

Agenda Item No: 4.f

Meeting Date: June 23, 2025

SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Community and Economic Development Department

Prepared by: Greg Minor, Assistant Director City Manager Approval:



TOPIC: EXPLORING FORMATION OF A COMMUNITY LAND TRUST WITH THE COUNTY OF

MARIN

SUBJECT: RESOLUTION OF THE CITY COUNCIL OF SAN RAFAEL IN SUPPORT OF

EXPLORING THE FORMATION OF A COMMUNITY LAND TRUST WITH THE COUNTY OF MARIN AS A STEP TOWARD ACHIEVING COMPLIANCE WITH THE METROPOLITAN TRANSPORTATION COMMISSION'S (MTC's) TRANSIT-ORIENTED

COMMUNITIES (TOC) POLICY

RECOMMENDATION:

Staff recommends that the City Council adopt a Resolution in support of exploring the formation of a community land trust with the County of Marin.

BACKGROUND:

In 2022, the Metropolitan Transportation Commission (MTC) adopted the <u>Transit-Oriented Communities</u> (TOC) Policy to support the region's transit investments by creating communities around transit stations and along transit corridors that not only enable transit ridership but also are places where Bay Area residents of all abilities, income levels, and racial and ethnic backgrounds can live, work, and access services. TOC Policy applies to locations within a half mile of existing and planned stops and stations served by Bay Area transit including, Bay Area Rapid Transit (BART), Caltrain, Muni, Sonoma-Marin Area Transit (SMART), and the Golden Gate Ferry systems. In 2023, MTC identified two Tier Four TOCs in the City of San Rafael (San Rafael), one surrounding the Marin Civic Center SMART station and the other surrounding the San Rafael Transit Center SMART station. Other Marin County jurisdictions with TOCs include Novato, Belvedere, Tiburon, Sausalito, and Larkspur.

TOC Policy requirements for local jurisdictions include minimum residential and commercial office densities for new developments, adoption of affordable housing production, preservation, and protection policies, as well as requirements for stabilizing businesses to prevent displacement. Compliance with the TOC policy requirements is necessary for cities to be eligible for transportation funding, including One Bay Area Grant (OBAG) funding cycles. The process for cities to confirm compliance with TOC Policy will continue on a rolling basis until an anticipated deadline in early 2026, corresponding with the OBAG 4 funding timeframe.

FOR CITY CLERK ONLY
Council Meeting:
Disposition:

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With respect to affordable housing preservation, TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts includes investments or policies to expand the amount of land held by public and non-profit entities such as cooperatives, community land trusts, and land banks with permanent affordability protections. To comply with TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts San Rafael will need to establish a program that provides \$900,000 over a four-year period; the source of this funding can include funding provided by the County of Marin (See MTC Administrative Guidance: Transit-Oriented Communities Policy, pp.14-15 and p.30).

San Rafael has already taken steps to support community land trusts. Specifically, as part of <u>San Rafael's 2023-2031 Housing Element</u>, San Rafael's City Council adopted Policy H-4.5: Opportunities for Home Ownership, which asserted:

Recognize home ownership as a tool for creating generational wealth, particularly for members of racial/ethnic groups that historically faced and continue to face discriminatory lending, appraisal and sales practices. Support home ownership opportunities for low- and moderate income first-time buyers, including cooperatives, community land trusts, limited equity partnerships, and other innovative forms of ownership that reduce housing costs and create ownership opportunities for lower-income populations (Housing Action Plan, p.6-6).

In November 2024, Marin County staff applied for the MTC's TOC Housing Policies Grant to support Bay Area jurisdiction's compliance with TOC Housing Policies, and the MTC awarded Marin County \$400,000 to explore the formation of a countywide community land trust. This work includes determining whether there is a need and support for a countywide community land trust, conducting feasibility studies, and analyzing naturally occurring affordable housing within TOCs. In order for Marin County to begin this work and receive the \$400,000 grant from the MTC, the MTC requires Marin County's TOC jurisdictions to adopt a resolution expressing their intent to participate in Marin County's grant program and pursue policies to comply with TOC Housing Policies.

ANALYSIS:

Collaborating with the County of Marin on the formation of a community land trust is an opportunity for San Rafael to both advance its adopted Housing Element Policy H-4.5 and bring San Rafael more in compliance with the MTC's TOC Policy, which enhances San Rafael's eligibility for future MTC grant funds. While ultimate compliance with TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts will require an overall financial commitment of \$900,000 between 2026-2030, the mere exploration of forming a countywide community land trust in no way obligates San Rafael to comply with TOC Policy. Furthermore, San Rafael can satisfy the TOC Land Trust Policy's financial commitment through financial contributions from the County of Marin. As a result, the only cost to San Rafael of supporting the exploration of a community land trust is staff resources, which will be minimal as the County will be leading this project. Accordingly, staff recommends supporting the County's exploration of the formation of a community land trust as this will further San Rafael's goals of supporting home ownership opportunities for low-income residents and enhance San Rafael's eligibility for future MTC grant funding.

COMMUNITY OUTREACH:

The City Council's support for community land trusts emerged from the 2023 adoption of the 2023-2031 Housing Element, which was the product of an intensive public outreach program. The public outreach included three community workshops, eight Working Group meetings, eight briefings to the Planning Commission and City Council, a resident survey, a developer forum, focus groups, interviews, a youth/school program, and presentations to multiple neighborhood groups and community-based organizations.

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FISCAL IMPACT:

There is no direct fiscal impact associated with the City Council's adoption of the proposed Resolution outside of staff time that will be spent collaborating with Marin County staff exploring the formation of a countywide community land trust.

However, as noted above, ultimate compliance with TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts requires San Rafael and the County of Marin to commit a total of \$900,000 between 2026-2030. San Rafael's financial contributions can come in the form of future allocations from the City's Affordable Housing Trust Fund. That said, the mere exploration of forming a countywide community land trust in no way obligates San Rafael to comply with the TOC Policy, including committing financial resources towards a community land trust. Furthermore, San Rafael can satisfy the TOC Land Trust Policy's financial commitment through financial contributions from the County of Marin.

Lastly, adopting the proposed Resolution will move San Rafael towards complying with MTC's TOC Policy, which will improve San Rafael's eligibility for future MTC grant opportunities.

OPTIONS:

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

- 1. Adopt the proposed Resolution.
- 2. Adopt the Resolution with amendments.
- 3. Direct staff to return with more information.
- 4. Take no action.

RECOMMENDED ACTION:

Staff recommends that the City Council adopt a Resolution in support of exploring the formation of a community land trust with the County of Marin.

ATTACHMENTS:

1. Resolution

RES	OL	UTIC	N N	10.	

RESOLUTION OF THE CITY COUNCIL OF SAN RAFAEL IN SUPPORT OF EXPLORING THE FORMATION OF A COMMUNITY LAND TRUST WITH THE COUNTY OF MARIN AS A STEP TOWARD ACHIEVING COMPLIANCE WITH THE METROPOLITAN TRANSPORTATION COMMISSION'S (MTC'S) TRANSITORIENTED COMMUNITIES (TOC) POLICY

WHEREAS, the Metropolitan Transportation Commission (MTC) adopted Resolution 4530, the Transit-Oriented Communities (TOC) Policy (TOC Policy); and

WHEREAS, the TOC Policy incentivizes local jurisdictions to plan and zone for higher residential and commercial densities in areas within one half-mile of existing and planned fixed-guideway transit stops and stations to support the region's transit investments and implement key GHG reduction strategies from Plan Bay Area 2050; and

WHEREAS, incentivizing local jurisdictions to also adopt policies focused on increasing housing production of all types, particularly affordable housing production, preservation and protection, commercial anti-displacement and stabilization, parking management, and transit station access and circulation further supports regional transit investments and Plan Bay Area 2050 implementation; and

WHEREAS, in 2023 MTC identified two Tier Four Transit-Oriented Communities (TOCs) in the City of San Rafael, one surrounding the Marin Civic Center Sonoma Marin Area Rail Transit (SMART) station and the other surrounding the San Rafael Transit Center SMART station; and

WHEREAS, MTC anticipates that future regional funding, such as the One Bay Area Grant (OBAG) program, will consider compliance with the TOC Policy as part of the prioritization and project selection process starting with OBAG 4, expected in 2026; and

WHEREAS, the TOC Policy establishes different compliance expectations for existing and planned station areas based on the level of transit service; and

WHEREAS, the TOC Policy identifies four TOC Policy areas (density, housing affordability, parking, and access/circulation); and

WHEREAS, on September 30, 2024, the MTC announced a Call for Projects for TOC Planning and Implementation Grants, and informed local jurisdictions of a November 22, 2024, deadline for submittals of Applications, as well as grant application guidance and requirements including compliance with the Transit Oriented Communities Policy; and

WHEREAS, the County of Marin submitted a grant application to MTC for \$400,000 for TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts; and

WHEREAS, as part of the City of San Rafael's <u>2023-2031 Housing Element</u>, the City of San Rafael's City Council adopted Policy H-4.5: Opportunities for Home Ownership, which stated: "Support home ownership opportunities for low- and moderate income first-time buyers, including cooperatives, community land trusts, limited equity partnerships, and other innovative forms of ownership that reduce housing costs and create ownership opportunities for lower-income populations."

NOW, THEREFORE BE IT RESOLVED, that the City of San Rafael commits to supporting the County of Marin's exploration of the formation of a countywide community land trust; and

BE IT FURTHER RESOLVED, that the City of San Rafael intends to consider the adoption of relevant policies emerging from the work completed through the Community Land Trust grant to comply with the TOC Affordable Housing Preservation Policy 5: Public/Community Land Trusts requirements.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a special meeting of the City Council of the City of San Rafael, held on the 23rd day of June 2025 by the following vote, to wit:

AYES: Councilmembers: NOES: Councilmembers: ABSENT: Councilmembers:

Lindsay Lara, City Clerk