordable locations in the country. The “Fair Market Rent” for a two bedroom unit, as established by the Marin County Housing Authority and used for various programs, requires an hourly wage of \$28.06, which is far above what many jobs pay. Maximum “Fair Market Rents” for the Section 8 rental assistance program are \$1,154 for a one-bedroom unit, \$1,459 for a two-bedroom unit, and \$2,001 for a three-bedroom unit.

The sidebar to the left shows examples of different types of jobs and where they fall into the affordable housing categories. A sample of public agency jobs is also included.

The tables on the next page show home sales prices and qualifying income for single family detached homes and condominiums and townhouses.

Additional tables are included which translate each of the income categories into ‘affordable rents’ and ‘affordable home prices.’

These are the rents and home prices that a household earning that level of income could be expected to pay if they were to spend 30 percent of their income on housing. The exact amount that they could pay would of course depend on the amount of downpayment they could afford and the specific terms of their mortgage. These are rough calculations, meant as ‘indicators’ only. They demonstrate the “gap” between market prices and affordability at various income levels.

KEY FINDING (2.5): What Various Jobs Pay (2000)

■ Examples of Very Low Income Jobs (Maximum of \$28,050/year for a single person household)

Bookkeeper/Accountant
Cashier
Restaurant Cook
Customer Service Representative
Emergency Medical Technician
Pharmacy Aide
Receptionist
Recreation Worker
Retail Salesperson
Childcare Instructor, City of San Rafael, \$18,432/yr.
Housing Assistline Worker, Marin Housing, \$25,956/yr.

■ Examples of Low Income Jobs (Maximum of \$44,850/year for a single person household)

Park Ranger
Experienced Carpenter
Electrician
Elementary School Teacher
Financial Manager
Courtroom Clerk, County Courts, \$39,180/yr.
Custodian, County of Marin, \$31,848/yr.
Dispatcher, County of Marin, \$36,432/yr.
Elections Clerk, County of Marin, \$31,956/yr.
Family Support Officer, County of Marin, \$32,796/yr.
Open Space Ranger, County of Marin, \$40,212/yr.
Small Claims Advisor, County Courts, \$31,284/yr.
Street Maintenance Worker, Fairfax, \$28,836/yr.
Children’s Librarian, Corte Madera, \$42,828/yr.
Customer Service Rep, MMWD, \$42,840/yr.
Account Clerk II, San Rafael, \$34,632/yr.

■ Examples of Moderate Income Jobs (Maximum of \$67,300/year for a single person household)

Nurse Practitioner
Fire Inspector
Police Supervisor
Mechanical Engineer
Pharmacist
Administrative Analyst, San Rafael, \$53,052/yr.
Entry Level Firefighter, San Rafael, \$51,192/yr.
Police Officer, Twin Cities, \$57,600/yr.

Figure 2.29: Estimated Payments for a Median Priced Detached Single Family Home (2000)

Jurisdiction	Median Home Price	Income Needed	Mortgage Amount	10% Down Payment	Monthly Payment
Belvedere	\$2,000,000	\$507,660	\$1,800,000	\$200,000	\$12,692
Corte Madera	\$625,000	\$160,019	\$562,500	\$62,500	\$4,000
Fairfax	\$429,000	\$110,464	\$386,100	\$42,900	\$2,762
Larkspur	\$820,000	\$209,321	\$738,000	\$82,000	\$5,233
Mill Valley	\$800,000	\$204,264	\$720,000	\$80,000	\$5,107
Novato	\$478,560	\$122,971	\$430,704	\$47,856	\$3,074
Ross	\$1,325,000	\$336,983	\$1,192,500	\$132,500	\$8,425
San Anselmo	\$549,000	\$140,804	\$494,100	\$54,900	\$3,520
San Rafael	\$640,239	\$163,871	\$576,215	\$64,024	\$4,097
Sausalito	\$1,025,000	\$261,151	\$922,500	\$102,500	\$6,529
Tiburon	\$1,300,000	\$330,679	\$1,170,000	\$130,000	\$8,267
Marin Unincorporated	\$657,000	\$168,109	\$591,300	\$65,700	\$4,203
Marin County Total	\$599,000	\$153,445	\$539,100	\$59,900	\$3,836

Assumptions: 30% of income; payments include principal, interest at 6.3%, taxes and insurance

Source: Baird + Driskell/Community Planning; Marin County Assessor's Office

Figure 2.30: Estimated Payments for a Median Priced Townhouse or Condominium (2000)

Jurisdiction	Median Home Price	Income Needed	Mortgage Amount	10% Down Payment	Monthly Payment
Belvedere	\$1,305,000	\$331,943	\$1,174,500	\$130,500	\$8,299
Corte Madera	\$390,000	\$100,604	\$351,000	\$39,000	\$2,515
Fairfax	\$283,000	\$73,551	\$254,700	\$28,300	\$1,839
Larkspur	\$347,500	\$89,858	\$312,750	\$34,750	\$2,246
Mill Valley	\$425,000	\$109,453	\$382,500	\$42,500	\$2,736
Novato	\$274,863	\$71,494	\$247,377	\$27,486	\$1,787
Ross	n/a	n/a	n/a	n/a	n/a
San Anselmo	\$289,000	\$75,068	\$260,100	\$28,900	\$1,877
San Rafael	\$270,000	\$70,264	\$243,000	\$27,000	\$1,757
Sausalito	\$411,500	\$106,040	\$370,350	\$41,150	\$2,651
Tiburon	\$675,000	\$172,660	\$607,500	\$67,500	\$4,317
Marin Unincorporated	\$400,000	\$103,132	\$360,000	\$40,000	\$2,578
Marin County Total	\$315,000	\$81,642	\$283,500	\$31,500	\$2,041

Assumptions: 30% of income; payments include principal, interest at 6.3%, taxes and insurance

Source: Baird + Driskell/Community Planning; Marin County Assessor's Office

Figure 2.31: Estimate of the Ability to Pay for Sales Housing (2001)

Household Size and Income Category	Monthly Income	Annual Income	"Rule of Thumb" Home Price at Three Times Annual Income	Median Priced Single Family Detached Unit	Gap Between "Rule of Thumb" Price and Median SFD Unit	Median Priced Townhouse and Condo Unit	Gap Between "Rule of Thumb" Price and Median TH/C Unit
Single Person							
Extremely Low Income	\$1,638	\$19,650	\$58,950	\$599,000	-\$540,050	\$315,000	-\$256,050
Very Low Income	\$2,338	\$28,050	\$84,150	\$599,000	-\$514,850	\$315,000	-\$230,850
Low Income	\$3,738	\$44,850	\$134,550	\$599,000	-\$464,450	\$315,000	-\$180,450
Median Income	\$4,671	\$56,050	\$168,150	\$599,000	-\$430,850	\$315,000	-\$146,850
Moderate Income	\$5,608	\$67,300	\$201,900	\$599,000	-\$397,100	\$315,000	-\$113,100
Two Persons							
Extremely Low Income	\$1,871	\$22,450	\$67,350	\$599,000	-\$531,650	\$315,000	-\$247,650
Very Low Income	\$2,671	\$32,050	\$96,150	\$599,000	-\$502,850	\$315,000	-\$218,850
Low Income	\$4,271	\$51,250	\$153,750	\$599,000	-\$445,250	\$315,000	-\$161,250
Median Income	\$5,342	\$64,100	\$192,300	\$599,000	-\$406,700	\$315,000	-\$122,700
Moderate Income	\$6,408	\$76,900	\$230,700	\$599,000	-\$368,300	\$315,000	-\$84,300
Four Persons							
Extremely Low Income	\$2,338	\$28,050	\$84,150	\$599,000	-\$514,850	\$315,000	-\$230,850
Very Low Income	\$3,338	\$40,050	\$120,150	\$599,000	-\$478,850	\$315,000	-\$194,850
Low Income	\$5,342	\$64,100	\$192,300	\$599,000	-\$406,700	\$315,000	-\$122,700
Median Income	\$6,675	\$80,100	\$240,300	\$599,000	-\$358,700	\$315,000	-\$74,700
Moderate Income	\$8,008	\$96,100	\$288,300	\$599,000	-\$310,700	\$315,000	-\$26,700

Source: Baird + Driskell/Community Planning; RealFacts, Inc., 2001

Figure 2.32: Estimate of the Ability to Pay for Rental Housing (2001)

Household Size and Income Category	Monthly Income	Rent @ 30% of Monthly Income	Expected Unit Size	Average Rent (Oct-Dec 2000) for the Smaller Unit	Ability to Pay "Gap" for Smaller Unit	Average Rent (Oct-Dec 2000) for the Larger Unit	Ability to Pay "Gap" for Larger Unit
Single Person							
Extremely Low Income	\$1,638	\$491	0-1 BR	\$1,024	-\$533	\$1,480	-\$989
Very Low Income	\$2,338	\$701	0-1 BR	\$1,024	-\$323	\$1,480	-\$779
Low Income	\$3,738	\$1,121	0-1 BR	\$1,024	\$97	\$1,480	-\$359
Median Income	\$4,671	\$1,401	0-1 BR	\$1,024	\$377	\$1,480	-\$79
Moderate Income	\$5,608	\$1,683	0-1 BR	\$1,024	\$659	\$1,480	\$203
Two Persons							
Extremely Low Income	\$1,871	\$561	1-2 BR	\$1,480	-\$919	\$1,508	-\$947
Very Low Income	\$2,671	\$801	1-2 BR	\$1,480	-\$679	\$1,508	-\$707
Low Income	\$4,271	\$1,281	1-2 BR	\$1,480	-\$199	\$1,508	-\$227
Median Income	\$5,342	\$1,603	1-2 BR	\$1,480	\$123	\$1,508	\$95
Moderate Income	\$6,408	\$1,923	1-2 BR	\$1,480	\$443	\$1,508	\$415
Four Persons							
Extremely Low Income	\$2,338	\$701	2-3 BR	\$1,508	-\$807	\$2,621	-\$1,920
Very Low Income	\$3,338	\$1,001	2-3 BR	\$1,508	-\$507	\$2,621	-\$1,620
Low Income	\$5,342	\$1,603	2-3 BR	\$1,508	\$95	\$2,621	-\$1,019
Median Income	\$6,675	\$2,003	2-3 BR	\$1,508	\$495	\$2,621	-\$619
Moderate Income	\$8,008	\$2,403	2-3 BR	\$1,508	\$895	\$2,621	-\$219

Source: Baird + Driskell/Community Planning; RealFacts, Inc., 2001

Special Housing Needs

Overview

In addition to overall housing needs, cities and the county must plan for housing for special need groups. To meet the community's special housing needs (including the needs of the local workforce, seniors, people living with disabilities, farmworkers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, single with no children, and large households), jurisdictions in Marin must be creative and look to new ways of increasing the supply, diversity and affordability of this specialized housing stock. The current number of deed restricted special needs housing in Marin County is shown below. Special Needs housing stock is 54.7 % of all the established deed restricted affordable housing units throughout Marin County. If all the units in the pipeline are constructed, the total affordable housing stock would increase by 49%.

Figure 2.33: Special Needs Housing in Marin County
(Deed Restricted Below Market Rate Units)

Status	Senior/ Disabled	Senior	Develop- mentally Disabled	Mental Health Disability	Environ- mental Disability	Family	All Others	Total Special Needs
Existing	702	273	82	57	11	601	1,460	1,766
Under Development	0	335	12	6	0	1,053	181	1,597
Total	702	608	94	63	11	1,654	1,641	3,363

Source: Barbara Collins, Marin County Affordable Housing Strategist, 2001

There is a range along a continuum of housing for special needs, beginning with independent living (owning or renting), to assisted living (licensed facilities), to supportive housing, transitional housing, and finally emergency shelter. The vast majority of special needs housing is service enriched. In other words, services are offered to residents to help them maintain independent living as long as possible.

Additional evidence of need is illustrated by the waiting list for the Section 8 Program, as shown below. The Marin Housing Authority maintains a waiting list for the Section 8 Housing Choice Voucher Program (opened in Spring, 2000) with the following results: (1) 2,486 households submitted applications; (2) 775 or 32 percent do not live or work in Marin County; (3) in Marin County, half of the applications were from families, one-quarter from disabled/handicapped, one-tenth from elderly households, and one-ninth from single person households; and (4) 60 percent of the applications were from non-Hispanic /Caucasian families, 26 percent from African American families, 14 percent from Hispanic families, 9 percent from Asian families, and 1 percent from Native American families.

There are other specialized need groups that may require a particular program. Other groups may include public employees, who can also have special housing needs in communities with particularly high housing costs. While public employees may be able to commute from other places in the region, a city or the county or school districts may want to define its employees as a group with special housing needs, and develop appropriate policies and programs to address those needs. Students may also have a difficult time finding affordable housing in communities with universities or colleges. Shared housing and public or private dormitories may meet some or all of students' housing needs. Finally, the task of finding an affordable home, meeting down-payment and closing costs, and qualifying for a mortgage may create a special category of housing need for first-time homebuyers..

Figure 2.34: Waiting List for Section 8 Housing Choice Voucher Program (June 2000)

Residence	Applied for Section 8 Rental Assistance	Percent with Marin County Residence	Family Households	Senior Households	Disabled or Handicapped	Single Person Households
Belvedere	1	0.1%				
Corte Madera	43	2.5%				
Fairfax	71	4.1%				
Larkspur	6	0.3%				
Mill Valley	126	7.3%				
Novato	312	18.2%				
Ross	0	0.0%				
San Anselmo	63	3.7%				
San Rafael	775	45.2%				
Sausalito	57	3.3%				
Tiburon	19	1.1%				
Marin Unincorporated (includes Marin City)	242	14.1%				
Marin County Total	1,715	100.0%	861	180	443	231

Note: 2,486 households submitted pre-applications; 775 (32%) do not live or work in Marin County

Source: Marin Housing Authority, 2000

Seniors

Senior households can be defined, in part, by the age distribution and demographic projections of a community’s population. This identifies the maximum need for senior housing. Particular needs, such as the need for smaller and more efficient housing, for barrier-free and accessible housing, and for a wide variety of housing with health care and/or personal services should be addressed, as should providing a continuum of care as elderly households become less self-reliant. There is a dramatic increase in dementia as people reach 75 years of age, and there is a significant need in Marin for dementia facilities or opportunities for seniors to remain with their family, such as in a “granny” or “in-law” second unit. There is also a need for housing where an “in-home” care-giver can reside.

With the overall aging of society, the senior population (persons over 65 years of age) will increase in most communities. Consequently, the need for affordable and specialized housing for older residents will grow. Typical housing to meet the needs of seniors include smaller attached or detached housing for independent living (both market rate and below market rate); second units; shared housing; age-restricted subsidized rental developments; congregate care facilities; licensed facilities; and skilled nursing homes.

The increasing longevity of people and the increasing number of seniors in the population in Marin County will create additional need for affordable housing and specialized housing for older residents. This has the following implications:

- (1) Marin has a limited supply of vacant residential land. Senior projects would compete with non-age-restricted housing for this land, and additional housing for area workers and families is an important need.
- (2) Senior households on fixed incomes have limited resources for home improvements to maintain or rehabilitate older housing.
- (3) Many seniors can become “trapped” in large houses due to upkeep expenditures and house payment increases that would result from moving into a smaller housing unit.

Figure 2.35: Distribution of Households by Age and Income in Marin County Jurisdictions (2000)

Estimated Marin Count	Total Households by Age and Income (2000)					Estimated City of Novato Households by Age and Income (2000)	Estimated City of Novato Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	3,035	4,447	1,460	2,226	3,486	Extremely Low Income	806	776	247	468	638
Very Low Income	2,050	3,537	1,068	1,249	1,203	Very Low Income	635	641	229	239	195
Low Income	3,684	8,788	2,523	2,154	1,525	Low Income	964	1932	484	350	205
Moderate Income	3,488	11,197	3,187	2,171	1,569	Moderate Income	793	2402	593	370	153
Above Moderate Income	4,248	26,460	7,320	3,754	7,280	Above Moderate Income	545	3485	898	354	848
TOTAL	16,505	54,430	15,557	11,555	15,063	TOTAL	3744	9237	2451	1781	2038

Estimated City of Belvedere Households by Age and Income (2000)	Estimated City of Belvedere Households by Age and Income (2000)					Estimated Town of Ross Households by Age and Income (2000)	Estimated Town of Ross Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	4	8	8	17	35	Extremely Low Income	15	11	1	1	15
Very Low Income	3	4	9	5	12	Very Low Income	3	3	2	5	8
Low Income	9	13	14	11	16	Low Income	13	28	15	16	15
Moderate Income	18	16	20	29	28	Moderate Income	12	39	24	20	13
Above Moderate Income	70	293	175	163	163	Above Moderate Income	43	273	116	65	93
TOTAL	104	333	225	225	254	TOTAL	85	354	158	108	144

Estimated Town of Corte Madera Households by Age and Income (2000)	Estimated Town of Corte Madera Households by Age and Income (2000)					Estimated Town of San Anselmo Households by Age and Income (2000)	Estimated Town of San Anselmo Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	44	120	31	58	95	Extremely Low Income	226	451	150	161	262
Very Low Income	56	148	34	54	66	Very Low Income	95	233	75	57	68
Low Income	135	316	77	91	66	Low Income	150	543	138	105	74
Moderate Income	141	416	137	109	69	Moderate Income	123	633	135	85	63
Above Moderate Income	135	924	292	147	288	Above Moderate Income	190	1214	224	54	294
TOTAL	510	1924	569	460	584	TOTAL	783	3074	721	461	760

Estimated Town of Fairfax Households by Age and Income (2000)	Estimated Town of Fairfax Households by Age and Income (2000)					Estimated City of San Rafael Households by Age and Income (2000)	Estimated City of San Rafael Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	121	204	55	65	144	Extremely Low Income	1089	1532	461	684	1076
Very Low Income	76	209	47	46	29	Very Low Income	633	1162	265	282	330
Low Income	111	471	70	66	33	Low Income	1011	2153	549	484	304
Moderate Income	95	572	91	49	17	Moderate Income	834	2366	600	424	264
Above Moderate Income	48	563	122	32	118	Above Moderate Income	765	3964	1071	564	1412
TOTAL	452	2020	384	258	340	TOTAL	4331	11177	2945	2438	3386

Estimated City of Larkspur Households by Age and Income (2000)	Estimated City of Larkspur Households by Age and Income (2000)					Estimated City of Sausalito Households by Age and Income (2000)	Estimated City of Sausalito Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	151	245	108	160	413	Extremely Low Income	48	280	56	84	97
Very Low Income	112	263	83	133	161	Very Low Income	42	163	32	32	4
Low Income	239	667	186	203	139	Low Income	99	356	86	85	23
Moderate Income	201	676	190	134	107	Moderate Income	117	468	100	69	41
Above Moderate Income	131	1160	320	178	492	Above Moderate Income	185	1462	296	121	293
TOTAL	833	3011	887	808	1312	TOTAL	491	2729	570	391	458

Estimated City of Mill Valley Households by Age and Income (2000)	Estimated City of Mill Valley Households by Age and Income (2000)					Estimated Town of Tiburon Households by Age and Income (2000)	Estimated Town of Tiburon Households by Age and Income (2000)				
	Under 34	35-54	55-64	65-74	Over 75		Under 34	35-54	55-64	65-74	Over 75
Extremely Low Income	115	285	85	158	250	Extremely Low Income	96	88	32	99	63
Very Low Income	89	223	83	104	112	Very Low Income	60	77	19	53	32
Low Income	180	578	170	119	130	Low Income	45	124	52	74	72
Moderate Income	161	595	168	107	125	Moderate Income	83	258	100	74	67
Above Moderate Income	240	1809	485	229	428	Above Moderate Income	222	1249	485	251	309
TOTAL	786	3490	991	717	1045	TOTAL	505	1795	688	551	543

Source: Baird+Driskell Community Planning; Claritas, Inc. data

Most of the licensed facilities in Marin will no longer take low and very low income seniors. Average basic rent is currently about \$3,500 per month for a single bed (room, bathroom, and three meals/day). For a couple, the costs are greater. Additional personal care is another cost above the basic charge. There are currently about 400 units of senior market rate assisted living facilities in the pipeline in Marin County that have been approved. The Marin County Public Guardian's Office must place very frail and very low income seniors in other counties due to the lack of availability of affordable assisted living in Marin County. Thus, the lack of very low income beds in Marin has also resulted in high cost expenditures by Marin County Department of Health and Human Services for out of county placements. With the exception of Novato, these facilities have been zoned and classified as commercial developments and have not been required to provide inclusionary housing units or beds.

Many supportive housing developments for the elderly have been built using HUD's Section 202 and 202/8 programs, which provide direct loan financing. Non-profit organizations have been instrumental in obtaining the resources to construct and operate the developments, but housing authorities and for-profit developers are also potential development project sponsors.

People with Physical and Mental Disabilities

People with disabilities represent a wide range of different housing needs, depending on the type and severity of their disability as well as personal preference and lifestyle. 'design' housing, accessibility modifications, proximity to services and transit, and group living opportunities represent some of the types of considerations and accommodations that are important in serving this need group. Incorporating barrier-free design in all new multifamily housing is especially important to provide the widest range of choice. Doing so is also required by the California and federal Fair Housing laws. Special consideration should also be given to the issue of income and affordability, as many people with disabilities may be in fixed income situations.

People with disabilities living on fixed incomes desire a wide range of different housing, depending on the type and severity of their disability as well as personal preference and lifestyle. Housing designed 'barrier-free', with accessibility modifications, on-site services, mixed income diversity, proximity to services and transit, and group living opportunities represent some of the types of considerations and accommodations that are important in serving this need group.

As the population ages, handicapped accessible housing will become even more needed. Consideration can be given to handicapped dwelling conversion (or adaptability) and site design in new or renovated construction. Buckelew, Allegría, MARC and the Marin Center for Independent Living serve people living with disabilities. The Marin Center for Independent Living, for example, serves approximately 4,000 people a year throughout Marin County. Most of their clients live under the poverty level, and their average client earns about \$7,200 a year.

Single Parent and Female-Headed Households

Female-headed households need affordable housing with day care and recreation programs on-site or nearby, in proximity to schools and with access to services. Households with female heads, like large households, may have difficulty in finding appropriate-sized housing. Despite fair housing laws, discrimination against children may make it more difficult for this group to find adequate housing.

Women in the housing market, especially the elderly, low and moderate income individuals, and single-parents, face significant difficulties finding housing, and both ownership and rental units are extremely expensive relative to the incomes of many people in this population category. According to the 2000 census data, there were 31,875 female-headed households in Marin County in 2000 (representing 31.7% percent of all households). Of these, 8,580 were family households with children under-18 children living with them (8.5% of all households). Information on income levels of these households is not yet available.

Large Families

Large households, defined as households with five or more persons, have special housing needs. Large households tend to have difficulties purchasing housing because large housing units are rarely affordable and rental units with three or more bedrooms are not common in many communities. The recently released 2000 census data show that 6.8 percent of Marin's households were 'large families' (i.e., five people or more). The census data show that slightly over half (57.4%) of larger households in the county live in owner-occupied units. It is likely that there is a shortage of larger affordable units, which continues to be a factor in Marin today, especially the lack of larger rental units. This assumption is further supported by indicators related to overcrowded housing, since large families typically represent a significant portion of the population living in overcrowded housing conditions.

Farmworkers

Farmworkers have a variety of special housing needs in terms of affordability, location, and duration of residence. Although ABAG did not assess the regional need for additional farmworker housing in the Bay Area, Marin County has such a need.

Agricultural operations in Marin consist mainly of family-owned and operated ranches. Dairy and beef cattle, sheep, and horses comprise the stock. A few other farms provide feed and silage for the ranches. The farm owner and worker population in Marin is fairly small; the 1990 Census reported that 635 residents lived on farms and 845 residents worked on farms.

For the most part, family farm workers live year-round on the farm. Non-family workers who live on farms are housed in a variety of ways. Some are in mobile homes or cottages. Others live in former bunkhouses or in houses vacated by the family when they moved to a new house. By nature, ranch operations in Marin do not have the seasonal labor requirements of crop agriculture. Since they normally do not use migrant farm workers, there is not a significant need for the County to help provide temporary housing for seasonal farm workers. (*The 1990 Census reported only 17 housing units in the entire county to be for migrant farm workers.*) The housing needs of additional farm workers will probably be met by individual ranch owners, although special attention needs to be given to this issue.

Individuals and Families Who Are Homeless

Homeless individuals and families have perhaps the most immediate housing need of any group. They also have one of the most difficult sets of housing needs to meet, due to both the diversity and complexity of the factors that lead to homelessness, and to community opposition to the siting of housing that serve homeless clients.

Homeless people face the ultimate housing deprivation. The homeless population in California is estimated at approximately one percent of the state's total population. About a third consist of homeless families. Homeless circumstances vary considerably. Homelessness and near-homelessness is an important countywide concern. The key findings of a 1999 study conducted under the Marin Continuum of Housing and Services (a collaboration of over twenty Marin organizations providing housing and related services) were as follows:

- (1) Approximately 7% of Marin County households live below the poverty level and about one-quarter of the people living below poverty are children.
- (2) Over 6% of Marin's population was either homeless or in imminent risk of becoming homeless at some point in 1999.
- (3) 2,698 households comprising 4,281 people were homeless in Marin at some point in 1999, with 1,104 of those being children (25.7%).

- (4) 4,266 households comprising 11,090 people were at imminent risk of losing their housing during 1999. Nearly half of the at-risk households were families with children.
- (5) Over half of the at-risk households were working families, with incomes averaging \$947 per month (20% of the median income and 31% of a “living wage” in Marin County).
- (6) Over 5,100 Marin children were either homeless or at imminent risk of homelessness in 1999.

How Much Housing Do We Need?

ABAG Regional Housing Need Determinations

The State of California enacted law (Government Code Section 65584) requires each Council of Governments (COG) to periodically distribute the state identified housing need for its region. In anticipation of this process, the Association of Bay Area Governments (ABAG) Executive Board adopted a methodology to distribute the housing need numbers among its member jurisdictions for the 1999-2006 period. The distribution of units is weighted by historic and projected job and population growth, and the distribution of units by income category is calculated by additional factors. Each jurisdiction is required by law to incorporate its housing need numbers into an updated version of its general plan housing element.

The Regional Housing Needs Determinations (RHND) planning period is from January 1, 1999 through June 30, 2006. In other words, all individual living units built or approved since January 1, 1999 can be counted toward each jurisdiction’s housing need as set forth in their respective housing elements.

The Regional Housing Needs Determinations for the 1999-2006 time period for each jurisdiction in Marin are shown below. Countywide, the need numbers call for 19.0% of the units to be affordable to very low income households, 9.5% affordable to low income households, 26.5% affordable to moderate income households, and 45% affordable to above moderate income households.

Figure 2.36: ABAG Housing Needs Determinations (January, 1999 to June, 2006)

Location	Very Low	Percent Need	Low	Percent Need	Moderate	Percent Need	Above Moderate	Percent Need	Total Need	Percent of County
Belvedere	1	10.0%	1	10.0%	2	20.0%	6	60.0%	10	0.2%
Corte Madera	29	16.2%	17	9.5%	46	25.7%	87	48.6%	179	2.7%
Fairfax	12	18.8%	7	10.9%	19	29.7%	26	40.6%	64	1.0%
Larkspur	56	18.5%	29	9.6%	85	28.1%	133	43.9%	303	4.7%
Mill Valley	40	17.8%	21	9.3%	56	24.9%	108	48.0%	225	3.5%
Novato	476	18.4%	242	9.4%	734	28.4%	1,130	43.8%	2,582	39.6%
Ross	3	14.3%	2	9.5%	5	23.8%	11	52.4%	21	0.3%
San Anselmo	32	21.5%	13	8.7%	39	26.2%	65	43.6%	149	2.3%
San Rafael	445	21.3%	207	9.9%	562	26.9%	876	41.9%	2,090	32.1%
Sausalito	36	17.4%	17	8.2%	50	24.2%	104	50.2%	207	3.2%
Tiburon	26	15.9%	14	8.5%	32	19.5%	92	56.1%	164	2.5%
Marin Unincorporated	85	16.3%	48	9.2%	96	18.4%	292	56.0%	521	8.0%
Marin County Total	1,241	19.0%	618	9.5%	1,726	26.5%	2,930	45.0%	6,515	100.0%

Source: Association of Bay Area Governments, "Housing Needs Determinations", 2000

Putting the RHND Numbers in Perspective

The Bay Area is currently experiencing a severe shortage of housing, and affordable housing in particular. The growing demand for housing, coupled with a limited supply, has driven both home prices and rental rates to their highest point ever. This has, of course, compounded the affordability gap for many local families here in Marin County. The total need over the 1999-2006 time period is for 6,515 units, which is significantly lower than the need projected for the previous time period, as shown below, which was for 10,489 units.

Figure 2.37: ABAG Housing Needs Determinations (January, 1988 to December, 1995; Extended to December, 1998)

Location	Very Low	Percent Need	Low	Percent Need	Moderate	Percent Need	Above Moderate	Percent Need	Total Need	Percent of County
Belvedere	1	20.0%	1	20.0%	1	20.0%	2	40.0%	5	0.0%
Corte Madera	74	16.9%	66	15.1%	88	20.1%	210	47.9%	438	4.2%
Fairfax	54	20.9%	41	15.9%	52	20.2%	111	43.0%	258	2.5%
Larkspur	156	19.0%	123	15.0%	164	20.0%	379	46.1%	822	7.8%
Mill Valley	28	18.8%	22	14.8%	28	18.8%	71	47.7%	149	1.4%
Novato	777	18.0%	648	15.0%	864	20.0%	2,029	47.0%	4,318	41.2%
Ross	2	14.3%	2	14.3%	2	14.3%	8	57.1%	14	0.1%
San Anselmo	9	19.1%	8	17.0%	9	19.1%	21	44.7%	47	0.4%
San Rafael	738	21.0%	527	15.0%	703	20.0%	1,545	44.0%	3,513	33.5%
Sausalito	56	19.0%	41	13.9%	59	20.1%	138	46.9%	294	2.8%
Tiburon	65	16.9%	54	14.0%	65	16.9%	201	52.2%	385	3.7%
Marin Unincorporated	44	17.9%	34	13.8%	47	19.1%	121	49.2%	246	2.3%
Marin County Total	2,004	19.1%	1,567	14.9%	2,082	19.8%	4,836	46.1%	10,489	100.0%

Source: Association of Bay Area Governments, "Housing Needs Determinations", 1988

The table below shows the number of *deed restricted* units at below market rate (BMR) prices or rents constructed between 1988-1998 compared to the ABAG housing needs determinations for the same time period. Below market rates would be affordable to very low, low or moderate income households.

Figure 2.38: Deed Restricted Housing Units Constructed by Jurisdiction (1988-1998)
(Units with Deed Restrictions Establishing Below Market Rate Rents or Sales Price)

	Total BMR Units Added	ABAG 1988-1998 BMR Need	Percent of ABAG Need Met	Total Housing Units Built	Percent BMR of Total Units
Belvedere	11	3	367%	12	92%
Corte Madera	16	228	7%	189	8%
Fairfax	20	147	14%	40	50%
Larkspur	85	443	19%	339	25%
Mill Valley	19	78	24%	126	15%
Novato	96	2,289	4%	1,351	7%
Ross	0	6	0%	17	0%
San Anselmo	16	26	62%	43	37%
San Rafael	497	1,968	25%	1,731	29%
Sausalito*	0	156	0%	53	0%
Tiburon	0	184	0%	347	0%
Unincorporated*	258	125	206%	1,252	21%
Total County	1,018	5,653	18%	5,500	19%

*Units built at Marin City included under "Unincorporated" total; ABAG 1988-1998 needs combined City of Sausalito and unincorporated portions of Sausalito's planning area

Source: Ca. Dept. of Finance; ABAG; Barbara Collins, Marin County Affordable Housing Strategist, 2001

The table below shows *both* deed restricted *and* other very low, low and moderate income units either *built* or *approved* over the 1988-1999 time period.

Figure 2.39: Affordable Housing Units Built or Approved by Jurisdiction (1988-1999)

	Very Low Income	Low Income	Moderate Income	Total Units
Belvedere	3	8	0	11
ABAG 1988-1998 Need	1	1	1	3
Percent of ABAG Need Met	300%	800%	0%	367%
Corte Madera	7	27	15	49
ABAG 1988-1998 Need	74	66	88	228
Percent of ABAG Need Met	9%	41%	17%	21%
Fairfax	19	71	12	102
ABAG 1988-1998 Need	54	41	52	147
Percent of ABAG Need Met	35%	173%	23%	69%
Larkspur	8	49	28	85
ABAG 1988-1998 Need	156	123	164	443
Percent of ABAG Need Met	5%	40%	17%	19%
Mill Valley	12	5	0	17
ABAG 1988-1998 Need	28	22	28	78
Percent of ABAG Need Met	43%	23%	0%	22%
Novato	0	50	856	906
ABAG 1988-1998 Need	777	648	864	2,289
Percent of ABAG Need Met	0%	8%	99%	40%
Ross	0	0	0	0
ABAG 1988-1998 Need	2	2	2	6
Percent of ABAG Need Met	0%	0%	0%	0%
San Anselmo	0	14	1	15
ABAG 1988-1998 Need	9	8	9	26
Percent of ABAG Need Met	0%	175%	11%	58%
San Rafael	56	196	255	507
ABAG 1988-1998 Need	738	527	703	1,968
Percent of ABAG Need Met	8%	37%	36%	26%
Sausalito	3	7	6	16
ABAG 1988-1998 Need	56	41	59	156
Percent of ABAG Need Met	5%	17%	10%	10%
Tiburon	16	3	0	19
ABAG 1988-1998 Need	65	54	65	184
Percent of ABAG Need Met	25%	6%	0%	10%
Unincorporated	153	230	0	383
ABAG 1988-1998 Need	44	34	47	125
Percent of ABAG Need Met	348%	676%	0%	306%
Total County	277	660	1,173	2,110
ABAG 1988-1998 Need	2,004	1,567	2,082	5,653
Percent of ABAG Need Met	14%	42%	56%	37%

Source: Local Jurisdictions, 2000

Even if the ABAG numbers were not set forth as a State law requirement, there is a significant need for affordable housing in Marin which has important social, economic and even environmental consequences. Only with affordable housing can many young families, seniors on fixed incomes, disabled persons, workers with low to moderate incomes, and other deserving people afford to live here. Affordable housing, for the purposes of the housing element, is housing affordable to very low, low and moderate income households. While some market rate housing, such as lower priced, smaller rental units and smaller, less expensive townhomes and condominium sales units are affordable to the mid to upper range of moderate income, for the most part there is little or no market rate housing affordable to very low and low income unless it is available at very low prices or, such as a substantial number of second units, is actually rented with substantial subsidy.

Assessment of Market Demand Compared to the ABAG Housing Needs

In order to get a sense of how the ABAG need numbers relate to a realistic check of market conditions, a cursory demand analysis was conducted for housing in the county. The purpose of the market analysis is to test the ABAG needs as they relate to future conditions in Marin, posing such questions as: (1) Are the ABAG needs far greater than what are the real housing needs in local communities? (2) Are we just addressing new households coming to Marin? And (3) What will happen to current lower income households over time?

Much of the basic information in this market analysis is based on the 2000 U.S. Census data and, where updated data are not available, data provided by Claritas, Inc., or extrapolated from 1990 Census data. In Marin County in 2000, approximately 59 percent of all households were considered very low, low or moderate income, with 22% very low income (earning less than 50% of median income), 17% low income (50-80% of median income), and 20% moderate income (80-120% of median income). As shown in the table above, approximately 19 percent of the housing units added in Marin County between 1988 and 1999 were deed restricted at below market rate rents or sales prices. Despite this success, there was still a significant shortfall in meeting the very low, low and moderate income targets set out by ABAG for the same time period.

Demand is exceeding supply because of the loss of existing affordable market rate affordable housing when it is turned over and because of the creation of new jobs, many of which are at lower pay levels. This strong demand for housing in Marin County is expected to continue on into the foreseeable future due to the lack of vacant land and development capacity. The balance of this section summarizes the analysis of housing demand, supply and need in Marin County as a whole. Unmet need in Marin as a whole increases the demand for affordable housing available in any particular location or jurisdiction within the County. Therefore, for the purposes of conducting this analysis all of Marin County is considered the "Primary Market Area".

2000-2010 New Unit Housing Demand Projections

Components of the housing demand forecast are detailed in the following tables. During the 2000-2010 time period, the demand for housing in Marin County is expected to include approximately 64 percent sales units and 36 percent rentals, with potential demand totalling 5,393 sales units and 3,087 rental units. Total housing demand, summarized in the table below, is based upon the projection of owner and rental housing requirements derived by applying the household income distribution of owner-occupied and renter-occupied units in 2000 to the total projected housing demand.

Figure 2.40: Estimated Housing Demand in Marin by Tenure Split and Household Income (2000-2010)

Demand Component	Sales	Rentals	Total
Very Low Income	906	997	1,903
Low Income	760	729	1,489
Moderate Income	1,138	556	1,694
Above Moderate Income	2,589	806	3,394
Total Demand	5,393	3,087	8,480

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

Annual Turnover Demand

In addition to the demand described in the preceding table, a second component must also be considered. This consists of the turnover demand among households who move from existing units to different housing within the County. While this technically does not add to the housing requirements for the area — since a unit is vacated each time a household shifts its residence — turnover demand does increase the potential number of households seeking housing at any point in time. This is especially critical for very low, low or moderate income households who must find replacement housing at affordable levels. Many times when an affordable unit is sold or vacated, it is sold (or rented) at a price unaffordable to very low or low income people. Thus, the unit can be lost as affordable housing, and over time the existing affordable housing stock will be reduced.

Turnover demand for all housing in Marin County is projected to be 4,406 units annually during the 2000-2010 time period, with turnover in rental housing accounting for about two-thirds of this demand. Based on 1990 Census data and recent sales activity, it is estimated that 5 percent of all sales units and 18 percent of all rental units will change occupants annually, with 45 percent of these households moving to a new residence in the County. Thus, an additional affordable housing need is being created each year. The following table divides the turnover demand for sales and rentals by the income categories of various households.

Figure 2.41: Estimated Annual Turnover Demand in Marin by Tenure Split and Household Income (2000-2010)

Demand Component	Sales	Rentals	Total
Very Low Income	242	958	1,200
Low Income	203	700	903
Moderate Income	304	534	838
Above Moderate Income	691	774	1,465
Total Demand	1,440	2,966	4,406

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

Annual and 10-Year Demand for Affordable Sales and Rental Housing

As evidenced in the tables below, which summarize affordable sales and rental housing demand in Marin County for the next 10 years, including turnover demand, an annual sales housing demand of 1,029 units throughout the County is anticipated for housing affordable to very low, low and moderate income households. More than half of the sales housing demand is from very low and low income households. The inclusion of turnover demand increases the rental housing demand dramatically. Turnover is estimated to account for more than 90 percent of the combined average annual demand for affordable

Figure 2.42: Estimated Annual Demand for Affordable Sales Housing in Marin (2000-2010)

Demand Component	New Unit Demand		Turnover Demand Annual Average	Combined Demand Annual Average
	10-Years	Annual		
Very Low Income	906	91	242	333
Low Income	760	76	203	279
Moderate Income	1,138	114	304	418
Total Demand	2,804	280	749	1,029

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

Figure 2.43: Estimated Annual Demand for Affordable Rental Housing in Marin County (2000-2010)

Demand Component	New Unit Demand		Turnover Demand Annual Average	Combined Demand Annual Average
	10-Years	Annual		
Very Low Income	997	100	958	1,058
Low Income	729	73	700	773
Moderate Income	556	56	534	589
Total Demand	2,281	228	2,192	2,420

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

rentals. Turnover demand is an important consideration because it is projected that rents will be increasing and displacement of very low and low income tenants may occur. While income generally has increased over the past decade, rents have been rising much faster.

Annual Demand for Affordable Housing and Relationship to ABAG Housing Needs Determinations for the 1999-2006 Time Period

The tables below show the number and percentage of average annual affordable housing need over the next 10 years. The estimate of demand includes dwelling units to meet the requirements of net household increases, replacement housing for estimated demolitions and an allowance for a return to normal vacancy levels in Marin County -- all of which represent normal factors to consider in marketing a project.

Figure 2.44: Estimated Annual Demand for Affordable Housing in Marin County (2000-2010)

Demand Component	Sales Housing	Rental Housing	Total Housing
	Avg. Annual	Avg. Annual	Avg. Annual
Very Low Income	333	1,058	1,390
Low Income	279	773	1,052
Moderate Income	418	590	1,007
Total Demand	1,029	2,420	3,450

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

Figure 2.45: Estimated Percentage Annual Demand for Affordable Housing in Marin (2000-2010)

Demand Component	Sales Housing	Rental Housing	Total Housing
	Avg. Annual	Avg. Annual	Avg. Annual
Very Low Income	32.3%	43.7%	40.3%
Low Income	27.1%	31.9%	30.5%
Moderate Income	40.6%	24.4%	29.2%
Total Demand	100.0%	100.0%	100.0%

Source: ABAG, "Projections 2000"; Claritas, Inc.; Baird + Driskell

The conclusion of the market analysis, in addition to the projections shown earlier in this chapter about new jobs being created at lower wages, show a significant demand (need) for very low, low and moderate income housing, with 70% of that need at the very low and low income level. Based on the market study, which takes into consideration existing and projected need, housing affordable at the very low and low income level is a much greater need proportionally to the moderate income need determined by ABAG.

Further, even if the ABAG housing need determinations are met, the County will still change in its economic diversity due to the loss of affordable housing and lower income households. The annual ABAG need is for 550 very low, low and moderate income units per year, as compared to the market demand for over 3,000 units per year affordable at those income levels. While the ABAG needs reflect available land constraints and opportunities, which the market demand analysis does not, the ABAG need does not address the loss of existing affordable housing as rents or prices increase.

KEY FINDING (2.6): Building Upon Our Successes to Meet a Significant Need for Affordable Housing

- **ABAG Regional Housing Needs Determinations are far below the true need for very low, low and moderate income housing in Marin.** ABAG housing needs for the 1999-2006 time period are significantly lower than for the previous 1988-1995 time period. Based on the market study, which takes into consideration existing and projected need, housing affordable at the very low and low income level is a much greater need proportionally to the moderate income need determined by ABAG. Even if the ABAG housing need determinations are met over the next five years, the County will still change in its economic diversity due to the loss of existing affordable housing and lower income households. The annual ABAG need is for 550 very low, low and moderate income units per year, as compared to the market demand for over 3,000 units per year affordable at those income levels. While the ABAG needs reflect available land constraints and opportunities, which the market demand analysis does not, the ABAG need does not address turnover demand from the loss of existing affordable housing as rents or prices increase.
- **Available land supply is limited throughout Marin County.** The available vacant land supply is limited for all land uses, especially multifamily and non-residential uses. In the future the cities within the urban corridor of the county will have to rely increasingly on reuse of underutilized land to meet housing needs. Our housing strategies should seek to provide ways for helping us to grow smart—providing opportunities for new housing development that fits in with existing neighborhoods, responds to local housing needs, and enhances community quality of life.
- **We can build upon a good number of successes but we should be doing a better job in making sure new affordable housing gets built.** A number of new affordable units have been approved or built over the past decade but the number is far below our current need. These units range from studio apartments to two- and three-bedroom condominiums and houses. They are integrated into the project design and are typically indistinguishable from market units. Demand for these units is high, with ten or more applicants for each unit.

Potential Resources and Programs

Affordable Housing Developers

The Bay Area is fortunate to have successful nonprofit housing developers, an active Housing Authority and several for-profit developers who have produced thousands of high-quality, well-managed affordable housing developments for low and moderate income households over the past forty years. While some groups specialize in a particular need area or housing type, many affordable housing developers have produced housing types for a range of special need groups. Collectively, they have produced multi-family developments, single family developments, rental and ownership opportunities, sweat-equity developments, transitional and emergency housing, mixed income and mixed use developments, and housing that is specifically designed to meet the needs of seniors, people living with disabilities, farmworkers, female-headed households, and people who are homeless or at-risk of becoming homeless.

The key to the success of these developers lies in three areas: first, in their ability to draw upon a diversity of funding sources and mechanisms to make their developments work financially; second, in their commitment to working cooperatively and constructively with the local community, including local officials as well as neighborhood residents; and third, in their long-term commitment to ensuring excellence in design, construction and management of their developments, creating assets that are valued by the people who live in the developments as well as their neighbors and others in the community.

The Nonprofit Housing Association of Northern California (NPH) serves as a local networking agency, advocacy group and resource organization for affordable housing developers in the Bay Area and elsewhere in California. Some of the affordable housing developers that have been active in Marin County in recent years include Ecumenical Association for Housing, Citizens Housing, and BRIDGE Housing Corporation.

A more comprehensive listing of affordable housing developers and other affordable housing resources in the Bay Area is provided in the *Blueprint 2001 for Bay Area Housing: Housing Element Ideas and Solutions*, published by the Association of Bay Area Governments. A listing can also be obtained from NPH.

Private For-Profit and Non-Profit Lenders and Intermediaries

Access to reasonably priced and flexibly underwritten capital is essential to the construction and rehabilitation of affordable housing. The perceived risks surrounding an affordable or mixed income housing development can drive up the cost of funds and create restrictions on the use of funds that are incompatible with the needs of affordable housing developers. As a result, financing for affordable housing is often created through a partnership of lenders, governmental agencies, and for-profit and non-profit developers.

To improve access to capital and reduce the risks associated with affordable housing developments, a variety of non-profit lending corporations and related governmental programs have emerged. Nonprofit lending corporations specialize in the business of providing funding for affordable housing. They offer a range of services including lending their own funds and packaging loans for institutions who are less familiar with the specialty of lending on low income housing. In addition, non-profit lenders provide technical assistance to parties interested in producing housing and they act as an advocate, promoting the message that lending on low-income projects need not be a risky business.

Active nonprofit lenders in the Bay Area include the Low Income Housing Fund (LIHF) of San Francisco, the Association of Bay Area Government's financial services division, Community Economics, Inc., The Development Fund, the Enterprise Social Investment Corporation, the Corporation for Supportive Housing, and the Northern California Community Loan Fund. Some of these sources restrict the development to very-low income or to specific special needs populations.

Commercial lending organizations also play an important role in supporting affordable housing development initiatives, as they must comply with the equal lending provisions of the federal Community Reinvestment Act (CRA). The CRA directs the Department of the Treasury, the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board to encourage and assist the institutions they regulate to meet the credit needs of their communities. These agencies must assess the records of their member institutions when evaluating applications for a charter, deposit insurance, branch relocation, mergers, or other regulated transactions. As a result of the CRA, many major financial institutions have elected to actively participate in funding low- and moderate-income housing projects developed by non-profit corporations.

The California Community Reinvestment Corporation is a nonprofit, multi-bank consortium that helps financial institutions meet the requirements of the CRA by providing long-term financing for affordable housing. The California Reinvestment Committee in San Francisco also provides technical assistance related to CRA issues and compliance.

Federal, State and Local Resources for Housing Production

There are a wide variety of resources provided through federal, state and local programs to support affordable housing development and related programs and services. Those programs administered by Marin Housing Authority are summarized in the table on the next page. There are several programs which provide additional affordable housing opportunities throughout the county but are not deed restricted because the tenant independently seeks units located in the open market. The Marin Housing Authority administers Section 8 Payment Program certificates that house 4,917 people (in 1,859 units). The waiting list for the Section 8 Program can be as long as five years due to the number of individuals and families who are in need of subsidized housing. The Shelter Plus Care Program provides 65 rental subsidies linked with supportive services to 78 individuals who are homeless with a mental health disability. Lastly, there are 98 rental subsidies for 114 people living with HIV/AIDS that are served through the Housing Opportunities for People With Aids Programs (HOPWA). Additional programs offer services to specific special needs populations housed through Marin Housing Authority which assist tenants in maintaining their housing. These programs target services to frail seniors, families to become self-sufficient, and at risk populations with a substance abuse and or mental health disability.

While the list that follows may seem impressive (and certainly the variety of programs is considerable), it is essential to note that *the availability of funding through these programs is inadequate compared to the need that exists*. As a result, there is considerable competition for the program funds that are available, and any one development will need to draw upon multiple resources to be financially feasible. Local government resources, which have historically played a less important role in supporting housing development, now play a fairly significant role by making local developments more competitive for federal and state financing. When developments are able to demonstrate a financial commitment and contribution from local sources—especially if coupled with regulatory support through policies such as fast-track processing, fee waivers, and/or density bonuses—they are better able to *leverage* funding from other ‘outside’ sources. Additionally, all funding sources require separate reporting and data collection. When multiple funding sources are used (usually necessary), additional burdens are placed on developers to track the information required and report on a timely basis with limited staffing.

Federal Resources

Federal housing assistance takes many forms. The single largest (and often least recognized) federal program is mortgage interest tax deduction, estimated at \$54 billion in 1996 for the entire nation. The California Housing Plan (2000) reports that federal assistance for affordable housing was only \$17.2 billion nationwide the same year. This assistance was primarily used to maintain and operate the existing supply of affordable housing. Outlays for new construction were considerably lower.

Figure 2.46: Affordable Housing Administered by Marin Housing Authority (Calendar Year 2000)

Jurisdiction	Rental Housing Programs				Home Ownership Programs					Supportive Housing Resources				
	Section 8 Rental Assistance	Public Housing	Other MHA-Owned Rental Housing	Rebate for Marin Renters	Below Market Rate Home Sales	Below Market Rate Resales	Mortgage Credit Certificates	Residential Rehabilitation Loans	Homebuyers Assistance Center	Shelter Plus Care	Housing Assistline (Info and Referral)	Housing Opportunities for People with AIDS (HOPWA)	Rental Deposit Guarantees	
Belvedere	8	0	0	3	0	0	0	3	n/a	0	5	0	0	
Corte Madera	16	0	0	3	32	12	11	39	n/a	1	52	3	1	
Fairfax	85	0	19	1	0	0	4	38	n/a	3	33	8	4	
Larkspur	41	0	0	3	20	16	7	16	n/a	0	49	4	0	
Mill Valley	103	0	3	3	25	19	6	30	n/a	0	175	7	2	
Novato	486	40	0	7	**	**	83	48	n/a	21	480	20	19	
Ross	0	0	0	0	0	0	0	3	n/a	0	0	0	0	
San Anselmo	90	0	18	2	3	2	2	60	n/a	4	81	7	4	
San Rafael	834	40	28	17	101	51	72	76	n/a	24	812	58	46	
Sausalito	8	0	0	2	0	0	0	4	n/a	6	49	0	2	
Tiburon	18	0	15	3	20	11	5	2	n/a	3	38	7	1	
Unincorporated (includes Marin City)	170	416	0	20	91	28	78	214	n/a	3	400	0	12	
Marin County Total	1,859	496	83	64	292	139	268	533	63	65	2,174	114	91	

Note: These figures do not include all subsidized units in Marin County as many projects are owned and/or managed by nonprofit organization

**The City of Novato administers its own BMR agreements

Source: Marin Housing Authority, 2001

California localities receive federal subsidies for affordable housing through a number of programs. Like State programs, federal programs often change in terms of program details, application procedures, and amount of subsidy dollars available. For detailed descriptions, current subsidy levels, and up-to-date application procedures, refer to program literature available online from the US Department of Housing and Urban Development (HUD, <http://www.hud.gov>). Below are some of the largest programs.

Community Development Block Grant Program (CDBG)

CDBG is a federal housing-related program for affordable housing that is controlled locally. It is a “pass-through” program that allows local governments to use federal funds to alleviate poverty and blight. The Community Development Block Grant Program (CDBG) is a federal program of grants to local organizations to fund housing, capital and public service projects that assist low-income people. In Marin County, all eleven cities participate with the County government in a single joint CDBG program. Pursuant to a Cooperative Agreement between the cities and the County of Marin, the cities help set priorities and recommend capital developments within their jurisdiction.

HUD makes allocations based on a formula that takes population, poverty, and housing distress into account. CDBG funds are used for a variety of housing efforts including site acquisition, rehabilitation, other soft costs, and housing acquisition through short and long-term loans, grants or loan guarantees; direct payment of rent or mortgage and housing counseling services; community services and facilities, and fair housing activities. CDBG funds are used in combination with other sources or to provide pre-development funding to initiate housing development and rehabilitation.

HOME Investment Partnership Act

HOME, like CDBG, is a formula-based block grant program. HOME funds must be spent only on housing and are intended to provide incentives for the acquisition, construction and rehabilitation of affordable rental and home ownership. HOME requires local governments to provide matching funds, though the matching ratio depends on the specific uses to which HOME funds are to be applied. The federal-to-local matching ratio for tenant assistance is currently 4-to-1, while the match for rental construction is 2-to-1. The program also requires non-federal matching funds equal to 25 percent of HOME funds provided. The jurisdiction's Housing Element must be certified in order for it to become eligible and competitive for submitting proposals for funding under the HOME program, although HOME funds are generally awarded directly to the non-profit organization and not directly to the local jurisdiction.

HOME funds are intended to provide incentives for the development and support of affordable rental and home ownership opportunities through the acquisition, construction, reconstruction, or rehabilitation of affordable housing, including property acquisition, site improvements, and other expenses. Group and transitional housing are also eligible for HOME funds. HOME regulations require that 15 percent of this allocation (\$142,000) must be reserved for Community Housing Development Organizations (CHDO), for development activity.

Section 8 Rental Assistance

The federal Section 8 Certificate Program provides assistance for very-low-income households by making direct payments to a private property owner for a portion of the certificate holder's rent. Once a household has a certificate it must find a unit renting for specified “fair market rents”, successful unit inspection, and an owner willing to enter into a lease agreement and an annual contract with the Marin County Housing Authority. The MCHA currently has issued 1,859 contracts. There is a countywide waiting list for 2-5 years for Section 8. Fair market rents (including utilities) are established annually for this program based on local and unit. They are: Studio, \$891; 1 Bedroom, \$1,154; 2 Bedroom \$1,459; 3 Bedroom, \$2,000; and 4 Bedroom, \$2,118. Guidelines are established by HUD.

Suggestions involved modifying Section 8 guidelines are intended to make it easier to find housing. According to the Marin Center for Independent Living, 1 in 9 people living with a disability who hold a Section 8 certificate find a place to rent within the 90 day period in which the voucher is issued. Possible ways to make Section 8 more effective include:

- (1) Allowing vouchers to be used to pay for shared rentals and group housing.
- (2) Allowing vouchers to be used to buy houses (program guidelines for this option are currently in the planning process by MHA), including mobile homes.
- (3) Local and county governments provide an incentive to landlords to accept Section 8 vouchers. This could involve a public relations campaign, and tax breaks.
- (4) Link use Section 8 to second units, including the legalizing of unpermitted second units.

Project Based Section 8 Certificates

The Marin Housing Authority is authorized to use a designated portion of their Section 8 certificates for specific projects. These project based certificates are renewed annually if HUD reauthorizes the MHA allocation. Up to 20% of the units in a development can be project based. Potentially higher percentage if services are provided. Developments that are located in non-blighted areas with less concentration of poverty are prioritized for project based.

Low Income Housing Tax Credits (LIHTC)

The LIHTC program is a federal and state housing subsidy program providing substantial financing for the development of affordable housing. It provides tax credits to the private sector for the construction or acquisition and rehabilitation of very affordable rental housing. These tax credits are crucial to the success of affordable housing developers, who sell credits directly to corporations and private investors or receive the equity from one of a number of investment entities now making tax credits available.

To be eligible for a tax credit, 20 percent of the units in a housing development must rent to very low income households earning less than 50 percent of area median incomes, or 40 percent of the units must rent for incomes under 60 percent of the median. California law also requires that developments retain these levels of affordability for at least 55 years.

Both federal and state tax credit programs are administered by the State Treasurer's Office through the California Tax Credit Allocation Committee (TCAC), which allocates the available credits to projects statewide. TCAC administers two LIHTC programs: the 9 percent (for projects with no federal subsidy) and the 4 percent credit programs (for projects with federal subsidies and more than 50 percent of financing through tax-exempt bonds). The 9 percent credit program, which has limited funds and is highly competitive, awards credits on a combination of formula and competition so that those meeting the highest housing priorities have first access to credits. The 4 percent program has no funding limit but is available only with projects that have an allocation of Mortgage Revenue Bonds. It also has limited funds, but is less competitive than the 9 percent program. Funds raised from the sale of 4 percent credits typically cover 20-30 percent of project costs. Generally the maximum credit allocation is the amount needed to fill the financing shortfall, and the amount needed is determined at least thrice: at the time of application, at the time of allocation, and when placed-in-service.

To be successful, tax credit projects require an additional subsidy which can include no or low-cost land, local government contributions, or density bonuses and other concessions. While the utilization of the tax credits depends primarily on the project's developer, local government must work with the developer to identify other strategies and subsidy sources that are appropriate with tax credits and provide the additional subsidies usually required to make them work. Preference points are awarded for different categories such as special needs, developments close to transit, green building principals and others. Collaboration between the developer and the local government often with the help of a professional specializing in tax credits and other financial tools is the key to a successful tax credits program.

Public Housing

Public housing owned by the Marin County Housing Authority (MCHA) is located in Novato, San Anselmo, Mill Valley, Marin City, and San Rafael. There are a total of 500 units, with 200 of these units for seniors.

Housing for Persons with AIDS (HOPWA)

This program provides funds for the acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services for persons with AIDS. Funds may be used for new construction of single room occupancy dwellings and community residences, project or tenant-based rental assistance, short-term rent, mortgage, and utility payments to prevent homelessness as well as supportive services, operating costs and housing information services for persons with AIDS. In Marin, these funds are primarily used for long term rental subsidies for tenants who have already secured a housing unit located in the county of Marin.

McKinney Continuum of Care Funds

Annually, HUD awards these funds to local non-profit organizations who house and provide services to homeless individuals and families. This is a primary source of funding for transitional housing and supportive housing for homeless in Marin County. The Marin Continuum of Housing and Services collaborates the efforts of over 30 providers of housing and services to compete for these funds.

Other programs that are offered through federal agencies and which have been used to support specific projects in Marin include the *Elderly Housing Program (Section 202)*, the *Housing for the Disabled Program (Section 811)*, and a variety of *FHA administered rental programs*. Like Section 8, most of these programs are not projected to increase in size or scope in the foreseeable future.

State Resources

State agencies play an important role in providing housing assistance by allocating federal housing funds and/or making loans available to affordable housing developments. The three principal agencies involved are the State Treasurer's Office, the California Housing Finance Agency (CHFA), and the California Department of Housing and Community Development (HCD). Programs for housing assistance change frequently and detailed descriptions of programs, application procedures and amounts of subsidy available are provided by the concerned agencies. The major sources of State housing assistance include:

The California Debt Limit Allocation Committee (CDLAC) and The California Tax Credit Allocation Committee (CTCAC)

The CDLAC, an agency within the Treasurer's Office, is responsible for overseeing private bond issuances. The CTCAC, also an agency within the Treasurer's Office, is responsible for allocating federal and state tax credits that are crucial to the construction and rehabilitation of affordable housing developments. See the discussion of Low Income Housing Tax Credits on the preceding page.

California Housing Finance Agency (CHFA)

CHFA offers a variety of programs to fund new construction and resale of single-family housing for first-time homebuyers. The 501(c)(3) Preservation Mortgage Program, for example, allows the mortgage to be used as acquisition financing for projects that employ tax-exempt bonds and tax credits. CHFA also provides permanent financing for new apartments and subsidizes certain projects through its Housing Assistance Trust, a flexible source of state funds that can offer deferred loans to cover negative cash flows in projects where at least half of the units are for low-income households.

Department of California Housing and Community Development (HCD)

HCD is responsible for administering federal funds for non-entitlement jurisdictions and for various State programs funded through housing bonds. In the past decade there have been no new housing

bonds. However, with passage of the Multi-family Housing Assistance Program, a substantial source of funds will be made available for assisting the construction of new rental housing.

HCD's *Clearinghouse for Affordable Housing and Community Development Finance* is an excellent source of information on over 200 housing programs offered by the federal and state government, private lenders and foundation grants. It can be accessed online at <http://www.hcd.ca.gov/clearinghouse>. The database specifies applicants and counties served by each program. It can be searched by types of assistance (which includes construction/rehabilitation loans, down-payment assistance, rental subsidies or pre-development/interim finance); and activities funded (which includes acquisition, preservation of affordable housing, new-for sale housing, purchase assistance, rehabilitation of apartments, group homes and transitional housing amongst others).

Developments which target special needs populations can also access funding offered through different state agencies which target those populations.

Local Resources

As noted in the introduction to this section, local government resources have historically played a less important role in supporting housing development, but now play a fairly significant role by making local developments more competitive for federal and state financing. When developments are able to demonstrate a financial commitment and contribution from local sources, they are better able to *leverage* funding from other 'outside' sources.

Following are some of the local resources that are currently being put to use in Marin in the support of affordable housing initiatives. Local communities will explore additional potential local resources for affordable housing through the Housing Element update process and the *Strategic Action Plan for Housing*.

Rebate for Marin Renters

This program is funded on a two-to-one basis by the Marin Community Foundation (MCF), which administers the Buck Trust, and participating cities and towns in Marin County. It is administered by the MHA. Program recipients, who include low and moderate-income families, seniors and people with disabilities, receive a monthly rent rebate for a year. The rebate for a one-bedroom unit is \$100, for a two-bedroom unit \$125, and \$150 for a three-bedroom unit. Studios and units with more than three bedrooms are not covered. There are currently 93 recipients in Marin County. No wait-list is maintained for the program.

Mortgage Credit Certificate Program

This program was first authorized by the Tax Reform Act of 1984 and is also allocated through the California Debt Limit Allocation Committee. The program permits state and local governments to assist low and moderate-income first-time homebuyers in qualifying for mortgages. State and local governments may exchange some or all their authority to issue Mortgage Revenue Bonds (MRB) for the authority to issue Mortgage Credit Certificates (MCCs) at a 4 to 1 ratio. The IRS allows eligible homebuyers with a MCC to take up to 20 percent of their annual mortgage interest as a dollar-for-dollar tax credit against their federal personal income tax, thus enabling them to qualify for a larger mortgage than otherwise possible. The credits are in addition to the standard deduction.

Program criteria set by the IRS includes an income limit of median income (\$68,600) for one and two person households and 115 percent of median (\$78,890) for three or more person households. Price limits for new homes is \$224,100 and \$256,500 for existing homes. Financing must be obtained through participating lenders. The Marin County MCC program has granted 249 certificates countywide.

Marin Community Foundation

The Marin Community Foundation has dedicated funds for the “Affordable Family Housing Development” initiative. The grant and loan funds are awarded to eligible city or county government agencies and/or government agency/non-profit developer partnerships in the following categories:

- (1) Affordable housing development, including acquisition, rehabilitation or new construction of housing affordable to working families.
- (2) Community facilities development that complements new affordable housing.
- (3) Affordable housing feasibility studies of specific sites for affordable housing development.

The program establishes specific criteria for selection for new construction, including requirement that developments must have a minimum of 60 percent family-size units (two or more bedrooms) affordable to households earning 50-60 percent or less of area median income. The maximum award is \$20,000 per unit or a project maximum of \$400,000 in grant funds, with loan funds availability as well.

Redevelopment Agencies

Redevelopment is a process created to assist city and county government in eliminating blight from a designated area, and to achieve desired development, reconstruction, and rehabilitation goals for the community. Currently, three agencies have been created in Marin County: The County, San Rafael and Novato.

Redevelopment is one of California’s most effective ways to breathe new life into deteriorated and blighted areas plagued by a variety of social, physical, environmental and economic conditions which act as a barrier to new investments by private enterprise. Redevelopment, under the California Community Redevelopment Law, is one of the last available processes which has the authority, scope, and financial means to provide the necessary stimulus to reverse deteriorating trends, remedy blight, and create a new image for many communities.

Redevelopment is considered to be necessary in many communities because:

- (1) Deteriorating areas cannot pay their own way.
- (2) Deteriorating areas become centers of poverty and crime.
- (3) There are no natural barriers to blight.
- (4) Deterioration results in an economic drain on the community.
- (5) A deteriorating area results in a negative image which can affect property values and development elsewhere in the community.

In such areas, redevelopment project funds can be used to rehabilitate property, build better homes, create jobs, stimulate private business and development, and create investment to accomplish what could not be done by other public or private means without redevelopment.

State law makes available to redevelopment agencies a method of obtaining funds called “tax increment financing.” On the date the agency approves a redevelopment plan, the property within the boundaries of the plan has a certain total property tax value. If this total assessed valuation increases, most of the taxes that are derived from the increase go to the redevelopment agency. These funds are called “tax increments.” Usually, the flow of tax increment revenues to the agency will not be sufficient in itself to finance the full scope of redevelopment activities and development projects. Therefore, agencies issue bonds. These bonds are not a debt of the City or County and are repaid solely from tax increment revenue. Tax increment can be used only in the same project which generates them, except for residential projects which benefit low- and moderate-income households.

Higher taxes from the sale, development or rehabilitation of property reflect a rise in property value and not an increase in the tax rate. Until a property is improved or sold, assessed values and tax rates in

redevelopment areas are restricted by Proposition 13 limitations. Community redevelopment is usually accomplished by forming a partnership of public and private enterprise. Public funds are used to lay the foundation and provide the preconditions which are necessary for private enterprises to be interested and capable of investing their dollars and time in the blighted area. Local public funds are, in essence, used as seed money which will leverage much greater private investment.

A redevelopment agency may:

- (1) Acquire or assemble land for public or private reuse through either a negotiated purchase or eminent domain.
- (2) Clear, grade, and prepare acquired land for reuse or resale to private developers or government agencies in accordance with the objectives of the redevelopment plan.
- (3) Construct public improvements and facilities alone or in concert with other public authorities and agencies.
- (4) Encourage public and private improvements so as to prevent, mitigate, or eliminate existing and/or anticipated blight conditions in the project area.
- (5) Demolish, remove, rehabilitate, alter, modernize, and cause general improvements to be made to existing structures in the project area where such are permitted or required under provisions of and in conformance with the redevelopment plan.

Discussion of Key Issues

Existing Affordable Housing Stock and Units “At Risk”

Government Code Section 65583 requires each city and county to conduct an analysis and identify programs for preserving assisted housing developments. The analysis is required to identify any low income units which are at risk of losing subsidies over the next 10 years.

Based on a study in 2001 conducted by Barbara Collins, Marin County Affordable Housing Strategist, there are 3,226 deed restricted affordable housing units currently in Marin County. There are an additional 1,597 proposed units in various stages of the development process. Of those, 943 are planned for the City of Novato, with most of those units incorporated into the Hamilton Reuse Plan. For planning purposes, deed restrictions for 33.1% of the established affordable housing stock will expire in the next 15 years. Developments which are “at risk” of expiring through to the year 2006 contain 825 units eligible to convert to market rate units based on funding restrictions, with some exceptions. Of the 825 units, 58 units are designated in the Below Market Rate program managed by Marin Housing Authority, and are generally restricted permanently with a slight cost increase to cover resale or legal expenses. Beginning in the year 2007 through 2012 there will be 266 units “at risk” of converting to market rate. Of these, 91 are BMR units subject to resale controls.

Specific assisted properties at risk of conversion to market rates have been identified in the study. Program actions include working with the property owners and/or other parties to ensure that they are conserved as part of the county’s affordable housing stock. A key component of the actions will be to identify funding sources and timelines for action.

Second Units

The State Legislature of California has stated that it “finds and declares that second units are a valuable form of housing in California. Second units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods. Homeowners who create second units benefit from added income, and an increased sense of security. It is the intent of the Legislature that any second-unit ordinances adopted by local agencies have the effect of providing for the creation of second units and that provisions in these ordinances relating to matters including unit size, parking, fees and other requirements, are not so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create second units . . . “ (section 65852.150)

A second dwelling unit is a small unit in addition to a house on a single lot. Second units have the following benefits:

- (1) They provide flexibility for the owner of the main home (they can be used as a home office, an apartment for elderly parents, or a source of income);
- (2) When rented they help make home-ownership affordable for the owner of the home;
- (3) They can provide flexibility for seniors or other homeowners who rent their primary dwelling because they still want to live in the same neighborhood;
- (4) They provide lower cost housing because the units tend to be small and there are no extra land costs (*historically in Marin County — based on surveys of legal second unit owners — almost half of the second units charge no rent and are, in fact, providing a source of housing for another family member, or they are rented at levels affordable to smaller low to moderate income households*);
- (5) They are easier to “fit in” to existing neighborhoods since they are small and are often part of the main house.

Consistent with State law, housing elements in Marin contain policies allowing second units, encouraging outdoor space for such units, and requiring some form of design review as part of the permit process. Current zoning standards for second units in Marin are summarized below.

Second units are not allowed in all jurisdictions in Marin County. Currently, all but one Marin County jurisdiction allow second units in some form. In all of these jurisdictions second units require a conditional use permit in single-family residential districts. Zoning standards have typically required that the unit be attached and that there be parking on-site for the unit — most jurisdictions require one space for a second unit, although some jurisdictions require two spaces. Zoning can also place a size limit on the second unit, mandate owner occupancy of one of the units, and establish design criteria for the second unit.

City of San Rafael March 2001 Survey of Second Units

A recent survey of existing (approved and built) second units was conducted in March 2001 by the City of San Rafael Community Development Department, with the following results:

Number of Approved Second Units	74
Number of Survey Responses	28
Number of Occupied Units	22
Number of Studio Units	3
Number of One Bedroom Units	23
Number of Two Bedroom Units	1
<i>Number of Units with</i>	
One Resident	18
Two Residents	4
<i>Number of Units where</i>	
Rent is Charged	16
No Rent is Charged	5
Median Rent for One Bedroom	\$905
Range of Rents	\$450 - \$1500

Figure 2.47: Second Unit Standards of the Various Jurisdictions in Marin County (2001)

	Use Permit Req	Owner Occ. Req.	Maximum Unit Size (Sq. Feet)	Second Unit Parking Req.	Primary Unit Parking Req.	Minimum Lot/Size (Sq. Feet)	Other Special Requirements
Belvedere	Yes	Yes - in either unit	750	1*	2*	Set by Zoning District	Maximum of 50 Second Units allowed in city; maximum of 3 persons (2 adults and 1 child); parking equal to total cars owned
Corte Madera	Yes	Yes - in either unit	700	1*	2	Set by Zoning	1 Parking Space for studio/1 bedroom units; 2 spaces for 2 bedroom units; 2 spaces if paved street less than 26 feet in width
Fairfax	Yes	Yes - in either unit	Varies	1	2	7,500	Maximum size is 1/3 area of primary house; conversion of existing detached accessory structures allowed; non-owner occupancy if rental agreement filed with Town for affordable rents
Larkspur	Yes	Yes - in either unit	700 (320 square foot minimum)	1*	4*	7,500	Studio and 1 Bedroom units only; 1 non-tandem parking space for unit, in addition to 2 spaces for primary unit plus 2 guest spaces
Mill Valley	Yes	Yes - in either unit	700	2	2*	Set by Zoning District	With some limitations, 1 of the 2 required parking spaces may be on City right-of-way on driveway apron; 1 guest space must be provided when on-street parking is not available along the immediate frontage of the property
Novato	Yes	Yes - in either unit	550 to 1,000* (220 to 350 square foot minimum)	1	2	7,500 to 10,000	Define second units standards for "contained" units (550 square feet maximum size), "attached" units (750 square feet), and "detached" units (1,000 square feet); Detached units allowed on 10,000 square foot lots
Ross	Yes	Yes - in either unit	Varies	1*	2	Set by Zoning District	Floor area may not exceed 10% of primary house living area; parking determined through Use Permit process
San Anselmo	Yes	Yes - in either unit	None	1	2	Set by Zoning District	Quota established for each neighborhood; unit must be covered by a rent guarantee between the owner and the Town (rent established by Council resolution)
San Rafael	Yes	Yes - in either unit	1,000 (500 square foot minimum size)	1*	2	5,000	1 parking space for studio/1 bedroom units; 2 spaces for 2 bedroom units; parking for the primary unit must be covered; 40% of heated floor area up to a maximum of 1,000 square feet in size; conversion of existing detached accessory structures allowed
Sausalito							Second units precluded in all residential zoning districts
Tiburon	Yes	Yes - in either unit	700	2*	2	10,000*	Exceptions to parking and lot size allowed; conversion of existing detached accessory structure built prior to 1984 allowed; maximum of 3 persons
Unincorporated	Yes	Yes - in either unit	750	2	2	Set by Zoning District	Second unit must also meet standards in all community plans or resolutions adopted by the Board of Supervisors; minimum street width standards must also be met; parking standards may be reduced for studio/1 bedroom units

Source: Marin County Jurisdictions (2001)

Few legal second units are built in a given year. Annual construction of legal (permitted) second units ranges up to four per year, with half of the jurisdictions averaging 3 or fewer. Policies that facilitate the development of second units include an FAR bonus of 500 square feet and a regular review of neighborhood maximums for second units to determine whether additional units can be accommodated. Policies such as parking requirements, high building fees (often the same as for the original unit), quotas, minimum lot size, low density limits, requiring the second unit be attached to the main dwelling, rent control, and neighborhood opposition restrict or discourage the development or permitting of second units.

There are many illegal second units throughout Marin County. Property owners may decide to risk not seeking a permit before building a second unit for a number of reasons, including avoiding building fees and parking requirements that may be as high as those for the original dwelling unit, and avoiding meeting local regulations including setback minimums, height maximums, and rent-control requirements.

Illegal second units can impact neighborhoods in two ways: (1) When a unit does not provide on-site parking, the resident will park on the street, which can add to parking congestion in some neighborhoods where streets are narrow or not safely designed; and, (2) when a unit is not well-designed it can detract from the appearance of a neighborhood and result in neighborhood opposition for other second units in the future. At the same time, many illegal units in Marin also provide a source of affordable housing.

Local jurisdictions may count second units for which they have permits towards their housing goal. Several jurisdictions are considering amnesty programs, in which property owners with unpermitted second units may register their units and pay the required fees without additional penalties. Below are specific ideas that can make it easier for *new* small second units to be permitted in appropriate locations (which would also make it easier for illegal units to be legalized and upgraded):

- (1) Ensure that the second unit provides high quality design that fits with the surrounding neighborhood, but provide for a low cost design review process..
- (2) Provide technical assistance and technical advice, low-interest loans (tied to term of loan and affordability), and other incentives to encourage well-designed second units that meet standards.
- (3) Provide marketing and education assistance to homeowners.
- (4) Limit the size of second units to maintain affordability.
- (5) Eliminate Use Permit processes (except for design review) for units that meet standards.
- (6) Reduce per unit fees in recognition of their small size.
- (7) Allow higher height limit to permit units over detached garages.
- (8) Review parking standards for new second units to assure that are not too inflexible and strict.
- (9) Require some second units, i.e., granny units, in all areas, and occasional duplexes, as part of new single family subdivision development.
- (10) Consider an amnesty program for illegal units where the City provides a period of time when owners of illegal units can register their units and make them legal, and try to link the program with guarantees for long-term affordability of the unit.
- (11) Create a countywide tracking mechanism.

Parking and Other Development Standards to Encourage Infill, Transit-Oriented, and Mixed Use Affordable Housing Development

Our housing needs challenge us to find appropriate sites for housing when there is a limited amount of developable land in Marin County that is zoned for housing, especially for multiple family housing. In addition, it is important to ensure a "fit" of new housing with the community's long-standing commitment to maintain the character and quality of its residential neighborhoods.

In the future, cities within the urban corridor of the county will have to rely increasingly on reuse of underutilized land to meet needs. Because Marin has little available land for large-scale development, developing smaller or underutilized sites in existing urbanized areas will be important in meeting projected housing needs. Such "infill" must be utilized efficiently. Encouraging new housing development at slightly higher densities, developing underutilized parking lots, and/or exploring additional sites where housing developments might be acceptable will help make better use of land resources, provide units at more affordable rents, *and* help respond to one of the most critical housing needs in our communities. It also encourages better use of transit.

Figure 2.48: Summary of Parking Requirements

Marin County Jurisdictions

Parking Requirements

Single Family Dwellings

Lowest Requirement	Highest Requirement	Most common	Common Additional Requirements
2 spaces/dwelling	3 spaces/dwelling	2 spaces/dwelling units	1 or all spaces covered
			Additional space for units over 4,000 sq. ft.
			Additional space for units over 150 ft. above mean sea level elevation
			1 or 2 spaces/unit for guests

Second Units

Bedrooms/ Unit	Lowest Requirement	Highest Requirement	Most common
Studio	1	2	1
1	1	2	1
2	1	2	2
3 or more	1	3 or more (1space/bedroom)	3 or more (1space/bedroom)

Multifamily Dwellings

Bedrooms/ Unit	Lowest Requirement	Highest Requirement	Most common	Common Additional Requirements
Studio	1	2	1 to 1.5	1/4 or 1/5 spaces unit for guests
1	1	2	1.5	
2	1.5	2 (1 covered)	2	
3 or more	2	2.5 (1 covered)	2 to 2.5	

Inflexible development standards, such as height limits, FAR and parking requirements can, in some locations, result in the inefficient use of available land. For example, a recent study conducted by Non-Profit Housing of Northern California (NPH) provides empirical evidence of inappropriate parking standards being applied to affordable housing. While parking requirements help to reduce on-street parking, and vary depending on the type of residential development, the appropriateness of parking and other development standards can depend significantly on the type of project, who lives there, the size of the units, and the location.

‘Transit-Oriented Development’ (TOD), for example, is intended to encourage a mix of compatible land uses at a transit access point — a station or location served by one or more transit lines — where there may be buildings with varied activities within an easy walking distance (usually 1/3 to 1/2 of a mile — *note:* The Mortgage Credit Certificate program uses a 1/2 mile distance). TODs can help meet local affordable housing needs and benefit residents as well as support local transit services and businesses. The types of buildings and activities will vary by community and location, but the following are characteristics of many TODs:

- (1) A waiting area for transit users;
- (2) Activities used by transit riders either before or after their transit trips, such as convenience retail shops and services;

- (3) Higher density residential uses and higher intensity retail and office uses;
- (4) Mixed uses, frequently with residential uses above commercial uses;
- (5) Easy access for pedestrians and bicyclists to and from the point of transit access; and
- (6) Special facilities such as bicycle storage and day care facilities. Parking for residents often can be greatly reduced because they have such good access to transit.

“Mixed use” is another example of a type of development where standards can be more flexible depending on the mix of uses and the location. Mixed use is when two or more uses (stores, offices, housing, industrial) are built together on the same lot. They can be mixed “vertically” (for example, one or two floors of apartments above stores) or “horizontally” (for example, a residential building behind a commercial building on the same lot). Adaptive reuse can also introduce housing into non-residential areas, restore buildings to a useful purpose, or provide live-work space at a reasonable cost.

Over the past several decades, city planning practice has emphasized the separation of different types of land use (e.g., residential, commercial, etc.) with the aim of creating higher quality living environments. However, in recent years there has been a growing appreciation for the benefits which can be realized from mixing certain types of uses (namely housing, neighborhood-serving retail, and small-scale office space). Rather than having negative impacts on each other, these uses have a symbiotic relationship which can actually enhance the quality of the community. Residents are able to walk to local shops for their daily needs; businesses enjoy greater access to customers; local employees and small business owners can walk to work; and the number of local vehicle trips is reduced. Places where mixed use is possible include many of the downtown areas, neighborhood shopping centers and some “strip commercial” streets. Recent examples of successful mixed use projects have been built in the City of San Rafael — 1 H Street, The Clocktower, and under construction is Rafael Town Center (the old Macy’s).

In terms of housing development, the greatest advantage of a mixed-use district is it provides the opportunity to develop smaller rental units over existing uses, thereby providing more potentially affordable units without developing new parcels. For this reason, mixed-use developments are a key way for jurisdictions with little or no vacant land to meet their housing targets. When combined with design guidelines intended to make mixed-use developments blend in with surrounding structures, a jurisdiction may achieve high-density multifamily housing without altering the existing look of the neighborhood. The obstacles mixed-use developments can face include parking requirements, height restrictions, and FAR restrictions, which have been discussed in earlier sections. Additionally, smaller developments present challenges with economy of scale if they are rental units that will require government funding sources.

Specific development standards or other requirements that can limit mixed-use developments include:

- Inflexible residential parking requirements
- Height limits
- Low FAR limits
- Few properties in districts zoned for mixed use
- Lack of clarity in the design review process
- Single-family dwelling units only allowed
- Must meet residential setback requirements
- Conditional Use permit required
- Uniform Building Code
- Performance standards for residential uses in commercial and mixed use districts

In Marin County, nearly every jurisdiction allows some form of mixed-use. In most jurisdictions, a conditional use permit is required in every district. In jurisdictions that do allow mixed-use developments without a conditional use permit, specialized zoning districts have been created. Policies that facilitate mixed-use developments include:

- Mixed-use zoning in planned districts
- General Plan policies with mixed-use land-use designations *(Note: A successful way to implement mixed-use zones is through a master plan or specific plan, which can include policies and zoning standards specific to that area, thereby establishing flexibility and performance standards for how developments are designed, where they are located, and how affordable they will be).*
- No FAR requirement for residential uses
- Reduced parking requirements in downtown area
- Allowing mixed-use developments to be developed at high densities.
- Allowing residential in all commercial districts in addition to mixed-use districts

Design strategies which can foster a successful mixed use developments include:

- (1) Locate retail spaces on the ground floor with offices and/or housing located on the floor(s) above, with convenient parking for the retail spaces and easy access and visibility from the street.
- (2) Create retail and office spaces of an appropriate size in light of the neighborhood and local market.
- (3) Provide opportunities for some shared parking between customers (day users) and residents (night users).
- (4) Separate public spaces from private residential spaces through building design, landscaping, and other site features.
- (5) Create an attractive, unified look for the retail area through common design features (benches, lighting, etc.), landscaping, and sign controls.

When parking requirements are combined with setback and FAR requirements, the number of units that may be developed on a parcel may be much less than the allowed density. To address this restriction, several jurisdictions are considering, and some have implemented, reduced parking requirements in housing developments for low-income families, seniors or disabled.

Building and Financing Housing

The price of housing has risen since the late seventies at a much faster rate than household income. Contributing factors are the costs of land, materials, labor, financing, fees and associated development requirements, sales commissions, and profits. Another factor is the increasing perception of housing as a commodity for speculation.

Rental construction has become increasingly costly due to the same factors as single family houses. For these reason, many developers prefer to use scarce land to build units for sale in order to realize an early profit and minimize risk. Units for sale also are easier to finance during construction. Developers are not in the business of property management which further reduces the likelihood of rental development. Affordable rental housing funding sources add additional burdens of reporting and data collection, require labor (Davis Bacon Act) that is more costly, often provoke neighborhood opposition which adds additional costs and time to the development. Developer fees are restricted by the funding sources creating more disincentives.

Earlier in this chapter there was a discussion and evaluation of the “gap” between the potential buyer’s or renter’s ability to pay for housing and the price of housing. This gap must be bridged through subsidies and incentives in order to justify a project economically. For sales units, the gap is a one-time situation, but the buyer must qualify for a loan and have a sufficient down-payment. For rental units, the gap occurs on a monthly basis and is the difference between the rent paid and the net supportable costs. Rental projects must also figure in net operating income and net cash flow based on rents and operating costs.

Below is a summary of the costs associated with both a market rate and affordable housing project:

- (1) **Land Cost:** Varies significantly from site to site depending on site characteristics and location. Recent sales information for Marin County in general, reveal that the land costs for a relatively level site can be about \$1,000,000 per acre.
- (2) **Utility Connections and Improvements:** Includes municipal fees, hookup charges, off-site street improvements, bringing utilities to site.
- (3) **On-Site Preparation:** Includes site stabilization and special drainage control, grading, special landscaping or tree preservation considerations, and all pre-building construction requirements.
- (4) **Special Foundations:** Includes unique footing solutions, special parking solutions such as underground or “tuck” under parking garages, retaining walls or stepped foundations for hillsides.
- (5) **Hard Construction Cost:** All labor and materials required over and above special foundation systems, includes decks, special roofing, heating, electrical, etc., but does not include “soft” costs.
- (6) **Consultant Fees:** Includes architecture and engineering, civil and soils, land economics and processing for special approvals or funding.
- (7) **Construction Overhead and Margin:** Overhead can amount to about 5% and a contingency of at least 10% is also necessary for a private builder contractor, totalling 15% of total costs.
- (8) **Total Hard and Soft Construction Costs:** Includes developer overhead and project contingency (15%), and consultants.
- (9) **Builders Profit:** Comprises about 7%. When added to the 5% overhead, it totals 12%. Traditionally, this 12% cost under negotiated bid can be reduced to between 7% and 10% total.
- (10) **Financing Costs:** Financing costs: are composed of three elements of cost: Construction loan points; the short-term construction loan interest ; take out mortgage commitment fee; and, the long-term take out mortgage.
- (11) **Sales and Marketing Expenses:** Includes Real Estate Sales Commission (4-5%) plus marketing, advertising, cost of qualifying and eligibility screening of potential residents (3%).

Financing for above moderate or market rate housing is not restrained for those who can qualify. For example, the income required for a \$315,000 mortgage (\$350,000 condominium with 10%, or \$35,000, down) at 7% interest is about \$96,000, and requires a monthly payment of \$2,400.

The major source of funds for affordable units are Tax Exempt Mortgage Bond programs under the County's First-Time Homebuyer's Bond program and the Rental Bond program. The most significant deterrent in obtaining funds for these long-term mortgages is the availability of a sufficient volume of funds. The total volume of funds needed for a particular project for long-term mortgages is a function of total project costs, less subsidies granted through land donation, financial aid obtained from State or Federal authorities, private grant and owner equity.

Opportunities for Energy Conservation

Housing Elements are required to identify opportunities for energy conservation. Since the deregulation of energy companies in 1998, the price of energy has skyrocketed. With such an increase in prices, energy costs can be a substantial portion of housing costs. Effective energy conservation measures built into or added to existing housing can help residents manage their housing costs over time and keep lower income households affordably housed. There are a number of programs offered locally, through the local energy provider (PG&E) and through the State of California, provide cost-effective energy saving programs. Due to deregulation in California, utility costs have skyrocketed. State budget cuts could negatively effect some of these programs as a result.

Energy costs are an increasingly significant portion of housing costs, especially for lower income households. Effective energy conservation systems can assure that capital and carrying costs of energy saving techniques and devices do not exceed energy savings, thus making a house less affordable.

- (1) **Title 24** — All new residential and nonresidential construction must abide by the State of California's residential building standards for energy efficiency (Title 24 of the California Administrative Code). Title 24 Standards were established in 1978 to insure that all-new construction meets a minimum level of energy efficiency standards. Since their establishment, it is estimated that Title 24 Standards along with standards for energy efficient appliances have saved Californians more than \$15.8 billion in electricity and natural gas costs.
- (2) **Marin County "Building Energy Efficient Structures Today (BEST)" Program** — The BEST program includes energy efficient building design criteria; code revisions to remove constraints to energy efficiency and to increase requirements for residences over 4,000 gross square feet; incentives (fee reductions, rebates, priority processing and technical assistance); public education and training; and, technical assistance and access to funding sources to reduce energy costs to lower income residences.
- (3) **Marin County "Green Business" Program** — The Environmental Protection Agency awarded the Marin County Community Development Agency (CDA) a \$10,000 grant to begin a green business program of implementing various energy efficiency, resource conservation and pollution prevention measures.
- (4) **Appliances** — State and federal appliance standards which require manufacturers to produce and sell energy consuming appliances according to specified performance criteria.
- (5) **Weatherization** — Marin County promotes energy conservation through the rehabilitation of low income homes for energy efficiency and providing subsidies for energy costs. The California Human Development Corporation in Rohnert Park runs a "weatherization" program for low income households and additional programs may be forthcoming with recent increases in energy costs.
- (6) **Solar Energy** — Zoning ordinances in the county do not discourage the installation of solar energy systems and other natural heating and cooling opportunities. The City's zoning and subdivision ordinances of Marin cities and the county could be amended to encourage more

solar energy systems, green building design, and other natural heating and cooling opportunities. These and other conservation ideas are discussed in detail in the Local Energy Planning Handbook.

- (7) **Tree Preservation** — Communities in Marin have implemented tree preservation and reforestation programs. With the proper siting of trees to allow sun exposure in the winter and shade in the summer, a homeowner can save up to 25% of a household's energy consumption for heating and cooling. Computer models devised by the U.S. Department of Energy predict that the proper placement of only three trees will save an average household between \$100 to \$250 in energy costs annually.
- (8) **Pellet-Fueled Wood Heaters** — The Bay Area Air Quality Management District is encouraging local jurisdictions to adopt an ordinance which would allow only pellet-fueled wood heaters, an EPA certified wood heater, or a fireplace certified by the EPA should the EPA develop a fireplace certification program for installation of any woodburning appliance. The use of properly regulated woodburning appliances would decrease the amount of natural gas and electricity required to heat homes in the City while preserving the region's air quality.
- (9) **Recycling and Salvage** — Marin County has implemented a recycling and salvaging of construction and demolition materials. Not only does this reduce the amount of materials going to landfills, but it also conserves energy through the reuse and recycling of these materials. The Steel Recycling Institute reports that steel recycling, the number one recycled material in the U.S., saves enough energy to electrically power the equivalent of 18 million homes for a year.

By encouraging more energy efficiency in Marin, local government can benefit low income residents. Energy conservation measures help to minimize the percentage of household income a household must dedicate to energy as well as minimize the use of nonrenewable resources. The present value of these savings is typically greater than the added construction cost of the energy conservation feature. Investments in energy saving devices will add additional costs to new developments which will need to be incorporated into the subsidy costs.

Pacific Gas and Electric Company (PG&E)

PG&E supplies all of the electric and gas needs to the residents of Marin. In the past, PG&E has offered an assortment of programs that provide residents with the opportunity for energy conservation. However, there is a great amount of uncertainty concerning the future of these programs. The following are some programs that have been available to residents of Marin, including programs for residents who qualify as low income.

- (1) **1-2-3 Cashback** — Offers free suggestions on energy savings tips, low-cost home improvement projects and investments you can make to save energy in the future.
- (2) **Residential Appliance Rebate** — Rebates to homeowners for Energy-Star appliances.
- (3) **Residential Contractor Program** — Residential contractor program makes available to both contractors and homeowners cost-saving vouchers.
- (4) **20/20 Energy Rebate** — Residential customers who reduce their Summer 2001 electricity load by 20% are eligible for a 20% credit on their bill.
- (5) **Energy Efficient Mortgage** — Allows residents to make improvements that increase the energy efficiency of their home and finance these improvements through their mortgage.

- (6) **Miscellaneous Programs** — PG&E also offers rebates for the purchase and installation of compact fluorescent lights, Energy Star floor lamps, and other devices.

PG&E Programs for “Low Income” Residents

- (1) **Energy Partners Program** — PG&E’s free weatherization program available to low income customers. Qualified, pre-screened contractors make weatherization repairs and improvements for residents who qualify for the program.
- (2) **CARE (California Alternate Rates for Energy)** — PG&E’s discount program for low income households and housing facilities. The CARE program provides a 20% discount to low-income residents meeting certain standards. It also insures that low income residents are not affected by new surcharges. The CARE program is broken into five categories:
- CARE Residential Single Family Program
 - CARE Sub-Metered Tenant Program
 - CARE for Qualified Nonprofit Group Living Facilities
 - CARE for Qualified Agricultural Employee Housing Facilities
 - CARE Education and Outreach
- (3) **REACH (Relief for Energy Assistance through Community Help)** — The REACH program is a one-time energy assistance program sponsored by PG&E and administered by the Salvation Army to assist low income customers particularly the elderly, disabled, sick, working poor or unemployed, in paying for their energy needs.
- (4) **Strategic Alliance Project** — The Strategic Alliance Project examines community, regulatory and political issues affecting PG&E’s low income customers and works with community organizations to determine how these clients can benefit from their programs.

State Of California

California Energy Commission Rebate Programs are open to all residents of California, independent of their income. Rebates are provided based on current funding.

- (1) **Emerging Renewables Buy-Down Program** — Rebate upon the installation of a renewable energy system in the home. This includes small wind turbine generation systems, fuel cell powered generation systems, solar thermal electricity generation systems and photovoltaics powered generation systems. The current rebate is \$4.50 per watt or 50% of the system cost.
- (2) **Solar Energy and Distribution Generation Grant Program** — Provides rebates for the installation of solar battery backups and storage systems, solar water heaters, internal combustion generators, etc., based on the generation system.

State of Programs for “Low Income” Residents

- (1) **LIHEAP (Low Income Home Energy Assistance Program)** — The LIHEAP block grant is funded by the Federal Department of Health and Human Services and provides two basic type of services. Low income residents who are eligible can receive financial assistance to help offset the costs of their energy bills and/or have their homes weatherized to make them more energy efficient. This program is accomplished through 3 components.
- The Weatherization Program
 - The Home Energy Assistance Program (HEAP)
 - The Energy Crisis Intervention Program (ECIP)

Cost-effective energy conservation measures are an affordable and appropriate way for residents to lower both the monthly cost of housing and the cost of their energy bills. There is a wide assortment of programs accessible to all residents of Marin through a variety of local and state sponsored programs. Communities can prepare an informational packet available to residents highlighting the energy conservation programs available to them.

CEQA Requirements

CEQA Section 15332 (“Infill Development Projects”) allows infill development within urbanized areas consistent with local general plan and zoning requirements to be categorically exempt from CEQA review. However, even in instances where CEQA Section 15332 would not apply, the use of area-wide Environmental Assessment or Program EIR’s assessing area-wide infrastructure and other potential area-wide impacts can expedite the processing of subsequent affordable housing development proposals.

Communities are also required to comply with the California Environmental Quality Act (CEQA) as it relates to revision of the *housing element* or any aspect of the *general plan*. The environmental assessment process requires completion of an Initial Study to determine if ‘the project’ (in this case the revised *housing element*) might lead to a significant adverse effects on the environment. In other words, what will be the environmental impact of implementing all of the programs and actions identified in the *housing element*? If a significant impact is identified (based on defined criteria) then the jurisdiction must prepare an Environmental Impact Report (EIR). If the Initial Study indicates that there will be no potential adverse environmental effects (which may be the case, for example, if the *housing element* does not propose any changes to existing land use designations), then the jurisdiction prepares a Negative Declaration to comply with CEQA requirements.

“In theory, the development approvals process in California is supposed to be plan-driven. In fact, the over-riding importance of the California Environmental Quality Act (CEQA), the ease with which general plans may be amended, and the widespread adoption of various growth management programs and alternative planning structures have all increased the discretion local governments—and thus indirectly, citizens and neighborhood groups—can exercise over private development proposals. The effect of these supplemental measures has been to elevate the importance of short-term fiscal, traffic, and environmental issues in the development approval process and to reduce the importance of long-term planning. None of these changes has favored housing.”

California Department of Housing and Community Development, “Raising the Roof, California Housing Development Projections and Constraints, 1997-2020”, prepared May, 2000.

To avoid redundancy in Environmental Impact Reports (EIRs), CEQA allows agencies to prepare different types of EIRs and to use certain procedural methods. Program EIRs are ‘first-tier’ EIRs, meaning that they typically cover issues at a broad generalized level of analysis. ‘Tiering’ is used as a multi-level approach to for EIR preparation. Once a first-tier EIR has been completed, subsequent CEQA documents (second-tier EIRs, Negative Declarations, and Mitigated Negative Declarations) incorporate by reference the first-tier EIR’s general discussions, conducting additional, more specific environmental analysis as necessary in response to potential impacts of the proposed development.

A Program EIR can be considered a useful tool for evaluating community-wide and regional impacts and for saving agencies time and money as they comply with CEQA on subsequent projects. In this way, Program EIRs can be used to provide solid base information for site development and to shorten the review time for affordable housing developments or later actions identified in the Housing Element or the General Plan. See “*best practices*” recommendations.

Chapter Three

“Best Practices” -- A Framework for Action

Introduction

The primary challenge of the Housing Element is to properly manage local housing needs while ensuring that new housing will “fit-in” with the character, quality, environmental constraints, and resources of the community. Questions include:

- **What Kind of Housing Do We Need?** What types of housing fit with our workforce housing needs, household characteristics, and ability to pay for housing?
- **Where Can We Appropriately Put New Housing?** Where in our communities can additional residential units be accommodated, especially for very low, low, and moderate income households?
- **How Can We Effectively Work Together?** What can local governments do—in collaboration with community organizations, other agencies, non-profits, and for-profit developers—to encourage the construction of needed workforce and special needs housing?
- **How Can We Effectively Help Special Needs Groups?** What can be done to assist those households with special needs such as the elderly, homeless, physically or emotionally disabled, and others?

This chapter sets forth a framework for developing an action plan for housing. It provides an overview of strategies, policies and implementing actions that can be adopted and implemented by local jurisdictions to effectively meet housing needs. These are based on “best practice” ideas from other communities in the Bay Area and California, including communities here in Marin County.

The best practice concepts provide a menu of options for consideration and deliberation by each jurisdiction. *No one program is a guarantee of success, and not all the techniques listed are appropriate for all communities.* Success hinges on each community’s ability to use a range of techniques and to tailor programs to capitalize on potential opportunities.

KEY FINDING (3.1): Structure of the Marin Housing Workbook and the Strategic Nature of State Law Requirements for Housing Elements

Unlike other elements of a local general plan, the housing element is very “action” oriented in responding to local needs. For example, State law requires *quantified objectives* be established for the maximum number of units that can be rehabilitated, conserved, or constructed within the jurisdiction to provide specific measures of success and a statistical summary of the implementing action targets. At the same time, it is important for housing policies and actions to fit within an overall planning context. For this reason, the “best practices” in this chapter of the *Workbook* are organized as follows:

- **Vision for Housing in Marin County** — *Visioning* is a way of looking at the future. It is important for the housing element to focus on today’s “issues” and “concerns,” and to *also* look forward to a point in time to identify a desired end. This is intended as a constructive, positive look at our communities — defining what we want instead of just reacting to today’s problems.
- **Goals, Strategies and Outcomes** — *Goals* are the ideals to strive for, or the desired state of things. *Strategies* identify an approach to the major housing issues and how to achieve the vision and goals. Five key strategy themes are identified. *Outcomes* define a desired accomplishment or direction for a group of policies and programs. The goals are an expression of community values and, therefore, are abstract in nature and overlapping, as they should be. For this reason, specific strategies and outcomes are used to organize the issues addressed in the proposed policies and implementing actions.
- **Policies** — *Policies* establish a recognized community position on a particular issue. The policies are organized by “outcome.”
- **Implementing Actions** — *Implementing Actions* are specific programs that put the policies into action and accomplish specific ends. They should be date-specific and, where possible, quantifiable. In this way they can be used as a way to monitor commitments and progress.

We all—individuals, groups, neighborhoods, communities, towns and cities—bear a responsibility to find ways to meet our needs locally. The process is successful when everyone contributes their “fair share” to the overall community-wide good. In this way, no one locality is overburdened, local needs are met, and solutions are implemented which best fit with the community in which they apply.

A Vision for Housing in Marin

Visioning helps us to understand what we value, and to take a positive, constructive look at our community. With a clearer idea of what it is we want our community to be like, we can chart a more meaningful and effective course to get there. The “Vision for Housing in Marin County” provides a starting point for developing a strategic plan to address community-wide housing needs. It was developed from comments and ideas generated by residents who attended the “TELL US” workshops held in late November and early December, 2000 in different parts of the County.

The discussion at the workshops focused on housing. However, knowing that housing does not exist in isolation from other uses and activities, participants were free to discuss their vision for Marin’s future in broad terms as well, and to then focus more specifically on the ways in which housing fits into that vision. The purpose of the discussion was to share everyone’s individual visions and to begin to give shape to a common vision for housing throughout Marin.

Effective community participation is essential for developing effective local housing solutions. It is “where the rubber meets the road.” A participatory program of education, input, dialogue and consensus-building must be one of the key strategies for responding to community housing needs. By engaging community residents in a frank discussion of local housing issues and needs, we can accomplish the following objectives:

- (1) **Provide Constructive Community Dialogue.** Provide a positive experience in constructive community engagement on housing needs in our community.
- (2) **Increase Understanding of the Issues.** Introduce concepts such as “workforce housing” and the interrelationship between jobs and housing as well as between housing and issues such as traffic and open space preservation, which can counter stereotypes about “affordable housing” and its potential benefits and impacts.

“Marin is a unique combination of weather, water views, hills and compact towns in valleys that make it one of the most livable environments in the world. Marin residents on the whole wish to preserve this quality. Yet year after year this environment has lost ground to sprawl, pollution, repetitions and mediocre development, mutilation of hillsides, and pavement. The basic objective of this project is to change the development process so that development and despoilation are no longer interchangeable terms in the minds of the average resident.”

“Where Now? The ideas and proposals set forth in this report hopefully represent a beginning of an action program rather than the end of a study project. We have submitted a distillation of the ideas of many previous studies on what ought to be done to keep the environment of Marin decent and livable. The young people growing up in Marin have time and again demonstrated their concern about why more isn’t being done. So from here on perhaps the basic question we ought to direct our actions toward is — How do we restore our children’s decent expectations for the future of life in Marin?”

“Can the Last Place Last?”,
Summary of Report, prepared by the
Marin County Planning Department
in 1971, Staff Recommendations
to the City-County Planning
Council of Marin

“Probably the most challenging task facing humanity today is the creation of a shared vision of a sustainable and desirable society, one that can provide permanent prosperity within the biophysical constraints of the real world in a way that is fair and equitable to all of humanity, to other species, and to future generations.”

Robert Costanza, *Introduction to the Marin Countywide Plan Update 2001 Interim Guiding Principles*

- (3) **Make Sure Real Concerns are Discussed.** Focus attention on the issues that often make the most difference in the long-term viability and acceptability of affordable housing: design and management (rather than density and income). We also need to make responsible use of local government funding as it relates to density and resources.
- (4) **Build a Foundation for Action.** Build a foundation for other community planning initiatives related to smart use of land (i.e., more people living within the same footprint and even the same buildings without increasing external impacts significantly) or sustainability, and establish an overall framework for land use and development decisions that reflects community values and priorities, thereby facilitating subsequent project-specific review and approval.

Figure 3.1: Vision for Housing in Marin County

In the year 2020, we have preserved and enhanced what we have so long appreciated — the look and feel of our small towns and our heritage, our sense of community, green space, agriculture, openness, beauty, art, our vital and diverse businesses, and adequate services.

We value the following about housing in our community:

- 1 People can live, work and play here.
- 2 We have housing choices to fit different needs. We have built mixed use projects in our downtowns, above parking lots, within commercial areas, and near transit.
- 3 We have maintained the age and economic diversity of our population. We are socially integrated and our kids can still live here. We value human dignity and our cultural and economic diversity.
- 4 There is creativity in design and types of housing.
- 5 We have support systems and housing in place to help the disenfranchised (homeless, elderly, disabled, and others in need).
- 6 There is a distinct difference between urban and rural areas. The natural environment is beautiful and fragile natural systems work well.
- 7 Our towns are friendly, with lots of interaction and community involvement, and there is coordination among our jurisdictions to address important housing issues in creative and effective ways.

Housing Goals

There are many external factors affecting housing needs in Marin County. So too, many of the resources required to meet that need, such as federal and state funding for housing, are subject to changes outside of local government's control. Nevertheless, local communities must take on a more active role in facilitating the provision of housing that meets the needs of the community.

KEY FINDING (3.2): What are Goals?

The goals below are seen as a way to respond to the *VISION* and other issues. A goal is the *WHAT*, or the end-state — its description of what we want to achieve. The goals are intended to be broad in scope. Housing policies and implementing programs, identified later in this section of the *Marin Housing Workbook*, describe “how” to achieve the goals we have identified.

In recognition of these conditions, the goals set forth below are intended to identify what local government (as expressed in the housing element) will try to achieve, both alone and in partnership with other agencies, and for-profit and non-profit organizations. Balanced with these housing needs is the challenge of (1) meeting each community's “fair share” of regional housing needs; (2) finding appropriate sites for housing when there is a limited amount of developable land in Marin County that is suitable for housing, especially for multiple family housing; and, (3) ensuring a “fit” of new housing with each community's long-standing commitment to maintain community character and environmental quality.

Our goals are to have . . .

Goal A

Vital, Diverse and Sustainable Communities

- Socially and economically diverse population.
- Strong community feel, heritage, and sense of community.
- Beautiful and clean natural environment and attractive neighborhoods.
- Vital and diverse businesses and adequate services.
- A sustainable future, benefitting present and future generations.
- Opportunities to enjoy a high quality of life with adequate and diverse employment, housing, transportation services; and cultural, recreational, safety and health services.
- A balance of housing, services and employment opportunities.

Goal B

A Variety of Housing Types and Choices

- An adequate supply and mix of housing that matches the needs of people of all ages, income levels, and special requirements.
- Opportunities for children to afford housing in the community where they grow up.
- Opportunities for people who work in the community to be able to live here.
- Adequate housing for seniors, disabled and very low income households.
- Easy accessibility to health and social services, within the capacity of public facility, service systems and environmental constraints.
- Preservation of the useful economic and shelter life of the existing affordable housing stock.

Goal C

Neighborhoods of Integrity and Distinctive Character

- Neighborhoods that show pride in their design and maintenance.
- Opportunities for creativity in the design and types of housing.
- Protected and well-maintained historic buildings and qualities.
- A unique identity, distinctive design and good upkeep of each neighborhood.
- Housing that is well-designed and energy-efficient.

Images from the 'Open House' on Housing held in April, 2001 at the Marin County Civic Center



Presentation on workforce housing



Where should we put new housing?

Our goals are to have . . . (continued)

Goal D

Housing for Our Special Needs Populations

Shelter is recognized as an essential of life and the right to shelter as a basic to human dignity. Support systems and housing are available to help the disadvantaged (homeless and those at risk of homelessness; persons with mental, physical and developmental disabilities; lower income seniors; farmworkers; single women with children; victims of domestic violence; persons with drug and alcohol dependence; persons with HIV/Aids, etc.). There is housing affordable to all income levels. An integration of need groups, income, ethnicity, and culture in our communities.

Goal E

A Strong Spirit of Collaboration, Responsibility and Involvement

Neighborhoods that work well and participate in meeting housing goals.
 Opportunities for neighborly contributions for the good of the community.
 A dialogue occurs over housing needs and there is friendliness, interaction and active community involvement.
 A commitment to meeting local housing needs.
 There are active partnerships among the cities and the county and other counties, local businesses and public interest organizations, and state and federal levels of government.
 There is good civic participation and cooperation.
 Public review and participation in housing matters is welcomed.
 Strong actions are taken when needed to create equal housing opportunities and to eliminate discrimination in the local housing market.

Housing Strategies, Policies and Implementing Actions

The *Marin Housing Workbook* offers an approach for developing an *Inter-Jurisdictional Strategic Action Plan for Housing* in Marin County. We often hear concerns in our county about “over-development”, “growth”, “densification”, and other terms concerned about the effects of change on our lives and environmental systems. We cannot find solutions or commit to actions without appreciating each other’s values and by involving the people affected. Then, there must be commitment of time and resources to get things done.

“This Strategic Plan must be used if it is to be effective. It is intended to become dog-eared, smudged and coffee-stained. It is a guide for the County of Marin now and into the near future and will be revised as circumstances change.”

County of Marin Strategic Plan, A Blueprint for Excellence in Public Service

Very little growth in either population or employment is projected for Marin County over the next 20 years. Growth is expected to be lower than any county in the Bay region except San Francisco. The concepts identified for providing affordable housing are not intended to “change” our communities for the worse. They are intended to add to and support the values we share. Embracing all the values expressed throughout our community — the views of housing advocates, neighborhoods, workers, seniors, environmentalists, businesses, builders, neighborhood preservationists, people with special needs, and the many others who comprise our community.

What follows are the “best practices” recommendations. The strategies listed below provide a way to organize housing outcomes, policies and implementing actions.

Strategy 1

- **Work Together to Achieve Housing Goals**

Strategy 2

- **Maintain and Enhance Existing Housing and Blend Well-Designed New Housing into Existing Neighborhoods and Communities**

Strategy 3

- **Use Our Land Efficiently to Meet Housing Needs and to Implement ‘Smart’ and Sustainable Development Principles**

Strategy 4

- **Provide Housing for Special Needs Populations that is Coordinated with Support Services**

Strategy 5

- **Build Local Government Institutional Capacity and Monitor Accomplishments to Respond to Housing Needs Effectively Over Time**

KEY FINDING (3.3): Summary of the Primary Recommendations Contained in the Marin Housing Workbook

- **Being Proactive in Addressing Housing Needs Through Implementation of an INTER-JURISDICTIONAL STRATEGIC ACTION PLAN FOR HOUSING in Marin** — With limited land and resource opportunities to provide affordable housing, it is imperative that we work together to use what resources we have as effectively as possible. This does not mean losing the ability to plan for our communities. It means banding together to implement an inter-jurisdictional strategic action plan for housing and respond to state mandates. Examples are lobbying efforts, creation of a Housing Assistance Team (HAT), data collection and monitoring requirements, etc.
- **New Ways to Think About Housing DENSITY AND DESIGN** — The impacts of housing vary significantly depending upon location, type of housing, size of units and who lives there. Housing can take many shapes and forms, and its ability to blend with existing development is a critical aspect of success.
- **FLEXIBILITY in How We Apply Development Standards** — There may be instances where it is desirable to reduce or modify development standards in order to encourage the types of development we want. Transit-oriented or mixed use developments make very efficient use of our land and offer good examples where flexibility in how we apply parking or height standards can result in desirable and more affordable housing development.
- **BUILDING INSTITUTIONAL CAPABILITIES, Including Development of Additional Sources of Funding for Affordable Housing Development** — Staffing and funding resources are stretched very thin in all jurisdictions in Marin County. Yet, the housing crisis is such that we need to respond effectively. This means we need to be organized to use the staffing resources we have wisely, achieve economies of scale as appropriate, and to develop new sources of funding where feasible.
- **Creation of a Countywide HOUSING ASSISTANCE TEAM (HAT)** — Many of our housing elements have good policies but, in many instances as described above, we have not had the staffing or resources to achieve what was intended because our resources are limited. Further, with land costs being prohibitive in many instances, quality sites few and far between, and community expectations very high, what we are able to achieve has many hurdles to overcome requiring special attention.

The *Marin Housing Workbook* recommends the creation of a Housing Assistance Team (HAT), coordinated by the Marin County Affordable Housing Strategist and available to assist the staff in all jurisdictions. The HAT would assist, facilitate and proactively undertake the implementation of many of the local jurisdiction's housing programs. Even more importantly, the HAT could form technical resource teams (architect, an individual with knowledge regarding underwriting housing financing and available funding sources, a local community representative who is knowledgeable about the local issues, etc.) to assist in addressing specific issues and implementation.

Strategy 1

Work Together to Achieve Housing Goals

Outcome 1.1:	A Strong Sense of Community to Achieve Agreed-Upon Housing Goals
Purpose:	To enhance our sense of community responsibility to effectively respond to our housing needs.

“Best Practice” Policy Recommendations

- 1.1.1 **Local Government Leadership.** Establish affordable housing as an important countywide priority, with local government taking on a proactive leadership role in working with community groups, other jurisdictions and other agencies in following through on identified housing element implementation actions in a timely manner.
- 1.1.2 **Community Participation in Housing and Land Use Plans.** Assure effective and informed public participation from all economic segments of the community in the formulation and review of housing and land use issues.
- 1.1.3 **Neighborhood Meetings.** Encourage developers of any major project to have neighborhood meetings with residents early in the process to undertake early problem solving and facilitate more informed, faster and constructive development review.

Benefits of Having a Continuing Community Dialogue on Housing Issues

By engaging community residents in a discussion of local housing issues and opportunities we can help to:

- ◆ Develop a greater appreciation among everyone for the depth and breadth of housing needs in our community.
- ◆ Provide a realistic assessment of options and to counter stereotypes about “affordable housing” and its potential benefits and impacts.
- ◆ Effectively address what our “workforce housing” needs are and the interrelationship between jobs and housing as well as between housing and issues such as traffic and open space preservation, and financial costs to public subsidies.
- ◆ Develop an overall framework for land use and development decision-making that reflects shared community values and priorities.

“Tool Kit” of Implementing Actions

- 1.1-A **Work with Housing Advocates.** Coordinate with local businesses, housing advocacy groups, and the Chambers of Commerce and participate in the Marin Consortium for Workforce Housing in building public understanding and support for workforce and special needs affordable housing.
- 1.1-B **Establish Neighborhood Meetings Procedures.** Establish Neighborhood Meeting Procedures that encourage developers to have neighborhood meetings with residents early on as part of major development applications.
- 1.1-C **Prepare Useful Public Information Material.** Provide presentation and handout material to improve awareness of housing needs, issues and programs. Materials could include: Powerpoint presentations; display; pamphlets; and facts sheets.

- 1.1-D **Conduct Community Outreach.** Provide ongoing public information and outreach and a forum for discussion of housing issues through presentations and increased citizen awareness of housing programs. Specific actions include:
 - a. Provide information pamphlets on housing issues and programs at public locations and community mailings.
 - b. Distribute material to neighborhood groups and associations.
 - c. Provide public information through articles in the local newspaper and with cable TV public service announcements.
 - d. Work with unions, churches, businesses, new housing providers and other groups that might be mobilized to help support affordable and special needs housing developments.

<p>Outcome 1.2 Shared Responsibilities, Successful Partnerships and Commitments to Implement an Inter-Jurisdictional Strategic Action Plan for Housing</p> <p>Purpose: To identify shared responsibilities from all sectors within our community (government, business, neighborhoods, non-profits, etc.) and to implement an ongoing, multi-jurisdictional action plan to effectively address housing needs in all local government planning activities.</p>

“Best Practice” Policy Recommendations

- 1.2.1 **Shared Responsibilities.** Actively collaborate and establish effective, long-lasting partnerships and shared responsibilities from all sectors within the community to implement the housing element and to develop needed housing -- including government, businesses, community groups, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties.
- 1.2.2 **Cities and County Responsibilities.** Recognize the uniqueness of each jurisdiction in Marin County in developing jurisdictional-specific commitments and responsibilities to achieve housing goals coordinated within a countywide framework where possible.
- 1.2.3 **Community Responsibilities within Marin County.** Seek ways, unique to each community or neighborhood, to provide some additional housing in all neighborhoods as part of each neighborhood undertaking its “fair share” responsibility and commitment to achieve community-wide housing goals. For some neighborhoods this may include second units
- 1.2.4 **Inter-Jurisdictional Strategic Action Plan for Housing.** Provide a forum for the coordination, implementation and monitoring of countywide housing strategies among all jurisdictions in Marin County. Work toward implementing, whenever possible, agreed-upon “best practices”, shared responsibilities and common regulations to efficiently and effectively respond to housing needs.

1.2.5 **Coordination with Other Planning Activities.** Ensure affordable housing needs are a critical factor in budgeting, capital improvement programming, and all land use and transportation-related planning activities. Identify opportunities for new affordable housing to be built in preparing updates or amendments to general plans, specific plans, or rezonings.

1.2.6 **Legislative Efforts.** Support key legislative changes that will assist local jurisdictions in facilitating more affordable housing. Such legislation would include funding allocations for affordable housing and modifications to State law that would make it easier for jurisdictions to voluntarily share funding and credit for meeting fair share allocations.

Possible Housing Opportunities Within Established Neighborhoods

- ◆ Second units
- ◆ Live/work opportunities
- ◆ Creation of duplexes on corner lots
- ◆ Shared housing
- ◆ Infill lots well-situated to allow for smaller, appropriately designed multi-family housing
- ◆ Housing above or adjacent to neighborhood or other shopping areas
- ◆ Small transitional housing and other housing for special needs populations

“Tool Kit” of Implementing Actions

1.2-A **Collaborate to Implement an Inter-Jurisdictional Strategic Action Plan for Housing.** The Strategic Action Plan for Housing in Marin that will be considered with each jurisdiction’s housing element, should be reviewed by each jurisdiction, and adopted by the Countywide Planning Agency. The Strategic Action Plan program should be coordinated by the Marin County Affordable Housing Strategist and be available to assist participating cities and towns.

1.2-B **Undertake Coordinated Lobbying Efforts.** Identify and lobby for possible changes to State law (such as allowances for the County and Cities to voluntarily collaborate in funding and sharing allocations for housing developments in cities, similar to the special exception for Napa County) or other legislation that helps to most effectively implement local housing solutions and achieve housing goals.

Outcome 1.3	Equal Housing Opportunities
Purpose:	To promote equal housing opportunities for all persons and assure effective application of Fair Housing law.

“Best Practice” Policy Recommendations

1.3.1 **Equal Housing Opportunity.** Ensure equal housing opportunities for individuals and families seeking housing in Marin County are not discriminated against on the basis of race, color, religion, marital status, disability, age, sex, family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the Fair Housing Act..

1.3.2 **Eligibility Priorities for Deed Restricted Housing.** Provide for targeted marketing and advance notice of deed restricted units in new housing developments, to the extent consistent with applicable fair housing laws, to people working in the local area (including public employees) as a way to meet a portion of the local housing need, consistent with Association of Bay Area Governments (ABAG) Housing Need Determinations, and as a traffic mitigation measure.

“Tool Kit” of Implementing Actions

- 1.3-A **Document Efforts at Equal Housing Opportunity Loans.** Document efforts towards equal housing opportunity from savings and loans as part of the annual Community Reinvestment Act review, and work with relevant agencies to ensure that equal housing opportunities are being provided.
- 1.3-B **Adopt an Anti-Discrimination Ordinance.** Adopt an Anti-Discrimination Ordinance to prohibit discrimination based on the source of a person's income or the use of rental subsidies, including Section 8 and other rental programs.
- 1.3-C **Respond to Complaints.** Refer discrimination complaints to the appropriate legal service, county, or state agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint.
- 1.3-D **Undertake Actions to Prevent Discrimination.** Undertake activities to broaden local knowledge of fair housing laws, including Fair Housing in-service training, press releases, direct contact with interest groups, and posting of fair housing laws, contacts and phone numbers. Specific actions include:
- a. Provide written material at public locations and on the local jurisdiction's website.
 - b. Provide information to real estate professionals, property owners and tenants on their rights, responsibilities, and the resources available to address fair housing issues.
 - c. Work with local non-profit and service organizations to distribute information to the public.

Strategy 2

Maintain and Enhance Existing Housing and Blend Well-Designed New Housing into Existing Neighborhoods and Communities

Outcome 2.1
High Quality, Well-Designed and Sustainable Housing
Purpose:

To make sure we provide housing that is well-designed to enhance our neighborhoods and communities.

“Best Practice” Policy Recommendations

- 2.1.1 **Housing Design Process.** Review proposed new housing to achieve excellence in development design and result in an efficient process.
- 2.1.2 **Design that Fits into the Neighborhood Context.** Enhance neighborhood identity and sense of community by designing new housing to have a sensitive transition of scale and compatibility in form to the surrounding neighborhood.
- 2.1.3 **Housing Design Principles.** Provide stable, safe, and attractive neighborhoods through high quality architecture, site planning, and amenities that address the following principles:
- a. **Reduce the Perception of Building Bulk.** In multi-unit buildings, require designs that break up the perceived bulk and minimize the apparent height and size of new buildings, including the use of upper story stepbacks and landscaping. Ensure a human scale in new development and, when possible, create multi-family buildings that have the appearance of gracious single family homes. Windows and doors, for example, are an important element of building design and an indicator of overall building quality
 - b. **Recognize Existing Street Patterns.** Incorporate transitions in height and setbacks from adjacent properties to respect adjacent development character and privacy. Design new housing so that it relates to the existing street pattern and creates a sense of neighborliness with surrounding buildings.
 - c. **Enhance the “Sense of Place” by Incorporating Focal Areas.** Design new housing around natural and/or designed focal points, emphasized through direct pedestrian, transit or automobile connections. Respect existing landforms, paying attention to boundary areas and effects on adjacent properties.
 - d. **Minimize the Visual Impact of Parking and Garages.** Encourage driveways and garages to be located to the side of buildings and recessed, or along rear alleyways or below the building in some higher density developments. Discourage home designs in which garages dominate the public façade of the home.

- e. **Use Quality Building Materials.** Building materials should be high quality, long lasting, durable and energy efficient.

2.1.4 **Resource Conservation.** Promote development and construction standards that provide resource conservation by encouraging housing types and designs that use cost-effective energy conservation measures and fewer resources (water, electricity, etc.) and therefore cost less to operate over time, supporting long-term housing affordability for occupants.

2.1.5 **Renewable Energy Technologies.** Promote the use of renewable energy technologies (such as solar and wind) in new and rehabilitated housing when possible.

“Tool Kit” of Implementing Actions

2-1-A **Adopt Criteria for Use in Design Review.** Adopt ‘design guidelines’ or more general ‘design principles’ that will establish consistent development review criteria for use by applicants, the community, staff and decision-makers. The intent is not to create new barriers to housing, but to make the process more objective by including working definitions and criteria for community expectations in the design review process.

2.1-B **Clarify the Design Review Process.** Review and modify the Design Review Process to consider the following items:

- a. Define clearly the purview and purpose of “design review” issues, the process and decisions.
- b. Create a simple and streamlined process for non-controversial projects.
- c. Define neighborhood noticing requirements and identify ways to involve the community early on in the process. *(see Neighborhood Meetings Procedures)*
- d. Clarify which types of projects can have final (and exclusive) approval at the design level, either with a design review board or with staff, subject to adequate noticing and appeal procedures (such as second units, house additions, etc.).
- e. Provide public handouts and train planners and design review members on the design review process and criteria to be used in reviewing projects.

2.1-C **Consider Creating a Shared Architect or Designer Position.** In conjunction with the adoption of clear design review criteria and process (see Programs 2.2-A and 2.2-B), consider establishing a technically trained designer, possibly shared with other jurisdictions, to provide design review assistance to facilitate review of affordable housing applications.

2.1-D **Apply Title 24 Requirements.** Meet or exceed Title 24 energy conservation requirements, and, where possible, require structural and landscaping design to make use of natural heating and cooling.

Other Considerations in How New Housing Can be Linked with Neighborhood Identity

- ◆ Create gateways and landmarks that help to define neighborhoods and communities.
- ◆ Encourage the retention and creation of neighborhood-level services in order to reduce energy consumption and promote neighborhood identity.
- ◆ Take advantage of new development to create community gathering places and enhance the use of gathering places within walking distance of housing as a way to spark social interaction and create a greater sense of community.
- ◆ Design new housing developments so that they are functionally connected to adjacent neighborhoods, shopping areas, transit and other destinations with an emphasis on creating direct, attractive and safe pedestrian and bicycle connections.
- ◆ Create residential-friendly streets to increase walking provide for interaction.
- ◆ “Fit” within limits for infrastructure and services, and environmental systems.
- ◆ Promote traffic calming within neighborhoods as appropriate to slow traffic and make more walkable and safer neighborhoods.
- ◆ Provides specific benefits to the neighborhood (e.g., a trail , plaza, child care, community space)

- 2.1-E **Adopt Solar Design.** Promote the use of solar energy by adopting a “solar access ordinance” to assure solar access in all new development. Develop design standards relating to solar orientation, including landscaping, fences, impervious surfaces, and parking-space requirements to conserve energy.
- 2.1-F **“Green” Building Standards and Processes.** Adopt a “Green Building Program” to encourage the use of green building materials and energy conservation.

Outcome 2.2 Existing Affordable Housing is Maintained

Purpose: To protect and enhance the housing we have and ensure that existing affordable housing “at risk” of conversion to market rates will remain affordable.

“Best Practice” Policy Recommendations

- 2.2.1 **Rental Housing Conservation.** Regulate, to the extent permitted by law, conversion of rental developments to non-residential or bed and breakfast uses to protect and conserve the rental housing stock.
- 2.2.2 **Condominium Conversions.** Except for limited equity cooperatives and other innovative housing proposals which are affordable to lower income households, conserve rental housing by prohibiting conversions of rental developments to condominium ownership unless the vacancy rate for available rental units is more than 5%.
- 2.2.3 **Maintenance and Management of Quality Housing.** Support good management practices and the long-term maintenance and improvement of existing housing through housing and building code enforcement, and rehabilitation loan assistance for low and moderate income homeowners and rental property owners with lower income tenants. Make the most effective use of rehabilitation loan funds by prioritizing their use to meet the greatest need.
- 2.2.4 **Mobilehomes, Mobilehome Parks, and Manufactured Housing.** Protect mobilehomes, mobilehome parks, and manufactured housing as a source of affordable housing in Marin and work with residents, property owners, agencies and non-profit groups to seek ways to assist in the long-term affordability of this unique source of housing in Marin County.
- 2.2.5 **Protection of Existing Affordable Housing.** Ensure that affordable housing provided through government subsidy programs, incentives and deed restrictions will remain affordable, and intervene when necessary to help preserve such housing.

“Tool Kit” of Implementing Actions

- 2.2-A **Link Code Enforcement with Public Information Programs.** Implement housing, building and fire code enforcement to ensure compliance with basic health and safety building standards and provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding needed work.

- 2.2-B **Assist in Maximizing Use of Rehabilitation Loan Programs.** Publicize low-income homeowners assistance for housing rehabilitation and the availability of other funding mechanisms to help with home upkeep and maintenance, such as reverse mortgages for seniors on fixed incomes. Utilize Federal Community Development Block Grant (CDBG) funds, administered by Marin County, that are available for this purpose, or other sources of funding as available. Encourage rehabilitation loan and disaster assistance programs to the extent possible, given program funding criteria and local need. Facilitate greater participation in the program by increased advertising and by encouraging resident participation.
- 2.2-C **Protect “At Risk” Units.** Identify assisted properties at risk of conversion to market rates and work with the property owners and/or other parties to ensure that they are conserved as part of the county’s affordable housing stock. Identify funding sources and timelines for action.
- 2.2-D **Acquisition of Rental Housing.** Work with non-profit sponsors seeking to acquire and rehabilitate rental housing units in order to maintain ongoing affordability of the units. This will include, but not be limited to: (1) support necessary to obtain funding commitments from governmental programs and non-governmental grants; (2) assistance in permit processing; (3) possible waiver of fees; and (4) use of local funds if available.
- 2.2-E **Publicize Energy Conservation and Tenant Assistance Programs.** Provide public information on alternative energy technologies for residential developers, contractors and property owners. Publicize available services for tenants and refer tenants to Marin Mediation Services if problems exist. Publicize tenant assistance and energy conservation programs and weatherization services that are available to provide subsidized or at cost inspection and corrective action by making information available through websites and newsletters.
- 2.2-F **Establish Volunteer Efforts.** Contact community service clubs and organizations to determine their interest in establishing a volunteer labor-assistance housing improvement program for homeowners physically or financially unable to maintain their properties. Support programs such as ‘Christmas in April’ through financial assistance and/or volunteer work.
- 2.2-G **Review Condominium Conversion Ordinance.** Update the Condominium Conversion Ordinance to be consistent with housing element policy to eliminate allowances for conversion of rental units to condominiums unless the vacancy rate is high or there are special circumstance related to providing long-term, regulated affordable units.
- 2.2-H **Rental Mediation.** The local jurisdiction shall assist efforts to protect renters from unreasonable rental increases through a process of conciliation, mediation and fact-finding consistent with the legal requirements.

Strategy 3

Use Our Land Efficiently to Meet Housing Needs and to Implement 'Smart' and Sustainable Development Principles

Outcome 3.1

Closer Linkage Between Housing and Jobs

Purpose:

To promote closer linkages between creating housing nearby to where people work and to establish commercial, office, industrial and other non-residential use contributions for affordable 'workforce' housing.

"Best Practice" Policy Recommendations

- 3.1.1 **Housing for Local Workers.** Provide an adequate supply and variety of housing opportunities to meet the needs of Marin County's workforce and their families, striving for a match between housing types and affordability, and job salaries.
- 3.1.2 **Contributions for Housing from New Non-Residential Uses.** Consider local housing needs (i.e., population growth needs, employment needs and regional housing needs) when considering non-residential development proposals. Require commercial, office, industrial and institutional contributions for affordable housing, such as linkage "in-lieu" fees or provision of housing, or other alternatives of equal value.
- 3.1.3 **Employee Housing.** Work with employers developing larger projects (20+ employees) to ensure local housing opportunities for their employees and engage employers in finding ways to provide housing assistance as part of their employee package. In addition, developers of major projects in mixed use areas should be encouraged to consider and propose housing, if feasible.
- 3.1.4 **Live/Work Developments.** Establish flexibility in standards to provide opportunities for live/work developments, where housing can be provided for workers on-site or caretaker or other types of housing can be provided.

"Tool Kit" of Implementing Actions

- 3.1-A **Complete Commercial/Housing Nexus Study.** Complete a Nexus Study to determine appropriate and possible contributions for affordable housing from residential and non-residential uses, and to document the relationship between job growth and affordable housing needs of various types of development. The study should quantify the impact that development of employment and commercial centers have on increasing the demand for affordable housing and on depleting land that would otherwise be available for affordable housing development.

- 3.1-B **Adopt Job/Housing Linkage Fee Program.** Adopt a Jobs/Housing Linkage Fee Ordinance with consideration of the following exaction requirements:
 - a. Exaction requirements for dwelling units and/or in-lieu fees should be set according to empirically based evidence and must comply with all other legal tests.
 - b. The inclusion of affordable housing units within proposed hotels, multimedia centers, big box retail, office, other commercial, or industrial buildings if feasible (options may include housing on-site, off-site, subsidizing mortgages or rents, or paying an in-lieu fee for housing production), or
 - c. The payment into a Housing Trust Fund of in-lieu fees based on a dollar amount per square foot of office, commercial, and industrial building development.

Inclusionary Housing Fees for Non-Residential Development Projects Being Considered

The Town of Corte Madera has developed a draft ordinance requiring an inclusionary housing contribution for non-residential development projects involving either new construction or over 50% remodeling or reconstruction of existing buildings. Proposed fees are:

- a. Retail (\$1.25/square foot)
- b. Office and R&D (\$1.00/square foot)
- c. Warehouse (\$0.25/square foot)

Marin County and the cities of San Rafael and Novato have contracted with a consultant to prepare a nexus study to document the linkage between non-residential development and housing impacts, with the intent of developing a possible linkage fee.

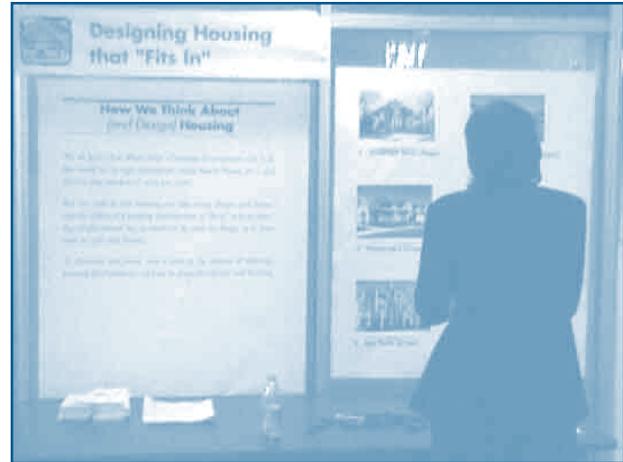
- 3.1-C **Require Jobs Impact Analysis.** Until such time as Jobs/Housing Linkage Fee Ordinances are adopted (see Program 3.3-B), analyze the impact of major non-residential development proposals on increased housing demand and require mitigation measures to provide better housing and jobs balance locally.
- 3.1-D **Identify Existing Employee Housing Opportunities.** Work with local school districts, public agencies, and existing businesses to seek opportunities for helping their employees find needed housing, such as purchasing or leasing larger facilities to provide local housing opportunities, mortgage buy-downs or subsidies, rent subsidies, etc. Obtain the commitment of other organizations, such as the Marin Board of Realtors to have their members encourage employers to address employee housing opportunities.
- 3.1-E **Provide for Live/Work Opportunities.** Update the Zoning Ordinance to review home occupation and caretaker provisions to ensure reasonable standards for home occupations and to create the possibility for live/work projects.

Outcome 3.2	A Diverse Population is Maintained Along With a Variety in the Supply of Housing and Efficiency in Its Use
Purpose:	To maintain a diverse population by providing a variety of choices in the type, size, cost and location of new housing or more efficient use of existing housing.

“Best Practice” Policy Recommendations

- 3.2.1 **Diversity of Population.** Maintain a diversity of age, social and economic backgrounds among residents throughout Marin County by matching housing size, types, tenure, and affordability to household needs.

- 3.2.2 **Variety of Housing Choices.** Achieve a mix of housing types, densities and designs, and utilize available funding programs to meet affordable housing needs and to provide choice in owner and renter housing, small and large units, single and multifamily housing, housing close to jobs and transit, mixed use housing, varying affordability levels, supportive living, Single Room Occupancy units (SRO's), shared living opportunities, co-housing, affordable assisted living and supportive housing, and other housing types.



'Open House' Station on the Density and Design of Housing

- 3.2.3 **Innovative and 'Non-Traditional' Forms of Housing.** Provide opportunities and facilitate innovative housing approaches in financing, design, construction and types of housing to increase the variety and supply of low and moderate income housing. Examples include: Co-housing, eco-housing, and other 'non-traditional' forms of housing; manufactured housing; new construction or rehabilitation self-help or "sweat equity" housing for first time low or moderate income homeowners; and cooperatives or joint ventures between owners, developers, and non-profit groups in the provision of affordable housing.
- 3.2.4 **Single-Room Occupancy Units (SRO) and Efficiency Apartments.** Establish opportunities for development of SRO's and efficiency apartments in appropriate locations as lower cost rental alternatives for single person households. SRO developments involving special needs populations should include service provision from appropriate agencies.
- 3.2.5 **Homesharing.** Provide ways to make house sharing, as tenants in common, a viable option to make efficient use of existing housing and as an alternative to building more housing in some areas. Apply established standards where they would provide housing for low and moderate income residents and will not significantly impact the neighborhood (parking, access, etc.).
- 3.2.6 **Conversion of Single Family Homes to Multi-Unit Dwellings.** Allow conversion of single family homes to multi-unit dwellings in limited circumstances ensuring that conversions are carried out in a manner consistent with the character and use of adjacent properties, and increase affordable housing options.

"Tool Kit" of Implementing Actions

- 3.2-A **Create Homesharing and Tenant Matching Opportunities.** Work with non-profit groups in implementing a homesharing/matching program for single family dwelling owners with excess space and potential renters as a means of efficiently using existing housing stock. Tasks would include:
- a. Study the need for single parent shared housing and determine whether there are constraints that could be removed without adversely affecting single family neighborhoods.
 - b. Identify potential owners, such as seniors who wish to remain in their home or new buyers who could afford single family homes with the extra income potential.

- c. Identify potential renters, such as tenants that do not have vehicles matched at locations which have limited parking available.
- d. Make zoning revisions that could assist “shared housing”, such as allowing a small meal preparation area in addition to a kitchen in order to facilitate home sharing opportunities, particularly in underutilized, large homes occupied by only 1 or 2 people.

3.2-B Zone and Provide Appropriate Standards for SRO Units. Review and revise zoning regulations to encourage additional Single Room Occupancy (SRO) units and efficiency apartments in multi family and mixed use areas. This review should include:

- a. Review and provide appropriate parking, development and management standards, and reduce per unit fees and other standards in recognition of the small size and low impacts of SRO units.
- b. Expand the types of SRO development that may be permitted (e.g., not strictly very low and low income).
- c. Consider zoning provisions to encourage SRO’s and “studio apartments” through the use of density bonus provisions, or other provisions that may equate SRO units or studio apartments on a 2 to 1 basis with 2 bedroom apartments.

3.2-C Amend Single Family Zoning Regulations. Evaluate amendments to single family residential zoning standards to achieve higher densities without dramatically changing the visual characteristics of the area or the area’s livability. Develop design guidelines and a guide for property owners explaining the conversion program and procedures. These amendments should focus on urbanized areas with services, and would include:

- a. Establish requirements to ensure that a single family home development on parcels that could be legally divided into two or more parcels is done in a matter that will not preclude future development at the minimum parcel size of the district.
- b. Allow, in limited circumstances, the conversion of single family homes to multiple units (duplexes, triplexes or fourplexes) if only minor modifications, such as additional entries, are made to the exterior of the structure, allowing for interior modifications.
- c. Reconsider land use designations for potential increases in single family densities and allowances, in limited circumstances, for multi-family uses.
- d. Allow additional well-designed duplexes, where parking can be accommodated in unobtrusive manner, in single family designations on corner lots that can allow this use or in new single family subdivisions.
- e. Allow density to be determined on a gross acre basis.



Maria B. Freitas Senior Housing

Outcome 3.3 Infill Housing Opportunities are Realized

Purpose: To promote creative and efficient use of vacant and redevelopment of built land, to provide units at more affordable prices, to support local transit and services, to maximize sustainability, and to help maintain our preeminent agricultural, environmental, open space, and agricultural resources.

“Best Practice” Policy Recommendations

- 3.3.1 **Retention of Multi-Family Sites at Medium and Higher Density.** Protect the supply and availability of multi-family housing sites for affordable and workforce housing through the following means:
- a. Do not redesignate or rezone residential land for other uses or to lower densities without redesignating or rezoning equivalent land for higher density multi-family development.
 - b. Establish minimum densities to be built to ensure that medium and higher density sites are not developed with lower density, detached single family housing unless it is certain that physical or environmental constraints will preclude its achievement.
 - c. If development on a site is to occur over time, ensure that the proposed development does not prevent subsequent development of the site to at least its minimum density.
 - d. Approve well-designed multi-family housing at least at the mid-to high-end of the density range of general plan densities (see also density bonus policy).
- 3.3.2 **General Plan and Zoning for New Multi Family Housing.** When undertaking general plan amendments or rezonings, strive to identify additional sites for multi-family land use for the development of affordable workforce and special needs housing where opportunities are available that will not dramatically change the visual characteristics or livability of an area. Such sites may include, but are not limited to:
- a. Land owned by other groups and governmental agencies (such as school districts).
 - b. Re-use of underutilized or non-viable commercial sites and, in limited circumstances, industrial sites, to encourage adaptive re-use of vacant buildings with residential or mixed residential and commercial uses.
 - c. Parking lots.
 - d. Residentially zoned sites where higher density is feasible or may be accommodated through lot consolidation.
 - e. A percentage of sites in single family neighborhoods to have duplexes or small multi-family uses.
- 3.3.3 **CEQA Exemptions and Expedited Review.** Consistent with CEQA Section 15332 (“Infill Development Projects”), seek opportunities for infill development within urbanized areas consistent with local general plan and zoning requirements that can be categorically exempt from CEQA review. In instances where CEQA Section 15332 would not apply, consider an area-wide Environmental Assessment or Program EIR assessing area-wide infrastructure and other potential “off-site” impacts to expedite the processing of subsequent affordable housing development proposals.

- 3.3.4 **Development Standards.** Allow for flexibility in applying development standard, such as FAR, Height limits, density, and parking, based on the location and design of the development, compatibility with adjacent uses, and the type, size, and income levels of the occupants of the housing, recognizing that smaller, more affordable housing near transit and services will generate fewer trips, area-wide impacts and will require less parking.

Residential Parking Controls Can Link Development to Neighborhood Parking Capacity

- ◆ When requested by neighborhoods, consider an ordinance allocating overnight and/or area parking permits
- ◆ Base permit requirements on a relationship of the number of legal on-street spaces within a defined area to the legal housing units.

“Tool Kit” of Implementing Actions

- 3.3-A **Prepare Land Use Plans to Facilitate Infill Housing.** In preparing general plans, specific plans, rezonings or a similar community visioning process, designate sites meeting appropriate criteria for higher density zoning. Land use plans should consider the following:
- a. Use the environmental assessments to expedite processing for infill and affordable housing developments.
 - b. For key housing opportunity sites/areas, identify specific housing use and design objectives, and then incorporate fast track process provisions for subsequent projects that are consistent with the plan.
 - c. Identify the mix of uses, minimum density standards, density bonuses, or a percentage of affordable units (sites should be rezoned at sufficient densities to create incentives for housing production within the 5-year timeframe of the housing element).
 - d. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.
 - e. Establish objectives and commitments in general plans and community/neighborhood plans so that project-specific review can focus on site-specific issues such as design.
 - f. Link plans to be consistent with Policy 3.3.3 for CEQA exemptions and expedited review, consistent with CEQA Section 15332.
 - g. Provide clear guidelines and incentives for the development of housing in conformance with current State laws and to identify specific ways to streamline processing for subsequent development proposals.
- 3.3-B **Amend Multi-Family General Plan Policies and Zoning Regulations.** Review and amend multi-family residential standards and procedures to enable infill and affordable multi-family housing sites that are consistent with the general plan and zoning to be developed and to be competitive for funding. Amendments include:
- a. Revise the Zoning Ordinance to list multi-family housing as a permitted use (not a conditional use) in multi-family zones, subject to design review and other routine development review and approval, but would not require a public hearing to receive a use permit.
 - b. Establish minimum density requirements for medium- and high-density residential and mixed use districts to assure that housing sites are not significantly underutilized.

- c. Revise lot coverage and floor area restrictions to accommodate reasonably sized units at all allowed density ranges.
- d. Establish General Plan multi-family density ranges of up to 40 units per acre where possible (e.g., where parks and other services would be adequate; and/or near transit stops and other services; and/or on key sites/areas already designated multi-family or mixed use).
- e. Encourage use of planned development zones to vary development standards to achieve higher densities, particularly where greater affordability can be achieved
- f. Allow density to be determined on a gross acre basis.
- h. Allow flexibility in some locations to increase the height limit for multi-family buildings when linked to good design.

Possible Ways to Link Housing to Increased Transit Use and Reduced Auto Usage

- ◆ Provide linkages between housing and shopping areas, transit and other destinations with an emphasis on creating direct, attractive and safe pedestrian and bicycle connections.
- ◆ Create pedestrian-friendly streets to increase walking and provide for interaction.
- ◆ Identify and implement ways to make transit a pleasant experience and provide for more expansion of public transit accessible to housing.
- ◆ Establish a program to provide transit passes to tenants in-lieu of requiring parking spaces at TOD sites.
- ◆ Implement a safe journey to school programs.
- ◆ Implement a “pilot” program to enable tenants of rental units to share vehicles, thereby reducing parking requirements.
- ◆ Allow for reduced rent in exchange for an agreement by the tenant not to own a car.

3.3-C **Encourage Transfer of Development Rights (TDR).** Consider actions to encourage Transfer of Development Rights (TDR) if it will result in the development of workforce or special needs affordable housing in appropriate locations.

3.3-D **Develop School Property for Housing.** Actively work with school districts and neighborhood groups to develop surplus or underdeveloped school property or portions of active schools for affordable housing for teachers and other school personnel. Establish an equitable selection process for school district employees if the district puts up the land and therefore has an equity interest in the housing development.

3.3-E **Review and Update Parking Standards.** Review and update parking standards based on the most up-to-date empirical studies to allow for more flexible parking requirements to help facilitate infill, transit-oriented and mixed use development. Consider the following:

- a. Reduced parking requirements for projects near transit.
- b. Shared parking for mixed use developments.
- c. Tandem parking.
- d. Off-site parking, such as on-street parking or use of public parking for satisfying all or a portion of the parking needs for new housing units, particularly for affordable housing.
- e. Establishing a landscape parking reserve that is designated for parking if needed in the future.
- f. Opportunities for underground parking or auto sharing.
- g. Instances where it may be appropriate to allow parking standards to be adjusted on a case-by-case basis, depending upon the location and characteristics of the development and its intended occupants.

Outcome 3.4 Transit-Oriented Housing is Developed

Purpose: To encourage development at maximum densities within an easy walking distance to transit access points — a station or location served by one or more transit lines — where reduced automobile usage and parking requirements are possible. Maximize the use of these limited land resource sites to reduce overall energy, land, water and other costs.

“Best Practice” Policy Recommendations

3.4.1 Transit-Oriented Development Density Bonus. Establish land use arrangements and densities that facilitate energy-efficient public transit systems. Provide the following incentives for developments within an easy walking distance of transit stops, where reduced automobile use and parking requirements are possible: (1) A density bonus (up to an additional 25% in excess of the General Plan maximum); (2) parking standards to be established on a case-by-case basis, depending upon the location and characteristics of the development; and (3) height limit bonuses on parts of TOD sites as appropriate if the design fits with other nearby uses and within the neighborhood context . The following criteria shall be met for a TOD:

- a. The site is within 0.25 mile distance of a transit route and services (i.e., downtowns, or retail centers where daily goods and services are provided such as markets, dry cleaners, pharmacies, and similar uses).
- b. Potential impacts are mitigated.
- c. Required inclusionary units are provided.
- d. The development provides an excellent, high quality design that fits with the surrounding neighborhood and incorporates attractive and usable common/open areas.
- e. The development allows for provision of transit improvements or service as appropriate and if feasible for the site.



The Clocktower

The Clocktower is a mixed use project constructed in downtown San Rafael at the corner of Fourth Street and Lincoln Avenue -- within a short walk of San Rafael’s Downtown Transit Center. The project includes 30 residential apartments, and 12,500 square feet of retail and office space.

3.4.2 Coordinate with MTC and Other Regional Transportation/Housing Activities. Coordinate with and facilitate housing development by using incentives and other means provided through regional transportation plans to encourage TOD.

The City approved a density bonus for the project to allow two additional residential units. As a result, five of the residential units (three low income and two moderate income) are below market rate units which will be required to remain affordable for a minimum of 40 years.

“Tool Kit” of Implementing Actions

- 3.4-A Establish Transit Oriented Development (TOD) Zoning Standards.** Establish standards and procedures in the Zoning Ordinance to promote Transit Oriented Development (TOD).
- 3.4-B Identify and Designate TOD Sites.** Identify and map potential TOD sites, and undertake general plan, rezoning and environmental review as necessary to facilitate their development.

Outcome 3.5	Housing is Mixed with Other Uses
Purpose:	To encourage housing in largely non-residential areas where residential use is appropriate to the setting and where mixed use projects can be encouraged to address jobs and housing needs.

“Best Practice” Policy Recommendations

- 3.5.1 **Mixed Use Housing.** Promote well-designed mixed use residential/non-residential developments where residential use is appropriate to the setting and development impacts can be mitigated. Provide the following incentives to achieve mixed use development:
- a. Allow for height limit bonuses, especially in downtowns.
 - b. Allow flexibility in applying development standards (FAR, lot coverage) based on the location, type, and size of the units, and the design of the development.
 - c. Encourage housing by allowing the residential component of a mixed use development to be ‘additive’ rather than within the established FAR for that zone.
 - d. Provide flexibility in applying parking standards based on the development’s location and the type and size of the housing units, such as SRO’s and efficiency apartments.
 - e. Allow commercial and residential users to ‘share’ their parking, resulting in a lower overall parking requirement.



1 H Street
This innovative project has 38 residential apartment units and 4,740 square feet of retail on the ground floor. The former Pacific Telephone building, circa 1920’s, was attractively rehabilitated in 1994 to become a key project in the area known as the “West End” of downtown San Rafael. A 45% density bonus was granted to the project for affordable housing based on 20 units being affordable to low (50-80% of median income) households for 40 years. In addition, the City relaxed its parking requirements to help make the project possible

- 3.5.2 **Redevelopment of Shopping Centers.** Promote the development of housing in conjunction with the redevelopment of shopping centers when it occurs.
- 3.5.3 **Live/Work Opportunities.** Provide for live/work opportunities and allow specifically designated “residential” uses as part of a non-residential development, such as a small workspace included as part of residential use or caretaker’s quarters on a non-residential site.

“Tool Kit” of Implementing Actions

- 3.5-A **Establish Mixed Use Development Standards.** Assess impediments and create incentives for mixed use housing development, including changes to zoning and development code standards to make possible affordable housing development in mixed-use zones. Establish standards applicable to mixed-use housing (either in non-residential zones or through mixed use overlay zoning) that consider the following:
- a. Second and third stories on buildings with commercial use at ground level and housing above.

- b. Reduced and shared parking based on the use mix.
- c. Reduced parking where sites are located within 0.25 mile of a public transit stop (see TOD policies).
- d. Allowances for tandem parking or off-site parking leases.
- e. Exemptions for residential uses against density or FAR limits in non-residential districts.
- f. Review Public Works, Building, Housing and Fire standards to reduce or eliminate disincentives to mixed use development where possible.

3.5-B **Prepare a “White Paper” on Mixed Use Housing Development Feasibility.** Investigate financing, market, management and development feasibility issues related to mixed use development. Identify ways in which government actions can make mixed use affordable and workforce housing more feasible.

3.5-C **Conduct a Survey of Potential Mixed Use Sites.** Conduct a survey of non-residential sites to identify sites that have the potential for mixed-use development or redevelopment, as follows:

- a. Site-selection efforts should be focused on areas located within the central business districts, commercial corridors and shopping centers, malls or village commercial areas.
- b. The planning agency should analyze current zoning and development standard constraints that limit mixed use development for each potential site identified as identified in 3.3-A.
- c. Develop criteria for site identification, such as proximity to transit, commercial services, compatible scale of surrounding development, lack of land use conflicts, and applicability of CEQA Section 15332 (“Infill Development Projects”).

Outcome 3.6 Long-Term Affordable Housing is Provided Which Meets the ABAG Housing Needs Determinations for Very Low, Low and Moderate Income Housing During the 1999-2006 Time Period

Purpose: To make available sites and incentives for the development of long-term affordable housing.

“Best Practice” Policy Recommendations

- 3.6.1 **Adequate Sites.** In recognition that not all sites that are available will be developed during the timeframe of the housing element, strive to maintain an adequate supply of land designated for all types of residential development in all jurisdictions to meet, and if possible exceed, the projected quantified housing need for the state-mandated timeframe of the Housing Element (1999-mid 2006). Each jurisdiction will also strive to maintain a sufficient supply of land for multi-family housing or will provide new housing through other means (such as second units) to meet the quantitative housing need for very low, low and moderate income housing units.
- 3.6.2 **Density Bonuses and Other Incentives for Affordable Housing Developments.** Support and expand the use of density bonuses and other incentives to help achieve housing goals while ensuring that potential impacts are considered and mitigated. Provide the following possible incentives for developments containing a significant percentage of very low or low income units on-site:

- a. **State Density Bonus Law.** Offer density bonuses of at least 25 percent and at least one other incentive consistent with the State Density Bonus Law (Government Code Section 65915), for developments that include at least: (a) 20 percent of the units for lower-income households; or (b) 10 percent of the units for very low income households; or (c) 50 percent of the units for senior citizens.
 - b. **Parking:** Sites within 0.25 mile of a transit stop shall be permitted up to a 30 percent reduction in parking required by current code, and tandem parking or off-site parking alternatives will also be considered.
 - c. **Relationship of Density to Floor Area, Height and Lot Coverage:** Provide flexibility in applying development standards (e.g. parking, floor area, setback, height standards), subject to the type of housing, size and unit mix, location and overall design. Additional density, beyond the maximum permitted, may be appropriate where units are significantly smaller and would have less impacts than the market norm. *(For example in a multiple residential zone where the norm is 1,200 square foot two bedroom units, two 600 square foot units may be permitted).*
 - d. **Facilitating Affordable Housing Development Review.** Affordable housing developments shall receive the highest priority and efforts will be made by staff and decision-makers to: (1) Provide technical assistance to potential affordable housing developers in processing requirements, including community involvement; (2) consider project funding and timing needs in the processing and review of the application; and (3) provide the fastest turnaround time possible in determining application completeness.
 - e. **Reduced Fees.** Waive or reduce fees on a sliding scale related to the levels of affordability, such as a rebate of all planning and building fees for affordable units based on the proportion of such units in the project.
 - f. **Coordination with Other Agencies.** Coordinate with service providers and other agencies as necessary to create opportunities for the development to be built.
 - g. **Use of Housing Trust Funds.** Use Housing Trust Funds as appropriate to achieve greater affordability.
- 3.6.3 **Long-Term Housing Affordability.** Establish resale controls and rent and income restrictions to ensure that affordable housing provided through incentives and as a condition of development approval remains affordable over time to the income group for which it is intended. Implement long-term or in perpetuity agreements and/or deed restrictions with developers to govern the affordability of such units. This assurance shall be provided through recorded agreements and monitoring their continuing affordability, or other equally effective means.
- 3.6.4 **“Designated” Affordable Housing Sites.** Given the diminishing availability of developable land, identify housing opportunity areas and sites where a special effort will be made through incentives and other means to provide affordable housing. As appropriate, specific sites will be designated where affordable housing will be required through zoning (through “affordable housing overlay” zoning) and provide incentives and other means to make that development happen.

“Tool Kit” of Implementing Actions

- 3.6-A **Enact Density Bonus Zoning and Other Incentives.** Amend the Zoning Ordinance to encourage an increase in the supply of well-designed housing for very low, low and moderate income households. Evaluate the following:
- a. Implementing a density bonus program, including establishing simplified density bonus provisions such as offering 2 bonus units for each unit affordable to low income (ownership) or very low income (rental).
 - b. Possible financially equivalent incentives, such as use of trust fund resources, expedited processing in every department, and waived or reduced fees and
 - c. Update fee schedules to reduce and/or defer fees to the extent possible for affordable housing, and encourage other agencies to also do so.
 - d. Establish “fast track” processing procedures, CEQA processing incentives, and other mechanisms to fit with funding requirements and to facilitate desirable affordable housing projects that have a significant portion of their total floor area to committed to housing. (See *also Strategy 5*)

- 3.6-B **Prepare a “White Paper” on Ways to Facilitate Smaller Affordable Housing Projects.** Prepare a study of options and opportunities for the development of smaller affordable housing projects, such as mixed use or small infill site development. Work with non-profits in exploring management “best practices”, funding and other feasibility issues for smaller developments.

- 3.6-C **Conduct a Detailed Affordable Housing Sites Feasibility Study.** Initiate a Housing Sites study which, in part, shall review whether any surplus or potentially surplus public or quasi-public lands are appropriate for residential and mixed use development, especially for workforce affordable housing. Establish a broad-based advisory committee and work with neighborhood groups to evaluate sites for their fitness as sites for affordable housing. Issues to be investigated include:
- a. Financial feasibility.
 - b. Detailed planning, environmental review, and appropriate zoning.
 - c. Site characteristics (access to public services and amenities, potential environmental issues, adjacent land uses, etc.).

Possible Possible Factors in Selecting Housing Opportunity Areas or Sites

- ◆ Potential to deliver sales or rental units at very low or low prices or rents.
- ◆ Potential to meet special housing needs for local workers, single parents, seniors, small families or large families.
- ◆ Ownership or special development review opportunities to facilitate provision of affordable housing units.
- ◆ Public funding opportunities exist.
- ◆ The site will be competitive for tax-exempt bond or tax credit financing or other subsidy programs, including the site’s potential density.
- ◆ Adequate vehicular and pedestrian access.
- ◆ Convenient access to transit.
- ◆ Convenient access to neighborhood services and facilities.
- ◆ Neighborhood recreation facilities exist nearby or can be designed on site.
- ◆ Cost effective mitigation of physical site constraints (including geologic hazards, flooding, drainage, soils constraints, etc.).
- ◆ Cost effective provision of adequate services and utilities to the site.
- ◆ Ability to meet applicable noise requirements.
- ◆ Sufficient site size to provide adequate parking (although parking requirements should be flexible based on the needs of the project’s prospective residents).

- 3.6-D **Develop an “Affordable Housing Overlay Zone” Zoning Designation.** Establish an affordable housing zoning overlay ordinance that lists particular sites on which residential densities will be substantially increased if a specified level of affordability is achieved. The “Affordable Housing Overlay Zone” should consider enactment of two parts: (1) “exclusive affordable housing zone”—where affordable housing will be required to be built (this procedure encourages for-profit/non-profit/public partnerships able to access public financing for maximum affordability and quality); and (2) for other areas where use of the “Affordable Housing Overlay Zone” is an option for properties, such as areas where lot consolidation and construction of smaller complexes will be encouraged. Specific considerations in developing the overlay zone include:
- a. The jurisdiction will work with property owners and non-profit housing sponsors to identify ways in which incentives can be provided for affordable housing to be constructed, including use of local funding sources.
 - b. To qualify for the benefits of the overlay zone, proposals should be required to include a minimum of 20 percent very low, 20 percent low and 20 percent moderate income housing units. Above moderate income market rate units should not exceed 40 percent of the total number of units with moderate income rental units counting as market rate units.
 - c. Affordable ownership and rental units shall be deed-restricted for a period of not less than 55 years to ensure affordable resale and rents.
 - d. Permit by-right multi-family residential development.
 - e. Allow multifamily development of commercial sites.
 - f. Waive some or all local fees.
 - g. Target a percentage of units for special needs populations.
 - h. Provide flexibility in applying development standards (e.g. parking, setback, height), subject to type of housing, size and unit mix, location and overall design review (including a public hearing).
- 3.6-E **Identify Sites for “Affordable Housing Overlay Zoning” Designation.** Undertake a study and designate, as appropriate, sites for the “Affordable Housing Overlay Zone” designation. Where possible, the CEQA analysis prepared for the “Affordable Housing Overlay Zone” will be adequate to support project-level development of identified sites without additional analysis. The Housing Assistance Team (HAT) may conduct a feasibility analysis of the site before the zoning process is initiated.
- 3.6-F **Facilitate Development at Key Housing Opportunity Sites.** Undertake a General Plan Amendment, Rezoning and other implementing actions to facilitate the construction of affordable housing at key sites to meet the jurisdiction’s “fair share” of the regional housing need for lower income households. Ensure that local affordable housing developments will be competitively positioned to access affordable housing finance sources (such as tax credits and tax-exempt bonds) Facilitate the development of affordable housing by using funds to assist in any on-and off-site mitigation that may be required.
- 3.6-G **Expedite Environmental Review for Designated Housing Opportunity Sites.** Identify and follow through on ways to expedite CEQA review, including use of mitigated Negative Declarations and use by the local jurisdiction of area-wide or specific plan EIR’s to assess potential impacts and mitigation measures. Specific actions include:
- a. Conduct environmental review and, as appropriate, prepare an EIR for general plan amendments and rezonings for identified key sites.
 - b. Specify appropriate densities, design guidelines and development standards to avoid known potential environmental impacts or to mitigate potential impacts.

Outcome 3.7	Effective Residential Inclusionary Housing Requirements are Established
Purpose:	To strengthen residential inclusionary requirements and incentives to require affordable housing as part of market rate projects.

“Best Practice” Policy Recommendations

- 3.7.1 **Inclusionary Housing Approach.** To increase workforce affordable housing construction, require residential developments involving three or more units to provide a percentage of units affordable to very low, low and moderate income households. The units provided through this policy are intended for permanent occupancy and must be deed restricted, including but not limited to single family housing, multi-family housing, condominiums, townhouses, locally approved licensed care facilities, stock cooperatives or land subdivisions.
- 3.7.2 **Income Levels.** Inclusionary zoning requirements will target very low or low income rental units and low or moderate income ownership units.
- 3.7.3 **Options for Meeting Inclusionary Requirements.** The primary intent of the inclusionary requirement is the construction of new units on-site, with the focus being multi-family housing developments with deed restrictions to support long periods of affordability. The second priorities for meeting inclusionary requirements shall be the construction of units off-site or the transfer of land and sufficient cash to develop the number of affordable units required within the same community or planning area. If these options are not practical, then other alternatives of equal value such as in-lieu fees or rehabilitation of existing units may be considered.

**Excerpt from the Town of Corte Madera
Draft Inclusionary Zoning Ordinance**

“Inclusionary housing requirements for residential development projects. The following regulations shall apply in all residential districts and in other districts where residential uses are allowed:

(A) Development projects that include from between 1 to 9 total dwelling units shall provide an affordable dwelling unit for one low-income household. The affordable dwelling unit is encouraged on-site, but may be provided off-site with the approval of the town. As an alternative, the project applicant can pay an in-lieu fee, paid to the Affordable Housing Fund, for housing to be provided elsewhere in the town. The amount of the in-lieu fee shall be based on the difference between the cost of constructing the affordable dwelling unit and what a low-income family of three can afford. The calculation shall be determined as follows:

- (i) For purposes of the calculation, the size of the required affordable dwelling unit is established at 1,200 square feet and the cost of construction is assumed to be \$125 per square foot. The cost of construction may be updated annually, by resolution of the town council, based on actual cost data.
- (ii) The amount that the low-income household can afford is the sum of 22 times 65 percent of the median household income, adjusted for a family of three, as updated annually by the U.S. Department of Housing and Urban Development for Marin County.
- (iii) The difference between the results of the calculations in Sections (i) and (ii) above is the in-lieu fee for a development of 9 total units. The in-lieu fee for each unit in a development of from 1 to 8 units is 11 percent of the fee calculated for 9 units.

(B) Development projects that include 10 or more total dwelling units shall provide the following affordable housing. In-lieu fee contributions to the Affordable Housing Fund are not allowed as a substitute for providing dwelling units. If the results of the following calculations are less than 0.5 the number shall be rounded off to the next lower number, and if the results are 0.5 or greater the number shall be rounded off to the next higher number. The following number of units shall be provided:

- (i) 5 percent of units for very low-income households;
- (ii) 10 percent of units for low-income households; and
- (iii) 10 percent of units for moderate income households.”

- 3.7.4 **Long-Term Affordability of the Units.** Inclusionary units shall be deed-restricted to maintain affordability on resale to the maximum extent possible (typically in perpetuity or at least 55 years).
- 3.7.5 **Payment of “In-Lieu” Fees.** Payment of in-lieu fees will only be accepted when it is determined that transfer of land and/or dedication of units would provide fewer affordable housing units than could be obtained by the expenditure of “in-lieu” fees on affordable housing development within the planning area. Fees will be calculated on the basis of the cost for unit development (land and improvements).

“Tool Kit” of Implementing Actions

- 3.7-A **Link to Funding Resources.** Establish specific uses of housing funds and/or land donations generated through the inclusionary housing program.
- 3.7-B **Establish Inclusionary Housing Regulations.** Amend the Zoning Ordinance to include Inclusionary Housing requirements for residential projects, including development of specific income targets and “in-lieu” fee formula. Guidelines for development of an inclusionary program need to meet specific legal tests, but could include:
- a. Establishment of an in-lieu fee for residential projects involving 3 to 6 units.
 - b. All residential projects of 7 to 12 units will be required to provide units at a rate of 15 to 20 percent affordable.
 - c. All residential projects of 12 or more units will be required to provide units at a rate of at least 20 to 25 percent affordable.
 - d. Some flexibility is desirable in implementing this program, depending on the size of units (number of bedrooms), affordability, and consideration of very low, low and moderate income housing need.
 - e. Apply inclusionary requirements to licensed care facilities.
 - f. Payment of in-lieu fees, or for fractional unit requirement, shall be at a rate adequate to create the affordable units off-site.
- 3.7-C **Work with the Marin Housing Authority.** Continue to negotiate agreements with the Marin Housing Authority (MHA) for management of the affordable housing stock in order to ensure permanent affordability, and implement resale and rental regulations for low and moderate income units and assure that these units remain at an affordable price level.
- 3.7-D **Prepare a “White Paper” on Rental Units.** Study options for rental inclusionary housing, including rent levels and ways to monitor long-term affordability of the units.

Outcome 3.8 Additional Second Units are Constructed

Purpose: To encourage well-designed, legal second units in all residential neighborhoods applying reasonable parking and street capacity standards.

“Best Practice” Policy Recommendations

- 3.8.1 **New Second Units Approach.** Enable construction of well-designed second units in both new and existing residential neighborhoods, consistent with parking and street capacity, as an important way to provide workforce and special needs housing.
- 3.8.2 **Second Unit Development Standards and Permit Process.** Utilize the following approach for second unit development standards and processing:
- a. Limit the size of second units to maintain affordability.
 - b. Require design review rather than a use permit process for units that meet required standards and guidelines.
 - c. Provide for a low cost design review process that will enable approval of second unit applications, with proper noticing, at the staff level (such as Zoning Administrator review).
 - d. Reduce per unit fees in recognition of the small size and low impacts of second units.
 - e. Allow higher height limits, in limited circumstances and consistent with design policies, to permit units over detached garages, or under garages in hilly areas.
 - f. Provide flexibility in the parking standards for second units depending on the neighborhood setting.
(Note: In neighborhoods where streets are narrow and parking is limited, parking on site should be required. However, if a neighborhood has wider streets with street parking readily available, there should be flexibility in allowing street parking, possibly by permit, to meet the second unit parking requirements).
 - g. Allow for attractively designed and sited detached second units.
 - h. Require owner occupancy of either one of the units.
- 3.8.3 **Second Units in New Development.** Require some second units and occasional duplexes as part of new single family subdivision development where four or more new units are proposed.
- 3.8.4 **Second Unit Affordability.** When local funding is used to assist in the construction of a second unit, require use agreements as a condition of approval to ensure that second unit rents are affordable to lower income persons.
- 3.8.5 **Legalization of Existing Second Units.** Establish an amnesty program for illegal second units which provides a period of time for owners of un-permitted units to register their units and make them legal. In exchange for the property owner meeting specified health and safety standards, there should be assurances of the continued affordability of the unit, such as agreement to accept Section 8 or other mechanisms to assure affordability to low income households.

“Tool Kit” of Implementing Actions

- 3.8-A **Modify Second Unit Development Standards and Permit Process.** Below are specific items to review and modify in regard to second unit development requirements:
- a. Establish second units as a permitted “use by right” when the single family lot, primary structure and second unit meet all of the zoning and building development standards established for the zoning district in which they are located, and adequate traffic safety and parking is available. Second units approved “by right” should be limited in size to a maximum of 750 square feet in floor area.
 - b. Establish the following procedures for second unit applications: (1) Require design review for second units that meet performance standards and design guidelines, and allow processing of the application at the staff level; (2) assure adequate noticing and early neighborhood involvement in the process; and (3) remove requirements that second units obtain a Use Permit.
 - c. Allow detached units over garages or separate cottages should be permitted if they are attractively designed and sited and are consistent with property development standards for the district in which they are located.
 - d. Restrict Bed and Breakfast second units.
 - e. Local governments should review parking requirements and impact fees to encourage the creation of second units and reduce constraints. Fee waivers should be used when a second unit will provide long-term very low or low income housing. Off-site, reduced or tandem parking should be considered within one-quarter mile of a transit route.
- 3.8-B **Establish a Clearinghouse for Second-Unit Technical Advice.** Provide as part of the Housing Assistance Team (HAT) staffing expertise with knowledge of all of the local agency second unit zoning rules, permit process, design requirements, building codes, financing opportunities and agreement documents. Help to ensure that second units provide high quality design that fit with the surrounding neighborhood and addresses concerns such as off-street parking and noise by developing “best practices” for providing technical assistance and technical advice, low-interest loans (tied to term of loan and affordability), fee waivers, a floor area bonus, and other incentives to encourage well-designed second units that meet standards. Specific items include:
- a. Evaluate development standards to eliminate obstacles to second unit creation.
 - b. Evaluate fees for second units considering their small size, including possible waiving of fees for second units that are deed restricted or use Section 8.
 - c. Develop criteria for reviewing proposals and provide advice on obtaining access to CDBG loans and other funds for assisting homeowners with second unit development financing. Opportunities should also be explored for low- or no-interest financing available to homeowners to bring second units up to code, in exchange for their agreement to keep rents affordable to project based Section 8 or households earning between 60-80 percent of median income for an appropriate term of years.

- d. Develop design principles and guidance for homeowners in fitting a second unit into a neighborhood.
 - e. Monitor rents and establish of procedures for creating rental agreements, such as when Section 8 certificates are used.
(Note: This could include a Certificate of Registration provided to the property owner by the local agency, with annual requirement to report rent amount, and procedures where prior to issuance of the Certificate of Registration, the local agency should require a final building inspection, approval to occupy the second dwelling unit, and proof of recordation of a property deed restriction limiting rent of the unit to affordable rates).
 - f. Preparation of material for owners of “use by right” second units regarding non-discrimination against tenants based on their use or proposed use of a rental subsidy, such as Section 8. *See also policies on “Equal Housing Opportunities”*
 - g. Review of parking requirements and options.
 - h. Evaluation with fire department staff of current whole house sprinkler requirements for attached second units.
 - i. Development of standards and procedures for legalizing unpermitted second units.
- 3.8-C **Consider a Multi-Jurisdiction “One-Stop Shop” for Second-Unit Permits.** On an as needed basis, develop a means for standardized second unit permit application materials, regulations and processing in a “one stop” permit center that could serve multiple jurisdictions.
- 3.8-D **Provide Information for Homeowners.** Provide marketing and educational assistance to homeowners and develop a guide for homeowners explaining the benefits, “best practices” and procedures for adding a second unit.
- 3.8-E **Establish an Amnesty Program for Un-Permitted Second Units.** Establish an amnesty program for unpermitted second units in order to increase the legal housing stock while assurances are made of continued affordability of the unit as low income housing. The jurisdiction may provide a period of time when owners of illegal units can register their units and make them legal without incurring fines, along with assurances of long-term affordability of the unit.

*Strategy 4***Provide Housing for Special Needs Populations****Outcome 4.1****Shelter Needs of Special Needs Individuals and Families are Addressed****Purpose:**

To provide housing for population groups who require special assistance (special needs include: Homeless persons; people with disabilities; the elderly; people with serious illnesses, substance abuse or mental health issues; large families; female-headed households; farmworkers; and other persons identified as having special housing needs in a particular community).

“Best Practice” Policy Recommendations

- 4.1.1 **Special Needs Groups.** Actively promote the development and rehabilitation of housing to meet the needs of special needs groups, including the needs of seniors, people living with disabilities, farmworkers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, large families, and other persons identified as having special housing needs in a particular community.
- 4.1.2 **Provision of Affordable Housing for Special Needs Households.** Provide opportunities through affordable housing programs for a variety of affordable housing to be constructed or acquired for special needs groups, including assisted housing and licensed board and care facilities. Specific types of housing include:
- a. Smaller, affordable residential units, especially for lower income single-person households.
 - b. Affordable senior housing to meet the expected needs of an aging population, including assisted housing and board and care (licensed facilities).
 - c. Affordable units with three or more bedrooms for large family households.
 - d. Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24 Accessibility Regulations for new and rehabilitation projects).
- 4.1.3 **Density Bonuses for Special Needs Housing.** Use density bonuses to assist in meeting special housing needs housing for lower income elderly and disabled, consistent with roadway capacity and considering parking needs and neighborhood scale. Senior care facilities, including residential care facilities serving more than 6 people, shall be treated as residential use subject to inclusionary housing requirements.
- 4.1.4 **Group Residential Care Facilities.** Support the provision of residential care facilities for special needs persons provided they are based on suitable standards and help meet needs. Allow small facilities in all residential areas, while larger facilities should be permitted by use permit in multi-family, commercial and mixed use districts where the use would be compatible with the surrounding area.

- 4.1.5 **Family Housing Amenities.** Ensure that adequate provisions are made in new developments for families with children, including consideration of amenities such as tot lots, play yards, and child care.
- 4.1.6 **Favor Non-Age Restricted Market Rate Housing.** Given the limited supply of available land, and in recognition of the difficulty in converting senior-only projects to unrestricted residential projects due to lack of parking should market demand change, allow only a limited number, if any, of market rate senior-only projects in order to preserve affordable housing opportunities for other need groups and to maintain a diversified population base.
- 4.1.7 **Housing for the Homeless.** In recognition that there is a lack of resources to set up completely separate systems of care for different groups of people, including homeless-specific services for the homeless or people “at risk” of becoming homeless, develop a fully integrated approach for the broader low-income population. Provide opportunities for mainstream systems to reach out to homeless people and work closely with homeless programs. Support countywide programs to provide for a continuum of care for the homeless including emergency shelter, transitional housing, supportive housing and permanent housing.
- 4.1.8 **Farmworker and Ranch Hand Housing.** Support efforts to meet temporary or permanent affordable farmworker and ranch hand housing by engaging the community in developing appropriate solutions to providing housing assistance.

“Tool Kit” of Implementing Actions

- 4.1-A **Emergency Housing Assistance.** Participate and allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related counseling services.
- 4.1-B **Establish Zoning for Emergency Shelters and Transitional Housing Facilities.** Define ‘emergency shelters’ and ‘transitional housing facilities’ in the Zoning Ordinance.
- 4.1-C **Modify Residential Care Facility Zoning.** Modify Residential Care Facility (RCF) zoning to establish care facilities as a residential use as compared to a commercial use. Apply inclusionary requirements to all licensed facilities. The zoning ordinance shall be amended to permit group residential in appropriate zoning designations per the general plan, review of parking standards, and review of other requirements for these uses.
- 4.1-D **Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities.** Encourage positive relations between neighborhoods and providers of emergency shelters and residential care facilities. Providers or sponsors of emergency shelters, transitional housing programs and community care facilities shall be encouraged to establish outreach programs with their neighborhoods. The following could be considered:
 - a. It is recommended that a staff person from the provider agency be designated as a contact person (and their phone number posted) with the community to respond to questions or comments from the neighborhood.
 - b. Outreach programs could designate a member of the local neighborhood to their Board of Directors.
 - c. Neighbors of emergency shelters, transitional housing programs, and community care facilities should be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.

- 4.1-E **Revise Zoning Regulations for Farmworker and Ranch Hand Housing.** Facilitate the approval of Farmworker and Ranch Hand housing by expanding where it is allowed, clarifying applicable zoning regulations, and allowing this type of housing without rezoning.
- 4.1-F **Require Market Rate Senior Housing Analysis.** Require a market analysis when new market rate senior projects are proposed to identify the ability of these projects to meet local area needs. Consider action or policy to discourage such projects when they are not responsive to local needs, and as an alternative, emphasize workforce and family based housing.
- 4.1-G **First Time Homebuyer Programs.** Operate and expand first time homebuyer programs as funding is available and combine such programs with housing counseling programs.
- 4.1-H **Government Employees Housing.** Identify opportunities for local government employees to find housing locally through such efforts as construction of workforce housing at public facilities or parking lots, or subsidizing mortgages or rents.

Outcome 4.2	Efficient and Effective Support Programs for Special Needs Populations
Purpose:	To provide very low income housing for special needs and to link housing to health and human services programs helping meet the needs of seniors, people with disabilities, homeless and others.

“Best Practice” Policy Recommendations

- 4.2.1 **Rental Assistance Programs.** Continue to publicize and create opportunities for using available rental assistance programs, such as the project-based and tenant-based Section 8 certificates programs, in coordination with the Marin Housing Authority (MHA). Continue to support the use of Marin Community Foundation funds for affordable housing and continue to participate in the Rebate for Marin Renters program administered through the Marin Housing Authority (MHA).
- 4.2.2 **Health and Human Services Programs Linkages.** Link together all services serving lower income people to provide the most effective response to homeless or “at risk” individuals by providing a highly responsive set of programs corresponding to the unique needs of all subpopulations which make up the County’s homeless population, including adults, families, youth, seniors, and those with mental disabilities, substance abuse problems, HIV/AIDS, physical and developmental disabilities, multiple diagnoses, veterans, victims of domestic violence, farmworkers, and other economically challenged or underemployed workers.

The Importance of Section 8 in Providing Housing for Seniors and Disabled Persons

- ◆ *What is Section 8?* Section 8 is a rental assistance program for qualifying very low income households (those earning less than 50% of the County median income).
- ◆ During 1999, 1,835 households were provided Section 8 rental assistance.
- ◆ With the **Tenant-Based** Section 8 voucher system the householder is provided rental assistance when they find qualified housing. **Project-Based** Section 8 is tied to a specific development.

“Tool Kit” of Implementing Actions

- 4.2-A **Assist in the Effective Use of Available Rental Assistance Programs.** Develop and implement measures to make full use of available rental assistance programs. Actions will include:
- a. Requiring that owners of new apartment units accept Section 8 certificates.
 - b. Maintain descriptions of current programs and contacts to hand out to interested persons.
 - c. Provide funding support, as appropriate.
 - d. Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.
- 4.2-B **Engage in a Countywide Efforts to Address Homeless Needs.** Actively engage with other jurisdictions in Marin to provide additional housing and other options for the homeless, supporting and implementing *Continuum of Care* actions in response to the needs of homeless families and individuals. The strategy to carry out the vision of ending homelessness and meeting the needs of all homeless people involves development of a community-based, interactive, culturally sensitive *Continuum of Care* system that:
- a. Prevents homelessness before it starts
 - b. Provides outreach, engagement, and information and referral to those living out of doors;
 - c. Furnishes emergency shelter and services for those in crises;
 - d. Makes transitional housing and services available to those who will benefit from time to develop self-sufficiency;
 - e. Provides permanent supportive housing to homeless people facing serious chronic disabilities;
 - f. Responds to special needs of all homeless populations.

Strategy 5

Build Local Government Institutional Capacity and Monitor Accomplishments to Respond to Housing Needs Effectively Over Time

Outcome 5.1 Additional Leveraged Funding and Other Resources are Provided

Purpose: To be aggressive and creative in finding ways to increase ongoing local funding resources for lower income special needs housing.

"Best Practice" Policy Recommendations

- 5.1.1 **Local Funding for Affordable Housing.** Be aggressive and creative in finding ways to reduce housing costs for lower income workers and people with special needs. Continue to utilize local, state and federal assistance to the fullest extent possible to achieve housing goals and increase ongoing local resources to provide for affordable housing. This would include efforts to:
- Promote residential opportunities in a community's redevelopment area, as appropriate, through the unique powers of the local Redevelopment Agency.
 - Provide technical and financial resources to support development of affordable housing in the community, especially housing that meets the needs of the local workforce, people with special housing needs, and people with moderate, low and very low incomes.
 - Partner with the philanthropic organizations to help finance affordable housing developments and continue to participate in other rental assistance programs.
 - Work with affordable housing developers in obtaining mortgage revenue bonds and/or mortgage credit certificates, thereby promoting homeownership and rental housing opportunities for moderate and lower income households.
- 5.1.2 **Coordination Among Projects Seeking Funding.** Ensure access to, and the most effective use of, available funding in Marin County by providing a mechanism for coordination among affordable housing developments when they seek funding from various sources.
- 5.1.3 **Housing Trust Fund.** Establish a Housing Trust Fund for the purpose of creating a permanent source of funds for affordable housing.
- 5.1.4 **Land Acquisition and Land Banking.** Give priority to Housing Authority, Redevelopment Agency and/or local jurisdiction land acquisition/ land banking for future affordable projects as a way to assist development of affordable projects.

"Tool Kit" of Implementing Actions

- 5.1-A **Establish a Housing Trust Fund Ordinance and Operating Procedures.** Adopt a Housing Trust Fund Ordinance, specifying that monies paid into the fund will be used to develop or rehabilitate units affordable to very-low and low-income households. Explore other streams of financing to add to or match these funds, and establish administrative guidelines for land

acquisition for affordable housing; capital improvements for affordable housing developments; and other implementation actions.

- 5.1-B **Seek Additional Local Sources of Funding.** Develop permanent local sources of funding to support affordable housing, including:
- a. In-lieu fee payments under inclusionary requirements (residential and non-residential developments).
 - b. Voluntary donations.
 - c. Increase in the Transient Occupancy Tax (as an alternative, increased revenue from the increase in the number of transient occupancy rooms could be used to support affordable housing).
 - d. Establish a Real Estate Transfer Tax with money to go to the Housing Trust Fund.

- 5.1-C **Utilize Redevelopment Agency Powers.** Utilize the unique powers of redevelopment to reduce development costs and expedite the construction or rehabilitation of low and moderate income housing and by using housing set-aside funds for such actions as combining parcels, writing down land costs, and assisting with low-interest financing.

- 5.1-D **Designate Staff to Develop Local Funding Sources.** Specify that in the next year staff will work with community and elected leaders to identify potential revenue sources, establish funding criteria, and develop administrative procedures for developing and implementing local sources of funding (enhanced by other sources where possible) to support local affordable housing initiatives.

- 5.1-E **Coordinate Funding Among Development Proposals.** Recognizing that limited resources are available from the State and other sources, and accessing such resources is highly competitive, jurisdictions in Marin County will establish administrative procedures to ensure adequate coordination between jurisdictions and development proposals on their various housing activities and funding proposals, ensuring that local projects are competitive for outside funding sources and resources are used in the most effective manner possible. Potential sources of funding include, but are not limited to:
- a. CDBG/HOME.
 - b. Marin Community Foundation.
 - c. Applications for mortgage revenue bonds and/or mortgage credit certificates.
 - d. Housing Trust Fund.
 - e. Tax Credit Allocation.

Important Information for Judging the Merits of Proposed Developments for Funding

- ◆ How many units will be produced?
- ◆ What is the cost per unit?
- ◆ What are the predevelopment costs?
- ◆ What are the process barriers?
- ◆ Will it result in significant environmental impacts?
- ◆ Is there community support?
- ◆ Is the development targeting the highest need population and lowest income eligible?
- ◆ Is the project well-designed and does it fit into the neighborhood?
- ◆ Is the development close to transit?
- ◆ Will the units be rented or owned?
- ◆ Is the development mixed income?
- ◆ Are there more than two funding sources?
- ◆ Is there service provision for special needs populations and an agreement to provide service?
- ◆ Will it meet projected timelines?
- ◆ What is the organizations capabilities and track-record to demonstrate the ability to accomplish the development?
- ◆ Is there a track-record with the proposed population to be served?
- ◆ Is there political support for the development?
- ◆ Will the project be competitive for obtaining funding?

Outcome 5.2 Local Government Effectiveness in Achieving Housing Goals is Increased and Ongoing, Regular Monitoring and Updating of the Housing Element and Inter-Jurisdictional Strategic Action Plan for Housing Occurs

Purpose: To take a proactive approach in sharing resources and making organizational changes to effectively create and respond to opportunities to achieve housing goals.

To establish standardized methods (procedures, definitions, responsibilities, etc.) for the effective and efficient management of housing data among all jurisdictions in Marin and to establish a regular monitoring and policy/actions/priorities update process to assess needs achievements on an ongoing basis, and to effectively respond to changing conditions and the changing needs of the population over time. Respond to new Census and other data and projections as they become available.

“Best Practices” Policy Recommendations

- 5.2.1 **Organizational Effectiveness.** In recognition that there are limited resources available to local government to achieve housing goals, seek ways to organize and allocate staffing resources effectively and efficiently to implement the programs of the housing element. Opportunities to enhance local governmental capabilities in Marin County focus primarily on ways to supplement already low staffing levels. They include:
- a. Sharing or pooling resources and coordinating tasks among multiple jurisdictions in implementing common housing programs.
 - b. Creation of a countywide Housing Assistance Team (HAT) to provide technical expertise to staff in working with affordable housing developments and implementing programs.
 - c. Identification of information resources.
 - d. Establishment, where possible, of “best practices” and common rules, regulations and requirements as they relate to housing.
 - e. Enhancing relationships and partnerships with non-profit service providers.
- 5.2.2 **Housing Data Standards.** Establish standardized methods (procedures, definitions, responsibilities, etc.) linked to housing programs to enable the effective and efficient management of housing data among all jurisdictions in Marin County. Specific aspects to consider in developing data standards include:
- a. Establishment of a housing data clearinghouse under the Housing Strategist.
 - b. Procedures and mechanisms for providing information by jurisdiction on both affordable and market rate housing production.
 - c. Format and procedures for providing periodic summaries.
 - d. Ensuring that compiled data is easily accessible to all jurisdictions.

- 5.2.3 **Baseline Housing Data Benchmarks.** Establish baseline housing mix information by area for regulated affordable units, multi-family units, second units, and units that meet special housing needs (e.g., residential care facilities, shared housing, etc.). Provide a statistical summary of residential building activity by jurisdiction for various types of housing, household need, income, and Housing Element program targets.
- 5.2.4 **Monitoring, Evaluation and Revisions.** Establish a regular monitoring and update process to assess housing needs and achievements on a countywide basis, modifying policies, programs and resource allocations as needed in response.

“Tool Kit” of Implementing Actions

- 5.2-A **Establish a Permanent “Affordable Housing Strategist” Position.** Establish a full-time, permanent Housing Strategist position with adequate support staffing to work with all jurisdictions in creating affordable housing opportunities. The role of the Affordable Housing Strategist and supporting staff will be to implement the recommendations of the Inter-Jurisdictional Strategic Action Plan for Housing and coordinate the HAT.
- 6.2-B **Establish a Housing Assistance Team (HAT).** As part of Housing Programs 1.2-A and 1.2-B, Inter-Jurisdictional Strategic Action Plan for Housing, establish a housing technical assistance team who can advise and assist local jurisdiction staff in implementing housing programs and facilitating development of partnerships with affordable housing developers for specific projects. The Housing Assistance Team (HAT) can consist of a pool of specialists with the following specialties: A local architect, an individual with knowledge regarding underwriting housing financing and available funding sources, a local community representative who is knowledgeable about the local issues.

Possible Operating Procedures: The team will provide technical assistance to non-profit and for profit developers who are referred to the HAT by local Planning Department staff. The staff would refer developers who they believe could produce a viable development that will be located in their jurisdiction. The referral would occur prior to the permit process in order to develop a better-conceptualized housing product. The HAT would meet with the developer to make specific suggestions, referrals or assignments to improve the success of the project. The team would not function as an advocacy group but more as an intermediary. A report would be generated to the Planning Department staff that made the original referral. The report would summarize the technical assistance outcomes. If the developer moved forward and wanted more assistance from the team, and the staff believe that the developer will benefit from additional assistance, then staff can re-refer the group for further HAT involvement.

- 5.2-C **Conduct Staff Training.** Conduct training sessions with local staff to review potential constraints and opportunities to create affordable housing, including housing needs, finance, issues such as delay and density, and management.
- 5.2-D **Establish a Housing Data Clearinghouse.** Establish a central housing data clearinghouse, under the Housing Strategist position (see Program 5.2-A), with up-to-date information on housing conditions in the County (by jurisdiction), best practices, State law, funding opportunities, and related housing information. Procedures for data collection and tracking will need to be established. The data by jurisdiction will provide the following information:
- a. Annually monitor and evaluate progress by jurisdiction, including residential building activity by housing type and affordability, indicators of housing need, and progress towards meeting housing element program targets.

- b. Provide opportunities for sharing successes in implementing affordable housing programs (photos, project and process description, public handouts, etc.).
 - c. Serve as a resource library on best practice ideas, funding sources, relevant reports and related resources, etc.
 - d. Provide a basis for annual reports to HCD, as required by State law.
 - e. Maintain an up-to-date inventory of all subsidized and deed restricted units by jurisdiction in Marin County.
 - f. Monitor the relationship between housing and employment development by preparing a study which analyzes recent and anticipated types, numbers and incomes of jobs by industry, sets up an ongoing monitoring program, and develops strategies to further address housing and jobs linkages.
 - g. Monitor the availability and cost of rental units, including second units. The purpose of this reporting is to establish a monitoring system to determine the extent of rent increases occurring within a locality relative to other localities.
- 5.2-E **Conduct an Annual Housing Element Review.** Develop an ongoing, multi-jurisdictional review of housing element implementation through annual review by the Countywide Planning Agency. Conduct the review annually, with opportunities for public input and discussion, in conjunction with State requirements for a written review by July 1 of each year. (Government Code Section 65583(3)).
- 5.2-F **Update Housing Elements Regularly.** Undertake jurisdictional updates as needed of each Housing Element, with the first such update to occur no later than June of 2006, in accordance with State law requirements.