

Housing Element  
Resolution No. 13863

EIR Addendum  
Resolution No. 13862



# CITY OF SAN RAFAEL

## 2015 - 2023 Housing Element



Policies and Programs

January 5, 2015

## **Acknowledgements**

### **City Council**

Gary O. Phillips, Mayor  
Andrew Cuyugan McCullough, Vice Mayor  
Kate Colin  
Maribeth Bushey  
John Gamblin

### **Planning Commission**

Jack Robertson, Chair  
Barrett Schaefer, Vice Chair  
Gerald Belletto  
Mark Lubamersky  
Larry Paul  
Charles Pick  
Viktoriya Wise

### **City Manager**

Nancy Mackle

### **Community Development**

Paul Jensen, AICP, Community Development Director  
Raffi Boloyan, Planning Manager

### **Economic Development**

Stephanie Lovette, Economic Development Manager

### **Consultants**

#### **Metropolitan Planning Group (M-Group)**

Geoff I. Bradley, AICP, Principal  
Dave Javid, AICP, LEED AP, Project Manager  
Justin Shiu, Assistant Planner

#### **Karen Warner Associates, Inc.**

Karen Warner, AICP, Owner

## Introduction to Policies and Program (2015-2023 Housing Element)

In developing the 2015-2023 Housing Element, the City saw the opportunity to consolidate, reorganize, and refine the Policies and Programs sections to more effectively communicate the goals, aspirations, and direction of housing policies. Using the 2009-2014 Housing Element Policies and Programs section as the basis for the updated section, the policies and programs were evaluated on their accomplishments, effectiveness, and appropriateness for the 2015-2023 Housing Element. The City of San Rafael has taken this opportunity to organize this set of policies and programs in a way that allows the City to keep building off of the successes and accomplishments of the previous Housing Element.

The Policies and Programs section of the 2009-2014 Housing Element, was an integrated part of the City's General Plan. As such, this policy document is intended to take the place of the previous Housing Element on pages 39-62 of the 2020 General Plan.

### Public Participation

Government Code Section 65583(c)(8) states that each Housing Element shall "include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the Housing Element, and the program shall describe this effort." Through meetings that facilitated discussion on housing needs and appropriate housing programs for San Rafael, the City has provided opportunities for the community to become part of the process that would set the framework for housing development.

The City provided notice of the Housing Element update to members of the community and interested parties, in formats ranging in scale from public meetings to smaller group presentations. Notification was provided in the newspaper and direct notification was sent to over 100 interested groups and individuals, including nonprofit organizations, advocacy groups, homeowners associations, local agencies, and other interested parties. A list of parties that were on the noticing list is shown in Appendix B.

The City solicited public input in two Planning Commission Study Session meetings. The first meeting was held on April 29, 2014. Information from the completed Housing Needs Assessment was presented, covering prominent housing issues that currently affect the community and will be lasting concerns over the planning period. The second meeting was held on August 12, 2014. A draft of the Housing Element, which was available to the public in advance, was discussed at the meeting.

In addition, City staff met with groups representing diverse housing needs. A summary of the housing needs assessment and draft Housing Element Update was given and made accessible to neighborhood and homeowners associations, including the North San Rafael Coalition and Federation of San Rafael Neighborhoods. Through notifications or direct contact, the City reached out to advocacy groups and organizations promoting quality housing for low income and special needs groups. These organizations included EDEN Housing, Marin Environmental Housing Collaborative, Fair Housing of Marin, Canal Alliance, and Habitat for Humanity. The City held smaller informational focus group meetings with organizations for those that requested them. The list in Appendix B-6 Public Participation shows the organizations that received notifications.

Comments that arose from the meetings included the following:

- Concern about the affordability of housing.

- Preservation of programs to help lower income and special needs households.
- Desire to promote second units and junior second units.
- Consideration of impact of development on the character of the city.
- Support provision of affordable housing through securing new funding sources and offering technical assistance for affordable housing development.
- Consideration of expanding incentives to promote affordable housing development.

These comments have been considered and addressed by Planning Commissioners and City staff present at the meetings and reflected in the Housing Element. Programs under Policy H-7 Protection of Existing Housing Stock, Policy H-11 House Sharing and Policy H-16 Second Units cover strategies to preserve the affordable housing stock and increase alternative lower income housing options. Programs under Policy H-9 Special Needs aim to promote quality housing opportunities for special needs populations. The consideration of development impacts are addressed in programs under Policy H-2 Design that Fits into the Neighborhood Context. Within Policy H-6 Funding for Affordable Housing, programs address objectives to secure funding sources. Programs under Policy H-14 Adequate Sites and Policy H-17 Regulatory Processes and Incentives for Affordable Housing discuss incentives that can be explored or offered for affordable housing.

Upon completion of the draft Housing Element, the City circulates a Notice of Availability to a variety of interested organizations. The Notice defines a 60-day review and comment period.

## Relationship to Other General Plan Elements

The General Plan serves as the ‘constitution’ for development in the city. It is a long-range planning document that describes goals, policies, and programs to guide decision making. Once the General Plan is adopted, all development-related decisions must be consistent with the plan. If a development proposal is not consistent with the plan, the proposal must be revised or the plan itself must be amended. State law requires a community’s General Plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall General Plan, with consistency between it and the other General Plan elements.

Land use and development projections of the General Plan are also linked to planned facilities and infrastructure capacity. Specific issues addressed in other sections of the General Plan that are linked to and supported in the Housing Element, include: (1) the design of housing; (2) housing and circulation; (3) reduction of greenhouse gases; and (4) support services and infrastructure for the community.

The City will ensure consistency between the Housing Element and the other General Plan elements so that policies introduced in one element are consistent with other elements. Whenever any element of the General Plan is amended in the future, the Housing Element will be reviewed and modified, if necessary, to ensure continued consistency between elements.

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### Introduction

Nestled among hills on the edge of the San Francisco Bay, San Rafael is a wonderful place to call home. San Rafael is a great place to grow up, work, raise a family, and retire. It has a broad-based economy, a vibrant cultural life, and high quality educational opportunities. The city has a broad mix of incomes, ages, and cultures.

San Rafael is a city with a long history and many neighborhoods that are distinctive and representative of that history. There are older neighborhoods, from the days when San Rafael's residences were a mix of large ornate homes for wealthy merchants, summer retreats for San Francisco residents, and smaller simpler homes for workers from other countries. Neighborhoods built before World War II were developed with narrow tree-lined streets, neighborhood stores, and homes with front porches. The larger suburbs built in the 1960s and 1970s, with three- and four- bedroom homes, tend toward a similarity in design, such as the Eichler-designed homes which strive to unify indoor spaces with the outdoors while maintaining privacy. More recently, attached housing, including condominiums, apartments, and townhomes, ranging in size from single rooms to four-bedrooms, has been located throughout the city.

According to the 2010 U.S. Census, almost half of the housing is renter-occupied, over one-quarter of the households are families with children, another quarter are senior households, and a third of the households are people living alone. Trends show that today's seniors are growing into their 80s and beyond and there will be an increase in assisted living needs. Baby boomers and empty nesters will be relocating to smaller homes. Young adults in San Rafael, grown children of residents, new employees, and college graduates will want to set up their own households to stay close to their families or work.

Consistent with the State of California's goal to provide "decent housing and a suitable living environment for every California family," and the City's vision to "provide housing for people at all stages of life, at all income levels,"

### Definitions

**Abatement** – The removal or legalization of a condition in violation of City regulations.

**Affordability** – The generally accepted banking/government standard for determining whether a person can afford housing is defined as spending no more than 30 percent of one's gross monthly household income on housing costs, which for owner housing would include principal, interest, utilities and insurance.

**Below Market Rate Housing Programs** – The term "below-market-rate" (BMR) housing is used to describe units offered at rents or sales prices below that which they could command on the open market.

**Co-Housing** – A type of share housing arrangement. Co-housing developments have individual units with kitchens, combined with a common kitchen and meeting rooms.

**Illegal Unit** – A unit built without required permits (building, electrical, plumbing).

**Inclusionary Requirements** – These programs require a percentage of low and moderate income housing to be provided in market-rate new residential developments.

**Mixed Use** – Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design.

**Second Unit** - A self-contained living unit either attached to or detached from, and in addition to, the primary residential unit on a single lot. Sometimes called "granny flat" or a "mother-in-law" unit. Junior second units refer to repurposed existing space (under 500 sq ft) within a single-family home to create an independent living unit.

**Single Room Occupancy (SRO)** – One of the most traditional forms of affordable private housing for single and elderly low-income people and for new arrivals to an area. An SRO unit is usually small, between 80 and 250 square feet. It typically has a sink and a closet but shares a bathroom, shower, and kitchen with other rooms.

policies and programs preserve existing housing and encourage new housing. With proactive City leadership, the activities of Community Development and Economic Development Departments, and a community-wide partnership to implement housing programs, San Rafael will continue to be a leader in providing a variety of housing types to meet the diverse needs of its residents.

## Building Upon Past Successes

The city of San Rafael is sensitive to the many converging and competing interests, desires and views in the city relating to development of housing, preservation of the character of San Rafael's neighborhoods, ease of getting around, and protection of environmentally sensitive areas.

To encourage housing in the Downtown, General Plan incentives were adopted in 1988 and 1996 that: (1) allow height and density bonuses for affordable housing; (2) encourage mixed-use development by modifying development potential calculations; (3) reduce the parking requirement for downtown units; (4) provide live/work opportunities; and (5) provide for single-room occupancy units. As a means of further encouraging mixed use in commercial areas outside the Downtown, General Plan 2020 extends Downtown's modified development potential calculations throughout all commercial areas of the city.

In addition, in 2001 the General Plan was amended to revise inclusionary requirements to better target new housing to very low- and low-income households.

San Rafael supports the development and acquisition of affordable housing units by non-profit and for-profit developers. Since 1991, the former San Rafael Redevelopment Agency provided financial assistance that resulted in the long-term affordability of 840 affordable rental units. All of these units have ongoing affordability restrictions monitored by the City. Community Development and Economic Development staff works closely with housing advocates and developers to create financially viable projects. Financial support is available in a variety of forms, from loans and grants to tax credits and outright purchases.

The Planning Commission and City Council have unanimously supported new housing development. Housing development in the past 25 years has provided a significant amount of affordable housing projects including Centertown, Maria B. Freitas Senior Housing, Lone Palm Apartments, Baypoint Lagoon and Ecology House. In addition, over these years many market rate residential projects have been developed that include a component of below-market rate units. These development projects include, among others, Redwood Village, Peacock Ridge, 33 North (San Pablo Avenue) and the Rafael Town Center. San Rafael's Economic Development Department tracks the "below market rate" units and ensures that they are providing housing for households of the targeted incomes. The City's inclusionary and density bonus policies, and the investment of the former Redevelopment Agency has resulted in over 1,400 affordable rental units and 113 ownership units representing about 25 percent of the new housing in San Rafael.

In short, implementing San Rafael's housing policies is a team effort, grounded by General Plan policies and empowered by a vision that affordable units are an essential part of San Rafael's housing stock and maintaining its diverse population. The City continues to support a multi-faceted approach to housing that builds upon these successes, maximizes the chances for broad community consensus and fulfills



the State of California’s requirement that adequate housing potential exists to meet specified housing needs.

## Housing Needs

The lack of affordable housing has long been a top issue in San Rafael, with the City’s existing and projected housing needs documented in the 2014 Housing Needs Assessment (refer to Appendix B-1). Both the 1974 and 1988 General Plans identified affordable (also known as workforce) housing as a vital community need. The topic was identified again as a top planning issue in the Trends Report (2000) and the Issues Report (2000) where community members ranked affordable housing as one of the top three issues facing San Rafael.

High rents, employee recruitment and retention challenges, congestion on local highways and lengthening of commute time all result from a lack of affordable housing in San Rafael. A detailed examination of San Rafael’s housing need, housing supply, cost of housing, population, household characteristics and quantified objectives to meet those needs is provided in Appendix B.

There are five levels of affordability discussed in the Housing Element:

- **Extremely low income households** earn less than 30 percent of the median household income.
- **Very low income households** earn less than 50 percent of the median household income.
- **Low income households** earn between 50 and 80 percent of the median household income.
- **Moderate income households** earn between 80 and 120 percent of the median household income.
- **Above moderate income households** earn more than 120 percent of the median household income.

**Exhibit 13: Marin County Income Levels, 2014**

MARIN COUNTY INCOME LEVELS, 2014						
Household Size	Extremely Low Income (less than 30% median income)	Very Low Income (less than 50% median income)	Low Income (50 – 80% median income)	Moderate Income (80 – 120% median income)	2014 Median Income	2009 Median Income
1	\$23,750 and below	\$23,751- \$39,600	\$39,601 - \$63,350	\$63,351 - \$88,500	\$72,100	\$67,750
2	\$27,150 and below	\$27,151- \$45,250	\$45,251 - \$72,400	\$72,401 - \$98,900	\$82,400	\$77,450
3	\$30,550 and below	\$30,551- \$50,900	\$50,901 – \$81,450	\$81,451 - \$111,250	\$92,700	\$87,100
4	\$33,950 and below	\$33,951- \$56,550	\$56,551 – \$90,500	\$90,501 – \$123,600	\$103,000	\$96,800
5	\$36,650 and below	\$36,651- \$61,050	\$61,051 - \$97,700	\$97,701 - \$133,500	\$111,250	\$104,550
6	\$39,400 and below	\$39,401- \$65,600	\$65,601 - \$104,950	\$104,951 - \$143,400	\$119,500	\$112,300

Household incomes are described in terms of family size and are determined on an annual basis. The table above lists Marin County income levels for 2014, as determined by the U.S. Department of Housing and Urban Development. For example, using the table above, a family of three with an income below \$81,450 would be considered a low-income household. The final column of the table identifies the median income levels in 2009 as presented in San Rafael’s last Housing Element, and

indicates a modest 6.4 percent increase in median incomes levels between 2009 and 2014.

## Who Needs Housing?

- Low- and moderate-income families living in overcrowded housing where families double up, or larger families living in one and two-bedroom apartments.
- Seniors with very low and low incomes, living primarily off of SSI benefits, and perhaps some retirement savings. Many own their own house, some live alone. Not all have the resources to maintain their house, and some may need to live closer to services.
- Students at Dominican University and College of Marin, and young adults in local businesses.
- Employees in local businesses, commuting on Highway 101 or I-580. People who live in the community where they work do not have a lengthy commute.
- Very low income households, including those without a place to call home.
- People with disabilities who have specific design or service considerations, such as wheelchair-accessible apartments or group homes with semi-independent living.

## What Kind of Housing is Needed?

- Rental units, particularly Single Room Occupancy Units and studios affordable to those with low and very low incomes, and two or more bedroom units affordable to moderate and below income households.
- Ownership family units.
- Smaller and attached for-sale units affordable to very low, low, and moderate income households.
- Senior housing affordable to very low, low, and moderate income households.
- Second units and junior second units (repurposing existing space such as the conversion of a bedroom to a small, independent unit) which would encourage seniors to remain in their homes.
- Housing with a service component.
- Emergency Housing

One unique aspect of the State's Housing Element law is the assistance provided to local governments in quantifying housing needs. Under California law, every city and county has a legal obligation to respond to its fair share of the projected future housing needs in the region in which it is located. For San Rafael and other Bay Area jurisdictions, the regional housing need is determined by the Association of Bay Area Governments (ABAG), based upon an overall regional need number established by the State. The fair share numbers establish goals to guide local planning and development decision-making.

Housing needs are described in terms of affordability to various household incomes. The ABAG Regional Housing Needs Allocation (RHNA) for San Rafael call for a demonstrated planning capacity total of 1,007 housing units between January 1, 2014 and October 31, 2022 (see Exhibit 14). San Rafael must demonstrate that adequate provisions are made to support the development of housing at the various income levels to meet its fair share of the projected regional housing needs. San Rafael's housing objective is based on the identified housing needs for San Rafael.

Between January 2014 and July 2014, of projects that include 3 or more units, 19 units have received planning entitlements or are under construction in San Rafael.

There are two perspectives from which to understand the ABAG housing needs and how they relate to San Rafael's adequate sites analysis:

- Are there adequate sites to meet the city's total housing needs?
- Are there adequate sites at sufficient densities to meet the city's need for very low-, low- and moderate-income housing?

Based on surveys of existing rents, second units and market rate apartments are generally affordable to moderate income households. The State assumes that a density of at least 30 units/acre is usually needed to create opportunities for very low- and low-income housing to be built. The density allows for savings in construction, long-term management and maintenance costs, as well as competitiveness for tax credit financing and land costs. Specific areas of San Rafael have been identified as potential housing opportunity sites (Appendix B).

In addition to addressing the ABAG housing needs requirements, General Plan 2020 looks at the housing for San Rafael in the longer-term.

## Overview of Key Recommendations

San Rafael's housing strategies are to:

- Preserve and strengthen San Rafael's neighborhoods so that they continue to improve over time.
- Be proactive in new housing so that changes continue to enhance San Rafael, making it an ever-increasingly attractive place to live.
- Target resources for effective partnerships involving property owners, developers, neighborhoods, businesses, civic and service organizations, and the County to address housing needs.
- Foster land use patterns and densities which support lifestyles which rely less on carbon-based transportation.

The City's strong commitment to meeting the needs for affordable housing is demonstrated through permit streamlining, financial support, and community involvement. Housing policies are written so that affordable housing is targeted to a variety of economic levels, integrated into projects and dispersed throughout the community. Support is also provided by elected officials and members of the business community who understand the critical role affordable housing has in making San Rafael a balanced and healthy community.

Because San Rafael has little remaining vacant land available for large-scale development, building on smaller or under-utilized sites scattered throughout the city will be important in meeting its housing needs. These "infill" sites must be developed in a way that best adds value to a neighborhood. Encouraging new housing development at appropriate densities, promoting mixed-uses where housing can be incorporated into areas of commercial-only or industrial-only uses, and supporting continued development of second units will help make better use of our land resources and to address San Rafael's housing needs.

Housing policies must be integrated with related issues such as land use, design, traffic capacity, economic development, and adequate infrastructure. For example, design policies for multifamily housing will try to ensure enhancement of neighborhood identity and sense of community by having new housing sensitively address scale and compatibility in design to the surrounding neighborhood. Linkages with land use strategies that encourage use of transit are also supported in housing policies.

**Exhibit 14: San Rafael's Regional Housing Need**

**San Rafael's Regional Housing Need By Household Income, 2015 - 2023**

Housing Need	Very Low Income Households	Low Income Households	Moderate Income Households	Above Moderate Income Households	Average Yearly Need
1,007	240 Extremely low income*: 120	148	181	438	125

\* Extremely low income household need is a subset of very low income household need.

The major actions proposed are to:

- Continue the City's proactive role in protecting existing housing and assuring that new housing continues to enhance the city's diversity, economy, and quality of life.
- Broaden affordability requirements in new housing developments. Establish higher percentages of affordable units when traffic allocation and density bonuses are requested.
- Require new nonresidential development to contribute to the production of affordable housing, such as providing housing on- or off-site, subsidizing mortgages and/or rents, and payment of in-lieu fees.
- Support housing development either as redevelopment or infill to improve certain areas of town.
- Encourage second units as a means of dispersing small, affordable units throughout the community by modifying zoning regulations and processing requirements. Promote creation of junior second units through the repurposing of existing space in single-family homes as independent rental units.
- Require that illegal units are abated/removed or legalized.
- Expand allowances for mixed-use and infill housing development in commercial areas in order to create housing near workplaces.
- Encourage development at higher densities within easy walking distance to transit where reduced automobile usage and parking requirements are possible.
- Continue to support housing for population groups who require special assistance, such as homeless persons, people living with disabilities, seniors, large families, and single-parent households.

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## GOAL 3: HOUSING NEEDS

**It is the goal of San Rafael to have a strong sense of community and responsibility in meeting housing needs.** *Historically, San Rafael has provided housing of all types to meet the varied needs of its population in settings that enhance the feeling of community.*

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It is important to enhance our sense of community by identifying responsibilities of all sectors within the community (neighborhoods, business, non-profits, government, etc.) to effectively address the city's housing needs and to assure effective application of Fair Housing laws. The intent in this approach is to continue to be purposeful and creative in finding ways to increase local funding resources and/or financially equivalent incentives for lower income and special needs housing, and to take a proactive approach in creating and responding to opportunities to achieve San Rafael's housing goals.

New development must be compatible with and enhance existing community character. San Rafael residents at the 2020 Visioning session stated that maintaining community diversity is one of their highest priorities. The City's policies encompass two approaches. The first is that the City and its neighborhoods share a responsibility in helping to meet housing needs; investment in new housing and improvements should be distributed throughout the city. Second, new housing development must recognize and enhance the design character of the surrounding neighborhood. In the end, future development is planned based on community wide needs, sound citywide policies, neighborhood involvement, capital improvements, and public facility and service capacity.

### H-1. Housing Distribution.

Promote the distribution of new and affordable housing of quality construction throughout the city to meet local housing needs.

**H-1a. Annual Housing Element Review.** Provide an annual Housing Element progress report for review by the public and City decision-makers. The Report will document:

- San Rafael's annual residential building activity, including identification of any deed restricted affordable units;
- Progress towards the Regional Housing Needs Allocation since the start of the planning period; and
- Implementation status of Housing Element programs

Responsibility: Community Development, Economic Development

Timeframe: Annually

Resources: Fees

### H-2. Design That Fits into the Neighborhood Context.

Recognize that construction of new housing and improvements on existing properties can add to the appearance and value of the neighborhood if they fit into the established character of the area. Design new housing, remodels, and additions to be compatible to the surrounding neighborhood. Incorporate transitions in height and setbacks from adjacent properties to respect adjacent development character and privacy. Respect existing landforms and minimize effects on adjacent properties.

**H-2a. Design Concerns of Single-Family Homes.** Examine and amend, as needed, zoning regulations and guidelines for single-family homes to address concerns about bulk, height, setbacks privacy, and other impacts of new homes and of additions to existing homes. Consider potential cost impacts on housing development when developing new regulations and guidelines.

Responsibility: Community Development

Timeframe: Mid Term (2017)

Resources: Staff Time

**H-2b. Compatibility of Building Patterns.** Adopt design guidelines to ensure compatibility of neighborhood building patterns. Guidelines may address setback patterns, garage and driveway patterns, and building scale. Further develop the character-defining elements of the neighborhood. Guidelines may address entries, roof design, windows, architectural style, materials, and detailing. Consider potential cost impacts on housing development when developing new regulations and guidelines. The City is currently operating under interim design guidelines adopted with the 2020 General Plan, which has been providing direction to the development community.

Program Objective: Adopt Residential and Mixed Use Development Design Guidelines

Responsibility: Community Development

Timeframe: Mid Term (2017)

Resources: Staff Time

See LU-2a (Development Review) and CD-11a (Compatibility of Building Patterns).

### H-3. Public Information and Participation.

Provide information on housing programs and related issues. Require and support public participation in the formulation and review of the City's housing policy, including encouraging neighborhood involvement in development review. Work with community groups to advocate programs that will increase affordable housing supply and opportunities. Ensure appropriate and adequate involvement so that the design of new housing will strengthen the character and integrity of the neighborhood.

**H-3a. Neighborhood Meetings.** Require neighborhood meetings, as provided for by the City Council resolution for Neighborhood Meeting Procedures, for larger housing development proposals and those that have potential to change neighborhood character. In larger projects, the City requests that developers participate in formal meetings with the community. The City facilitates outreach by helping applicants find information on the appropriate neighborhood groups to contact. City staff attends meetings as a staff resource and conducts noticing of meetings.

Responsibility: Community Development

Timeframe: Ongoing (as part of project review)

Resources: Fees

**H-3b. Information and Outreach on Housing Issues.** Continue to provide information to improve awareness of housing needs, issues and programs, and to collaborate with housing organizations to publicize in-service training, press releases, fair housing laws, contacts, and phone numbers. For example, provide links on the Community Development webpage to housing resources, such as the State Department of Housing and Community Development (HCD).

Responsibility: City Manager, Community Development, Economic Development

Timeframe: Annually

Resources: Fees

See also CD-15a (Notification and Information about Development Projects) and G-7a (Review of Facilities Proposed by Other Public Agencies).



#### H-4. Governmental and Community Collaboration.

Collaborate when possible with other jurisdictions in Marin County in addressing regional housing needs. Support community partnerships to assist in the development of needed housing and continue to provide technical assistance to owners, developers, and non-profits. Participate in local and regional housing assistance programs and establish relationships and coordinate with other public agencies, non-profit housing sponsors, and for-profit housing sponsors in the use of available programs and funding resources to provide lower-cost housing in San Rafael. Take leadership in attaining the goals of the Housing Element by coordinating with interested parties and carrying out prescribed actions in a timely manner.

**H-4a. Inter-Jurisdictional Housing Activities and Resources.** Continue to implement shared responsibilities, common regulations, coordinated lobbying efforts and the housing data clearinghouse to efficiently and effectively respond to housing needs within the cities and county of Marin.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Fees

**H-4b. Community Collaboration.** Encourage cooperative and joint ventures between owners, developers, and community non-profit groups in the provision of affordable housing. Give technical assistance to non-profit developers by providing information on other local sources of funding for affordable housing and introductions to other funders. As appropriate, write letters of support and serve as a co-applicant for project funding, such as for affordable housing funds available through California's cap-and-trade system. Work with businesses, public agencies, and local school districts to seek opportunities to help employees find local housing.

Responsibility: Community Development, Economic Development

Timeframe: Ongoing

Resources: Fees, Staff Time

See also H-6c (Funding Applications).

#### H-5. Fair Housing

Take action when necessary to prevent discrimination on the basis of race, religion, sex, marital status, ancestry, national origin, color, familial status or disability in San Rafael's housing market.

**H-5a. Fair Housing Program.** Designate the Community Development Director as the Equal Opportunity Coordinator in San Rafael. Ensure that written materials regarding fair housing law are provided at various public locations, and that information about fair housing agencies and phone numbers is posted in places such as the City's website, at City Hall, the Public Library, and other public places. As part of the Cooperative Agreement with the County on CDBG funding, continue to require a portion of the City's allocation be directed to Fair Housing of Marin and/or other fair housing organizations. Continue to refer discrimination and tenant/landlord complaints to Fair Housing of Marin, or the appropriate legal service, county, state, or federal agency.

Responsibility: Community Development, Economic Development

Timeframe: Ongoing

Resources: Staff Time

## H-6. Funding for Affordable Housing.



Given the loss of Redevelopment funds, combined with reductions in federal housing funding, the City's ability to directly finance affordable housing is significantly diminished. San Rafael's primary tool to support the development of affordable housing is through its Affordable Housing Ordinance, which produces both affordable units and generates in-lieu fees. The City will continue to actively pursue outside funding sources to leverage local funds and maximize assistance. In addition to applying for those funds directly available to municipalities, the City plays an important role in supporting developers to secure outside funds.

**H-6a. In-Lieu Fees for Affordable Housing.** Affordable Housing In-Lieu Fees generated from non-residential development and fees generated from residential developments pursuant to San Rafael Zoning Code Section 14.16.030 are placed in a citywide housing in-lieu fee fund to be used to increase the supply of housing affordable to very low, low, and moderate income households. As of the end of fiscal year 2013/14, San Rafael's Housing In-Lieu Fee Fund has a current balance of approximately \$1.2 million, with an estimated \$100,000 in additional fees which could be generated during the planning period. Given this relatively limited amount of funding, the City will focus these resources on projects which emphasize leverage with outside funds and maximize the number and affordability of units provided. Funded activities may include: acquisition and rehabilitation of existing housing through non-profits; new construction of affordable housing; and provision of rehabilitation funds to privately owned rental housing in exchange for affordability covenants. Pursuant to State Law, the City will dedicate a portion of these in lieu fees for housing for extremely low and very low income households.

Program Objective: Contribute funding towards at least one affordable rental project for lower income households.

Responsibility: Community Development, Economic Development

Timeframe: Ongoing

Resources: Housing in-lieu fees

**H-6b. Funding Resources.** Work with community and elected leaders to identify potential public and private funding resources for affordable housing funds.

Program Objective: Seek to secure at least two new funding sources and a minimum of \$200,000 in outside funds during the planning period.

Responsibility: Economic Development

Timeframe: Ongoing

Resources: Staff Time

**H-6c. Funding Applications.** As opportunities for funding become available, coordinate applications for State and Federal subsidies for affordable housing, and (1) provide technical assistance in public funding resources and local processing requirements, including community involvement; (2) consider project funding and timing needs in the processing and review of the application; and (3) work with applicants to identify appropriate submittal materials to enable a timely determination of application completeness.

Responsibility: Community Development, Economic Development

Timeframe: Annually

Resources: Fees

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## GOAL 4: A DIVERSE HOUSING SUPPLY

**It is the goal of San Rafael to have an adequate housing supply and mix that matches the needs of people of all ages, income levels, and special requirements.**

*San Rafael has a wide range of housing types. People who work in San Rafael should be able to live here and there should be adequate housing for seniors and very low-income households.*

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The present housing situation in San Rafael effectively limits the right to shelter to the well-to-do, and limits opportunities for seniors and young adults to remain in their community. It limits the ability of teachers and other public service employees, people who work in local businesses and people who provide childcare and elder care to find housing so that they can live in the community where they work.

More housing choices can be created through mixed-use housing, shared housing, live-work units, higher density housing close to public transit and services, and sensitive development of unused or underutilized lands. Revisions made to California State law in 2003 make it easier for single-family property owners to add a second unit. At the same time, the City will continue to pursue abatement of illegal units – units built without required building permits. The City will assist property owners in legalizing units where feasible.

### Protection and Maintenance of Existing Housing

#### H-7. Protection of the Existing Housing Stock.

Continue to protect existing housing from conversion to nonresidential uses. Ensure that affordable housing provided through government subsidy programs, incentives, and deed restrictions remains affordable over the required time period, and intervene when possible to help preserve such housing.

**H-7a. Condominium Conversion Ordinance.** As stated in the zoning ordinance, prohibit conversion of existing multifamily rental units to market rate condominium units unless the city's rental vacancy rate is above 5.0 percent, as determined by the State of California Finance Department annual Population Estimates. Exceptions include limited equity cooperatives, co-housing, and other innovative housing proposals that are affordable to low- and moderate-income households.

Responsibility: Community Development  
Timeframe: Ongoing (as part of project review)  
Resources: Staff Time

**H-7b. Preserving Existing Rental Housing Affordable to Low Income Households At Risk of Conversion.** Eight assisted rental projects in San Rafael (totaling 291 units) are technically at-risk of conversion to market rate prior to 2025. However, all eight projects are owned and managed by non-profit organizations with a public purpose to maintain affordable housing for low income and special needs populations. The majority of these developments receive Federal and State funding, rather than local funding, and therefore are not subject to the City's rent and income monitoring requirements. The City will however monitor each project's potential affordability expiration, and contact the non-profit owners within one year of the expiration date to address any future loss of funding which may put these units at risk.

Program Objective: Conservation of all 291 very low income rental units as affordable

Responsibility: Economic Development, Community Development

Timeframe: Contact non-profit owners within one year of potential affordability expiration.

Resources: State funding, City in-lieu funds and Successor Agency affordable housing funds.

**H-7c. Preserving Existing Rental Housing Affordable to Low Income Households through Ongoing Affordability Restrictions.** The City of San Rafael and the former Redevelopment Agency is responsible for the annual monitoring of over 1,400 units in forty one publicly and privately owned rental developments. In addition, City policies have resulted in the development of 115 affordable ownership units. All of these rental and ownership units have long term affordability covenants.

Program Objective: For units owned by non- profit agencies, continue to monitor these units as required by the original funding source (State, Federal or Redevelopment Agency). For private units produced pursuant to City inclusionary requirements, continue to monitor through annual income and rent certificate from property owners.

Responsibility: Economic Development

Timeframe: Annual rent and income certification

Resources: Annual reporting fees, City in-lieu funds and Successor Agency affordable housing funds

See also H-17c (Waiver or Reduction of Fees).

**H-7d. BMR Resale Regulations.** Continue to require resale controls on ownership Below Market Rate (BMR) units to assure that units remain affordable to very low, low, and moderate-income households. Continue to monitor database with Marin Housing.

Responsibility: Economic Development

Timeframe: Annually, affordable housing funds and City in-lieu fees

Resources: Successor Agency Funds

**H-7e. Retention of Mobilehomes and Preservation of Existing Mobilehome Sites.**

Retain where possible this type of housing, which includes the 400-home Contempo Marin and the 30-home B-Bar-A mobilehome park, and its affordability by continuing to implement the Mobilehome Rent Stabilization Ordinance. Mobilehomes typically provide lower cost housing by the nature of their size and design.

Responsibility: City Attorney

Timeframe: Ongoing

Resources: Staff Time

## H-8. Housing Conditions and Maintenance.

Protect and conserve the existing housing stock and existing residential areas. Protect residents and maintain the housing stock by enforcing the housing code for all types of residential units. Support good management practices and the long-term maintenance and improvement of existing housing.

**H-8a. Apartment Inspection Program.** To assure safe living conditions, continue to enforce housing codes for all apartment projects, three units or larger in size.

Responsibility: Community Development

Timeframe: Inspect all apartment units in the city every 5 years

Resources: Fees

**H-8b. Code Enforcement and Public Information Programs.** Coordinate 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. Continue to investigate reported illegal units and abate or legalize where possible units built without permits or occupied in violation of San Rafael's ordinances.

Responsibility: Community Development

Timeframe: Bi-weekly meetings of the Development Coordinating Committee

Resources: Staff Time

**H-8c. Residential Rehabilitation Loan Program.** As part of the Cooperative Agreement with the County on CDBG funding, continue to require a portion of the City's allocation be directed to the Marin Housing Authority to provide property improvement loans and technical assistance to qualified very-low-income homeowners to make basic repairs and improvements, correct substandard conditions, and eliminate health and safety hazards. Continue to advertise the Rehabilitation Program on the City's website, and disseminate program brochures at City Hall.

Program Objective: Rehabilitation assistance to 3 very low income households annually, subject to funding availability.

Responsibility: Economic Development

Timeframe: Annual through the CDBG funding allocation process

Resources: Grants (Community Development Block Grant)

**H-8d. Relocation Assistance.** Require applicants to provide certain limited relocation assistance, per Section 14.16.279, for low-income tenants displaced by new development or property improvements such as unit renovation or rehabilitation that results in the vacancy of the unit, including referring tenants to Marin Housing and providing cash compensation. Require notice of displacement to be distributed at least 60 days before the property is to be vacated.

Responsibility: Community Development, Economic Development

Timeframe: Ongoing (as part of project review)

Resources: Staff Time

## Variety of Housing Choices for a Diverse Population

Many members of the community cannot occupy or afford traditional ownership and rental units. Alternative housing options are needed to maintain diversity and to provide safe shelter to all members of the community.

### H-9. Special Needs.

Encourage a mix of housing unit types throughout San Rafael, including very low- and low-income housing for families with children, single parents, students, young families, lower income seniors, homeless and the disabled. Accessible units shall be provided in multi-family developments, consistent with State and Federal law.

**H-9a. Adaptive Housing.** Ensure compliance with State and Federal requirements for accessible units. Conduct regular "coffee and codes" meetings with design and construction industry members to discuss requirements under the Americans with Disabilities (ADA) Act. An average of 2-3 meetings are held per year, consisting of simplified explanations of technical information and a range of topics aimed at clarifying development standards.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Fees

**H-9b. Reasonable Accommodation.** Encourage and facilitate the provision of housing for persons with disabilities. Implement zoning regulations to provide individuals with disabilities reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Staff Time

**H-9c. Housing Opportunities for Persons Living with Disabilities:** The Golden Gate Regional Center (GGRC) provides services and support for adults and children with developmental disabilities, including over 400 San Rafael residents. The GGRC reports that 60 percent of their adult clients with developmental disabilities live with their parents, and as these parents age and become frailer their adult disabled children will require alternative housing options. The City will coordinate with the GGRC to implement an outreach program informing San Rafael families of housing and services available for persons with developmental disabilities, including making information available on the City's website.

Program Objective: Disseminate information on resources available to persons with developmental disabilities.

Responsibility: Community Development

Timeframe: 2015

Resources: Staff Time

**H-9d. Housing for Extremely Low Income Households.** To meet the needs of extremely low income households, prioritize some housing fees for the development of housing affordable to extremely low-income households, to encourage the development of programs to assist age-in-place seniors, to increase the amount of senior housing, to increase the production of second units, and to facilitate the construction of multifamily and supportive housing.

Responsibility: Community Development

Timeframe: Annually

Resources: City in-lieu funds and Successor Agency affordable housing funds



## H-10. Innovative Housing Approaches.

Provide opportunities and facilitate innovative housing approaches in financing, design and construction of units to increase the availability of low- and moderate-income housing and especially for housing that meets the city's housing needs.

Examples include:

- a. **Limited Equity Cooperatives.** Encourage limited equity residential cooperatives and other non-profit enterprises such as self-help projects designed to provide affordable housing.
- b. **Manufactured Housing (Modular, Mobile homes).** Allow, consistent with state law, creative, quality manufactured housing as a means for providing affordable housing.
- c. **Single Room Occupancy (SRO) Units.** Encourage construction of new SRO units and protection of the existing SRO unit supply.
- d. **Live/Work Housing.** This type of housing is intended for a resident and their business, typically on different floors of the same unit, and well suited to San Rafael's downtown.



### **H-10a. Co-Housing, Cooperatives, and Similar Collaborative Housing Development.**

Provide zoning flexibility through Planned Development District zoning to allow housing development that is based on co-housing and similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry, and day care facilities.

Responsibility: Community Development

Timeframe: Ongoing (as part of project review)

Resources: Fees

See also LU-2a (Development Review).

### **H-10b. Manufactured Housing.** Continue to allow quality manufactured housing in all zoning districts which allow single-family residences.

Responsibility: Community Development

Timeframe: Ongoing (as part of project review)

Resources: Staff Time

### **H-10c. Single Room Occupancy (SRO) Units.** Actively promote existing incentives for SRO apartments, such as no density regulations and lower parking standards, in multifamily and mixed use districts in recognition of their small size and low impacts.

Where needed, encourage linkages to social services.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Fees, Staff Time

### **H-10d. Zoning for Live/Work Opportunities.** Continue to accommodate live/work quarters in commercial districts, and allow for flexibility in parking requirements as supported by a parking study.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Staff Time

## H-11. House Sharing.

Support organizations that facilitate house sharing, linking seniors and small households with potential boarders to more efficiently use existing housing stock.

### **H-11a. Homesharing and Tenant Matching Opportunities.** Continue to support, and consider increased participation in, the Shared Housing Project in collaboration with community partners.

Responsibility: Community Development, Nonprofit Housing Providers, Social Service Organizations

Timeframe: Ongoing  
Resources: Staff Time

**H-11b. Junior Second Units.** Monitor the “Junior Second Unit” provisions adopted in 2016 to support the creation of "Junior Second Units" of less than 500 square feet in size. Such units would be created through the repurposing of existing space within a single-family dwelling to create a semi-private living situation for a renter or caregiver in conjunction with the owner-occupied unit. Junior second units would be required to have exterior access, and meet the U.S. Census definition of a housing unit<sup>1</sup> to qualify for credit towards the City's Regional Housing Needs Allocation (RHNA).

Program Objective: Monitor standards adopted to facilitate junior second units. Seek to issue permits for at least 20 units during planning period.  
Responsibility: Community Development  
Timeframe: Ongoing, with initial two-year review by 2018  
Resources: Staff Time

See also H-16a (Second Units)

**H-12. Residential Care Facilities and Emergency Shelters.** Encourage a dispersion of residential care facilities and emergency shelters, and avoid an over concentration of residential care facilities and shelters for the homeless in any given area consistent with state and federal laws. Allow emergency shelter beds in appropriate zoning districts in order to accommodate San Rafael’s unsheltered homeless population. Recognize transitional and supportive housing units as residential units, and eliminate governmental constraints to the operation or construction of transitional, supportive, and emergency housing consistent with State law. Support the implementation of the San Rafael Homeless Action Plan.

**H-12a. Countywide Efforts to Address Homeless Needs.** Work with other jurisdictions and agencies in Marin to provide emergency, transitional, and supportive housing and assistance throughout Marin, and continue City staff's role as the homeless coordinator for the County. Continue to support and allocate funds, as appropriate, for programs providing emergency, supportive, and/or transitional shelter and counseling services for families and individuals who are homeless or at-risk of homelessness. Implement strategies identified in the San Rafael 2013 Homeless Action Plan to prevent homelessness to those who are precariously housed and provide a path to stable housing for those who are homeless.

Responsibility: Community Development, Economic Development, Nonprofit Housing Providers, Marin Housing, County of Marin (funding)  
Timeframe: Ongoing (as part of project review)  
Resources: Staff Time

**H-12b. Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities.** Where determined necessary during review of an application, encourage positive relations between neighborhoods and providers of emergency shelters and residential care facilities by requiring shelter outreach communication programs with the neighborhoods.

Responsibility: Community Development  
Timeframe: As part of project review  
Resources: Staff Time

**H-12c. Residential Care Facilities.** Regularly update zoning regulations that govern residential care facilities to conform to Federal and State laws and to encourage their location in areas that do not result in overconcentration of care facilities. Explore the feasibility of requiring affordable units in assisted living facilities, for example, reduced rate rentals with access to market-rate services.

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<sup>1</sup> The 2010 U.S. Census defines a "housing unit" as a house, an apartment, a mobile home, a group of homes, or a single room that is occupied (of if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

Responsibility: Community Development  
Timeframe: Mid Term (2018)  
Resources: Staff Time

**H-12d. Emergency Shelters, Transitional and Supportive Housing.** Implement Zoning Code Section 14.16.115 to allow emergency shelters as a permitted use in the General Commercial (GC) and Light Industrial (LI/O) zoning districts south of Bellam and east of Highway 580 and with appropriate performance standards as allowed by State law. Continue to allow emergency shelters with a use permit in areas zoned for office, commercial, light industrial and public/quasi-public use. Implement the City's Zoning Code (Zoning Code Chapter 14.03 - Definitions), consistent with State and Federal law, to recognize transitional and supportive housing as residential uses, subject to the same restrictions and standards of similar residential dwellings in the same zone.

Based on input from State HCD, amend Zoning Code Section 14.16.115 to clarify requirements for staff and services to be provided to assist residents in obtaining permanent shelter and income are permissive, rather than mandatory. In addition, clarify that while a written Management Plan is required, it is not subject to discretionary approval.

Responsibility: Community Development  
Timeframe: Amend the Zoning Code in 2015  
Resources: Staff Time

See also H-5a (Fair Housing Program)

### H-13. Senior Housing.

Encourage housing that meets the needs of San Rafael's older population, particularly affordable units and affordable care facilities that foster aging within the community. Support development that provides housing options so that seniors can find suitable housing to rent or purchase.

**H-13a. Assisted Living.** Evaluate current zoning regulations for new assisted living housing, and assess options to regulate as a residential, rather than a commercial use. Evaluate establishing inclusionary housing requirements for assisted living.  
Program Objective: Undertake study of zoning for assisted living, and amend zoning ordinance accordingly.

Responsibility: Community Development, Economic Development  
Timeframe: Mid Term (2018)  
Resources: Staff Time

**H-13b. "Age-in-Place" Assistance.** Continue to provide assistance to older residents who want to remain independent and in their homes for as long as possible, such as the Police Department's "Are You OK?" program, the Fire Department's "Safety Check" program, Code Enforcement's continuing cooperation with the Marin County Social Services, and Community Services social activities offered through the Community Centers.

Responsibility: Community Development, Police, Fire, Community Services  
Timeframe: Annually  
Resources: Staff Time, Grants, Partnerships with Community Partners

See also H-11b (Junior Second Units) and H-16a (New Second Units)

## Use Land Efficiently to Provide Affordable Housing

San Rafael is a city with very little remaining vacant land, much of it in environmentally sensitive areas. The City of San Rafael has identified sites and areas as having the potential to provide housing to help meet local demand, as well as meet State law and regional need requirements. (See Housing Background, Appendix B.) This potential is based on the properties' availability for development, land use designations, size and other physical characteristics, and relative lack of environmental constraints.

Each site may have unique issues pertaining to its neighborhood context that will need to be addressed during review of any development proposal. These issues are identified in site-specific policies in the Neighborhoods Element.

The city's zoning capacity for housing is greater than the 'total remaining need' listed below. These lands zoned for housing are available for development and sufficient to accommodate San Rafael's housing needs within the State's planning timeframe.

### H-14. Adequate Sites.

Maintain an adequate supply of land designated for all types of residential development to meet the housing needs of all economic segments in San Rafael. Within this total, the City shall also maintain a sufficient supply of land for multifamily housing to meet the quantified housing need of very low, low, and moderate income housing units. Encourage development of residential uses in commercial areas where the vitality of the area will not be adversely affected and the site or area will be enhanced by linking workers to jobs, and by providing shared use of the site or area.

**H-14a. Residential and Mixed Use Sites Inventory.** Encourage residential development in areas appropriate and feasible for new housing. These areas are identified in Appendix B, Housing Element Background, Summary of Potential Housing Sites (available for view on the City's website). Explore effective ways to share housing site information and developer and financing information to encourage development of underutilized institutional land. The City has employed different strategies to find the most effective way to deliver information about development. It is an ongoing and evolving process that has included practices such as preparing fact sheets for sites with multiple inquiries.

Program Objective: Maintain a current inventory of suitable sites, and provide this information to interested developers along with information on incentives.

Responsibility: Community Development, Economic Development

Timeframe: Ongoing

Resources: Staff Time

**H-14b. Efficient Use of Multifamily Housing Sites.** Do not approve residential-only development below minimum designated General Plan densities unless physical or environmental constraints preclude its achievement. Residential-only projects should be approved at the mid- to high-range of the zoning density. If development on a site is to occur over time the applicant must show that the proposed development does not prevent subsequent development of the site to its minimum density and provide guarantees that the remaining phases will, in fact, be developed.

Responsibility: Community Development

Timeframe: Ongoing (as part of project review)

Resources: Fees

**H-14c. Continue to Implement Zoning Provisions to Encourage Mixed Use.** San Rafael has been effective in integrating both vertical mixed use and higher density residential development within its Downtown. As a means of further encouraging mixed use in commercial areas outside the Downtown, General Plan 2020 now allows site development capacities to encompass the aggregate of the maximum residential density PLUS the maximum FAR for the site, thereby increasing development potential on mixed use sites. The City will continue to review development standards to facilitate mixed use, including:

- a. Encourage adaptive reuse of vacant buildings and underutilized sites with residential and mixed use development on retail, office, and appropriate industrial sites
- b. Explore zoning regulation incentives to encourage lot consolidation where needed to facilitate housing.
- c. Review zoning requirements for retail in a mixed use building or site, and amend the zoning ordinance as necessary to allow for residential-only buildings in appropriate mixed-use zoning districts.

Responsibility: Community Development

Timeframe: Mid Term (2017)

Resources: Staff Time

See also H-15a (Downtown Station Area Plan).

**H-14d. Air Rights Development.** Take an active role in evaluating the feasibility of air rights development and consider possible zoning incentives for such development. Encourage developers of affordable housing to utilize air rights, such as above public parking lots or commercial uses Downtown.

Responsibility: Community Development, Public Works, Parking Services

Timeframe: Long Term (2020)

Resources: Fees

## H-15. Infill Near Transit.

Encourage higher densities on sites adjacent to a transit hub, focusing on the Priority Development Area surrounding the San Rafael Transportation Center and future Downtown SMART station.

**H-15a. Downtown Station Area Plan.** The coming of SMART rail service to Downtown San Rafael in 2016 is an opportunity to build on the work that the City has undertaken to revitalize the Downtown and to create a variety of transportation and housing options, economic stability, and vibrant community gathering places in the heart of San Rafael. General Plan 2020, adopted in 2004, allowed for higher residential densities and reduced residential parking standards to encourage housing development within the heart of Downtown that would support local businesses and allow people to live close to their place of work. The Downtown Station Area Plan, accepted by City Council in June 2012, establishes a series of implementing actions, the following of which specifically serve to facilitate higher density residential and mixed use infill in the area.



- ✓ Conduct parking study in Station Area to evaluate options to addressing small parcels and on-site parking constraints to development (study underway, complete in 2015).
- ✓ Evaluate relocation of existing Bettini Transit Center, and potential reuse as mixed use site (study underway, complete in 2015).
- ✓ Evaluate additional height and FAR on certain blocks adjacent to US 101 (as defined in the Downtown Station Area Plan), facilitating redevelopment of the Transit Center into a vibrant, mixed use environment (long term).
- ✓ Evaluate allowing additional height and FAR increases in certain areas to match the adjacent height and FAR limits in exchange for community amenities. The blocks recommended for study are: A. West side of US 101 - Tamalpais Avenue to Hetherton Street between Mission Avenue and Second Streets, including the transit center; and B. On the east side of US 101 - The west side of Irwin Street between Fourth and Second Streets and the south side of Fourth Street between Irwin Street and Grand Avenue, and consider adopting a form based code instead of the current density and FAR requirement (long term).
- ✓ Review parking requirements and develop additional municipal parking resources to reduce onsite parking burden (long term).

Program Objective: Complete Station Area parking study and Transit Center relocation analysis in 2015. Following the commencement of operation of SMART (2016), study other Station Area Plan recommendations to increase housing opportunities near transit, and implement through Zoning Code changes where appropriate. Build upon lessons learned from the Station Area parking analysis to re-evaluate parking standards on a citywide basis.

Responsibility: Community Development and Parking Services  
Timeframe: One year after the start of SMART services in the city.  
Resources: Staff Time, PDA Funding



**H-15b. Civic Center Station Area Plan.** The City completed the Civic Center Station Area Plan, which was accepted by the City Council in August 2012 and amended in 2013. Development around the station area will be guided by considerations for station access and transportation connections by various modes, as well as promotion of land uses that embrace the opportunities of a transit-oriented site and are compatible with the character of the surrounding area.

Following the commencement of the operation of SMART (2016), study Station Area Plan recommendations to facilitate housing opportunities near transit, and implement through General Plan amendments and Zoning Code changes where appropriate.

Responsibility: Community Development

Timeframe: One year after the start of SMART operation in the city.

Resources: Staff Time, PDA Funding

## H-16. Second Units.

Second dwelling units offer several benefits. First, they typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors and single persons. Second, the primary homeowner receives supplementary income by renting out the second unit, which can help many modest income and elderly homeowners afford to remain in their homes.

San Rafael has continuously promoted second units as an affordable housing option. Efforts have included providing a comprehensive handout explaining the second-unit process, posting information about second units on the City's website, promoting the second unit program through the *San Rafael Focus* City newsletter, offering staff consultation for adding or legalizing a second unit, holding workshops to educate homeowners about the process to add a second unit, and implementing an amnesty program for legalization of illegal second units. In addition, San Rafael staff worked with local utility agencies to reduce fees for water and sewer service for second units, and in 2012 the City adopted a Citywide Traffic mitigation fee amendment to waive the traffic mitigation fee for second units.

**H-16a. New Second Units.** Continue to encourage the provision of second units to provide housing options for seniors, caregivers, and other lower and extremely low income households.

Program Objectives: Based on past trends, support the production of an average of five second units annually, with the goal of achieving 40 units over the planning period.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Fees

See also H-11b (Junior Second Units).

## H-17. Regulatory Processes and Incentives for Affordable Housing.

San Rafael implements a variety of regulatory processes to address potential governmental constraints and incentivize the provision of affordable housing, including density bonuses, height bonuses, fee waivers, and reduced parking requirements. San Rafael's primary tool to support the development of affordable housing is through its Affordable Housing Ordinance which both produces affordable units and generates affordable housing in-lieu fees. San Rafael was one of the first cities in the State to adopt such an affordable housing requirement in the 1980's. This policy has resulted in the construction of numerous affordable units within market rate developments and provided additional funding for 100% affordable developments.

**H-17a. State Density Bonus Law.** Under Government Code section 65915-65918, for housing projects of at least five units cities must grant density bonuses ranging from 5% to 35% (depending on the affordability provided by the housing project) when requested by the project sponsor, and provide up to three incentives or concessions unless specific findings can be made. San Rafael has integrated State density bonus requirements within its Affordable Housing Ordinance (Zoning Code Section 14.16.030), depicting the connection with the City's Inclusionary Housing requirements.

Responsibility: Community Development  
Timeframe: Ongoing (as part of project review)  
Resources: Fees

**H-17b. Height Bonuses.** Continue to offer height bonuses for projects that include affordable housing units as provided in Exhibit 10 of the Land Use Element. Provide early design review to assist with potential design issues. Height increases may be granted with a use permit. Evaluate utilizing height bonuses as a tool to incentivize lot consolidation.

Responsibility: Community Development  
Timeframe: Evaluate lot consolidation incentives by 2016.  
Resources: Staff Time

**H-17c. Waiver or Reduction of Fees.** Continue to offer fee waivers and reductions for applications including affordable units, consistent with Resolution 11025. Facilitate the production of second units through elimination of the traffic mitigation fee (adopted in 2012), and coordination with local jurisdictions to lobby Las Gallinas Valley Sanitary District to reduce sewer connection fees for second units and affordable housing.

Responsibility: Community Development  
Timeframe: Ongoing (as part of project review)  
Resources: General Fund

**H-17d. Efficient Project Review.** San Rafael has fully implemented the provisions of the Permit Streamlining Act (AB 884), and provides concurrent processing through over-the-counter one-stop permitting. Planning staff continue to inform developers of density bonus incentives for affordable housing, and consistent with State requirements, any modified development standards provided as part of a density bonus incentives package are exempt from the variance process. The City utilizes allowable California Environmental Quality Act (CEQA) exemptions for qualified urban infill and other residential projects where site characteristics and an absence of potentially significant environmental impacts allow.

Responsibility: Community Development, Economic Development  
Timeframe: Ongoing (as part of project review)  
Resources: Fees

## H-18. Inclusionary Housing Requirements.

The City of San Rafael first adopted inclusionary requirements in the 1980's. The City requires residential projects to provide a percentage of affordable units on site and/or pay in-lieu of fees for the development of affordable units in another location. The City's program requires the units remain affordable for the longest feasible time, or at least 55 years. The City's primary intent is the construction of units on-site. The units should be of a similar mix and type to that of the development as a whole, and dispersed throughout the development. If this is not practical or not permitted by law, the City will consider other alternatives of equal value, such as in-lieu fees, construction of units off-site, donation of a portion of the property for future non-profit housing development, etc. Allow for flexibility in providing affordable units as long as the intent of this policy is met. Specific requirements are:

**Exhibit 15-1: Inclusionary Requirement by Project and Size.**

Project Size	% Affordable Units Req'd
2 – 10 Housing Units*	10%
11 – 20 Housing Units	15%
21+ Housing Units	20%
* Exemptions for smaller projects units may be provided for in the Zoning Ordinance.	

**Rental Units.** Provide, consistent with State law, a minimum of 50% of the BMR units affordable to very low-income households at below 50% of median income, with the remainder affordable to low income households at 50-80% of median income.

**Sale/Ownership Units.** Provide a minimum of 50% of the BMR units affordable to low income households at 50-80% of median income, with the remainder affordable to moderate income households at 80-120% of median income.

**Calculation of In-lieu Fee.** Continue to provide a calculation for in-lieu fees for affordable housing. For fractions of affordable units, if 0.5 or more of a unit, the developer shall construct the next higher whole number of affordable units, and if less than 0.5 of a unit, the developer shall provide an in-lieu fee.

**H-18a. Inclusionary Housing Nexus Study.** Conduct an Inclusionary Housing Nexus Study and engage with the local development community and affordable housing advocates to evaluate the Inclusionary Housing Ordinance and in-lieu fee requirements for effectiveness in providing affordable housing under current market conditions. Amend the Inclusionary Housing Ordinance as appropriate, to enhance the Program's effectiveness and consistent with recent court decisions.

Program Objective: Conduct affordable housing nexus study and amend the Inclusionary Housing Program as warranted.

Responsibility: Community Development, Economic Development

Timeframe: 2016

Resources: Fees, Staff Time

**H-19. Energy Conservation and Sustainability**

The City of San Rafael promotes resource conservation and energy efficiency through the Sustainability Element of the General Plan. In implementing the policies and programs of the Sustainability Element, the City will also achieve its objectives for greater sustainability in residential projects.

**H-19a. Sustainability Policies and Programs.** Refer to the Sustainability Element in the San Rafael General Plan to guide housing development and renovation. *SU-4 Renewable Energy* lays out programs to increase the supply of renewable energy. *SU-5 Reduce Use of Non-Renewable Resources* promotes efficiency in resource consumption.

Responsibility: Community Development

Timeframe: Ongoing

Resources: Staff time

## Summary of Quantified Objectives

The following table summarizes the City's quantified objectives for the 2015-2023 Housing Element planning period. The objectives include the City's new construction objectives to meet its Regional Housing Needs Allocation (RHNA); rehabilitation objectives to reflect Marin Housing's Rehabilitation Loan Program; and conservation objectives to reflect preservation of existing rent-restricted affordable housing at risk of conversion.

**Exhibit 15-2: Quantified Objectives**

<b>Income Level</b>	<b>New Construction Objectives**</b>	<b>Rehabilitation Objectives***</b>	<b>Conservation Objectives****</b>
Extremely Low* (0% - 30% AMI)	120	6	291
Very Low (31% - 50% AMI)	120	18	
Low (51% - 80% AMI)	148		
Moderate (81% - 120% AMI)	181		
Above Moderate (>120% AMI)	438		
<b>Totals</b>	<b>1,007</b>	<b>24</b>	<b>291</b>

\* Of San Rafael's RHNA allocation for 240 very low income units, half is allocated to extremely low income households, and half to very low income households.

\*\* New Construction objectives reflect RHNA for the 2015-2023 planning period.

\*\*\* Rehabilitation objectives are based on a goal to assist three households annually through Marin Housing's Rehabilitation Loan Program.

\*\*\*\* Conservation objectives reflect preservation of 291 at-risk rent-restricted units in eight publicly-assisted projects owned by non-profits.