

Agenda Item No: 7.c

Meeting Date: December 7, 2020

	SAN RAFAEL CITY COL	INGIL AGENDA REPOR	.1
Department:	Community Development Depart	ment	
Paul	a. Jeusen		8
Prepared by:	Paul Jensen (EG)	City Manager Approval: _	
	Community Development Directo	r	
	Community Development Directo		

TOPIC: HOUSING WORK PLAN UPDATE

SUBJECT: INFORMATIONAL REPORT PROVIDING AN UPDATE REGARDING HOUSING

POLICY ACTIONS

RECOMMENDATION: Accept Report

BACKGROUND:

On August 20, 2018, the City Council was presented a comprehensive, informational report on housing. In response to the housing report information, the City Council directed staff to follow-up on four specific housing topics and issues: renter regulations, Short-Term Rentals, housing for an aging population, and challenges to the approval and development of housing.

On September 3, 2019, City staff presented an informational report on challenges to housing development. The report presented 11 key challenges pertaining to the approval and development of housing in San Rafael. Moreover, this report identified 13 recommended measures to address these challenges.

Also, at the September 3rd City Council meeting, staff was directed to host public housing workshops on proposed policies to address challenges to approving and developing housing. The purpose of these workshops was to gain a better understanding of the public's view on the housing crisis, as well as to get feedback on the prioritization of the proposed policy actions. The City hosted two housing workshops, which were attended by the City Council and the public. These workshops exposed the public to issues surrounding the housing crisis and generated feedback from both the public and City Council.

On January 21, 2020, the City Council was presented an informational report on staff recommendations for prioritization, timing, and future City Council actions on these proposed policy actions to address challenges to approving and developing housing.

The purpose of this informational report is to provide an update on these housing policy actions.

FOR CITY CLERK ONLY	_
Council Meeting:	
Disposition:	

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ANALYSIS:

Since the January 21st, 2020 City Council meeting, staff has completed the following policy actions:

	, ,	Summary	Status
Compl	eted Policy Actions		
Policy 1	"Planning Commission First" Review	Maintain current policy of a Planning Commission study session as first public forum on development projects, rather than the Design Review Board.	In effect.
Policy 2	Form-Based Code for Downtown Precise Plan	Support the direction of a form-based code for the Downtown Precise Plan	Approved. Draft Downtown Precise Plan to be released by Q1 2021
Policy 3	Streamline CEQA/ Environmental Review	Continue the practice of using the CEQA exemptions, where appropriate and practical, to streamline the CEQA/ environmental review process for housing projects	In effect.
Policy 4	Reduce Requirements for Technical Studies	Continue to minimize requirements for the preparation of technical studies when appropriate and warranted	In effect.
Policy 5	Streamlined Pre- Application "Concept" Review Process	Continue with streamlined, Pre- Application "concept review" process for housing projects with no fee	In effect.
Policy 6	Affordable Housing Trust Fund Administration	Policy resolution establishing policies and procedures for awarding trust fund monies	In effect.

City Council has received informational reports specific to the following policies and corresponding ordinances and policy resolutions are ready for final City Council consideration at a future meeting:

		Summary	Status
Ready f	for Council Considera	<u>tion</u>	
Policy 7 & 8	Adopt Changes to Inclusionary Housing Requirements & Adopt Changes to Affordable Housing In-lieu Fee	Amendments reducing the City's Inclusionary Housing Requirement and allowing developers flexibility in meeting the requirement, including paying an in-lieu fee for a portion of the requirement.	On September 21, 2020, City Council directed staff to move forward with a reduced requirement meeting 10% below market rate (BMR) equivalent option. Planning Commission recommended moving forward with this option at the November 17, 2020 meeting.
Policy 11	Update "Density Bonus" Ordinance	Aligning the City's Density Bonus Ordinance with the State Density Bonus Law (SDBL)	On September 21, 2020, City Council directed staff to move forward with a amendments aligning the SRMC with the SDBL. Planning Commission recommended moving forward with this option at the November 17, 2020 meeting.
Policy 12	Consider Changes to Design Review Board (DRB)	Amendments changing the structure and role of the DRB to one that is more informal and advisory.	On September 21, 2020, City Council directed staff to work with the DRB to move forward with the following: • "Pilot" a Less Formal Design Review Advisory Committee (DRAC); • Include Public Noticing Procedures & Measures similar to Zoning Administrator Meeting Format.

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Staff is currently working on follow-up actions for the following policy actions:

		Summary	Status	
<u>Under E</u>	Under Development			
Policy 9	"By-Right" Zoning for Affordable Housing Projects	Resolution establishing a "by right" planning process for affordable housing projects	Aligning process with the Objective Design Guidelines required by SB35. Draft Guidelines expected to be completed by Q1 2021.	
Policy 10	New Accessory Dwelling Unit (ADU) Ordinance	Adopt a new ADU ordinance compliant with recently passed State Legislation	Draft ADU ordinance in development. Once complete, Ordinance will be taken to the Planning Commission for Review. Expected mid-2021.	
Policy 13	Changes to Payment of Development Impact Fees	Resolution changing the timing of fee payments for development impact fees	Informational Report on potential changes to the payment of development impact fees expected late 2021.	
Policy 14	Support City/Developer Partnerships	Conduct an in-depth assessment of air rights use of the seven City-owned parking lots for development potential.	Informational Report assessing air rights use of the seven City parking lots and recommended next steps expected late 2021.	
<u>On-Hold</u>				
Policy 15	Raise Appeal Fee and/or Change Appeal Process	Appeal fee to be studied as part of the Citywide Master Fee Schedule Update	No further action	

Since the January 21, 2020 City Council meeting, staff has identified the following new policy actions:

	•	Summary	Status	
New Poli	New Policy Actions			
New Policy	Priority Development Area (PDA) Designation	Designate Northgate and Canal Neighborhoods as PDA's for the Plan Bay Area 2050 process allowing access to funding for a Specific or Precise Plan process.	PDA approved by ABAG/MTC Board. Awaiting application period to open for first round of planning funding (expected Q1 2021).	
New Policy	Allow Developer Buy-out of New Construction projects	Allow entitled development projects to buyout half of the required onsite below market rate units under certain conditions.	On September 21, 2020, City Council directed staff to move forward with allowing Buy-outs. No further action necessary, any requested buy out will require City Council approval	
New Policy	Minor Streamlining Amendments	Minor amendments to streamline the permitting process including changes to Appeals scheduling, development on small lots, changes to the City's Height Bonus, and align the hillside exception process within similar exception permits.	On September 21, 2020, City Council directed staff to move forward with a amendments aligning the SRMC with the SDBL. Planning Commission recommended moving forward with this option at the November 17, 2020 meeting.	
New Policy	Housing Development Incentive Pilot Program	Development of a "Pilot" incentive program with provides developers additional height, density, and parking reductions if specific community benefits are provided.	Feedback received during Inclusionary Housing policy outreach indicated interest in a pilot program but further analysis is needed.	
New Policy	Canal Policy Working Group	Collaborative policy working group aimed at identifying policy actions to address the impacts of COVID-19 on households in the Canal Neighborhood	In Progress. Follow-up actions to be identified through the Canal Policy Working Group.	
New Policy	Expanded Renter Relocation Assistance for Opportunity Zone	Expansion of Renter Relocation Assistance for households displaced due to a no-fault eviction in the City's federally designated Opportunity Zone.	On November 2, 2020, City Council directed staff to move forward with amendments expanding protections to Opportunity Zone.	

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FISCAL IMPACT:

As an informational report, there is no fiscal impact.

OPTIONS:

The City Council has the following options to consider on this matter:

- 1. Accept Report
- 2. Direct staff to return with more information.
- 3. Take no action.

RECOMMENDED ACTION:

Accept report.