

Housing Element
Resolution No. 13863

EIR Addendum
Resolution No. 13862

CITY OF SAN RAFAEL

2015 - 2023 Housing Element



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Introduction to Appendix B (2015-2023 Housing Element)

Appendix B, the Housing Element appendix of the 2009-2014 Housing Element, was part of the overall appendices for the City's General Plan. In developing the 2015-2023 Housing Element, Appendix B will continue to remain the location for background information tied to the Housing Element. It is organized into six sections:

Appendix B-1: Housing Needs Assessment

The Housing Needs Assessment is an analysis of demographic profiles, household profiles, special needs populations, housing characteristics, and the Regional Housing Needs Allocation. Appendix B-1 roughly corresponds to Appendix B of the 2009-2014 Housing Element, pages 317 to 355.

Appendix B-2: Housing Constraints

The Housing Constraints section identifies governmental and non-governmental constraints that may affect the development of housing. Appendix B-2 roughly corresponds to Appendix B of the 2009-2014 Housing Element, pages 392-8 to 392-30.

Appendix B-3: Site Inventory and Residential Capacity

The Site Inventory and Residential Capacity section provides an analysis showing the ways in which the City would plan for the required number of units to meet the RHNA. This section contains an inventory of sites and shows that the residential capacity of these sites can meet projected housing needs in each income level. Appendix B-3 roughly corresponds to Appendix B of the 2009-2014 Housing Element, pages 378 to 392-8.

Appendix B-4: Housing Resources

The Housing Resources section identifies the financial and administrative resources that are available to support the development of housing. Energy conservation opportunities are presented here, highlighting the City's effort to promote sustainability and listing the energy conservation programs that are available. Appendix B-4 roughly corresponds to Appendix B of the 2009-2014 Housing Element, pages 356 to 357.

Appendix B-5: Evaluation of Accomplishments under Adopted Housing Element

The Evaluation of Accomplishments section reviews the status of 2009-2014 Housing Element programs and reestablishes the programs section to meet the goals of the 2015-2023 Housing Element. This section discusses accomplishments and proposes the addition, removal, renaming, or consolidation/integration of programs in the 2015-2023 Housing Element. Appendix B-5 roughly corresponds to Appendix B of the 2009-2014 Housing Element, pages 358 to 377.

Appendix B-6: Public Participation

The Public Participation section provides a description of outreach efforts and provides the notification list of organizations, groups, and individuals interested in the Housing Element Update.

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT



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APPENDIX B-1. HOUSING NEEDS ASSESSMENT

A. Executive Summary

Housing Element law requires local governments to meet existing and projected housing needs for all economic segments of a community. Each city plays an important role not only in providing opportunities to develop housing for its community but in the overall supply of housing in the State. The Housing Needs Assessment examines the demographic composition, household characteristics, and housing stock within a community, which provides a foundation to inform housing policy. Through a planning process that accounts for State housing allocation targets and examines housing needs unique to the city, the Housing Needs Assessment both meets State requirements and supports locally-based planning policies. The major findings of the Housing Needs Assessment are presented below.

1. Demographic Profile

The population of San Rafael was 57,713 in 2010, which is a 19 percent population increase since 1990. Between 2010 and 2040, the Association of Bay Area Governments (ABAG) projects another 19 percent population growth, from 57,713 to 68,700 residents.¹

San Rafael's population is aging-in-place, in which middle age and older residents have become a larger proportion of the population since 2000. In 2010, persons under age 25 represented 27 percent of the population, which was a slight decrease from 28 percent in 2000. Young Adults (25-44) represented 33 percent of the population in 2000 but decreased to 29 percent in 2010. Age groups that experienced increases in proportional distribution included Middle Age persons (45-64) – from 25 percent to 27 percent – and Early Seniors (65-74) – from 6 percent to 7 percent. The median age over this period increased from 38.5 years to 40.2 years.

San Rafael has become more racially diverse over the past decade. Persons who identified themselves as White represented 59 percent of the population in 2010. Although the group continues to be the majority in the city's racial and ethnic composition, this was a decrease from 66 percent in 2000. Conversely, persons who identified themselves as Hispanic increased from 23 percent to 30 percent of the population between 2000 and 2010.

The city had nearly 36,000 jobs in 2011, however 87 percent of those employed in San Rafael commuted from outside the city. More than 29,600 San Rafael residents were employed in 2011, the majority of whom worked outside of San Rafael. These employment figures suggest that there is a jobs-housing imbalance in San Rafael, but it is part of a larger, regional issue related to the separation between job and housing locations for many residents around the Bay Area. Policies promoting inclusionary housing in San Rafael can help address this challenge locally.

¹The City of San Rafael commented on population, housing, and employment projections that are part of Plan Bay Area in a letter to ABAG on May 13, 2013. The City has asserted that a reexamination of the projection methodologies can yield results that may more accurately reflect the growth potential in San Rafael and Marin County – current projections appear to be overly ambitious. The City will continue to follow the progress of new methodologies used for the next projection period. However, acquiring certification for the Housing Element by the State mandated deadline of Jan. 31, 2015 requires the use of ABAG's forecasts in this Housing Element.

2. Household Profile

San Rafael's household characteristics have changed little since 2000, despite a slight increase in the number of households. San Rafael had 22,764 households in 2010, with an average household size of 2.44 persons, compared to 2.36 persons in the County. In 2000, the city had 22,371 households with an average household size of 2.42. Household types remained fairly consistent between 2000 and 2010. Families made up 57 percent of households in 2000 and 2010. Singles increased from 32 to 33 percent during the same period. And Other Non-Families decreased from 11 to 10 percent. Households are projected to increase 16 percent to 26,490 by 2040.

The median household income was \$71,343 in 2011. However, there is a large disparity between the incomes of owner households and renter households. Median income for owner households (\$108,914) was more than twice the median income for renter households (\$44,646). The median income in 2000 was \$61,080 for all households – the median was \$87,704 for owners and \$41,541 for renters.

Affordable housing is a challenge for single wage households in the very low income category such as retail workers, who earn an average of \$28,427 annually in Marin, and in the low income category such as elementary school teachers, whose incomes average \$66,590.

Housing affordability is not only an issue for low income households, but moderate income households also experience difficulty in affording market-rate housing in San Rafael. For example, the maximum affordable purchase price for a three-person moderate income household is \$510,000, whereas the median sales price for a two-bedroom single-family home was \$600,000, showing the disparity between affordable homeownership – measured as 35% of household income – and market values. The result causes some households to overpay for housing, live in overcrowded units or choose to look elsewhere for housing.

Housing overpayment, defined as spending greater than 30 percent of income on housing costs, impacts 53 percent of San Rafael's renter households and 42 percent of owner households. Severe overpayment - spending more than half of income on housing - affects 30 percent of renters and 20 percent of homeowners. The impact of housing overpayment on San Rafael's lower income households is significant, with the community's special needs populations – seniors, persons with disabilities, and female-headed households with children - most vulnerable to losing their housing due to an inability to pay.

Overcrowding has been a continuing problem in San Rafael. Defined as greater than 1.01 occupants per room, the percentage of households experiencing the problem increased from 1.9 percent in 1980, to 5.6 percent in 1990 and 10.6 percent in 2000. Overcrowding had a larger impact on renters than owners, with 21.3 percent of the city's renter households in 2000 living in overcrowded conditions. The most recent data from the 2006-2010 American Community Survey shows a 50 percent decline in renter overcrowding to 12.6 percent, however relatively high concentrations of overcrowding remain in certain neighborhoods, namely the Canal Neighborhood and Francisco Boulevard West.

3. Special Needs Populations

San Rafael had 5,972 senior households, 73 percent owned a home and 27 percent rented housing. Over half of San Rafael's seniors were 75 years of age and above, a population which may require more supportive housing options as they age. The majority of the city's senior households were lower income, with more than 40 percent living on annual incomes of less than \$50,000. Housing policy will need to address affordability for those on fixed incomes, assisted living for those requiring supportive housing options, and housing maintenance for many senior homeowners who live alone.

About 9.6 percent of San Rafael residents have one or more disabilities, which may include ambulatory, cognitive, hearing, or vision disabilities. The City's reasonable accommodation is one process that aims to remove barriers to construction of housing for persons with disabilities.

About 408 residents in San Rafael have developmental disabilities. Golden Gate Regional Center estimates that there would be a housing need of 130 units for these individuals. GGRC identifies a variety of care facilities and subsidize housing that would be appropriate for persons living with a developmental disability. San Rafael has 21 licensed adult residential facilities, providing supportive housing for up to 95 developmentally disabled adults and 41 adults with mental disabilities (Community Care Licensing, Feb 2014).

In 2010, San Rafael had 2,250 large households, defined as households with five or more persons, representing 10 percent of all households in the city. Of these large households, approximately 72 percent were renters and 28 percent were homeowners. Market rate housing prices and the shortage of affordable rental units pose serious challenges to low and moderate large households.

San Rafael had 2,004 female-headed families, accounting for nine percent of all households in 2011. Of these, 1,182 (59 percent of female-headed families) had children under the age of eighteen. Supportive services, such as proximity to schools and child care, in addition to affordable housing for single income households are crucial for these families. Transitional and emergency housing provide needed support in times of difficulty.

The *2013 Marin Point In Time Homeless Count* identified 175 unsheltered homeless residing in San Rafael on the day of the count. While San Rafael is home to more emergency shelters, transitional and supportive housing than other Marin jurisdictions, these facilities tend to operate at full or near capacity. The 175 unsheltered homeless represents an unmet need.

4. Housing Stock Characteristics

In 2010, San Rafael had 24,011 housing units. The housing stock consisted of 56 percent single-family units, 42 percent multifamily units and 2 percent mobile homes or other units. Eighty percent of the housing stock was built before 1980. The condition of the housing stock has not been an issue due to investment and upkeep by residents.

Renters occupied 48 percent of units and owners occupied 52 percent of units. Between 2000 and 2010, renter-occupied units increase from 46 to 48 percent. Residential vacancy rate was 1.2 percent for owners and 4.4 percent for renters.

Vacancy rates shows there is demand for housing in San Rafael, especially in rental units. The citywide vacancy rate was 5.2 percent according to the 2010 Census. It is a lower rate than Marin County 7.2 percent and San Francisco at 8.3 percent. Rental housing in San Rafael also has a vacancy of 5.2 percent, indicating a healthy supply, but an improving economy and associated job growth can increase demand and drive up rents.

Rent increases have already been observed, as indicated by a 25 percent average rent increase between 2010 and 2013 according to REALFACTS contract rent data. The average price rose from \$1,571 in 2010 to \$1,962 in 2013. Low income households with two or more persons would have difficulty finding a unit, with an affordability gap ranging from \$100 to \$436 per month.

Single-family home and condominium prices in 2013 increased from the previous year. In the 94901 zip code area, the median price was \$745,000, which was a 30 percent increase from the previous year. In the 94903 area the median was price was \$610,000, which was a 17 percent increase. These prices include both single-family and condominium prices together.

There is a large difference between single-family home and condominium prices. In 2013, the median price of a single-family home was \$815,000. The median price of a condominium was \$429,500. A moderate income household would not be able to afford a median-priced single-family home for the appropriate household size without spending more than 35 percent of household income towards housing. However, the household would be able to afford a median-priced condominium.

Foreclosures in San Rafael are much lower than those in the State. At 1 foreclosure per 3,716 residential units, San Rafael has a ratio approximately a quarter of that in California as a whole (1 per 921 units).

San Rafael has 8 of its 32 assisted rental projects at risk of conversion to market rate housing. Of these projects, seven are “low risk” and the one is “high risk” as of March 2014. Despite the at-risk classifications, these eight projects are owned by non-profit entities and their conversion to market rent is highly unlikely. To continue preserving affordable rental units, future steps may include maintaining a stable source of funding of rental assistance and developing new affordable rental units.

5. Regional Housing Needs Allocation (RHNA)

The Regional Housing Needs Allocation (RHNA) is the projected number of housing units by income level that cities must meet in their planning. Cities are not required to build all of the units in the allocation but must show that they have the capacity to accommodate these units and the policies in place to support the development of housing. In the prior RHNA cycle (2007-2014), San Rafael was given a “fair share” allocation of 1,403. San Rafael was given an allocation of 1,007 units for the updated RHNA, a lower allocation than the previous cycle. The allocation by income level is shown in the table below.

Table B1. 1: RHNA Allocation by Income Level for 2015-2023

Income Level	Percent of AMI*	Units
Extremely Low**	0-30%	120
Very Low	31-50%	120
Low	51-80%	148
Moderate	81-120%	181
Above Moderate	120%+	438
Total		1,007

Source: Association of Bay Area Governments (ABAG) 5th Cycle RHNA.

* AMI - Area Median Income

** An estimated half of San Rafael's 240 very low income housing needs (120 units) are for extremely low income households earning less than 30% AMI.

6. Conclusions

Jobs/Housing Imbalance- Affordable Workforce Housing

More than 87 percent of those employed in San Rafael reside in other cities, which implies a significant jobs/housing imbalance. Affordable workforce housing is needed for those who contribute vital services to the city but whose incomes limit their ability to obtain affordable housing in San Rafael. Examples of workforce occupations priced out of the local housing market include nursing assistants (very low income), elementary and high school teachers (low income), and firefighters (moderate income).

Income Disparity

In an effort to provide all residents with opportunities for quality housing, planning for housing in all income levels should be a focus in housing policies. The median income of renter households in San Rafael was \$44,646, compared to \$108,914 for owners in 2011. Renter households make up nearly half of all households in the city, which represents a large income disparity for a significant portion of the population and a persistent need for affordable housing.

Overpayment

Housing overpayment is a problem where households expend more than 30 percent of their incomes on housing and has an impact on a significant number of San Rafael residents. Fifty-three percent of San Rafael's renters experience overpayment, with over half of these renters expending greater than half their incomes on housing. Although a lower proportion of owner households (42 percent) experience overpayment, it is nonetheless a pervasive issue and can result in households losing their homes to foreclosure.

Overcrowding

Household overcrowding (defined as greater than one person per room) has declined by approximately one-half over the past decade, with overcrowded renter households dropping from 21.3 percent in 2000 to 12.4 percent in 2010. High concentrations of overcrowding remain a concern in certain neighborhoods, namely the Canal Neighborhood and Francisco Boulevard West.

Seniors/Aging Population – Age-in-Place Housing

Senior citizens comprise one-quarter of San Rafael's households, and will continue to increase as the baby-boomer population ages. Among the city's approximately 4,300 senior homeowners, 40 percent live alone. As these homeowners age, many may be unable to maintain their homes. Policies to promote second units, including conversion of unused bedrooms to "junior second units", can both enhance utilization of the existing housing stock and provide the economic and social support to better allow seniors to age in place.

Homelessness

Although San Rafael provides more emergency shelters, transitional housing and supportive housing than other Marin jurisdictions, the 2013 Marin Point in Time Homeless Count identified 175 unsheltered individuals that resided in San Rafael, representing an unmet need for permanent shelter. With apartment rents in San Rafael increasing nearly 25 percent over the past four years and continuing on this upward trend, the risk of increasing homelessness is a real issue.

B. Introduction to the Housing Needs Assessment

The Housing Needs Assessment serves as the foundation for San Rafael's Housing Element. Its purpose is to provide a comprehensive assessment of the community's existing housing needs and to evaluate household and demographic trends impacting those needs. The results of the Needs Assessment will provide direct input into creation of an effective housing strategy for San Rafael's Housing Element update.

The San Rafael Housing Needs Assessment contains the following chapters, as required under State Housing Element law:

- Demographic Profile
- Household Profile
- Special Needs Populations
- Housing Stock Characteristics
- Regional Housing Needs Allocation (RHNA)

Much of the demographic and household data in the Needs Assessment is derived from the 2000 and 2010 US Census and the 2007-2011 American Community Survey. Current housing market data is compiled from a variety of sources, including DataQuick sales transactions, REALFACTS, and internet rental listings. Marin Housing, also known as the Housing Authority of the County of Marin, provided information on affordable rental and ownership housing in San Rafael, and California Housing Partnership Corporation assisted in evaluating assisted units at risk of conversion to market rates. Finally, the Association of Bay Area Governments (ABAG) provided future projections of population, employment, and regional housing needs.

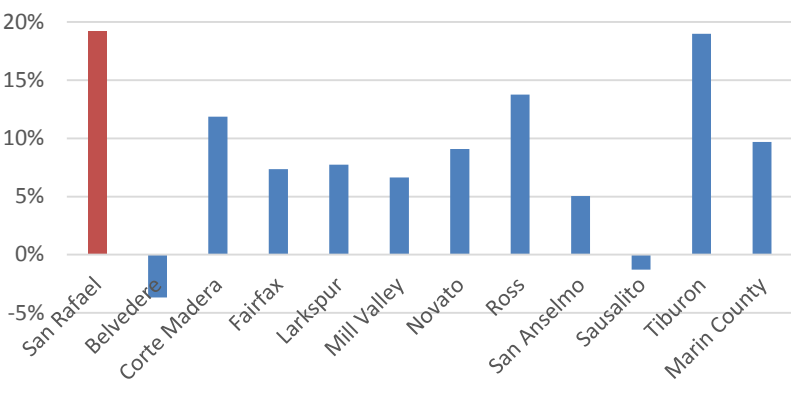
C. Demographic Profile

Demographic changes such as population growth or changes in age can affect the type and amount of housing that is needed in a community. This section addresses population, age, and race and ethnicity of San Rafael residents.

1. Population Growth and Trends

As of the 2010 Census, San Rafael had just over 57,700 residents, a 19 percent increase over the past two decades, and well above the 10 percent population increase countywide (see Table B1.2). Population growth was most significant between 1990 and 2000, when the city saw 7,600 new residents make their home in San Rafael. Since then, growth has been more modest with an increase of about 1,700 residents between 2000 and 2010.

Table B1.2: Regional Population Growth Trends 1990-2010



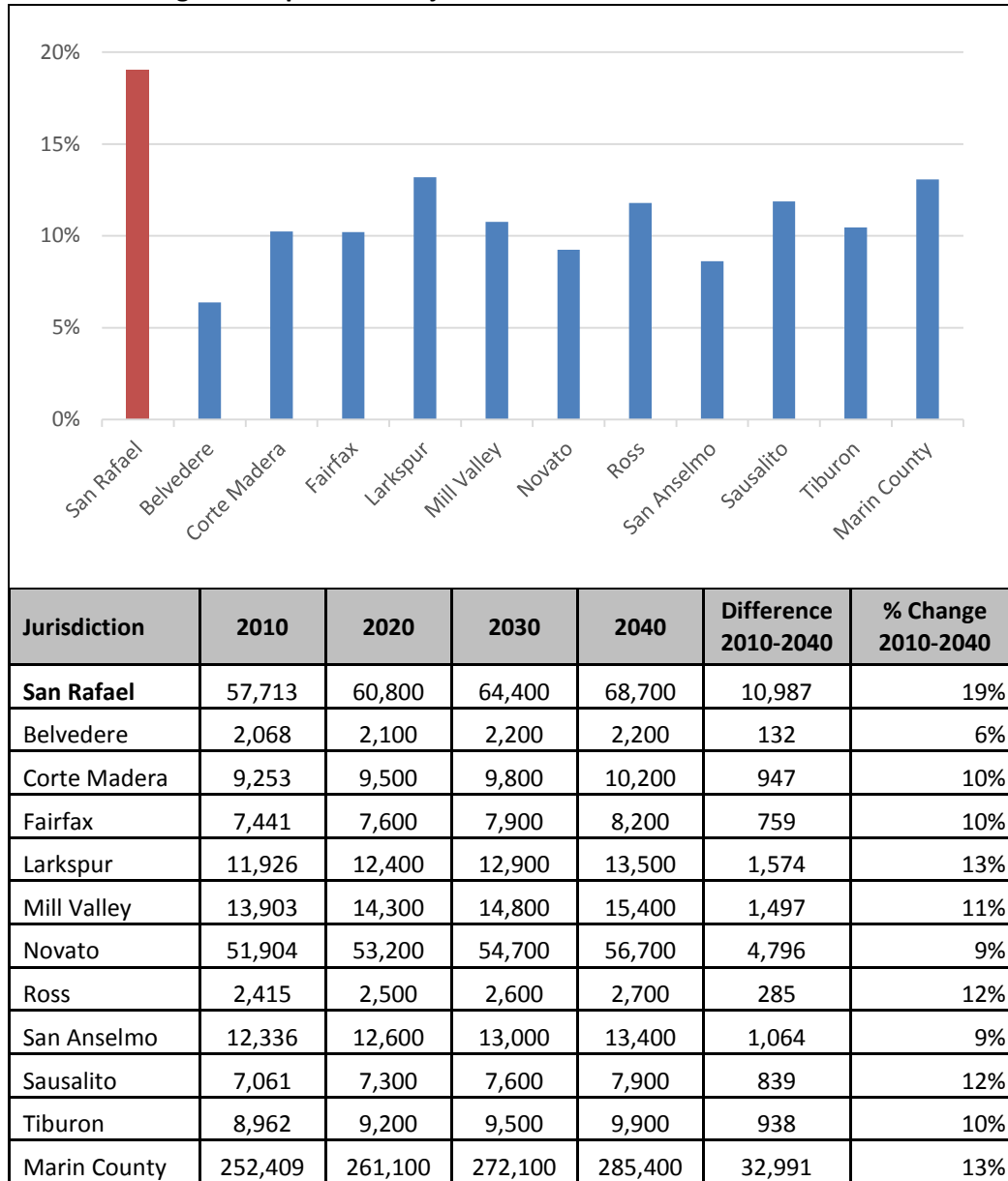
Jurisdiction	1990	2000	2010	% Change 1990-2010
San Rafael	48,404	56,063	57,713	19%
Belvedere	2,147	2,125	2,068	-4%
Corte Madera	8,272	9,100	9,253	12%
Fairfax	6,931	7,319	7,441	7%
Larkspur	11,070	12,014	11,926	8%
Mill Valley	13,038	13,600	13,903	7%
Novato	47,585	47,630	51,904	9%
Ross	2,123	2,329	2,415	14%
San Anselmo	11,743	12,378	12,336	5%
Sausalito	7,152	7,330	7,061	-1%
Tiburon	7,532	8,666	8,962	19%
Marin County	230,096	247,289	252,409	10%

Source: U.S. Census 1990, 2000, 2010

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In terms of future trends, the Association of Bay Area Governments (ABAG) projects that San Rafael will continue to experience the highest population growth rate within Marin County. *ABAG 2013 Projections* estimates the city's population will reach 68,700 by the year 2040, an increase of nearly 11,000 residents from 2010 and representing approximately one-third of the projected growth countywide.

Table B1.3: Regional Population Projections 2010-2040



Source: ABAG 2013 Projections

2. Age Characteristics

Table B1.4 displays the age distribution of San Rafael's population in 2000 and 2010. The table presents a comparison of the city's age distribution with that of the county in 2010.

- Children under the age of 18 made up 19 percent of San Rafael's 2010 population, fairly comparable to the proportion of children countywide. While the overall proportion of children remained relatively stable over the decade, in terms of absolute numbers, the school-aged population (5-17 years) actually declined from 7,726 to 7,664, while the number of children less than five years in age increased from 3,271 to 3,590.
- The biggest change in San Rafael's age profile between 2000 and 2010 was a relative decrease in young adults (25-44 years) from 33 to 29 percent and increase in middle age residents (45-64 years) from 25 to 27 percent of the population. Factors contributing to this change included adults aging into the "Middle Age" bracket and fewer young adults moving into San Rafael.
- Senior citizens (65 years and older) represent a growing segment of the San Rafael community. Between 2000 and 2010, San Rafael's senior population increased by 1,000 residents. Half of San Rafael's seniors are age 75 or above, which poses a continuing challenge for the provision of adequate supportive housing options for this older age group. Senior households are examined further in Section E. Special Needs Populations.

Consistent with nationwide trends of an aging population, the median age in San Rafael increased from 38.5 to 40.2 years over the past decade. However San Rafael's median age was more than four years below the Marin County median of 44.5 years, due in large part to the greater proportion of San Rafael's population in the younger age groups (under 44 years).

Table B1.4: Age Distribution 2000-2010

Age Group	2000		2010		
	Persons	Percent	Persons	Percent	Marin Co. %
Preschool (<5 yrs)	3,271	6%	3,590	6%	6%
School Age (5-17 yrs)	7,726	14%	7,664	13%	15%
College Age (18-24 yrs)	4,462	8%	4,834	8%	6%
Young Adults (25-44 yrs)	18,661	33%	16,915	29%	24%
Middle Age (45-64 yrs)	13,888	25%	15,574	27%	33%
Early Seniors (65-74 yrs)	3,628	6%	4,327	7%	9%
Late Seniors (75+ yrs)	4,427	8%	4,809	8%	8%
TOTAL	56,063	100%	57,713	100%	100%
MEDIAN AGE	38.5 years		40.2 years		44.5 years

Source: U.S. Census 2000 and 2010

3. Race and Ethnicity

The 2010 Census reports that persons identifying themselves as White continued to represent the majority of the San Rafael community, although this segment of the population had decreased from 66 percent in 2000 to 59 percent in 2010 (Table B1.5). In contrast, the city's Hispanic population increased from 23 percent to 30 percent during this same decade. For all other groups, the proportional distribution remained largely the same between 2000 and 2010. San Rafael was more diverse than Marin County as a whole in 2010.

Table B1.5: Racial and Ethnic Composition 2000-2010

Racial/Ethnic Group	2000		2010		
	Persons	Percent	Persons	Percent	Marin Co. %
White	36,960	66%	34,031	59%	73%
Hispanic	13,070	23%	17,302	30%	16%
Asian/Pacific Islander	3,171	6%	3,556	6%	6%
African American	1,175	2%	1,024	2%	3%
American Indian/Alaskan	117	<1%	107	<1%	<1%
Two or More Races	1,402	3%	1,500	3%	3%
Other Race	168	<1%	193	<1%	<1%
TOTAL	56,063	100%	57,713	100%	100%

Source: U.S. Census 2000 and 2010

4. Employment

a. Resident Employment

The State Employment Development Department estimated that in 2013, San Rafael had 32,300 residents in the labor force with 6.0% unemployment, compared to an unemployment rate of 5.0% in Marin County and 8.9% Statewide. A breakdown of occupations held by residents is available through the 2007-2011 American Community Survey.

The occupations of San Rafael residents in 2011 are shown in Table B1.6 and compared with the County as a whole. More than 40 percent of residents were employed in Management, Business, Science and Arts Occupations, although the majority of these workers were employed outside the County in urban centers such as San Francisco and Oakland. Sales and Office Occupations were held by 22 percent of residents, with Service Occupations also accounting for 22 percent of resident employment. In comparison with Marin County, a lower proportion of San Rafael residents were employed in Management Occupations, with a greater proportion of the city's workforce employed in occupations typically considered blue-collar, including Services; Natural Resources, Construction and Maintenance; and Production, Transportation and Material Moving.

According to the U.S. Census OnTheMap 2011, San Rafael residents worked in a variety of cities. More than 21 percent worked in San Rafael, which means the majority of residents commuted outside the city. Twenty percent worked in other cities in Marin County. More than 2 percent were employed in Sonoma County. About 22 percent worked in San Francisco. Over 6 percent worked in Alameda County, and more than 5 percent worked in Contra Costa County. Three percent of San Rafael residents were employed in Santa Clara County.

According to the 2007-2011 American Community Survey, San Rafael residents commuted an average of 24.9 minutes one-way to work. Although most residents (63.5%) drove alone, many relied on alternatives to the single occupancy vehicle. In 2011, 11.0 percent of the workforce utilized public transportation, 9.9 percent carpooled, 8.0 percent worked from home, 4.6 percent walked to work and 2.9 percent had other means.

Table B1.6: Occupations of Employed San Rafael Residents in 2011

Occupation	Persons	Percent	Marin Co. %
Management, business, science and arts occupations	12,480	42%	51%
Sales and office occupations	6,581	22%	23%
Service occupations	6,522	22%	15%
Natural resources, construction, maintenance occupations	2,429	8%	7%
Production, transportation, material moving occupations	1,602	5%	4%
TOTAL	29,614	100%	100%

Source 2007-2011 American Community Survey

b. San Rafael Employment

As depicted in Table B1.7, the Census identified approximately 36,000 jobs in San Rafael in 2011. Health Care and Social Assistance was the most dominant employment sector (18.7%), followed by Retail Trade (12%); Professional, Scientific and Technical Services (9.7%); Educational Services (8.4%) and Public Administration (7.5%). Nearly 40 percent of San Rafael's employment was in lower paying retail, hospitality, construction, transportation, and service-related industries, with wages generally below the level necessary to afford to live in the city. The Census documents that 87 percent of the 36,000 persons employed within San Rafael commuted in from outside the city limits, indicative of the shortage of local affordable housing opportunities for the community's workforce.

Table B1.7: Jobs in San Rafael by Industry Sector 2011

Industry Sector	# Jobs	% Total Jobs
Health Care and Social Assistance	6,705	18.7%
Retail Trade	4,296	12.0%
Professional, Scientific and Technical Services	3,497	9.7%
Educational Services	3,015	8.4%
Public Administration	2,702	7.5%
Other Services (excluding Public Administration)	2,336	6.5%
Finance, Insurance and Real Estate	2,319	6.5%
Accommodation and Food Services	2,242	6.2%
Construction	2,205	6.1%
Administration & Support, Waste Management & Remediation	1,777	4.9%
Wholesale Trade	1,004	2.8%
Transportation and Warehousing and Utilities	1,090	3.0%
Management of Companies and Enterprises	903	2.5%
Information	715	2.0%
Manufacturing	608	1.7%
Arts, Entertainment and Recreation	411	1.1%
Agriculture/Forestry/Fishing and Oil/Gas Extraction	95	0.3%
TOTAL	35,920	100%

Source: 2011 Census OnTheMap Application <http://onthemap.ces.census.gov/>

San Rafael's top ten largest employers provide nearly 20 percent of employment opportunities in the city. Health Care and Social Assistance is the largest Industry Sector in San Rafael. Kaiser Permanente is the largest employer accounting for many of the jobs in this sector and almost 6 percent of the jobs in the city. Autodesk is the next largest employer with 1000 employees. The City of San Rafael and the San Rafael Elementary/High School District each have about 600 employees. Dominican University has more than 300 employees and has consistently been a major employer. These five institutions have been among the top ten employers in recent years, according to the City of San Rafael Comprehensive Annual Financial Report - FY Ending June 2013. Table B1.8 shows the ten major employers and their contributions to the total employment in the city.

Table B1.8: Major Employers in San Rafael in 2013

	Number	% of Total Employment
Kaiser Permanente	1756	5.7%
Autodesk, Inc.	1000	3.3%
City of San Rafael	643	2.1%
San Rafael Elementary/High School District	600	2.0%
Macy's	380	1.2%
Bradley Real Estate	369	1.2%
MHN	350	1.1%
Dominican University of California	347	1.1%
Wells Fargo Bank	334	1.1%
Community Action Marin	300	1.0%
Total	6,079	19.9%

Source: City of San Rafael, Comprehensive Annual Financial Report 2013

ABAG 2013 Projections forecasts a 20 percent increase in San Rafael's employment base over the 2010-2040 period. This level of employment growth exceeds the projected 17 percent increase in jobs for Marin County during this same 30 year period.

Table B1.9: ABAG Employment Projections

	2010	2020	2030	2040	Difference 2010-2040	% Change 2010-2040
San Rafael	37,620	41,200	42,790	44,960	7,340	20%
Marin County	110,730	119,990	123,820	129,150	18,420	17%

Source: ABAG 2013 Projections

D. Household Profile

Housing need is determined by a number of factors, including household type, household size, income level and the presence of special needs populations. This section details the various household characteristics affecting housing needs in San Rafael.

1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households, and include persons living together related by blood, marriage or adoption. Another subset is “Singles,” which consists of a single person living alone. Finally, “Other” households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes are not considered households.

The 2010 Census recorded 22,764 households in San Rafael. With an average household size of 2.44 persons and an average family size of 3.02 persons (Table B1.10), the city had larger average household and family sizes than Marin County. In San Rafael these household sizes have remained nearly the same since 2000.

San Rafael has seen an increase in both numbers and percentages of households over the past decade, but the proportional distribution of household types have not changed much. Family households grew in total number but remained about the same proportionally during that period. Singles accounted for 32 percent of households in 2000 but comprised 33 percent in 2010. Other non-family households declined over the ten-year period. According to *ABAG 2013 Projections*, San Rafael can expect a continuing growth of households, with a 16 percent increase in households between 2010 and 2040 (see Table B1.11).

Table B1.10: Household Characteristics 2000-2010

Household Type	2000		2010		
	Households	Percent	Households	Percent	Marin Co. %
Families	12,776	57%	12,982	57%	60.7%
With children under 18	5,780	26%	5,902	26%	27.5%
Without children	6,996	31%	7,082	31%	33.2%
Singles	7,187	32%	7,434	33%	30.8%
Other non-families	2,408	11%	2,348	10%	8.5%
Total Households	22,371	100%	22,764	100%	100%
Average Household Size	2.42		2.44		2.36
Average Family Size	2.99		3.02		2.94

Source: U.S. Census 2000 and 2010

Table B1.11: Household Projections 2010-2040

	2010	2020	2030	2040	Difference 2010-2040	Percent Change 2010-2040
San Rafael	22,764	24,000	25,240	26,490	3,726	16%
Marin County	103,210	106,170	109,100	112,050	8,840	9%

Source: ABAG Projections 2013

2. Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life.

a. Income Definitions

The State and Federal government classify household income into several groupings based upon the relationship to the County area median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in Table B1.12, which are used throughout the Housing Element document. The 2013 Marin County income limits are presented for each of the five income categories based on one, two, three, and four person household sizes (San Rafael's average household size in 2010 is 2.31 for owner households and 2.58 for renter households). Households below 30 percent of the area median income, or extremely low income households, are considered at-risk of homelessness.

Table B1.12: 2013 Income Category Definitions

Income Category	% County Adjusted Median Income (AMI)	2013 Marin County Income Limits			
		1 person household	2 person household	3 person household	4 person household
Extremely Low	0-30% AMI	\$23,750	\$27,150	\$30,550	\$33,950
Very Low	31-50% AMI	\$39,600	\$45,250	\$50,900	\$56,550
Low	51-80% AMI	\$63,350	\$72,400	\$81,450	\$90,500
Moderate	81-120% AMI	\$86,500	\$98,900	\$111,250	\$123,600
Above Moderate	120%+ AMI	>\$86,500	>\$98,900	>\$111,250	>\$123,600

Source: California Department of Housing and Community Development, 2013 Income Limits.

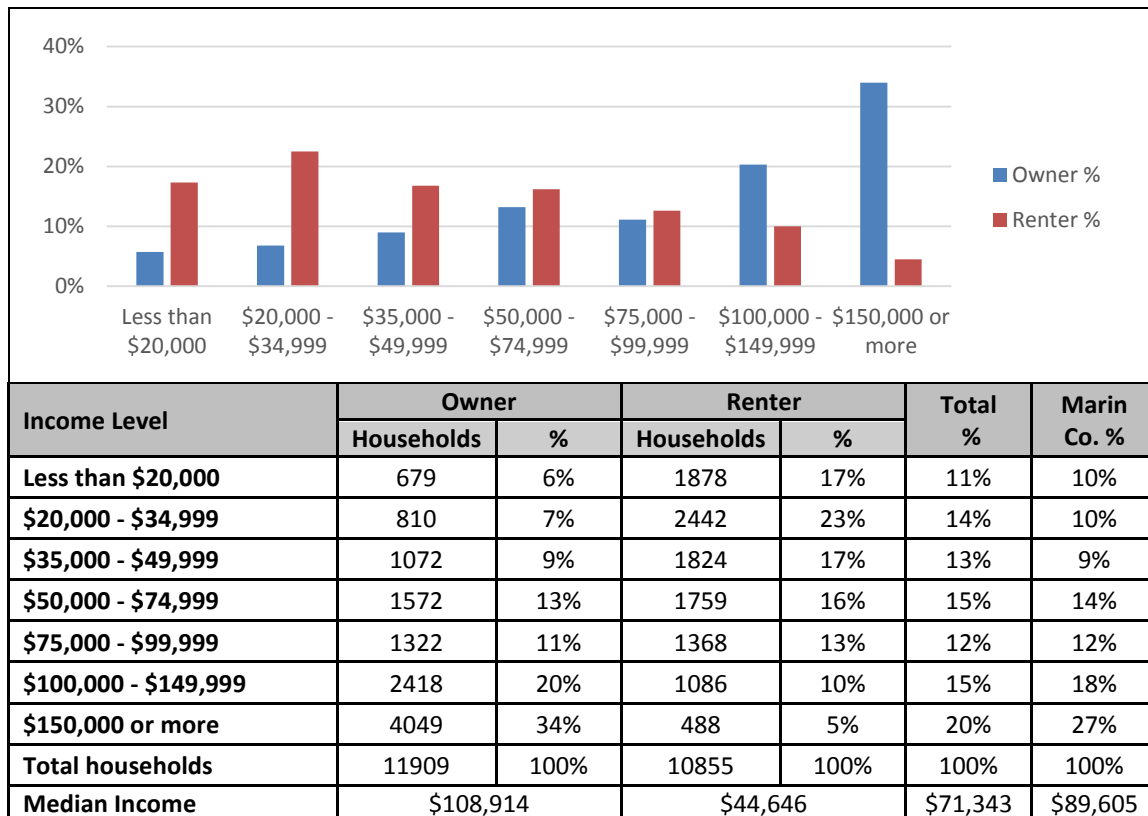
*Marin County's 4-person Area Median Income is \$103,000

b. Income Characteristics

The median income in San Rafael was \$71,343 in 2011, however, there was a significant disparity between owner and renter households. The median income for an owner household was \$108,914, more than twice the median income of renter households (\$44,646). In 2000, the Census (SF3) reported that median income was \$61,080 for all households – the median was \$87,704 for owners and \$41,541 for renters. Nearly 40 percent of renter households had incomes of less than \$35,000, compared with 12.5 percent of owner households. A higher percentage of renter households (17%) had incomes between \$35,000 and \$49,999 than owner households (9%).

The city had a larger proportion of lower income households than Marin County as a whole. San Rafael had a greater percentage of total households (25%) with incomes under \$35,000 than Marin County (20%). The city had another 13 percent of total households that earned incomes between \$35,000 and \$49,999, which was a higher proportion of the population than the countywide distribution (9%). According to the CHAS 2006-2010 Databook prepared by HUD, about 15 percent of all households in San Rafael (about 4 percent of which were owner households and 12 percent of which were renter households) were classified as extremely low income households, larger than 12 percent for Marin County as a whole.

Table B1.13: Household Income Distribution 2011



Source: 2007-2011 American Community Survey.

Housing affordability in San Rafael will continue to be a challenge for workers who earn modest incomes. Table B1.14 presents a sampling of occupations in the Bay Area that fall within very low, low, and moderate income thresholds (based on a single worker household). The analysis of

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT

housing costs and affordability presented in Section F4 *Housing Costs and Affordability* compares current market rents and sales prices in San Rafael with the amount that households in different income levels can afford to pay. This analysis illustrates that very low and low income occupations, such as elementary school teachers and retail sales workers, will have great difficulty renting in San Rafael, and that moderate income occupations, such as firefighters and librarians, will have great difficulty purchasing a home.

Table B1.14: Bay Area Wages for Select Occupations - 2013

Very Low Income (< \$45,250 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Waiters/Waitresses	\$12.02	\$25,009	\$625
Home Health Aides	\$12.39	\$25,774	\$644
Retail Salespersons	\$13.67	\$28,427	\$711
Security Guards	\$15.56	\$32,354	\$809
Preschool Teachers	\$18.18	\$37,829	\$946
Nursing Assistants	\$19.09	\$39,713	\$993
Low Income (\$45,250 - \$72,400 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Dental Assistants	\$23.00	\$47,851	\$1,196
Tax Preparers	\$31.52	\$65,555	\$1,639
Computer Support Specialists	\$31.67	\$65,872	\$1,647
Elementary School Teachers	n/a	\$66,590	\$1,665
Real Estate Agents	\$32.16	\$66,895	\$1,672
Paralegals and Legal Assistants	\$33.50	\$69,684	\$1,742
High School Teacher	\$33.61	\$69,917	\$1,747
Moderate Income (\$72,400 - \$98,900 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Graphic Designers	\$34.92	\$72,624	\$1,816
Social Service and Community Service Managers	\$36.41	\$75,735	\$1,893
Librarians	\$36.97	\$76,884	\$1,922
Accountants and Auditors	\$41.65	\$86,642	\$2,166
Physical Therapists	\$44.11	\$91,765	\$2,294
Firefighters	\$44.21	\$91,953	\$2,299

Source: 2013 California Occupational Employment Statistics – San Francisco- San Mateo-Redwood City MD (County: Marin)

Income categories based on two person household with single wage earner

Maximum affordable housing cost based on standard of 30% of income on housing, including rent/mortgage, utilities, taxes, insurance, HOA fees.

E. Special Needs Populations

Certain segments of the population may have greater difficulty finding adequate and affordable housing due to special circumstances related to employment and income, family type and characteristics, disability, or various other household characteristics. State Housing Element law defines “special needs” groups to include the following: senior households, persons with disabilities, large households, female-headed households, homeless persons, and farmworkers. Table B1.15 summarizes the special needs populations in San Rafael. Each of these population groups, as well as their housing needs, is described in the section which follows.

Table B1.15: Special Needs Populations - 2010

Special Needs Groups	Persons	Households	Percent*
Seniors (65+)	9,136		16%
Below Poverty	365		4.2%
Senior Households		5,972	26%
Renter		1,621	(27%)
Living Alone		1,243	(77%)
Owner		4,351	(73%)
Living Alone		1,711	(39%)
Persons Living with Disabilities	5,396		10%
Age 5 - 64	2,719		(50%)
Age 65+	2,677		(50%)
Large Households (5+ persons)		2,250	10%
Renter		1,630	(72%)
Owner		620	(28%)
Female-Headed Families		2,004	9%
with Related Children under 18		1,182	(59%)
Homeless	175		<1%
Farmworkers**	269		<1%
TOTAL Persons or Households	57,713	22,764	

Source: U.S. Census 2010, American Community Survey 2007-2011 (as compiled by ABAG for Bay Area Housing Elements). American Community Survey 2008-2012, County of Marin Point in Time Homeless Count 2013.

* Numbers in () reflect the% of the special needs group and not the % of the total city population/ households. For example, of the city’s senior households, 27% are renters and 73% are owners.

**Reflects persons employed in agriculture, forestry, fishing, hunting or mining in American Community Survey.

1. Senior Households

Seniors are a significant special needs group in San Rafael, with persons age 65 and above comprising one-quarter of the community's households. Senior citizens are considered to have special housing needs because their fixed incomes, higher health care costs, and physical disabilities make it more difficult to find suitable and affordable housing. Concurrent with the trends throughout the nation, this population is expected to continue increasing as the baby boom generation approaches retirement.

Although often viewed as homogeneous, San Rafael's senior population is quite diverse. Among the city's 5,972 senior households, 73 percent (or 4,351) owned a home and 27 percent (or 1,621) rented housing. Over half of San Rafael's seniors were 75 years of age and above, a population which may require more supportive housing options as they age. The majority of the city's senior households were lower income, with more than 40 percent living on annual incomes of less than \$50,000.

Some of the more pressing housing needs of San Rafael's seniors include:

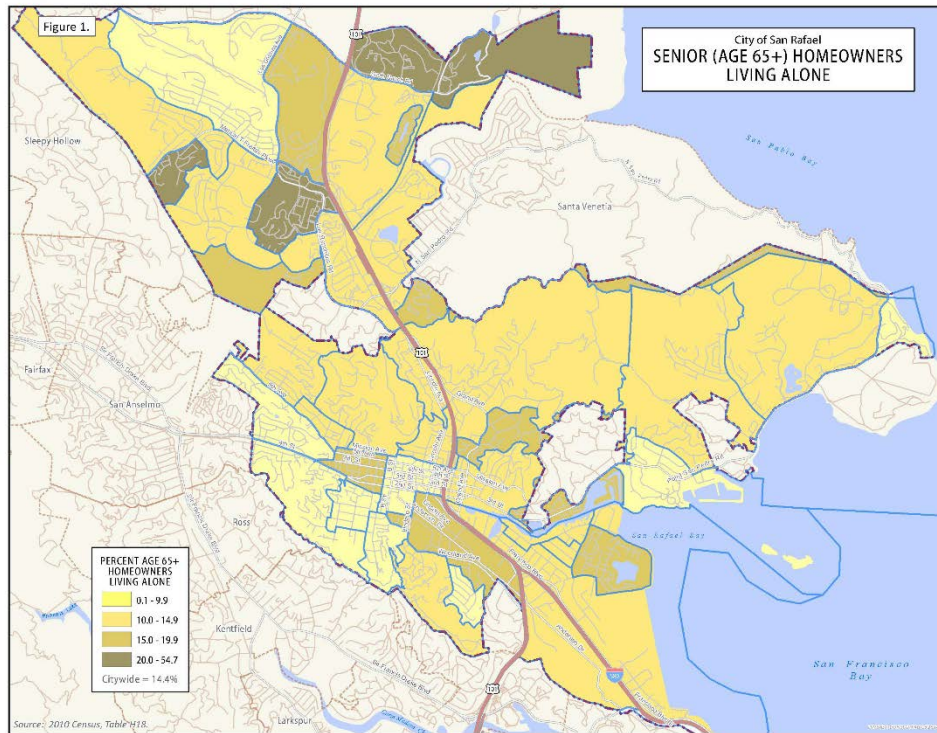
- **Rental affordability.** Rising rents are a particular concern due to the fact that most seniors are on fixed incomes and market rents in San Rafael are above the level affordable to lower income households.
- **Disabilities.** The Census identifies 30 percent of San Rafael's seniors as having one or more disabilities. Combined with the significant number of older seniors (age 75+) indicates a large segment of the senior population which may require various levels of housing support.
- **Housing maintenance.** Of San Rafael's approximately 4,300 senior homeowners, 40 percent live alone. As these homeowners age, many may be unable to maintain their homes or perform minor repairs. The installation of grab bars and other assistance devices may be necessary to enhance accessibility.

Among San Rafael's approximately 12,000 owner-occupied units, 1,700 (14%) are occupied by a senior citizen living alone. As indicated in Figure B1.1, several neighborhoods in North San Rafael exhibit particularly high concentrations of senior homeowners living alone: the eastern portion of Terra Linda closest to the 101 freeway (55%), Smith Ranch (52%), and a small neighborhood in western Terra Linda (21%). Policies to promote second units, including conversion of unused bedrooms to "junior second units", can both enhance utilization of the existing housing stock and provide the economic and social support to better allow seniors to age in place.

While assisted living provides an option for some seniors requiring a more supportive housing environment, lower income seniors often cannot afford the cost of licensed facilities in Marin. According to the Marin County Division of Aging, the average basic rent averages from \$3,500 to \$4,500 per month for assisted living (room, bathroom, and three meals a day). Personalized care is an additional cost above the basic charge for housing and meals. The State of California Community Care Licensing Division identifies 29 Residential Care Facilities for the Elderly (RCFE)² in San Rafael, providing capacity for 899 seniors.

² RCFE provide care, supervision and assistance with activities of daily living, such as bathing and grooming, and may also provide incidental medical services to persons 60 years of age and over. RCFEs may also be known as assisted living facilities

Figure B1.1: Senior Homeowners Living Alone



Source: Census 2010, Table 18.

Addressing the diverse housing needs of San Rafael's senior population will require strategies which foster independent living (such as accessibility improvements, second units, shared housing, rehabilitation assistance), as well as strategies which encourage the provision of variety of supportive living environments for seniors of all income levels.

2. Persons with Disabilities

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to care for themselves, encompassing physical, mental, and emotional disabilities. Disabled persons have special housing needs related to fixed incomes, shortage of affordable and accessible housing, and higher health costs.

The 2008-2012 American Community Survey (ACS) identifies 9.6 percent of San Rafael residents over the age of 5 as having one or more disabilities (5,396 persons). Nearly half of these residents are unable to live independently. The ACS documents the presence of the following types of disabilities among San Rafael's disabled residents:

- 52% Ambulatory
- 36% Cognitive
- 29% Hearing
- 14% Vision

a. Developmental Disabilities

"Developmental disability" refers to a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual, which includes mental retardation, cerebral palsy, epilepsy, and autism. In 2010 the California legislature passed SB 812 which requires the housing element to specifically analyze the housing needs of persons with developmental disabilities and to identify resources available to serve this population. The State Department of Developmental Services (DDS) currently provides community-based services to 6,000 adults diagnosed with a developmental disability; over 4,000 California teenagers diagnosed with a developmental disability will reach adulthood over the next five years, many of whom will want to live independently and need appropriate housing.

The Golden Gate Regional Center (GGRC), which serves the counties of Marin, San Francisco, and San Mateo, is among 21 regional centers operated by the State DDS to serve the developmentally disabled population. The goal of these centers is to: 1) prevent/minimize institutionalization of developmentally disabled persons and their dislocation from family and community; and 2) enable this population to lead more independent and productive lives. The living arrangements for persons served by the GGRC in 2010 were as follows:

- 69% Parent's Home
- 13% Community Care Facility/ Residential Care Home
- 6% Own Home Independent Living
- 4% Own Home Supported Living
- 4% Intermediate Care/Skilled Nursing Facility
- 2% Developmental Center
- 1% Family Home Agency/Foster Care
- 1% Other

The GGRC provides services to approximately 1,200 individuals with developmental disabilities and estimates that 380 of these individuals are in need of a variety of housing assistance. Within San Rafael zip codes 94901 and 94903, the Regional Center provides services to 408 residents with developmental disabilities, generating an estimated need for 130 housing units:

Table B1.16: Developmentally Disabled Residents Served by GGRC w/in San Rafael Zip Codes

Zip Code	0 - 14 years	15 - 22 years	23 - 54 years	55 - 65 years	65+ years	Total	Estimated Housing Need*
94901 (S. of Puerto Suello)	83	14	64	5	0	165	51 units
94903 (N. of Puerto Suello)	53	21	135	28	6	243	79 units
Total	136	35	199	32	6	408	130 units

Source: Golden Gate Regional Center (GGRC).

* GGRC uses the following factors to estimate housing need by age group: age 0-14 25% need hsg; age 15-22 50% need hsg; age 23-54 35% need hsg; age 55-65 25% need hsg; age 65+ 20% will seek placement in the community.

GGRC has identified a number of community-based housing types appropriate for persons living with a developmental disability: licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special health care and intensive support needs); and for persons able to live more independently, rent subsidized homes; inclusionary housing, and Section 8 rental vouchers. San Rafael has 21 licensed adult residential facilities, providing supportive housing for up to 95 developmentally disabled adults and 41 adults with mental disabilities (Community Care Licensing, Feb 2014).

The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. Incorporating 'barrier-free' design in all, new multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

Senate Bill 520 requires localities to analyze potential and actual constraints upon the development, maintenance and improvement of housing for persons with disabilities and to demonstrate local efforts to remove governmental constraints which hinder the locality from meeting the housing needs for persons with disabilities. The City has mechanisms, either through the variance or reasonable accommodations process, to modify standards to accommodate persons living with special needs. The City will continue to conduct a periodic evaluation of its zoning ordinance and other policies to identify and eliminate potential barriers to the construction of housing for people with disabilities (see Policy H-9).

San Rafael provides reasonable accommodation for persons with disabilities with respect to zoning, permit-processing and building laws, and makes this information available to the public. The City does not restrict the siting of group homes nor require a minimum distance between group homes. Licensed group homes with six or fewer occupants are permitted by right in single-family homes, and the City does not have any occupancy standards in the zoning code that apply specifically to unrelated adults. Group homes with over six persons are allowed in all residential districts with a Use Permit. The Use Permit approval process for a group home is the same as for any other residential development; it requires public notice and approval by the Zoning Administrator or a public hearing and approval by the Planning Commission.

People living with disabilities who are on fixed incomes may require a wide range of housing options depending on the type and severity of their disability, as well as their personal preference

and life-style. Some of the types of considerations and accommodations that are important in serving this need group include: on-site services, mixed income diversity, proximity to services and transit, group living opportunities and housing designed 'barrier-free' with accessibility modifications. Examples of affordable projects with disabled housing in San Rafael include the 11-unit low income Ecology House (opened in 1994), which is a national model for people with environmental sensitivities.

The City's zoning code has been determined to be in compliance with the Americans with Disabilities Act (ADA). San Rafael allows displacement of required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for any development, including housing for the disabled, wherever reduced need can be demonstrated. The Building Division administers Title 24 provisions consistently for all disabilities-related construction and responds to complaints regarding any violations. As the population ages, handicapped-accessible housing will become even more necessary.

Organizations serving people with disabilities in San Rafael and the County at large include Buckelew, Allegria, Lifehouse, Centerpoint and the Marin Center for Independent Living. The Marin Center for Independent Living, for example, serves approximately 1,000 persons annually throughout Marin County, with the majority of their clients living under the poverty level. The need for affordable housing options for persons with physical, mental, and developmental disabilities is a significant and growing need.

3. Large Households

Large households, defined as households with five or more persons, typically consist of families with children and extended families. They are considered a special needs group due to the limited availability of affordable and adequately sized housing in many communities. This shortage of large units is especially evident in communities with an older rental stock with few three bedroom units.

The 2010 Census documented 2,250 large households in San Rafael, representing 10 percent of all households. Of these large households, approximately 72 percent were renters and 28 percent were homeowners. According to 2007-2011 American Community Survey data compiled by ABAG, 9,665 owner-occupied homes (78% percent of the total ownership housing stock) had three or more bedrooms, while just 1,986 rental units (18 percent of the total rental stock) had three or more bedrooms in San Rafael.

However, many large homes may be occupied by a single occupant, such as an over-housed senior, thus restricting many of these homes for occupancy by large families. Additionally, with the median cost of a single-family home in San Rafael exceeding \$800,000, low and moderate income large families may not be able to afford to buy a home large enough for their needs, despite an adequate supply of market-rate homes with three or more bedrooms. The tendency for large households to earn lower incomes is evidenced by the high proportion of large households who are renters (accounting for 72 percent of large households). San Rafael's low rental vacancy rate may limit the supply of large rental units, which made up only 18 percent of the total rental stock. A shortage of affordable rental units for large families can lead to overcrowding conditions.

Countywide subsidized housing complexes for low-income families, such as those managed by the Marin Housing Authority, mostly consisted of two-bedroom units, with a reduced availability of three-bedroom units, and most had waiting lists which may make immediate housing unavailable even for qualified applicants. In San Rafael, the MHA-managed Sundance apartment complex provides 28 one and two-bedroom apartments, which cannot accommodate large families. Thus, there is a need for larger rental units at prices affordable to lower-income households within the city.

4. Female-Headed Households

The 2007-2011 American Community Survey identified 2,004 female-headed families in San Rafael, accounting for nine percent of all households in the city. Of these, 1,182 (59 percent of female-headed families) had children under the age of eighteen. Single parent and female-headed households with children need affordable housing with access to services, in close proximity to schools, and with day care and recreation programs on-site or nearby. These households, like large households, may have difficulty in finding affordable housing of the appropriate size. Additionally, despite fair housing laws and programs, discrimination against households with children may make it more difficult for this group to find adequate housing. Both homeownership and rental units are extremely expensive relative to the incomes of many people in this need group.

One major consideration in this need group is women in need of emergency or transitional housing as a result of an abusive partner. During their time in emergency or transitional housing, women may not be working as they regain their physical and emotional health. Legal proceedings may constitute a further financial burden, leaving victims with a reduced income and fewer resources to pay for housing. Furthermore, many women already have difficulty attaining positions with high salaries, as evidenced by numerous studies that show that women continue to earn considerably lower wages than their male counterparts.

Center for Domestic Peace (formerly Marin Abused Women's Services) located in San Rafael provides emergency and transitional housing for women and a safe place to live when leaving an abusive partner and establishing a new life. The Center provides a 16 bed, confidential refuge for abused women and their children, as well as food, clothing, housing assistance, childcare, and transportation. *Second Step* is the Center's 21-unit transitional living facility for women and their children where they have access to counseling and supportive services that help them achieve financial and emotional independence while preparing them to live violence-free lives. In addition to these services, Center for Domestic Peace provides legal assistance to abused women who need help in divorce proceedings or other legal actions. The Center serves approximately 4,000 people each year through direct services for abuse victims and educational domestic violence prevention programs for men and women.

5. Homeless

Pursuant to Senate Bill 2 (2008), Housing Element statutes now require a more detailed analysis of the needs of the homeless population and quantification of the need for emergency shelter. Based on the outcome of this analysis, SB 2 requires jurisdictions to identify zones that will allow emergency shelters as a permitted use. The following section presents the homeless needs assessment for San Rafael; the identification of zoning for emergency shelters will be addressed in the governmental constraints and Housing Plan chapters of the Housing Element.

a. Homeless Population Count

The most reliable source of information for evaluating the homeless population in Marin County is the *2013 Marin Point in Time Homeless Count*³. The Marin County Department of Health & Human Services, in partnership with housing and service providers, faith based groups and schools, led the effort to conduct the biennial census of persons experiencing homelessness in Marin, consistent with U.S. Department of Housing and Urban Development (HUD) requirements for jurisdictions receiving HUD Continuum of Care funding. In addition to meeting HUD requirements, Marin County used this federal mandate as an opportunity to conduct a community count of broader populations of homeless not formally recognized by HUD as homeless.⁴

Marin County conducted its “Point in Time Count” on January 24, 2013. The Count is intended as a one day snapshot of unduplicated numbers of homeless families and individuals in sheltered, unsheltered and other locations, and is in no way a complete census of homeless. The County’s methodology included a detailed survey of each individual counted, with surveys administered at over 50 locations/programs throughout Marin on the day of the Count. The following summarizes key findings of the Count:

Table B1. 17: Marin County Homeless Count 2013

Total 2013 Marin County Homeless Count	933
Persons counted in places not meant for human habitation	196
Persons counted in shelters and transitional housing	519
Persons counted as part of “other homeless populations”	218

³ Refer to the Homeless Count Report for a detailed description of count methodology and findings: www.marinhhs.org/sites/default/files/files/servicepages/2013_09/2013_point_in_time_count_full_report.pdf

⁴ In addition to persons defined under the HUD “literally homeless” definition (a person sleeping in a place not meant for human habitation -including living on the streets, in an abandoned building, or in a vehicle - or residing in an emergency shelter or transitional housing program), Marin County’s count included the following “other homeless populations”: persons in jail or an institution who would not have a permanent address after release or “literally homeless” prior to incarceration; persons who stayed temporarily with family/friends due to loss of housing and identified themselves as homeless on the day of the count; persons living in a motel/hotel; and persons in a hospital but homeless prior to admission.

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- The number of homeless persons counted in Marin decreased from 1,220 in 2011 to 933 in 2013 and may be attributable, in part, to the collective efforts to reduce homelessness through various initiatives and housing assistance programs, including:
 - ✓ Housing First - 25 chronically homeless individuals have moved into permanent housing. This represents 11% of the chronically homeless counted in 2011.
 - ✓ Improved coordination and planning among providers and agencies through 10 Year Planning efforts.
 - ✓ Over 350 transitional housing beds and more than 475 permanent supportive housing beds for families and individuals.
- Of the 933 homeless counted, 195 (21%) were children under the age of 18. In 2010/11, over 700 homeless adults and children were re-housed in Marin through various initiatives and targeted programs including:
 - ✓ One-time Homeless Prevention Rapid Re-housing (HPRP) stimulus funding housed 101 homeless adults and children.
 - ✓ Fireside permanent housing project provided housing to 18 homeless families and individuals.
 - ✓ Veterans Affairs Supportive Housing (VASH) permanently housed 35 chronically homeless veterans.
- While the number of people experiencing homelessness on the day of the count in 2013 was lower than in 2011, the number of those precariously housed and at risk of homelessness has increased. The 2013 count included 4,388 people at risk of losing their housing, whereas the 2011 count identified 4,179 people at risk of becoming homeless.
- As in previous counts, the primary reasons stated for homelessness were loss of a job, lack of affordable housing and lack of income.

Table B1.18 presents a breakdown of the unsheltered homeless count by jurisdiction in Marin County. In response to the question “In what city/area did you stay in last night?,” approximately 48 percent of the unsheltered adult population identified San Rafael, nine percent identified Novato, seven percent identified Bolinas and six percent identified Sausalito.

Table B1.18: Marin County Unsheltered Homeless 2013

City/Location on the night prior to the Count	# Unsheltered Homeless Adults	% of Total
San Rafael	175	48%
Not Stated	71	19%
Belvedere/Tiburon	2	1%
Bolinas	27	7%
Corte Madera	4	1%
Fairfax	3	1%
Forest Knolls	2	1%
Inverness	2	1%
Marin City	1	0%
Mill Valley	3	1%
Novato	32	9%
Olema	1	0%
Out of Area	7	2%
Pt. Reyes	9	2%
Ross	2	1%
San Anselmo	3	1%
San Geronimo	1	0%
Sausalito	23	6%
Total Unsheltered Adults	368	100%

Source: Marin Point in Time Homeless Count, 2013.

b. Homeless Subpopulations and Service Needs

The detailed surveys conducted for the 2013 *Marin Homeless Point in Time Count* provided information on disabilities and other special needs of Marin's homeless, offering insight into the specific service needs of the adult homeless population. The following summarizes the results to the question "Do you have any of the following health issues?"

- 52% At Least One Health Issue
- 32% Alcohol Use Issues
- 24% Physical Disability
- 24% Mental Illness
- 17% Multiple Disabilities
- 3% Developmental Disability
- 7% Drug Use Issues
- 7% Chronic Health Condition
- 3% HIV/AIDS

Poor health can be a contributing factor to homelessness, and people experiencing homelessness have disproportionately high rates of health issues. The lack of medical insurance and access to housing can exacerbate problems which could be better managed in a stable living environment. In Marin, 52% of people counted reported having at least one health issue and, of those, 17% reported having multiple health issues.

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The Marin Count found that 89 persons, or 24 percent, were chronically homeless, meaning they had a disability and had been homeless continuously for 12 months or had experienced four episodes of homelessness over a three year period. This data is consistent with national studies that have found high levels of disability among homeless people and suggests that both health and behavioral health services are needed to assist this population.

Marin's 2013 Count also found a high proportion of homeless adults who had experienced domestic abuse (26% of all adults, including 38% of homeless women and 16% of homeless men). Veteran's comprised nine percent of the homeless in Marin.

c. Inventory of Resources Available

SB 2 also requires that the Housing Element include an inventory of the homeless housing resources available within the community, including emergency shelters, transitional housing, and supportive housing. Every two years, in conjunction with the *Point in Time Homeless Count*, the Marin County Continuum of Care surveys providers to determine the number and type of housing and services available to individuals and families experiencing homelessness. Table B1.19 provides a summary of Marin's homeless housing inventory for 2013:

Table B1.19: 2013 Marin County Homeless Housing Inventory

	Emergency Shelter	Transitional Housing	Permanent Supportive Housing	Total # of Beds
Family Beds	49	252	185	486
Individual Beds	216	90	316	622
Totals	265	342	501	1,108
Chronic Homeless Beds	varies	varies	209	209
Veteran Beds	1	16	35	52
Seasonal Beds	66	--	--	66
Domestic Violence Beds	20	84	--	104

Source: Marin County Continuum of Care: 10 Year Plan to Prevent & End Homelessness 2013-2023

The following Table B1.20 presents an inventory of the number of beds for emergency shelter, transitional, and supportive housing located within the city of San Rafael. In addition, there are numerous "scattered site" locations where homeless service providers operate facilities across Marin County, providing an additional 300+ beds.

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Table B1.20: Shelter and Housing for Homeless in City of San Rafael (# of Beds)

Facility/ Program Name	Provider Name	Emergency Shelter	Transitional Housing	Supportive Housing
Assisted Independent Living (AIL) 1103 Lincoln Ave. Roger Green Apts. Marin Center for Independent Living 410 Mission Ave.	Buckelew Program			38
Helen Vine Recovery Center 301 Smith Ranch Rd.	Buckelew Program		26	
The Manor(drug/alcohol recovery) 603 D St.	Center Point, Inc.		40 (men)	
Life-Link (drug/alcohol recovery) 39 Mary St.	Center Point, Inc.		13 (women)	
Family Center 430 Mission Ave.	Homeward Bound of Marin	27 (families)		
Mill Street Center 190 Mill St.	Homeward Bound of Marin	55		
Family Park Merrydale Rd.	Homeward Bound of Marin		30 (families)	
Family Center 430 Mission Ave.	Homeward Bound of Marin		25 (families)	
Voyager Program 830 B St.	Homeward Bound of Marin		10 (mental health)	
Carmel Program 830 B St.	Homeward Bound of Marin			26 (mental health)
Palm Court 199 Greenfield Ave.	Homeward Bound of Marin			22 (mental health)
Fourth Street Center (SRO) 1111 Fourth St.	Homeward Bound of Marin			20
Second Step	Center for Domestic Peace		96	
Motel Voucher Program	St. Vincent DePaul Society	3		
St. Vincent DePaul Society 822 B St.	St. Vincent DePaul Society			6
Shelter Plus Care Woodland Ave.	Housing Authority of the Co. of Marin			8
City of San Rafael Total		85	240	120

Source: San Rafael Housing Element, Jan 2013, with updates based on review of homeless provider websites (Buckelew, Center Point, Homeward Bound, Center for Domestic Peace, St. Vincent DePaul Society).

d. *Unmet Need for Emergency Shelter, Transitional and Supportive Housing*

There is no data presently available documenting the increased level of demand for shelter in Marin County during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (December to February). The County's biannual homeless count always takes place in the last week of January, a period when demand for shelter typically is at its highest. Since the year-round need described above is based on that biannual count, the seasonal need for emergency shelter is no likely greater than the year-round need.

While San Rafael is home to more emergency shelters, transitional housing, and supportive housing than other Marin jurisdictions, these facilities tend to operate at full or near capacity, and the *2013 Marin Point In Time Homeless Count* identified 48 percent of the County's homeless as residing in San Rafael. Thus, the estimated 175 unsheltered homeless individuals determined by the *2013 Homeless Count* creates an unmet need for 175 emergency shelter beds⁵. Rising costs of rent has greatly increased the difficulty in supporting rental housing.

6. Farmworkers

State law requires that housing elements evaluate the needs of farmworker housing in the local jurisdiction. However, ABAG does not assess the regional need for additional farmworker housing in Bay Area jurisdictions. The 2007-2011 American Community Survey identifies 269 San Rafael residents employed in agriculture, forestry, fishing, hunting, and mining. Most, if not all, these San Rafael residents employed in "farming" occupations are employed in wholesale and horticulture businesses and there are no localized needs for seasonal or other types of farmworker housing. Therefore, given the extremely limited presence of farmworkers in the community, the City has no specialized housing programs targeted to this group beyond overall programs for housing affordability.

⁵ The *2013 Marin Point in Time Homeless Count* occurred on a day when up to 40 homeless men and 20 homeless women participating in the countywide Rotating Emergency Shelter Team (REST) winter shelter program were receiving meals in San Rafael, and were thus attributed to the city's count of unsheltered homeless.

F. Housing Stock Characteristics

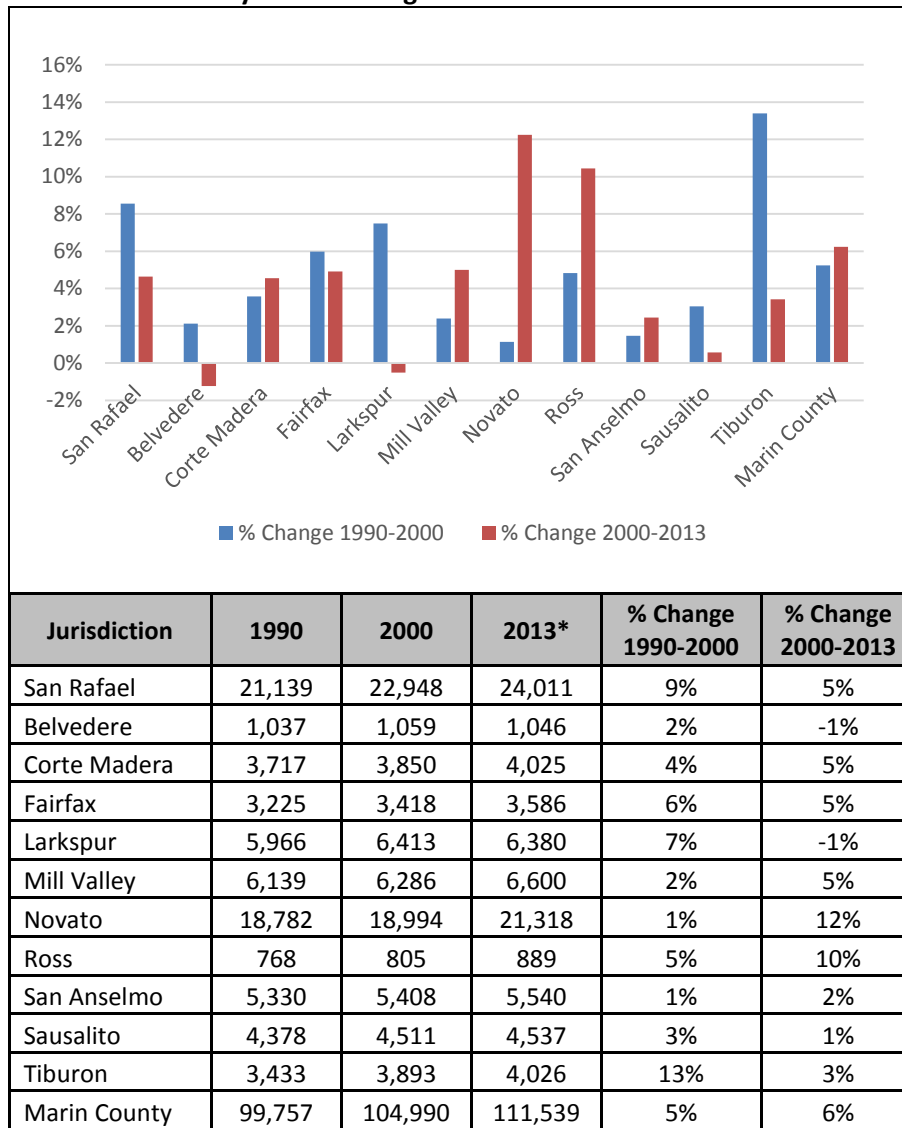
This section evaluates the characteristics of San Rafael's housing stock, including housing unit mix, conditions, prices/rents and affordability, and assisted housing at-risk of conversion.

1. Housing Growth

San Rafael had 24,011 housing units in 2013 according to the Department of Finance. San Rafael experienced a 9 percent growth between 1990 and 2000. Between 2000 and 2013, growth slowed to about 5 percent – the 24,011 units estimated by the Department of Finance in 2013 is actually the same number reported by the Census in 2010. However, development is expected to pick up with the resurgence of the housing market. As of March 2014, the city also has 172 entitled projects that will add to the housing stock.

The growth trends among Marin County cities shows that San Rafael is among a few cities in which the housing growth rate between 2000 and 2013 has decreased from its rate in the previous decade. Increasing growth rates in Marin County have come from other cities – Novato in particular increased from a growth rate of 1 percent to 12 percent. Table B1.21 shows countywide housing growth trends between 1990 and 2013.

ABAG's 2013 Projection forecasts about a 5 percent growth in households each decade from 2010 to 2040, a growth of households from 22,764 in 2010 to 26,490 in 2040. Household growth in San Rafael is greater than the countywide rate during the same time period. Preserving the existing housing stock and finding opportunities to expand housing opportunities will help San Rafael address the large projected growth of households over the next few decades.

Table B1.21: Countywide Housing Growth Trends 1990-2013


Source: U.S. Census 1990 and 2000; Dept. of Finance 2013

*The Census also reports that San Rafael had 24,011 housing units in 2010

Table B1.22: Household Growth Trends 2010-2040

	2010	2020	2030	2040	Percent Change 2010-20	Percent Change 2020-30	Percent Change 2030-40
San Rafael	22,764	24,000	25,240	26,490	5.4%	5.2%	5.0%
Marin County	103,210	106,170	109,100	112,050	2.9%	2.8%	2.7%

Source: ABAG Projections 2013

2. Housing Type and Tenure

San Rafael has 24,011 Housing Units comprised of various housing types, but single-family homes accounted for the majority of housing types in the city. Table B1.23 shows the distribution of housing types in 2000 and 2010. Single-family attached and detached homes made up 54 percent of the housing stock in 2000 and 56 percent in 2010. Multiple-family homes represented 44 percent of the housing stock in 2000 and 42 percent of the housing stock in 2010. Mobile homes and other units represented 2 percent of housing units in 2000 and 2010.

Table B1.23: Housing Unit Type 2000 - 2010

Unit Type	2000		2010	
	Units	Percent	Units	Percent
Single-Family (SF) Detached	10,490	46%	11,095	46%
SF Attached	1,992	9%	2,372	10%
Total Single-Family	12,482	54%	13,467	56%
2 to 4 Units*	2,433	11%	2,087	9%
5 or more units	7,559	33%	8,050	34%
Total Multi-Family	9,992	44%	10,137	42%
Mobile Homes & Other**	489	2%	407	2%
Total Housing Units	22,963	100%	24,011	100%
Vacancy Rate	2.5%		5.2%	

Source: Census 2000. State Department of Finance, E5 Population and Housing Estimates with 2010 Benchmark, E8 City/County Population and Housing Estimates

*The City of San Rafael noted no significant decrease in 2-4 unit housing units or mobile homes between 2000 and 2010. The decrease is likely a result in re-categorization of unit types by the census.

**Mobile homes are subject to rent stabilization per Municipal Code Title 20.

Renter households have increased between 2000 and 2010. Renter units constituted 48 percent of occupied housing units in 2010, up from 46 percent in 2000. The increase of over 500 renter-occupied units was met with a decrease of nearly 100 owner-occupied units (see Table B1.24).

Table B1.24: Owner/Renter Tenure 2000-2010

Occupied Housing Units	2000		2010		
	Households	Percent	Households	Percent	Marin Co. %
Renter	10,346	46%	10,855	48%	37.4%
Owner	12,025	54%	11,909	52%	62.6%
Total	22,371	100%	22,764	100%	100%

Source: Census 2000 and 2010

a. Vacancy Rate

Vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A low vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to housing overpayment and/or overcrowding. A particularly tight housing market with insufficient vacant units for normal mobility may also lead to high competition for units, placing upward pressure on rents and for-sale housing prices.

A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. As measured by the 2010 Census, the citywide residential vacancy rate in San Rafael was 5.2 percent, a doubling of the 2.5 percent rate measured in 2000. By comparison, vacancy rates also increased in Marin County (from 4.1% to 7.2%) and San Francisco (4.9% to 8.3%) during the 2000-2010 period. In terms of vacancies among the rental housing stock⁶, the 2010 Census documented a 5.1 percent rental vacancy rate in San Rafael, 5.2 percent in Marin County and 5.4 percent in San Francisco. However, while updated citywide vacancy rates are not available, the improving economy and associated job growth in San Francisco has resulted in increasing demand for rental housing, reducing vacancies and placing upward pressure on rents. The spillover of this increased demand for rentals is evident in San Rafael, as indicated by the 25 percent increase in average rents between 2010-2013 (refer to Table A.26 later in this chapter). Furthermore, the REALFACTS rent survey (refer to Table A.26 later in this chapter) of over 1,800 apartment units in San Rafael documents an average vacancy rate of just 3.9 percent in calendar year 2013.

In situations where the housing market is extremely tight, there can be a greater tendency among landlords to discriminate against renters. Fair Housing of Marin is a civil rights agency that investigates housing discrimination complaints, including discrimination based on race, disability, gender and familial status. Their caseload consists almost entirely of renters. The organization receives approximately 1,200 complaints a year county-wide, of which approximately 250 are discrimination complaints that are fully investigated. Fair Housing of Main also conducts extensive education and outreach to landlords, property owners and tenants on rights and responsibilities under fair housing laws.

⁶ The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by the Census by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

3. Housing Age and Condition

San Rafael is developed with a diversity of housing types and ages. Nearly 80 percent of the city's housing stock was built prior to 1980 and about 65 percent of this stock was built prior to 1970. Further, there is a strong division between owner-occupied housing and rentals. A breakdown of the age of housing stock by owner/renter tenure is presented in Table B1.25, below.

Table B1.25: Age of Housing Stock - 2011

Year Structure Built	Owner-Occupied Units		Renter-Occupied Units	
	#	%	#	%
2005 or later	235	2%	235	2%
2000-2004	171	1%	182	2%
1990-1999	1040	8%	753	7%
1980-1989	1188	10%	1170	10%
1970-1979	1663	13%	1766	16%
1960-1969	3591	29%	2962	26%
1950-1959	2358	19%	2077	18%
1940-1949	1092	9%	913	8%
1939 or earlier	997	8%	1267	11%
Total	12,335	100%	11,325	100%

Source: 2007-2011 American Community Survey

Most of the city's housing stock consists of single-family dwellings (detached and attached), which, based on exterior appearance is generally in good condition. It is estimated that the percent of the single-family residential housing stock in need of rehabilitation is less than one percent for the following reasons:

- The good condition of the single-family residential stock is a reflection of the high home values in the city.
- Some of the older single-family residential stock built prior to 1950 are smaller and considered less-than-adequate in today's market so, over time, much of this stock has undergone extensive additions and remodels. This activity has consequently resulted in property and building condition upgrades that would not typically occur.
- Since the 1970's, the city has administered a "resale inspection program" (RBR). The RBR program promotes a building and property inspection at the point-of-sale for a single-family home (also required for the sale of duplex and multiple-family residential properties), as well as an archival search of permit activity on the property/home. Major health and safety issues and conditions that impair habitability are called out and ordered for repair, improvement or abatement as part of this inspection process.

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San Rafael has the highest stock of multiple-family residential housing (including duplex) in Marin County, with an estimated 10,100 units (refer to Table B1.23). Most of the city's multiple-family housing was built after 1960, with the highest concentration developed in the Canal neighborhood of Southeast San Rafael, followed by Downtown San Rafael and the Lincoln Avenue corridor. In 2002, the former San Rafael Redevelopment Agency conducted a “windshield survey” of the City’s Redevelopment Area (includes the Canal and Downtown San Rafael) finding that 16.3-percent of the housing in this area had dilapidated and/or deteriorated exterior building conditions and 18.7-percent of the buildings had defective design. Since the 2002 conditions survey, building and property conditions and maintenance has progressively improved. While the administering of the RBR program (referenced and described above) may have had some influence on property and building improvements, this progression is mostly attributed to the City’s Apartment and Hotel Inspection Program (HIP). Initially administered by the County of Marin, the City took over the HIP in 2002. The purpose of the HIP is to conduct periodic, proactive inspections of apartments and hotels to ensure property maintenance and to curtail conditions of deterioration and blight in housing. The HIP involves a schedule of City inspections of all properties with three residential units or more. One full cycle of citywide inspections takes approximately five years to complete. The City inspectors review property conditions, habitability and compliance with basic building, housing and fire code standards. If violations are identified during inspection, an order is issued to the property owner to correct the violation. As a result of City’s administration of the HIP, it is estimated that the multiple-family housing stock currently in need of major rehabilitation improvements has declined to less than ten percent, or approximately 1,000 multiple-family units.

4. Housing Costs and Affordability

a. Rental Housing Market

Rental costs in San Rafael were obtained from REALFACTS, a service that provides existing contract rents in properties containing 50 or more units. Fifteen market rate apartment complexes totaling 1,817 units were included in the rent survey. Most of the properties were built between 1960 and 1990 and are classified as Class C construction, with one Class A designated property built in 2010. Class C units are older units where rents would typically be lower than comparable Class A units, which are newer and can demand higher rents.

Rent levels have increased significantly over the past four years, with an overall average rent increase of just under 25 percent, as illustrated in Table B1.26. During calendar year 2013, average apartment rents in San Rafael ranged from \$1,312 for a studio, \$1,795 for a one-bedroom, \$1,793 to \$2,420 for a two-bedroom (1 to 2 bath) and \$2,523 for a three-bedroom unit. Townhome units commanded a premium over apartments and averaged \$2,583 and \$2,936 for two and three bedroom units respectively.

Table B1.26: Annual Rent Trends By Unit Type 2010-2013

Unit Type (Bedroom/Bath)	2010	2011	2012	2013	4 Year Rent Increase	
					\$	%
Total Average	\$1,571	\$1,664	\$1,851	\$1,962	\$387	24.6%
Studio	\$1,059	\$1,092	\$1,220	\$1,312	\$253	23.9%
1 bd/1 bth	\$1,421	\$1,512	\$1,704	\$1,795	\$374	32.8%
2 bd/1 bth	\$1,534	\$1,614	\$1,692	\$1,793	\$259	16.9%
2 bd /2 bth	\$1,904	\$1,988	\$2,279	\$2,420	\$516	27.1%
2 bd Townhome	\$2,033	\$2,255	\$2,463	\$2,583	\$550	27.1%
3 bd /2 bth	\$2,134	\$2,235	\$2,395	\$2,523	\$389	18.2%
3 bd Townhome	\$2,571	\$2,850	\$2,847	\$2,936	\$365	14.2%

Source: REALFACTS, February 2014.

b. Homeownership Market

Table B1.27 compares median home sales prices during calendar year 2013 in San Rafael and other Marin communities by zip code and contrasts this with sales prices during the prior year. Within zip code 94901 (generally the southern half of San Rafael, south of Puerto Suello), a total of 459 single-family homes and condominiums were sold in 2013 for an overall median sales price of \$745,000, representing nearly a 30 percent increase in the median sales price from the prior year.

Within zip code 94903 (north of Puerto Suello), 441 units were sold for a median of \$610,000, reflecting a more modest 17 percent increase in sales price from 2012. While median sales prices in San Rafael were below those in the majority of Marin County communities, the data in Table B1.27 combines both single-family and condominiums and does not account for the greater proportion of condominiums in San Rafael, which tend to have lower sales prices than single-family homes.

Table B1.27: Regional Single-Family Homes and Condominium Sales Jan-Dec 2013

Community	Zip code	# Homes/ Condos Sold	% Change from 2012	Median Sales Price	% Change from 2012	Price/ Sq. Ft.
San Rafael	94901	459	-15.3%	\$745,000	29.6%	\$437
San Rafael	94903	441	-4.3%	\$610,000	16.8%	\$413
Belvedere/Tiburon	94920	223	-6.7%	\$1,800,000	21.8%	\$769
Corte Madera	94925	158	11.3%	\$872,000	3.8%	\$592
Fairfax	94930	118	20.4%	\$645,000	15.2%	\$432
Greenbrae	94904	197	8.2%	\$1,255,000	20.1%	\$627
Inverness	94937	25	-7.4%	\$920,000	89.7%	\$522
Larkspur	94939	92	-29.8%	\$1,255,000	19.5%	\$638
Mill Valley	94941	489	6.1%	\$1,050,000	16.7%	\$616
Novato	94945	229	-9.5%	\$615,000	21.8%	\$315
Novato	94947	351	-10.0%	\$488,250	16.5%	\$343
Novato	94949	250	-12.0%	\$639,500	9.3%	\$328
Ross	94957	35	16.7%	\$2,220,000	3.3%	\$869
San Anselmo	94960	285	11.8%	\$869,500	11.0%	\$535
Sausalito	94965	162	8.7%	\$895,000	34.9%	\$707
Stinson Beach	94970	35	-7.9%	\$1,550,000	29.4%	\$931

Source: Dataquick Annual Sales Price Charts by Zip Code, 2013.

While the prior Table B1.27 provides an overview of the sub-regional housing sales market, the following Table B1.28 provides more detailed information on residential sales differentiated by unit type within the San Rafael city limits during 2013. A total of 421 single-family home sales were recorded during this twelve month period, with prices ranging from a median of \$600,000 (two-bedroom) to \$1,217,000 (five-bedroom). Housing sales reflected the wide diversity of San Rafael's housing stock, ranging from smaller, older units (two bedroom homes averaged just 1,170 square feet in size and on average were built in 1939), to luxury units on large lots (lot sizes for five bedroom homes averaged 22,400 square feet). A total of 24 homes sold for under \$500,000 and 28 homes sold for greater than \$1.5 million.

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Condominiums comprised nearly 30 percent of San Rafael's housing sales in 2013, with 166 units sold. Median prices for condominiums were substantially below that of single-family homes and ranged from \$290,000 for a one-bedroom, to \$441,000 for a two-bedroom and \$499,000 for a three-bedroom unit. Condominiums remained a relatively affordable homeownership option in San Rafael, with 45 units selling for less than \$300,000.

Table B1.28: San Rafael Home and Condominium Sales Prices Jan-Dec 2013

# Bdrms	Units Sold	Price Range	Median Price	Avg. Unit Size	Avg. Parcel Size	Avg. Year Built
Single-Family Homes						
2*	41	\$205,000 - \$2,730,000	\$600,000	1,170 sf	6,000 sf	1939
3	211	\$202,000 - \$2,200,000	\$772,000	1,850 sf	10,000 sf	1958
4	139	\$222,000 - \$2,550,000	\$880,000	2,450 sf	13,600 sf	1962
5+	30	\$580,000 - \$3,175,000	\$1,217,000	3,450 sf	24,400 sf	1954
Total	421	\$202,000 - \$3,175,000	\$815,000	2,100 sf	11,850 sf	1957
Condominiums						
1	23	\$210,000 - \$490,000	\$290,000	900 sf	--	1985
2	80	\$200,000 - \$1,375,000	\$441,000	1,260 sf	--	1982
3**	63	\$207,000 - \$1,025,000	\$499,000	1,630 sf	--	1980
Total	166	\$200,000 - \$1,375,000	\$429,500	1,350 sf	--	1982

Source: Dataquick On-Line Real Estate Database.

* Includes 3 one-bedroom units. ** Includes 4 four-bedroom units.

c. *Home Foreclosures*

Approximately 1.5 million of the 8.7 homes and condominiums in California have been involved in a foreclosure proceeding since 2007. In addition to impact of people losing their homes, foreclosed properties can lead to other problems as these homes are left abandoned, becoming potential blight and criminal concerns. Fortunately, the number of mortgage default notices in California has been consistently declining since its peak in 2009, with the number of default notices filed in the fourth quarter of 2013 the lowest level in eight years. According to the real estate information service DataQuick, the drop in foreclosure notices is the result of a combination of rising home values, an improving economy and the use of various foreclosure prevention efforts - short sales, loan modifications, and the ability of some underwater homeowners to refinance.

Within San Rafael, www.Realtytrac.com identified 95 single-family home and condominiums units in January 2014 in various states of foreclosure, including “pre-foreclosure” having received a notice of mortgage default, notice of a trustee sale and bank-owned. The number of properties that received a foreclosure filing in San Rafael in January was 20 percent lower than the previous month and 53 percent lower than the same time last year and represented one filing for every 3,716 residential units in the city. In comparison, at one foreclosure filing to every 921 housing units, the ratio of foreclosure filings in the State was much higher than San Rafael and other Marin County jurisdictions.⁷

California	1 : 921
Corte Madera	1 : 2,109
Novato	1 : 3,046
San Anselmo	1 : 3,314
San Rafael	1 : 3,716
Marin County	1 : 4,239
Mill Valley	1 : 4,709
Sausalito	1 : 6,350

⁷ The foreclosure ratio is calculated by dividing the number of dwelling units in the jurisdiction by the total number of properties that received foreclosure notices that month. The lower the second number in the ratio, the higher the foreclosure rate.

d. Housing Affordability

The affordability of housing in San Rafael can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

For purposes of evaluating home purchase affordability, Table B1.29 presents the maximum affordable purchase price for moderate income households (120% AMI) and compares this with market sales prices for single-family homes and condominiums in San Rafael (refer to Table B1.28). As illustrated below, the maximum affordable purchase price ranges from \$451,000 (two person household) up to \$627,000 (five person household), rendering median single-family home prices in San Rafael well out of reach.

Condominiums, however, do provide an affordable homeownership option for many moderate income households. For example, a three person moderate income household can afford a purchase price up to \$510,000 and is thus able to afford the \$441,000 median priced two bedroom condominium. Expanding the supply of condominiums, combined with down payment assistance programs and inclusionary housing requirements, can be an effective way to extend affordable housing opportunities and ensure households earning moderate incomes remain part of the San Rafael community.

Table B1.29: 2013 Marin County Maximum Affordable Housing Cost (Moderate Income)

Moderate Income Affordable Housing Cost	1 Bedroom (2 persons)	2 Bedroom (3 persons)	3 Bedroom (4 persons)	4 Bedroom (5 persons)
Household Income @ 120% Median	\$98,900	\$111,250	\$123,600	\$133,500
Income Towards Housing @ 35% Income	\$34,615	\$38,937	\$43,260	\$46,725
Maximum Monthly Housing Cost	\$2,885	\$3,245	\$3,605	\$3,995
Less Ongoing Monthly Expenses:				
Utilities	(\$150)	(\$170)	(\$210)	(\$250)
Taxes (1.1% affordable hsg price)	(\$413)	(\$468)	(\$518)	(\$574)
Insurance	(\$85)	(\$100)	(\$115)	(\$130)
HOA Fees & Other	(\$180)	(\$180)	(\$180)	(\$180)
Monthly Income Available for Mortgage	\$2,057	\$2,327	\$2,582	\$2,861
Supportable 30 yr. Mrtg @ 4.5% interest	\$406,000	\$459,000	\$510,000	\$565,000
Homebuyer Down payment (10%)	\$45,000	\$51,000	\$56,000	\$62,000
Maximum Affordable Purchase Price	\$451,000	\$510,000	\$566,000	\$627,000
San Rafael Median Single-Family Price	--	\$600,000	\$772,000	\$880,000
San Rafael Median Condo Price	\$290,000	\$441,000	\$499,000	--

Source: Karen Warner Associates.

Utility costs based on 2013 Marin Housing utility allowance schedule for attached units (gas appliances).

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Table B1.30 presents the maximum affordable rents for very low, low, and moderate-income households by household size and compares with average apartment rents in San Rafael (as documented previously in Table B1.26). As the table below indicates, citywide average rents were above the level of affordability for all very low and low income households with two or more persons, with an affordability gap ranging from \$100 to \$436 per month for low income households depending on household size. Households earning moderate incomes, regardless of household size, were easily able to afford market rents in San Rafael.

Table B1.30: 2013 Maximum Affordable Rents in Marin County

Income Level ¹	Maximum Affordable Rent After Utilities Allowance ²			
	Studio (1 person)	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income	\$890	\$1,016	\$1,138	\$1,239
Low Income	\$1,483	\$1,695	\$1,901	\$2,087
Moderate Income	\$2,062	\$2,357	\$2,646	\$2,915
San Rafael Average Apartment Rent	\$1,312	\$1,795	\$2,106	\$2,523

Source: Karen Warner Associates

¹ Income levels based on State HCD published Income Limits for 2013.

² Utility costs based on Marin Housing multi-family utility allowance schedule (gas heating, cooking and water heating; assumes monthly refuse service included in rent): \$100 for studios, \$115 for 1 bedrooms, \$135 for 2 bedrooms and \$175 for 3 bedrooms. Affordable rent is based on 30% of household income.

5. Assisted Housing At-Risk of Conversion

State Housing Element law requires an analysis of the potential for rent-restricted low income housing units to convert to market rate housing during the next ten years. This includes conversion through termination of subsidy contract, mortgage prepayment, or expiring use restrictions. The following at-risk analysis covers the period of January 31, 2015, through January 31, 2025, the 10 year period required to be analyzed by State law.

a. Inventory of Assisted Housing Units

San Rafael has facilitated the development of affordable and special needs housing using a variety of public financing mechanisms from federal, state, and local resources. Table B1.31 presents a complete inventory of publicly assisted rental housing in the city and identifies a total of 932 rent restricted affordable units within 30 residential projects.

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Table B1.31: Publicly Assisted Affordable Rental Housing in San Rafael

Project Name/ Address	Housing Type	Owner Name	# Units	Deed Restriction Source	Potential Conversion Date
Carmel Hotel 831 B St.	Mental Health	Homeward Bound (Non-profit)	36	RDA, CDBG	2028
St. Vincent's 822 B St.	Supportive Housing	St. Vincent de Paul (Non-profit)	6	RDA	2041
Belvedere Place 162 Belvedere St	Family	BRIDGE Housing (Non-profit)	26	RDA, TCAC, HOME, Marin Comm. Fndtn	2057
Casa Vista Apts 55 Fairfax St.	Family	BRIDGE Housing (Non-profit)	40	RDA, CDBG, HOME Marin Comm. Fndtn	2057
Lone Palm Apts 840 C St.	Family	Continuum Housing Assoc. (Non-profit)	60 -24 low incm	RDA, TCAC	2047
Centertown Apts 855 C St.	Family	Centertown Assoc. (Non-profit partnership)	60	Former RDA owns land -75-year lease. TCAC, CDBG, RDA	2064
Riviera Apts 455 Canal St.	Family	EAH (Non-profit)	28	CDBG, Tax Credits	2059
Ecology House 375 Catalina Blvd.	Disabled	Ecology House, Inc. (Non-profit)	11	Sec 811, CDBG, HOME Section 8 contract	2029 2014
Lifeshouse 626 Del Ganado Rd.	Developmental I Disabled	Lifeshouse (Non-profit)	12	FHA, Section 202 Section 8 contract	2022 2032
Rotary Manor 1851 Fifth Ave.	Senior/ Disabled	Rotary Valley/ABHOW (Non-profit)	99	RDA	2017
Marin Hotel 1111 Fourth St.	SRO	Homeward Bound (Non-profit)	20	RDA	2015
Marin Center for Independent Living 710 Fourth St.	Disabled	MCIL/Buckelew (Non-profit)	5	RDA, CDBG	2027
Rafael Town Center 988 Fourth St.	General	JB Matteson, Inc.	113-38 low incm	RDA	2025
San Rafael Commons 302 Fourth St.	Senior	Danville Senior Housing	83	RDA, Tax Credits Section 236 (J) Section 8 contract	2056 2031
Gordon's Opera House 1337 Fourth St.	General	Art Works Downtown (Non-profit)	17	RDA	2039

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Table B1.31: Publicly Assisted Affordable Rental Housing in San Rafael (cont'd)

Project Name/ Address	Housing Type	Owner Name	# Units	Deed Restriction Source	Potential Conversion Date
5 Golden Hinde Blvd.	Senior/ Disabled	Marin Housing Authority	40	Public Housing	Perpetuity
One H St. Apts	Family	Continuum Housing Assoc. (Non-profit)	38-20 low incm	RDA	2028
1103 Lincoln Ave.	Disabled	Buckelew (Non-profit)	12	RDA	2058
Lincoln Avenue Apts 1351 Lincoln Ave.	Developmental Disabled	EAH (Non-profit)	13	Section 811 Section 8 contract	2016 2016
Martinelli House 1327 Lincoln Ave.	Senior/ Disabled	Martinelli House, Inc.	66 - 28 low incm	FHA, Sec 236(J), CDBG LMSA Sec 8 contract	2062 2027
Rogers Greene Apts 7 Mariposa Rd.	Disabled	Buckelew (Non-profit)	10	HOME, RDA	2040
39 Mary St.	Transitional Housing	Centerpoint (Non-profit)	8	RDA , CDBG, HOME	Perpetuity
Sundance 95 Medway Rd.	Family	Marin Housing Authority	28	Public Housing, RDA	Perpetuity
Mills St. Shelter 29 Mill St.	Emergency Shelter	Homeward Bound (Non-profit)	55	CDBG, RDA	Perpetuity
Duncan Greene Court 410 Mission Ave.	Disabled	Buckelew (Non-profit)	11	RDA	2057
Nova House 393 Nova Albion Way	Disabled	Lifhouse (Non-profit)	6	Sec 202, CDBG, HOME Section 8 contract	2032 2015
Novato Street 153,161,165 Novato	Family	Canal Community Alliance (Non-profit)	12	RDA, Marin Comm. Fndtn	2040
Pilgrim Park Apts. 96 Pilgrim Way	Family	Pilgrim Park, Inc. (Non-profit - church)	61	FHA, Section 236 LMSA Sec 8 contract	2025 2025
Maria B. Freitas 455 M. Freitas Pkwy.	Senior	Mercy Charities (Non-profit)	60	Sec 202, HOME Section 8 contract	2040 2017
Sommerhill Townhomes 30 Novato St.	Family	Foundation for Affordable Housing (Non-profit)	38	TCAC	2054
Total			932 low income units		

Sources: San Rafael Community Development and Economic Development Departments, 2014. California Housing Partnership Corporation - TCAC and HUD Section 8 database, March 2014. Review of housing provider websites (BRIDGE, Buckelew, Centerpoint, Continuum Housing Assoc., EAH, Foundation for Affordable Housing, Homeward Bound, Lifhouse, Marin Housing Authority, St. Vincent DePaul Society).

b. Assisted Housing Units at Risk

As highlighted in Table B1.31 above, these assisted rental projects in San Rafael are potentially at-risk of conversion to market rate during the ensuing ten year period. However, all these projects are owned and managed by non-profit organizations that have a public purpose to develop and maintain affordable housing for low income and special needs populations. According to the California Housing Partnership Corporation (CHPC), seven of these projects are considered at low risk of conversion, with the six unit Nova House identified as "high risk" (3/2014).

Nova House is owned by Lifehouse, a Bay Area non-profit formed in 1954 to provide various support services and housing for the developmentally disabled population. Nova House is a single-family home serving six disabled clients. The property was purchased with Section 202 funding and Lifehouse receives rental subsidies for the residents. Lifehouse has a contract with the US Department of Housing and Urban Development ("HUD") for the Section 8 Housing Assistance Payment Program. The current HUD Section 8 contract expires in 2015. The property meets the current HUD guidelines for contract renewal and Lifehouse anticipates renewing the contract with HUD for an additional twenty years.

c. Preservation and Replacement Options

As all eight at-risk projects in San Rafael are already owned by non-profit entities, their conversion to market rents is highly unlikely. Nonetheless, as the HUD Section 8 contracts and/or capital subsidies have the potential to expire within the next ten years, for purposes of the Housing Element, these projects are technically considered at potential risk of conversion.

Preservation or replacement of San Rafael's at-risk projects can be achieved in two primary ways: 1) provision of rental assistance using other sources of funds; or 2) replacement or development of new affordable rental units. These options are discussed below, along with a general cost estimate for each.

Rental Assistance: The long-term availability of funding at the federal level for Section 8 contract renewal is uncertain. If terminated, rent subsidies using alternative State or local funding sources could be used to maintain affordability. Subsidies could be structured similar to the Section 8 program, whereby HUD pays the owners the difference between what tenants can afford to pay (30% household income) and what HUD establishes as the Fair Market Rent (FMR).

The feasibility of this alternative, in the case of the property owners, depends on their willingness to continue to accept rental vouchers and limit rents to fair market levels. Non-profit owners are more likely to be willing to accept other rent subsidies, while for-profit owners will compare the negotiated rents to market rents.

As depicted in Table B1.32, the cost of providing rent subsidies to all 291 at-risk units in San Rafael (the difference between HUD Fair market Rents and maximum affordable rents for very low income households) is generally estimated at \$885,000 per year, translating to roughly \$18 million in subsidies over a 20-year period.

Table B1.32: Annual Rent Subsidies Required to Preserve At-Risk Units

# Bdrms	# Units	2013 Fair Market Rents	Hhld Size	Hhld Income (50%AMI)	Max. Afford Rent	Per Unit Subsidy	Total Monthly Subsidy	Total Annual Subsidy
0 bdrm	74	\$1,093	1 person	\$39,600	\$990	\$103	\$7,600	\$91,200
1 bdrm	205	\$1,423	2 person	\$45,250	\$1,131	\$292	\$59,900	\$718,800
2 bdrm	12	\$1,795	3 person	\$50,900	\$1,272	\$523	\$6,300	\$75,600
Total	291						\$73,800	\$885,600

Source: Marin Housing Authority 2013 Fair Market Rents; State HCD 2013 Income Limits.

Table calculated by Karen Warner Associates, Inc.

d. Construction or Purchase of Replacement Units

The construction or purchase of a replacement building is another option to replace at-risk units should they convert to market rates. The cost of developing housing depends on a variety of factors, including density, size of the units, location, land costs, and type of construction. Using a conservative estimate of total development costs of \$300,000 per affordable housing unit, the cost to replace San Rafael's 291 at-risk units can generally be estimated at \$87 million.

e. Cost Comparison

In terms of cost effectiveness for preservation of the 291 at-risk units, 20 years' worth of rent subsidies (\$18 million) are less expensive than construction or purchase of replacement units (\$87 million). However, as described in the beginning of this section, while technically at-risk, all eight at-risk projects are owned by non-profits, rendering their conversion unlikely.

Should units become at risk, several local organizations have the capacity to acquire the units. For example, the West Bay Housing Corp. and Lifehouse have experience managing supportive housing for the disabled. Regional affordable housing companies such as BRIDGE, EAH, and Mercy Housing all own and manage affordable housing properties in San Rafael and would be logical successors if West Bay or Lifehouse could not acquire the units.

6. Housing Problems

a. Overpayment

Housing overpayment, as defined by the state and federal government, refers to spending more than 30 percent of income on housing; severe overpayment is spending greater than 50 percent of income. Table B1.33 shows the incidence of overpayment in San Rafael.

Table B1.33: Housing Overpayment in San Rafael - 2010

Overpayment	Households	Percent	Marin Co. %
Owners			
Overpayment (>30% income on housing)	4,995	42%	42%
Severe Overpayment (>50% income on housing)	2,380	20%	20%
Lower Income Households Overpaying	2,260	64%	60%
Renters			
Overpayment (>30% income on housing)	5,780	53%	54%
Severe Overpayment (>50% income on housing)	3,265	30%	28%
Lower Income Households Overpaying	5,460	75%	66%
Total Overpayment	10,775	47%	46%

Source: American Community Survey (ACS) 2006-2010 (as compiled by ABAG for Bay Area Housing Elements).

Note: Severe overpayment is a subset of overpayment.

According to the 2006-2010 American Community Survey, 42 percent of owners and 53 percent of renters in San Rafael were spending more than 30 percent of their total income on housing. Severe overpayment impacts 30 percent of the city's renters, a significant housing need and above the 28 percent renter overpayment Countywide. Twenty percent of homeowners in both San Rafael and countywide are identified as spending more than half their incomes on housing and are thus considered at risk of foreclosure.

In terms of overpayment among lower income households (<80% AMI), 5,460 lower income renter households and 2,260 lower income owners were faced with overpayment in San Rafael, translating to over 70 percent of the city's lower income households overpaying. The impact of housing overpayment on San Rafael's lower income households is significant, with the community's special needs populations – seniors, persons with disabilities, and female-headed households with children - most vulnerable to losing their housing due to an inability to pay.

b. Overcrowding

The State defines an overcrowded housing unit as one occupied by more than 1.01 persons per room (excluding kitchens, porches, and hallways). A unit with more than 1.51 occupants per room is considered severely overcrowded. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units.

Between 1980 and 2000, the incidence of overcrowding increased significantly in San Rafael, from 1.9 percent in 1980, to 5.6 percent in 1990 and 10.6 percent in 2000. Renter households were particularly impacted, with the 2000 Census identifying 21.3 percent of the city's renters as living in overcrowded conditions, compared to 10 percent renter overcrowding countywide. Factors contributing to this rise in overcrowding included the increase in immigrant newcomers in the Canal Neighborhood, cultural acceptance of extended households, and the economic necessity of sharing housing.

More recent data from the 2006-2010 American Community Survey indicates household overcrowding has declined by approximately one-half over the past decade both in San Rafael and countywide. As depicted in Table B1.34, renter overcrowding has declined to 12.4 percent (from 21.3%) in San Rafael and to 5.8 percent in Marin County (from 10%). While this reflects a significant drop in renter overcrowding, evaluation of the data by census block group reveals certain neighborhoods in San Rafael where relatively high concentrations of renter overcrowding remain. As depicted in Figure B1.2 on the following page, the highest rates of renter overcrowding (35-46%) are located within the northern Canal Neighborhood and Francisco Boulevard West, with the southern Canal Neighborhood also experiencing 26 percent renter overcrowding. As noted in the County of Marin Consolidated Plan (2010), census tracts 1122 (greater Canal area) and 1110 (downtown San Rafael) have among the highest concentrations of low income and poverty level households in the County.

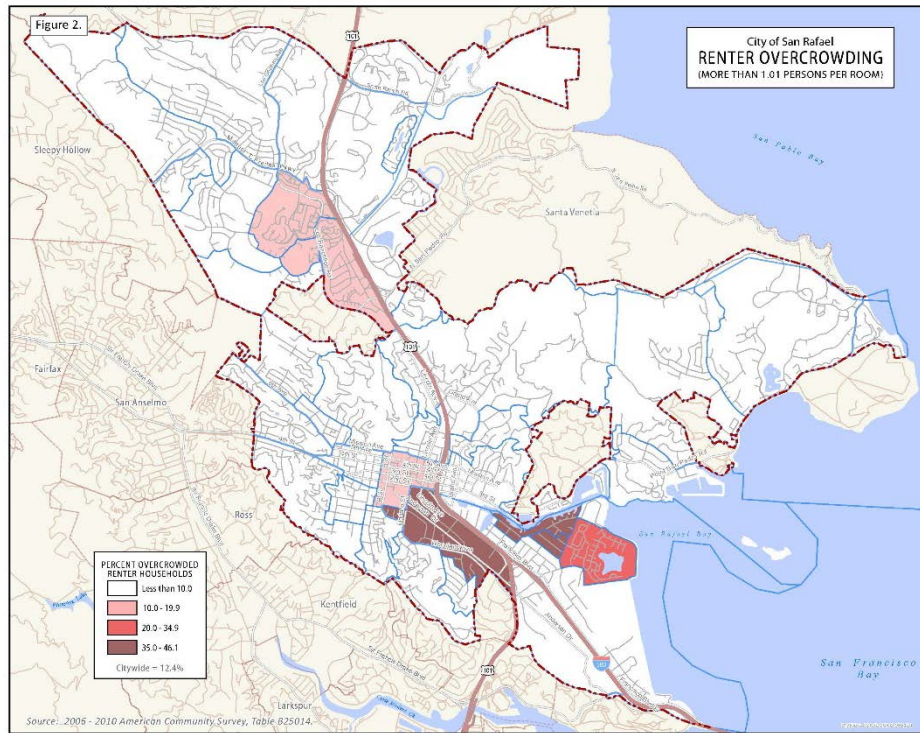
Table B1.34: Overcrowded Households - 2010

Overcrowding	Households	Percent	Marin Co. %
Owners			
Overcrowding	103	0.8%	0.7%
Severe Overcrowding	45	0.4%	0.2%
Renters			
Overcrowding	1,331	12.4%	5.8%
Severe Overcrowding	651	6.0%	2.3%
Total Overcrowding	1,434	6.1%	1.6%

Source: American Community Survey (ACS) 2006-2010 (as compiled by ABAG for Bay Area Housing Elements).

Note: Severe overcrowding is a subset of overcrowding.

Figure B1.2: Renter Overcrowding



Source: 2006-2010 American Community Survey, Table B25014

G. Regional Housing Needs Allocation (RHNA)

The Regional Housing Allocation (RHNA) is a state-mandated process, which determines the amount of future housing growth each city and county must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units needed to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

The RHNA process begins with the California Department of Housing and Community Development’s (HCD) projection of future statewide housing growth need and the apportionment of this need to regional councils of government throughout the state. As the Bay Area’s designated Council of Government, the Association of Bay Area Governments (ABAG) is the agency responsible for developing an allocation methodology to allocate the region’s assigned share of statewide need to cities and counties by income level. ABAG has adopted the RHNA for the 2015-2023 Housing Element cycle and has allocated San Rafael the following share of the region’s housing needs:

Table B1.35: Regional Housing Needs Allocation for 2015-2023

Income Level	Percent of AMI*	Units
Extremely Low**	0-30%	120
Very Low	31-50%	120
Low	51-80%	148
Moderate	81-120%	181
Above Moderate	120%+	438
Total		1,007

Source: Association of Bay Area Governments (ABAG) 5th Cycle RHNA.

* AMI - Area Median Income

** An estimated half of San Rafael’s 240 very low income housing needs (120 units) are for extremely low income households earning less than 30% AMI.

The 2009-2014 Housing Element planned for a RHNA of 1,403. With a RHNA of 1,007 for the 2015-2023 Housing Element, the City would be able to accommodate this lower allocation.

Once a jurisdiction receives its RHNA allocation from ABAG, it must demonstrate in its Housing Element how it will accommodate its RHNA number by providing “adequate sites” through general plan and zoning. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA goals.

The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” through zoning and is one of the primary threshold criteria necessary to achieve State approval of the Housing Element. As the RHNA represents a planning target for new

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residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target.

The RHNA ensures that each jurisdiction plans for its fair share of units to meet the State's overall projected number of required housing units, however, planning for these units also allows local governments to examine how housing can respond to changes in their cities' demographic composition, household characteristics and market conditions. The housing element update process, initiated by the need to accommodate the RHNA, allows cities to see and respond to foreseeable challenges in the planning of housing through a comprehensive review of the state of housing in each city. The housing element addresses aspects related to the accessibility of housing, such as affordability, overcrowding and overpayment, and ties them in to the need for housing at different income levels, presented in the RHNA.

San Rafael will continue to provide sites for a mix of single-family, multi-family, and mixed use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the Bay Area region.

APPENDIX B-2. HOUSING CONSTRAINTS

A. GOVERNMENTAL CONSTRAINTS AND OPPORTUNITIES

1. Land Use Controls and Development Standards

The City of San Rafael regulates the use of land within the city limits through the General Plan, the Zoning Ordinance, the Subdivision Ordinance and the Building Code. The General Plan provides overall density and development policies for specific areas of the community. The Zoning Ordinance implements the General Plan and provides greater specificity on density, height, and yard regulations, etc. The City's Zoning Ordinance was revised in 1996 to include new Downtown zoning districts. Zoning has been used as a site-specific tool to derive the density and intensity of proposed land uses. Below is a summary of multifamily and mixed use zoning standards.

San Rafael's zoning allows densities higher than all other communities in Marin County. These requirements should be viewed in light of the fact that San Rafael is the hub of the County, centrally located from West Marin to the East Bay, and from north counties to San Francisco. San Rafael's multiple-family ("HDR1") District allows 1 unit per 1,000 square feet of land area, compared to 1,500 square feet in most Marin cities' multifamily zoning districts. This translates to 43 units per net acre as compared to 29 units per acre as allowed in most Marin cities. In Downtown, densities of 62 units per acre are allowed in order to encourage more residential development in the city center.

San Rafael has allowed even greater density on selected sites. San Rafael Commons, for example, was built at 90 units per acre, with the higher density allowed because it was an affordable senior project. In addition, the City granted a reduction in the parking requirements, recognizing the lower parking demand of senior housing. The City has also recently approved four density bonus projects (33 San Pablo, 1203/1211 Lincoln, 1867 Lincoln, 524 Mission, 21 G Street), allowing for increased densities in exchange for the provision of affordable units. San Rafael's highest density single-family ("R5") District allows lots as small as 5,000 square feet in size, which is the smallest single-family lot zoning allowed in Marin County. San Rafael also has a P-D (Planned Development) zoning district that allows for maximum development flexibility, providing that the project is consistent with General Plan policies.

Table B2.1: City of San Rafael Zoning Standards for Multifamily and Mixed Use Residential Districts

Zone	Classification	Permitted Use	Minimum Lot Area (sq. ft.)	Width (ft.)	Unit/ Sq. ft.	Units per acre**	Front (ft.)	Setbacks Side (ft.)	Rear (ft.)	Building Height (ft.)	Building Coverage
DR	Duplex Residential	Duplex	5,000	50	2,500	17	15	3	10	30	40%
MR5	Multifamily Residential (Medium Density)	Multifamily	6,000	60	5,000	8	15	10	5	36	40%
MR3	Multifamily Residential (Medium Density)	Multifamily	6,000	60	3,000	14	15	10	5	36	50%
MR2.5	Multifamily Residential (Medium Density)	Multifamily	6,000	60	2,500	17	15	10	5	36	50%
MR2	Multifamily Residential (Medium Density)	Multifamily	6,000	60	2,000	21	15	10	5	36	50%

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Zone	Classification	Permitted Use	Minimum Lot Area (sq. ft.)	Width (ft.)	Unit/ Sq. ft.	Units per acre**	Front (ft.)	Setbacks Side (ft.)	Rear (ft.)	Building Height (ft.)	Building Coverage
HR1.8	Multifamily Residential (High Density)	Multifamily	6,000	60	1,800	24	15	3	5	36	60%
HR1.5	Multifamily Residential (High Density)	Multifamily	6,000	60	1,500	29	15	3	5	36	60%
HR1	Multifamily Residential (High Density)	Multifamily	6,000	60	1,000	43	15	3	5	36	60%
GC	General Commercial	Mixed Use	6,000	60	1,000	43	NR	NR	NR	36	NR
NC	Neighborhood Commercial	Mixed Use	6,000	60	1,800	24	NR	NR	NR	30-36	NR
C/O	Commercial/Office	Mixed Use	2,000/bldg	NR	1,000	43	NR	NR	NR	36	NR
R/O	Residential/Office	Mixed Use	6,000	60	1,000	43	NR	NR	NR	36	NR
4SRC	Fourth Street Retail Core	Mixed Use	2,000/bldg	25	600	72	NR	NR	NR	36-54	NR
HO	Hetherton Office	Mixed Use	6,000	60	600	72	NR	NR	NR	46-66	NR
CSMU	Cross Street Mixed Use	Multifamily	2,000/bldg	25	600	72	NR	NR	NR	36-54	NR
2/3 MUE	Second/Third Mixed Use East	Multifamily	6,000	60	600	72	5	NR	NR	54	NR
2/3 MUW	Second/Third Mixed Use West	Multifamily	6,000	60	1,000	43	5	NR	NR	36-42	NR
WEV	West End Village	Mixed Use	5,000	25	1,000	43	NR	NR	NR	30-36	NR
5/M R/O	Fifth/Mission Residential/Office	Multifamily	6,000	60	1,000	43	NR-15	NR	NR	42	NR
O	Office	Multifamily	7,500	60	1,000	43	20	6	20	36	40%

*Exceptions may be granted for height above 36' subject to provisions in Chapter 14.24, Exceptions.

**Zoning densities (net dwelling units per acre is roughly 30% higher than GP densities (gross du/acre)

NR = No Restriction

Source: City of San Rafael Municipal Code, 2014

Land use controls can be viewed as a constraint in that they determine the amount of land to be developed for housing and establish a limit on the number of units that can be built on a given site. However, the adoption of the *General Plan 2020* and subsequent Zoning Ordinance amendments created additional sites for multifamily housing by allowing housing in more commercial areas at densities that make affordable housing feasible.

San Rafael's mixed use commercial and residential zoning requirements are additive (not prorated), so that a developer has flexibility in determining how much commercial and residential development to include in a project. Site development capacities are based on the aggregate of the maximum residential density PLUS the maximum floor area ratio (FAR) for the site, thereby increasing development potential on mixed use sites. However, as shown in the table above, in some commercial zoning districts, residential is required to be part of a mixed use development. While this could potentially be a constraint should a developer wish to build a residential-only project, the City does allow residential-only projects with an Administrative Use Permit. The Housing Element includes a program to review zoning requirements for retail in a mixed use building or site, and to amend the zoning ordinance as necessary to allow for residential-only buildings in appropriate mixed use zoning districts.

Parking standards can pose additional constraints to development. However, San Rafael has developed standards intended to provide reasonable off-street parking for various types of housing and ensure adequate on-site parking for new residents, while reflecting local parking usage. A generalized comparison of parking standards in Marin County is shown in Table B2.2 below.

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For residential development projects, an additional reduction in the parking requirement may be applied, as well as the possibility of using tandem or uncovered parking to meet the on-site parking requirement. For details on the specific parking incentives for residential development projects see the City of San Rafael Zoning Ordinance, section 14.16.030 (H-3) – Affordable Housing Requirement, found online at:

<http://library.municode.com/index.aspx?clientId=16610&stateId=5&stateName=California>.

Additionally, the City established a parking district Downtown to encourage residential uses in the district. For instance, no parking is required for up to three units in the parking assessment district, provided the units are an infill addition to an existing nonresidential structure, and that the units are two-bedroom or less and no larger than 900 square feet in size.

Table B2.2: Parking Standards in San Rafael

Residential Use	Citywide	Downtown Parking Assessment District	Other Areas of Downtown	Most Common Standard in County
Accessory Dwelling Unit (Studio/One Bedroom)	1.0	1.0	1.0	1.0
Duplex	1.5	1.0	1.0	2.0
Mixed Use	By Use	By Use	By Use	n/a
Multifamily: Studio (Depends on size of unit)	1.0-1.5	1.0	1.0	1.0-2.0
Multifamily: One-Bedroom	1.5	1.0	1.0	1.0-2.0
Multifamily: Two-bedroom (Depends on size of unit)	1.0-1.5	1.0-1.5	1.5	2.0
Multifamily: Three-Bedroom	2.0	2.0	2.0	2.0
Guest Parking	0.2	0.0	0.0	0.20-0.25
Senior Housing	0.75	0.75	0.75	1.0
Single Family Dwellings	2.0	2.0	2.0	2.0

Source: City of San Rafael Zoning Ordinance, 2014

Based on the assessment, the City's standards, such as San Rafael's parking standards and San Rafael's parking density bonus, compare favorably to other jurisdictions, and do not pose a constraint to development. The results of a 1996 analysis of Downtown parking standards led to reduced parking requirements in the Downtown area, reflecting the lower demand for parking compared to more suburban areas. San Rafael's standards are also tailored to the size of the unit.

The Downtown San Rafael Station Area Plan, accepted by City Council in June 2012, establishes a long-term vision for land use and circulation improvements in the area surrounding the planned Downtown SMART station. In preparation for the Station's opening in 2016, a parking study is currently underway to evaluate various options to address small parcels and on-site parking constraints to development (refer to Housing Element Program H-15a).

2. Second Units

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

- (1) They provide flexibility for the owner of the main home (they can be used as an apartment for elderly parents or a source of income);
- (2) When rented they help make home-ownership affordable for the owner of the home;
- (3) They can provide flexibility for seniors or other homeowners who rent their primary dwelling because they still want to live in the same neighborhood;
- (4) They provide lower cost housing because the units are small and there are no extra land costs (City surveys show that a quarter of all units collect \$0 rents);
- (5) They fit in to existing neighborhoods since they are small and often part of the main house.

Second units are widely recognized as a valuable potential source of affordable housing for low-income households, especially single-person households such as seniors and single adults (*Marin Housing Workbook*, 2009). A 2008 survey conducted by the County found that 61 percent of second units located in the unincorporated county were affordable to lower income households (making 80 percent or below the County's median income; Marin County Draft Housing Element, 2009). A similar study conducted by the City in 2008 found an average rent of \$707 for second-units in San Rafael, with a monthly rent range from \$0-\$1,550, a price range that accommodates very-low and low income households based on 2009 household income limits (*Second Dwelling Units progress Report*, 2009). While the City has not conducted a comprehensive second unit survey since 2009, as indicated in Table B2.3 second units being developed in San Rafael continue to be very small in size, thus keeping rents relatively low.

In 2003, the City amended its zoning ordinance second unit provisions in response to a new requirement by State law which required ministerial review of all second unit applications, as opposed to discretionary review, so long as the unit met specified development and design standards. Some of the changes included in the zoning amendments include eliminating the Use Permit fee (allowing second dwelling units *by right* in all residential zoning districts) and the public hearing process, reducing the parking requirement, allowing the construction of detached units, and allowing second units to be built in zoning districts other than single-family districts. These zoning amendments effectively reduced many of the barriers, financial and otherwise, which may have formerly discouraged homeowners from building second units, and the City anticipated an increase in annual production of 34 second units.

Between 1989 and 2003, the City approved 74 second units, including eight studio units; 61 one-bedroom units; and five two-bedroom units; and averaging approximately five second units per year. Immediately after the zoning amendments of 2003, the annual number of second dwelling units built rose significantly for the next two years (see Table B2.3 below). Since that time, an average of four to five second units have been developed each year in San Rafael, confirming the City's second unit zoning ordinance revisions have been successful in supporting the continued production of this important form of affordable housing.

Table B2.3: Second Units Production: 2000 to 2013

	Total Number of Second Units Approved	No. of Attached Units	No. of Detached Units	Unit Size Range (sq. ft.)	Average Unit Size (sq. ft.)
2000	3	3	0	500-960	670
2001	0	0	0	N/A	N/A
2002	2	1	1	581-650	615
2003	4	1	3	340-600	475
2004	10	7	3	444-1000	650
2005	8	4	4	401-800	600
2006	4	2	2	375-781	550
2007	5	3	2	350-747	515
2008	6	4	2	354-942	600
2009	5	4	1	475-850	650
2010	7	5	2	500-800	650
2011	5	3	2	500-690	580
2012	5	5	0	480-1000	600
2013	1	1	0	650	650
Total	65	43	22	350-1000	

Source: San Rafael Community Development Department CRW Land Trak and address files, April 2009

San Rafael's second unit regulations allow second unit parcels with a minimum lot size of 5,000 square feet and require owner occupancy of the principal or second unit. The floor area of the second unit must be at least 500 feet but can be up to 40 percent of the gross square footage of the principal dwelling. The maximum size (assuming the 40% limit) is 800 square feet, unless a Use Permit is granted, which can allow a maximum size of 1,000 square feet. If added to a principal single-family unit, the height limit is 30 feet. If located in a detached accessory building, the height limit is 15 feet unless a Use Permit is granted. Studios and 1-bedroom units require one parking space; 2-bedroom units require two spaces. Parking may be uncovered, and, under certain circumstances, may be tandem. The second unit must have a separate entrance from the principal unit and cannot be located on the same side as the front entrance of the principal unit. Second units must comply with design guidelines. In particular, a second unit must maintain design consistency with the existing structure so that the architectural detailing, window style, roof slope, building materials, and exterior colors are similar.

The type of permit and level of review required for a second unit depends upon the size, height, and location of the second unit. If the second unit is located on the ground floor of the principal unit, meets the standards discussed above, and conforms to setbacks, only a building permit, with plans checked by the Planning and Building Divisions, is required. An Environmental and Design Review Permit is required for a second unit that (1) exceeds 500 square feet and is located above the ground floor of the principal unit, or (2) is located above the ground floor of a detached accessory building. A Use Permit is required for a second unit that is in an accessory building that does not meet the side or rear setbacks required for the primary structure, is above 15 feet in height, or is greater than 800 square feet in size.

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In 2008, there were 10,872 single-family homes in San Rafael; approximately 8,700 are on lots that meet the minimum lot size requirement of 5,000 sq. ft. Current and future market conditions are also expected to have an impact on second unit construction. The high demand for affordable apartments, coupled with poor economic conditions that compel many homeowners to look for additional sources of income, may spur an increase in second unit development. Although the depressed economy had a negative impact on current construction, changing demographics, as described earlier in this Element, are creating an increase in long-term demand for “granny” units for aging parents (in 2010, over 1,700 seniors lived alone in their homes).

In the fall of 2008, the City of San Rafael conducted a survey of 121 property owners of approved second units. The results of the 1990, 2001, and 2008 surveys are shown in Table B2.4 below. The 2008 survey revealed that an overwhelming majority of second units are one-bedroom or studio units with one resident. An analysis of the rent levels demonstrates that second units are affordable to very low and low income households, and support the assumption made that a significant proportion of new, second unit production will be affordable to very low and low income households.

Table B2.4: Survey of Second Units (Results from 1990, 2001, and 2008 Surveys)

	1990 Survey	%	2001 Survey	%	2008 Survey	%
Number of Approved Second Units	32	-	74	-	121	-
Number of Survey Responses	20	63%	30	41%	41	34%
Number of Units Occupied	17	85%	23	77%	30	73%
Number of Renter-Occupied Units	NA	-	22	96%	26	87%
Number of Owner-Occupied Units	NA	-	1	4%	4	13%
Number of Studio Units	2	12%	3	11%	8	21% ¹
Number of One-Bedroom Units	13	76%	23	82%	27	71% ¹
Number of Two-Bedroom Units	2	12%	2	7%	3	8% ¹
Number of Units with One Resident	NA	-	18	78%	24	80%
Number of Units with Two Residents	NA	-	5	22%	6	20%
Range of Unit Sizes	NA	-	NA	-	300-1,300 sq. ft.	-
Average Size of Units	NA	-	NA	-	676 sq. ft.	-
Affordable to Very Low and Low Income Households	NA	82%	NA	46%	NA	100% ²
Affordable to Extremely Low	NA	-	NA	-	12	39% ²
Affordable to Very Low	NA	-	NA	-	5	16% ²
Affordable to Low	NA	-	NA	-	14	45% ²
Affordable to Moderate Income	NA	18%	NA	13%	0	0% ²
Affordable to Above Moderate Income	NA	0%	NA	41%	0	0% ²
Range of Rents	\$0 - 875	-	\$0 - 1,895	-	\$0 - 1,550	-
Average Rent	\$504	-	\$905	-	\$707	-
Range of Estimated Incomes	\$16,000 - 30,000	-	\$16,000 - 62,901+	-	NA	-

Source: City of San Rafael Community Development Department, 2009

¹ Based on 38 units (occupied and unoccupied)

² Based on 31 units reporting rental amounts

San Rafael has continuously promoted second units as a 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 pursuing 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.

Housing Element Program H-16 includes continuing to promote and publicize second units through departmental handouts and the City's website. In addition, a new program has been added to the Element (H-11b) to evaluate appropriate zoning regulations to support in the creation of "Junior Second Units." 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 to qualify for credit towards the City's Regional Housing Needs Allocation (RHNA).

3. Provision for a Variety of Housing Types

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family homes, multi-family housing, mobile homes, emergency shelters and transitional housing, among others. The tables below summarize the variety of housing types permitted within residential, commercial, public/quasi-public, and certain industrial districts.

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Table B2.5 : Permitted Housing Types by Zoning District

Tables excerpted from Page 350 of Epilogue, with minor updates

Type of Land Use	R	DR	MR	HR	PD
Single-family residential	P	P	P	P	C
Duplex residential		P	P	P	C
Multifamily residential			P	P	C
Residential care facilities, handicapped					
Small (0-6 residents)	P	P	P	P	C
Large (7 or more residents)	P	P	P	P	C
Residential care facilities, other					
Small (0-6 residents)	P	P	P	P	C
Large (7 or more residents)				C	C
Second dwelling units (800 sf or less)	P	P	P	P	P
Second dwelling units (800+ sf)	C	C	C	C	C
Boardinghouse, SRO			C	C	C
Emergency Shelters for the homeless					
Permanent				C	
Temporary or rotating	C	C	C	C	C

Type of Land Use	GC	NC	O	C/O	R/O	FBWC*
Single-family residential					C	
Duplex residential					C	
Multifamily residential	A	C	P	A	P	A
Live/work quarters	A	A	A	A	A	A
Residential care facilities, handicapped						
Small (0-6 residents)	P	P	P	P	P	P
Large (7 or more residents)	P	P	P	P	P	P
Residential care facilities, other						
Small (0--6 residents)	P	P	P	P	P	P
Large (7 or more residents)	C	C	C	C	C	C
Boardinghouse, SRO	A	C	A	A	A	A
Emergency Shelters for the homeless						
Permanent	P/C			C	C	
Temporary or rotating	C	C	C	C	C	C

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Type of Land Use	4SRC	HO	CSMU	2/3 MUE	2/3 MUW	WEV	5/M R/O
Duplex residential					P		P
Multifamily residential	A	A	A	A	A	A	P
Live/work quarters	A	A	A	A	A	A	A
Residential care facilities, handicapped							
Small (0--6 residents)	P	P	P	P	P	P	P
Large (7 or more residents)	P	P	P	P	P	P	P
Residential care facilities, other							
Small (0--6 residents)	P	P	P	P	P	P	P
Large (7 or more residents)	C	C	C	C	C	C	C
Boardinghouse, SRO	A	A	A	A	A	A	A
Emergency Shelters for the homeless							
Temporary or rotating	C	C	C	C	C	C	C
Types of Land Use	I	LI/O	CCI/O	LMU	M	PQP	
Live/work Quarters				A	A	A	
Caretaker's residence	CZ	CZ	CZ	CZ	CZ		
Emergency Shelters for the homeless							
Permanent	C	P/C	C	C	C		
Temporary or rotating	C	C	C	C	C		
Single-family residential						C	
Duplex residential						C	
Multifamily residential					A	C	
Residential care facilities, handicapped							
Small (0--6 residents)					P	P	
Large (7 or more residents)					P	P	
Residential care facilities, other							
Small (0--6 residents)					P	P	
Large (7 or more residents)					C	C	
Boardinghouse, SRO					C	A	

Note: Consistent with SB 2, transitional and supportive housing are treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.

P = Permitted by Right A = Administrative Use Permit C = Conditional Use Permit Blank = Not Allowed

Zoning District Key

R: Single-family
 DR: Duplex Residential
 MR: Multifamily Medium Density
 HR: Multifamily High Density
 PD: Planned Development District
 GC: General Commercial
 NC: Neighborhood Commercial
 O: Office
 C/O: Commercial/Office
 R/O: Residential Office
 FBWC: Francisco Boulevard West Commercial
 4SRC: Fourth Street Retail Core

HO: Hetherton Office
 CSMU: Cross Street Mixed Use
 2/3 MUE: Second/Third Mixed Use East
 2/3 MUW: Second/Third Mixed Use West
 WEV: West End Village
 5/M R/O: Fifth/Mission Residential/Office
 I: Industrial
 LI/O: Light Industrial Office
 CCI/O: Core Canal Industrial/Office
 LMU: Lindero Mixed Use
 M: Marine
 P/QP: Public/Quasi-Public

4. Housing for Persons with Disabilities

Chapter 671, Statutes of 2001 (Senate Bill 520) requires localities to analyze potential and actual constraints upon the development, maintenance, and improvement of housing for persons with disabilities and to demonstrate local efforts to remove governmental constraints which hinder the locality from meeting the housing needs for persons with disabilities. The City has mechanisms, either through the variance or exceptions process, to modify standards to accommodate persons living with special needs. The City will continue to conduct a periodic evaluation of its zoning ordinance and other policies to identify and eliminate potential barriers to the construction of housing for people with disabilities (see Program H-9b).

San Rafael has adopted reasonable accommodation procedures for persons with disabilities with respect to zoning, permit-processing and building laws, and makes this information available to the public/ The City does not restrict the siting of group homes nor require a minimum distance between group homes. As indicated in Table B2,5, residential care facilities for persons with handicaps, regardless of size, are permitted by right in all residential and commercial zones (with the exception of the Planned Development Zone where they are conditionally permitted), and the City does not have any occupancy standards in the zoning code that apply specifically to unrelated adults. Other (non-handicapped) residential care facilities with six or fewer than six persons are similarly permitted in all residential and commercial zones (except the PD zone), with facilities over six persons allowed in multi-family and PD residential districts and commercial districts with a Use Permit. The Use Permit approval process for a group home is the same as for any other residential development; it requires public notice and approval by the zoning administrator or a public hearing and approval by the Planning Commission. For a detailed description of this permitting process, see the discussion on Governmental Constraints and Opportunities.

People living with disabilities who are on fixed incomes may require a wide range of housing options depending on the type and severity of their disability, as well as their personal preference and life-style. Some of the types of considerations and accommodations that are important in serving this need group include: on-site services, mixed income diversity, proximity to services and transit, group living opportunities and housing designed 'barrier-free' with accessibility modifications. Examples of affordable projects with disabled housing in San Rafael include the 11-unit low income Ecology House (opened in 1994), which is a national model for people with environmental sensitivities.

The City's zoning code has been determined to be in compliance with the Americans with Disabilities Act. San Rafael allows displacement of required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for any development, including housing for the disabled, wherever reduced need can be demonstrated. The Building Department administers Title 24 provisions consistently for all disabilities-related construction and responds to complaints regarding any violations.

5. Transitional and Supportive Housing

SB 2, effective January 2008, amended Housing Element law regarding planning and approval for transitional and supportive housing. Specifically, SB 2 requires transitional and supportive housing to be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a

multi-family use proposed in a multifamily zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone

Transitional housing is temporary housing (generally six months to two years) for a homeless individual or family transitioning to permanent housing. Residents are also provided with one-on-one case management, education and training, employment assistance, mental and physical services, and support groups. Transitional housing can take several forms, including group housing or multi-family units. The Housing Needs Assessment Appendix (Table B1.20) identifies 240 units of transitional housing in San Rafael, including housing facilities operated by Center for Domestic Peace, Homeward Bound of Marin and Center Point. Consistent with SB 2, the City has added the following definition to Section 14.03.030 of the Municipal Code and treats transitional housing as a residential use of property subject only to those restrictions that apply to other residential uses of the same type in the same zone:

"Transitional housing" and "transitional housing development" mean rental housing developments as defined under State Health and Safety Code Section 50675.2; i.e. buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted units to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.

Supportive housing is permanent, affordable housing, with no limit on the length of stay, occupied by the target population (persons with disabilities, AIDS, substance abuse, or chronic health conditions) and linked to services to allow residents to live independently. The Housing Element Needs Assessment (Table B1.20) identifies 119 supportive housing units in San Rafael, including three facilities operated by Homeward Bound of Marin, and a small facility operated by St. Vincent DePaul Society and another small facility operated by the Marin Housing Authority. Similar to transitional housing, supportive housing can take several forms, and thus the City has added the following definition to the Municipal Code and treats supportive housing as a residential use of property subject only to those restrictions that apply to other residential uses of the same type in the same zone:

"Supportive housing" means housing as defined under State Health and Safety Code (HSC) Section 50675.14(b); i.e. with no limit on length of stay, that is occupied by the target population as defined in HSC subdivision(d) of Section 53260 (i.e. adults with low-income having one or more disabilities including mental illness, HIV or AIDS, substance abuse or other chronic health conditions, or individuals eligible for services provided for under the Lanterman Development Disabilities Services Act Division 4.5, commencing with Section 4500 of the Welfare and Institutions Code and may include, among other populations, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting institutional settings, veterans, or homeless people) and that is linked to on- or off-site services that assist the supportive housing residents in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

6. Emergency Shelters

Emergency shelters are defined in California's Health and Safety Code Section 50801(e) as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

SB 2 also requires the Housing Element address new planning and approval requirements for emergency shelters. Jurisdictions with an unmet need for emergency shelters for the homeless are required to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development, and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

As indicated in the tables at the beginning of this section, emergency shelters, both permanent and temporary (seasonal shelters, up to six months) are permitted with a use permit in many of San Rafael's zoning districts. The City is home to two permanent emergency shelters - Family Center and Mill Street Center - providing a capacity for 82 shelter beds. Even with these shelters, however, the *2013 Marin Point in Time Homeless Count* identifies an unmet need for 175 emergency shelter beds in San Rafael.⁸

Consistent with SB 2, and as identified in the City's 2009-2014 Housing Element, in June 2014 the City adopted amendments to the Municipal Code to allow emergency shelters as of right in the GC and LI/O zoning districts in a 70-acre area south of Bellam and east of Highway 580 (as delineated on Map 14.16.115 in the Municipal Code)⁹. This area is characterized by the County of Marin Wellness Center, single-story light industrial, and office buildings. The area is served by Golden Gate transit routes 40 and 42. Existing land use includes single-story light industrial and/or office buildings. There are a number of currently-vacant buildings. Similar to a hotel or single-room occupancy use, density requirements will not apply. San Rafael's current homeless shelter facilities, provide shelter for 55 people at the Mill Street Center, and nine families (approximately 27 people) at the Family Center.

Section 14.16.115 "Emergency shelters - permanent" has been added to the San Rafael Municipal Code and establishes the following objective standards to regulate emergency shelters as permitted under SB 2:

⁸ The *2013 Marin Point in Time Homeless Count* occurred on a day when up to 40 homeless men and 20 homeless women participating in the countywide Rotating Emergency Shelter Team (REST) winter shelter program were receiving meals in San Rafael, and were thus attributed to the city's count of unsheltered homeless.

⁹ The City's Ordinance permits shelters by right within the designated area up to the total need for shelter beds identified in the Housing Element, with any additional facilities subject to a conditional use permit.

- On-site management and on-site security shall be provided during hours when the emergency shelter is in operation.
- Adequate exterior lighting shall be provided for security purposes (i.e., one foot-candle at all doors and entryways and one-half foot-candle at walkways and parking lots). The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of intensity compatible with the surrounding area.
- The development may provide one or more of the following specific common facilities for the exclusive use of the residents and staff:
 - Central cooking and dining room(s)
 - Recreation room
 - Counseling center
 - Child care facilities
 - Other support services
- Parking and outdoor facilities shall be designed to provide security for residents, visitors, employees and the surrounding area, and consistent with the requirements of Section 14.18.040 (Parking Requirements).
- A refuse storage area shall be provided that is completely enclosed with masonry walls not less than five feet high with a solid-gated opening and that is large enough to accommodate a standard-sized trash bin adequate for use on the parcel, or other enclosures as approved by the review authority. The refuse enclosure shall be accessible to refuse collection vehicles.
- The agency or organization operating the shelter shall comply with the following requirements:
 - Shelter shall be available to residents for no more than six months. No individual or household may be denied emergency shelter because of an inability to pay.
 - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
 - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, screening of residents to ensure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
- No emergency shelter shall be located within three hundred feet (300') of another emergency shelter; unless permitted through review and approval of a conditional use permit where it is determined that the additional shelter location is appropriate and necessary to serve the intended population and would not result in an over-concentration in the community.
- The facility shall be in, and shall maintain at all times, good standing with town and/or state licenses, if required by these agencies for the owner(s), operator(s), and/or staff of the proposed facility.
- The maximum number of beds or clients permitted to be served (eating, showering and/or spending the night) nightly shall comply with the occupancy limit established by the building code.

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Similar to any commercial use within the GC and LI/O zoning districts, an emergency shelter is required to maintain a current business license. The City does however waive the license fee for non-profit business owners.

The City's ordinance links the number of beds or clients served by an emergency shelter to occupancy limits established in the California Building Code which require 100 square feet (10 foot x 10 foot area) per client. Thus a 5,000 square foot shelter would be permitted to have 50 beds or 50 clients.

During the State's Department of Housing and Community Development (HCD) review of San Rafael's draft Housing Element, HCD staff raised concerns that certain emergency shelter standards adopted by the City may exceed what jurisdictions are permitted to regulate under the statutory parameters of SB 2. While San Rafael developed its shelter standards in consultation with local shelter providers, the City will amend Section 14.16.115 of the Municipal Code to more clearly limit its shelter standards to those permitted under State statutes. Specifically, the City will amend Zoning Code Section 14.16.115 to: a) clarify requirements for staff and services to be provided to assist residents in obtaining permanent shelter and income are permissive, rather than mandatory; and b) clarify that while a written Management Plan is required, it is not subject to discretionary approval.

7. Building Code

San Rafael uses the 2013 California Building Code (based on the International Building Code, 2012), which sets minimum standards for residential development and all other structures. The standards may add material and labor costs but are felt to be necessary minimums for the safety of those occupying the structures. Modification of the code, in order to reduce the cost of housing, would not be appropriate if it affects safety or adversely impacts neighboring properties.

The City's zoning code has been determined to be in compliance with the Americans with Disabilities Act. San Rafael allows displacement of required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for any development, including housing for the disabled, wherever reduced need can be demonstrated. The Building Department administers Title 24 provisions consistently for all disability-related construction and responds to complaints regarding any violations.

The City has made several amendments to the Code applicable to residences, requiring fire sprinklers in all buildings and Class A fire-retardant roofs for fire protection. Due to the prolonged dry season and the city's topography, these are warranted upgrades. The City's sewer, storm drain, and other engineering standards conform to Marin County standards, and the City requires only minimum road widths and improvements in new developments. On-site drainage and frontage improvements are required for residential development where they do not exist. Costs vary depending on the size of the lots.

The City enforces energy conservation standards enacted by the State. The standards may increase construction costs but over time will result in energy savings. San Rafael also has a very active Code Enforcement program intended to respond to code violations and the early stages of deterioration. The program requires remedial actions or abatement to maintain the safety of housing units.

8. Local Processing and Permit Procedures

Like all local jurisdictions, the City of San Rafael has procedures and regulations for project review and approval. The following is an analysis of the permit approval process for residential development in San Rafael. All properties with residential land use designations have corresponding zoning; accordingly the rezoning process is not assessed in this analysis. Similarly, almost all of the remaining residentially zoned properties are infill lots, and subdivision is not an issue.

The exhibit below outlines the types of permits required for housing development in San Rafael. Typically, a single discretionary permit is required to develop single-family and multifamily housing in San Rafael: the Design Review Permit. In addition, for housing units in a commercial district, an Administrative Use Permit is required; the permit specifies performance standards to ensure compatibility of use given the surrounding non-residential land uses and to mitigate potential conflicts or nuisances. Not listed below are permits required in unusual circumstances, such as a substandard lot size, when a Variance application may be required. In addition, San Rafael has an exception process that grants minor adjustments to certain zoning standards, such as height.

Table B2.6: Planning Permits for Housing Development

Type of Permit	Level of Review	Type of Development	Review
Design Review, Administrative	Staff	Flag lot homes	Design Review Board (if needed), addresses access and visibility issues
Design Review, Minor	Zoning Administrator	Hillside homes	Design Review Board (if needed), addresses environmental and design compatibility issues
Design Review, Major	Planning Commission	Ridgeline homes, 3+ units, some 2 nd units	Design Review Board, addresses environmental and design compatibility issues
Use Permit, Administrative	Staff	Mixed Use residential, most districts	Zoning standards address design and compatibility issues for development in commercial and industrial areas
Use Permit	Planning Commission	Some 2 nd units	Zoning standards address design and compatibility issues for large or two-story 2 nd units
Planned District Zoning	City Council	Development on lots five acres or larger in size	Planning Commission, to encourage cluster development to avoid sensitive areas and to encourage innovative design by allowing flexibility in property development standards.

Source: San Rafael Community Development Department, 2014.

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During project review, San Rafael follows procedures set forth in the California Environmental Quality Act (CEQA) and Guidelines. Thus, processing time for single-family or multifamily projects is dependent on whether a project is categorically exempt (no environmental review necessary), or if a Negative Declaration (Neg Dec) or an Environmental Impact Report (EIR) is required. Hillside sites are more expensive to develop due to known geotechnical and access problems. Environmental protection requirements, including protection of endangered species, tree removal, habitat loss, etc. may add significant time to the development process and additional cost where it is necessary to evaluate the effects of the project and mitigate adverse impacts. Fees charged by the City for CEQA processing cover the City's processing costs.

CEQA Section 15332 ("Infill Development Projects") allows San Rafael to categorically exempt infill development consistent with the San Rafael General Plan and Zoning requirements from CEQA review. Other agencies, such as the MMWD, the Bay Area Air Quality Management District and the Regional Water Quality Control Board, also influence the processing time of environmental documents.

In response to concerns that the permit process was a constraint, a number of changes have been made:

1. In 1989, the City approved a "Neighborhood Meeting Procedure" intended to formalize early meetings with neighborhood groups. (See description below.)
2. In San Rafael, planning permits (i.e., design review, administrative use permit and variance) are processed concurrently at the discretion of the applicant.
3. An interdepartmental permit review committee, the Development Coordinating Committee, meets biweekly to discuss upcoming applications, identify potential issues and provide feedback on mitigation options.
4. Application handouts and checklists to help applicants understand departmental procedures and requirements.
5. San Rafael instituted expanded, more comprehensive (notice to renters and owners), and more timely (15 day notice) notice about development proposals, to facilitate early dialogue between neighbors and developers, as well as to ensure full awareness about proposed changes.
6. Second unit approval process was streamlined, consistent with State law, to provide for ministerial rather than discretionary review.
7. Reduced the level of planning permit review required for the addition of units to the single-family, duplex, and multi-family residences.
8. Eliminated the Design Review Permit requirement for one story duplexes and the conversion of existing single-family structures to duplexes.

a. Neighborhood Meeting

In 1989, the City approved a “Neighborhood Meeting Procedure” to formalize early meetings with neighborhood groups and reduce delays caused by concerns raised during the public hearings, which occur late in the review process. The neighborhood meeting is held as part of the project review and is not an additional separate or early step in the review process. The neighborhood meeting is scheduled before the first public hearing during staff’s initial review of the project application. The drawings for the neighborhood meeting are the same required for the design review permit.

By encouraging developers of larger projects to meet with neighbors early in the review process, both developers and neighbors can learn about local concerns and suggestions for improvements. The meetings are open to the public, and interested parties such as housing advocates typically attend. The project planner attends to provide information as needed about the review and approval process.

In addition to the neighborhood meeting comments, applicants will receive early feedback through the concurrent ‘conceptual review’ provided by the Design Review Board (see below). This procedure has proven successful in streamlining the permitting timeframe by enabling early identification of issues and better communication between the developer and neighbors, and in identifying key project issues and appropriate project modifications that reduce the time in processing an application through the public hearing process. San Rafael’s housing specialist reports that since the drawings have to be prepared for design review, there is no added cost, and that developers appreciate knowing about the issues at the beginning of project review.

In the past several years, the following projects benefitted from the early neighborhood meeting:

Table B2.7: Neighborhood Meetings in Projects

Project	Submitted	Approved	Neighborhood Issues
33 San Pablo Ave	93 units	82 units	Parking, access, density, bulk, and mass, traffic. Although the Design Review Board recommended a less bulky design with a subsequent reduction in units, the project density remained above the allowable density, qualifying as a density bonus project and reduced parking requirements.
Loch Lomond Marina	84 units	81 units	Traffic, parking, neighborhood commercial viability, views, public access, marina green design, wetland protection. Neighbors advocated for 36 single-family homes; approved project had a mix of housing types. Project size reduced by three units because of wetland protection policies.
1203-1211 Lincoln Ave	32 units	36 units	Parking, access, design, traffic, loss of views, privacy, loss of affordable housing, setbacks. Planning Commission asked for more density; project was a density bonus project with reduced parking requirements. After design changes to address concerns, near unanimous support by neighbors.
524 Mission Ave	20 units (upzoning requested)	15 units (without rezoning)	Street tree preservation. Early dialogue with the neighbors resulted in near unanimous support for the project, which was at the high end of the allowable density.

Typically during a neighborhood meeting, some neighbors will speak in support of a project, using the meeting to speak about the importance of affordable housing, and how new development is needed in San Rafael to provide housing opportunities.

The neighborhood meeting together with the conceptual design review does not add time or effort to a developer. They provide an opportunity for an applicant to hear early feedback from the Design Review Board (for conceptual review) or the public (for neighborhood meeting). Since these meetings are completed early in the review process, an applicant will receive timely comments before having developed detailed plans and materials. Incorporating changes to address early comments is not as costly as when the feedback occurs at the public hearing. By the time of the public hearings, the applicant and neighbors are familiar with the issues and planning details.

b. Design Review Permit

Design review permits implement General Plan policies by guiding the location, functions and appearance of development to respect and protect the natural environment and assure that development is harmoniously integrated with the existing qualities of the city – to ensure a "fit" with the community. Design Review requirements provide an opportunity for design issues to be raised early in the discretionary review process, thus helping to assure community acceptance of a project proposal, which can reduce delay due to project appeals and other forms of community objections. It is important that a new project will blend with the community, and become a natural and integral part of the existing neighborhood fabric, both visually and structurally. In a city where every project will have an impact on a neighbor, discretion is needed to ensure that projects are adjusted where possible to minimize adverse effects. In San Rafael, design guidelines have proven to be helpful in designing new housing.

There are three types of design review permits:

- Administrative Design Review permit approved by the Community Development Director or designated staff. The Community Development Director may refer an application to the Design Review Board for recommendations if needed.
- Minor Design Review permit, approved by the Zoning Administrator. Minor improvements, such as a single-family house, are reviewed at this level, and may involve review by the Design Review Board for recommendations.
- Major Design Review permit, approved by the Planning Commission. Major physical improvements, such as subdivisions and multifamily development, are first reviewed by the Design Review Board (which is an advisory body) and then by the Planning Commission. The Planning Commission grants Design Review Permits after a public hearing. The Planning Commission's action may be appealed to the City Council. The City Council considers appeals from Planning Commission actions at public hearings.

The Design Review process elements and timeline is typically two to eight months, depending on the size of the project and the type of permit, as outlined below.

Table B2.8: Design Review Process Elements and Timeline

Task	Time
Conceptual Review Project applicants for a major design review hold a neighborhood meeting and meet for conceptual review with the Design Review Board.	30 days
Application Filed Project sponsor submits completed application plans forms, supporting documents and fees. Plans consist of architectural drawings at the schematic level, landscape drawings, and grading plans. A geotechnical analysis and/or traffic report may be required as supporting documents.	1 day
Completeness Review Staff reviews application and circulates plans to City departments to determine whether additional information is required, and for recommended conditions of approval.	30 days
Completeness Notice Notice sent to sponsor advising that project is complete or is incomplete and additional information is required.	1 day
Follow-Up Submittal If the application has been determined to be incomplete, the sponsor will submit follow-up information as requested. The time to complete this task is determined by the project sponsor. If the application was found to be complete, this task is skipped.	Varies
Environmental Review The application is reviewed to determine whether the project is exempt from CEQA or if an Initial Study is required. Most projects are found to be exempt. If a Negative Declaration is prepared, environmental review can take the full 6 months allowed by law.	1 day to 6 months
Staff Report A detailed evaluation is conducted and a staff report is prepared.	30 days
Public Hearing A public notice is sent 15 days (if exempt) before the hearing to property owners within 300 feet of the project site. The Planning Commission conducts a hearing and takes action to approve or deny the project.	15 days

Source: City of San Rafael Community Development Department

Costs – In order to give meaningful input to a developer, the Design Review Permit requires project plan review. The City’s design review submittal requirements do not differ significantly from other communities’ requirement for design review plans. Design review and the resulting quality of development that is an improvement to the community is viewed as an investment of cost worthwhile and not seen as a constraint on development.

Timing – In addition to the process improvements described above, the Community Development Department has taken the following steps to improve the design review process:

1. In 2004, various design guideline documents developed over the past 25 years were consolidated into a single set of design guidelines. San Rafael does not require prescriptive design standards, allowing instead for creative design approaches and solutions, such as a triplex BMR built in a high-end single-family subdivision. San Rafael’s design guidelines cover site design, architecture, and landscape design. The majority of San Rafael’s design standards relates to the design and placement of architectural and site features and does not add to the

cost of building and development. Other design standards, such as the requirement to underground utility connections, provide screening of refuse areas, design units that are accessible to the disabled, and use high-quality building materials may add to development and material costs. These guidelines are invaluable in streamlining the site and building design process, and in helping designers understand the design intent of the community.

2. Optional “Initial consultation” between an applicant and planning staff for an informal staff review so that an applicant may be informed of design review board issues prior to preparing working drawings. (Modest fee of \$1,000).
3. “Conceptual review” before the design review board on the conceptual design approach. (Modest fee of \$1,500). Conceptual review is required for major project, and focuses on the conceptual design approach, giving both the design review board and the applicant the opportunity to work together to achieve a quality design. During the review (one session), the board identifies and discusses relevant issues and indicates the appropriateness of the design approach. Generally, any project subject to a neighborhood meeting is also subject to conceptual review. The neighborhood meeting is a chance for the developer to present a proposed project to the neighbors and answer questions and receive feedback, and the conceptual review is an opportunity for the applicant to hear preliminary design feedback from the Design Review Board.

c. *Administrative Use Permit*

An administrative use permit, with specific performance standards, is required for residential uses in commercial districts to “ensure that residential uses in commercial districts are not adversely impacted by adjacent uses.” The cost is modest as the review is restricted to nine specific criteria related to noise, refuse location, boarding houses, live/work, etc. The review is processed concurrently with the design review permit.

The permit has not been a hindrance to mixed use development, as demonstrated by the track record: three projects in Downtown with 146 units were built 2000-2010. However, with increased expertise in understanding potential issues that can be addressed through the design review permit, a new general plan program is proposed to consider deleting the requirement for an administrative use permit for residential uses in mixed use development in Downtown zoning districts.

d. *Planning Permit for Certain Second Units*

The City modified its Second Dwelling Unit Development Standards and Procedures, consistent with State law (AB 1866), to eliminate the requirement for Use Permit applications for second units. Processing time is now typically less than a week for a second dwelling unit permit. In limited circumstances, for second units between 800 and 1,000 square feet, or located in a detached accessory building within required side or rear setbacks, or above 15 feet in height, a use permit or a design review permit from the Planning Commission is required to determine compatibility with adjacent residential structures. (For more information about second units, see discussion above.)

e. Planned Development Zoning

A general plan program requires ‘Planned Development’ zoning for lots larger than five acres. This zoning provides site design flexibility in that there are no zoning setbacks, etc.; the development must only be consistent with general plan policies. This long-standing program has proven instrumental in successful master planning of large sites in San Rafael; PD zoning is processed concurrently with other development review permits.

9. Project Selection Process

To properly manage traffic capacity in a way that best serves the city’s health, safety, and welfare, and consistent with state law requirements, General Plan policy C-5, Traffic Levels of Service Standards, includes specific standards for traffic levels of service. To effectively manage these levels of service while also promoting smart growth within the city, San Rafael developed several mechanisms by which traffic capacity is regulated and infrastructure limitations are mitigated.

In 1988, the City initiated the Priority Project Procedure (PPP), which allocated traffic capacity to proposed development projects based on traffic impact, community need, and available infrastructure for projects affecting in certain traffic-impacted areas, including the interchanges at I-580/Highway 101/Bellam Ave., Lucas Valley Road/Smith Ranch Road/Highway 101, and Freitas Parkway/Highway 101. Under *General Plan 2000*, affordable housing projects with a minimum of 15 percent affordable units are among the types of projects that were given priority in the identified traffic-impacted areas. In addition, a limited number of bonus trip allocations were reserved for projects providing a significant amount of affordable housing. From 1988-2000, under the PPP program, over 600 housing units went through the development process and were built in the affected areas (North and East San Rafael) resulting in the creation of over 92 affordable units.

In adopting the General Plan 2020 (2004), the PPP was re-named as the Project Selection Process (PSP). The PSP was allied citywide and continued to be implemented by the City as a tool for prioritizing new development projects. However, by 2011, the purpose and importance of the PSP diminished and the process was eliminated because: a) the community is now largely built-out and there are very few remaining land development opportunities; and b) the limited traffic capacity has been used up or needed transportation improvements have been implemented.

In summary, the Housing Element includes the following programs to address issues related to processing and permit procedures:

- Program H-14c. Continue to Implement Zoning Provisions to Encourage Mixed Use
- Program H-17c. Waiver or Reduction of Fees
- Program H-17d. Efficient Project Review

10. Affordable Housing (Inclusionary Housing) Requirement

The City of San Rafael, in 1980, adopted a voluntary inclusionary requirement. The 1985 Housing Element included a mandatory inclusionary requirement, and in 1988, the City adopted a comprehensive requirement that market rate units contribute to the development of affordable housing (“inclusionary housing”). This program resulted in the development of 619 deed-restricted affordable units (City of San Rafael Community Development Department, 2009). The

inclusionary program has been one of the City's most successful programs in creating permanent affordable housing.

Some members of the development community have stated that the affordable units have to be "subsidized" by the market rate units, which results in higher prices for the market rate units, and thus act as a constraint on the development of housing. However, no data has been presented showing this to be the case in San Rafael. Further, the City's housing studies indicate that the main determinant on the cost of housing in San Rafael, as well as elsewhere in Marin, continues to be the price that the market is willing to pay. In addition, affordable units have some economic benefit to the property owner/developer, despite their restricted return:

- 1) The current moderate income BMR-restricted sales price (\$274,500, 2 bedroom unit) exceeds the per-unit cost of development in San Rafael.
- 2) Through application of State Density Bonus requirements, the affordable housing requirements for larger projects will actually create more market rate units than would otherwise be allowed under San Rafael's development and zoning schemes, thus further reducing any purported "subsidy."

In San Rafael, a project with 20 or more units must have at least 20 percent affordable units. For example, a 20-unit project would have to have four affordable units, thereby automatically qualifying for the State density bonus, which would allow an additional 5 market rate units. Under the City's inclusionary program, additional density bonuses are also available to any developer that agrees to dedicate affordable units above the minimum requirements of the Ordinance.

San Rafael is not unique in requiring developers of market rate housing to participate in addressing the affordable housing dilemma. The County of Marin and the Cities of Novato, Corte Madera, San Anselmo, Mill Valley, Fairfax, Larkspur, and Tiburon have all adopted inclusionary housing programs. A 2006 survey of inclusionary housing by California Coalition for Rural Housing and Non-Profit Housing Association of Northern California found that 170 jurisdictions in the State (comprising about one-third of all jurisdictions) had inclusionary zoning requirements (CCRH, 2007). The record of these jurisdictions, as well as San Rafael itself, indicates that inclusionary zoning requirements do not act as a constraint on the development of market rate housing and serves an important public purpose of promoting the development of affordable housing.

San Rafael's inclusionary ordinance does not apply to the following:

- Projects that are the subject of development agreements in effect with the city and approved prior to the effective date of the City Council ordinance;
- Projects where a building permit application has been accepted as complete by the city prior to the effective date of the city council ordinance; however, any extension or modification of such approval or permit after such date shall not be exempt;
- Any building that is damaged or destroyed by fire or other natural catastrophe if the rebuilt square footage of the residential portion of the building does not increase upon reconstruction;
- Any residential development project of four (4) or fewer units in a single structure;

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- Any residential development project of four (4) or fewer units where the square footage of the floor area of each unit, exclusive of garage, is less than one thousand eight hundred (1,800) square feet; and
- Second units approved by the City of San Rafael pursuant to Section 14.16.285 of the San Rafael Municipal Code.

In addition, the inclusionary ordinance provides the following flexibility:

- In-Lieu Fee Option
- Project Design

...Units may be clustered within the residential project when the City determines that such clustering furthers affordable housing opportunities. The affordable housing units shall be of a similar mix and type to that of the residential development project as a whole, including, but not limited to:

 - a. The same or substantially similar mix of unit size (e.g., number of bedrooms, square footage); [NOTE: developer not required to provide affordable units identical to market-rate units]*
 - b. Compatibility with the design, materials, amenities, and appearance of the other developed units. [NOTE: developer not required to provide affordable units identical to market-rate units]*
- Alternative Equivalent Action Option

G. Alternative Equivalent Action. ... an alternative equivalent action may include, but is not limited to, dedication of vacant land, the construction of affordable housing units on another site, or other actions ...

The Housing Element includes a program to conduct a 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. Based on this analysis, the City will amend the Ordinance, as appropriate, to enhance the Program's effectiveness and consistent with recent court decisions.

11. Fees and Exactions

Like all cities, San Rafael collects development fees to recover the costs of providing services and processing applications. When fees are adopted by the City Council, a fee study is provided to demonstrate that they do not exceed the reasonable cost of providing the service. Most of San Rafael's planning permit fees are 'cost recovery,' with the initial fee, which covers 80 percent of the estimated project review cost, required as a deposit. Once the deposit is used, staff time is charged on an hourly basis. Smaller projects, are charged a modest fixed fee (i.e., \$300 for a second dwelling unit). The types of fees charged by jurisdictions in Marin are shown in Table B2.9 (San Rafael fees are shown in bold):

Table B2.9: Types of Fees Charged

Jurisdiction Controlled Fees	
<i>Planning and Building Fees</i>	<i>Impact Fees</i>
Design Review	Affordable Housing
Use Permit	Development Impact
Administrative Use Permit (for mixed use)	Roads (Traffic Mitigation and Street Maintenance)
Building Permit	Storm Water
Plan Check	Parkland Dedication (for subdivisions)
Plan Storage	Fire
Title 24 Energy Fee	Police
Seismic Tax	Library
Engineering Plan Check	Other Civic Facilities
Engineering Site Inspection	
Planning Plan Check	
Plumbing	
Electrical	
Mechanical (including fire sprinklers/alarms)	
Crime Prevention	
General Plan Surcharge	
Database Management	
Residential Development Tax	
Construction Permits	
Sewer Permit, Connection and Inspection	
Non-Jurisdiction Controlled Fees	
School Impact Fees	
Water Fees (including connection, impact, permit and inspection)	
Sewer Fees (including connection, impact , permit and inspection)	
California Environmental Quality Act review	

Source: Marin County Housing Workbook, 2009.

One of San Rafael's highest fees is the traffic mitigation fee. This fee is essential in order to fund planned circulation improvements necessary to improve safety and relieve congestion during the time period covered by *General Plan 2020*. *General Plan 2020* projects planned development citywide through 2020, quantifies necessary transportation improvements, and identifies funding sources, including the Traffic Mitigation Fee, to pay for those improvements. Traffic mitigation fees are paid to fund area-wide traffic improvements that enable development to occur within a safe and acceptable traffic level of service standard. Without this funding, the City would be unable to fund the infrastructure improvements necessary to support proposed development, including housing projects, with the result being a significant and unacceptable decrease in the traffic levels of service identified in the Circulation Element of the General Plan.

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Traffic mitigation fees are assessed on development projects that increase morning and afternoon peak hour traffic, with each project paying a pro-rata share of designated area wide improvements based on the number of afternoon peak hour trips expected to be generated by the project. The traffic mitigation fee differs based on the need and cost for traffic improvements and is adjusted annually.

San Rafael's traffic mitigation fee falls well within the range of fee costs charged by jurisdictions across the Bay Area. In a 2009 survey, staff found the following Traffic Mitigation fees (fee per peak hour trip generated by development) charged by several comparable jurisdictions:

1. County of Marin: \$5,315 per pm peak hour trip in the Northgate Activity Center; \$4,113 per pm peak hour trip in the West Sir Francis Drake Blvd. area
2. Fairfield: \$2,998
3. Mill Valley: \$5,000
4. Novato: \$7,709
5. Palo Alto: \$2,861
6. Petaluma: \$15,877
7. Pleasanton: \$4,218
8. San Rafael: \$8,492 for a single-family home (Previously \$4,246 for a second dwelling unit - traffic mitigation fee eliminated for second units in 2013.)

Unlike some other cities in the Bay Area, San Rafael does not charge impact fees for community or fire services.

Table B2.10: Survey of Impact Fees for Selected Cities

City	Comm. Facilities	Drainage	Fire	Housing	Parks	Traffic	School (1)	Sewer (1)	Water (1)	Total
Fairfield	\$3,439	n/a	n/a	n/a	\$7,410	\$2,998	\$6,640	\$5,943	\$5,424	\$31,854
Palo Alto	\$2,585	n/a	n/a	n/a	\$9,971	\$2,861	\$5,940	n/a	n/a	\$21,357
Petaluma	\$1,421	\$1,500	\$786	\$9,022	\$5,245	\$15,877	n/a	\$8,114	\$11,672	\$53,667
Pleasanton	\$4,238	\$1,566	n/a	\$10,053	\$9,707	\$4,218	\$17,240	\$13,893	\$23,070	\$83,985
Santa Rosa	\$5,561	n/a	n/a	\$12,158	\$7,252	n/a	\$11,000*	\$9,814	\$5,651	\$51,436
Mill Valley	n/a	\$340	n/a	n/a	n/a	\$5,000	\$7,128	\$2,800	\$14,141	\$29,409
Novato	\$5,633	\$2,398	\$935	n/a	\$5,394	\$7,709	\$3,360	\$5,173	\$23,275	\$53,877
San Rafael	n/a	n/a	n/a	n/a	\$1,509	\$4,246	\$4,100	\$1,595	\$10,241	\$20,583

(Based on 2,000 square foot single family home)

(1) Impact fees charged by other agencies, and not the City of San Rafael.

Source: Community Development Department (2009). Total fees are approximate and may vary.

Fees for second units were substantially reduced through lobbying efforts. First, the City reduced the fee for a second dwelling units to \$300. As part of implementation program H-18i, Marin Municipal Water District (MMWD) Fees in the prior Housing Element, City staff worked with Marin County planning staff to work with MMWD on a policy change to reduce its fees for second units. Other fee reductions for second units were a lower traffic mitigation fee and reduced sanitary district fees for the southern half of the city.

The City waives traffic impact fees for affordable housing units. In addition to the fee waiver for traffic impact fees, in 2001 the City adopted Resolution 11025 which provides for fee waivers for Planning and Building permit fees for affordable housing projects. The fee waiver

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was recently used to waive use permit fees for a rotating homeless shelter operated by a consortium of local churches during the winters of 2010 and 2011.

The 2009 Marin housing Workbook includes a survey of fees and exactions charged for new housing in Marin and shows that the City's permit fees are fairly comparable to the average of those of other cities in the county. While this fee survey has not been updated since 2009, within San Rafael, none of the Planning & Building Fees or Impact Fees have been increased since the completion of this survey.

As depicted in Table B2.11 below, for a single family home, the average sum of Planning and Building Fees in Marin is \$11,125, ranging from a low of \$7,743 to \$14,480. By contrast, the average sum of Impact Fees is \$10,524, but the range is much wider from \$3,750 up to \$28,463. For a ten-unit condominium project, the average sum of Planning and Building fees is \$56,467, with a range of \$23,498 to \$83,399. The average Impact Fee is \$93,757, with a very broad range of \$30,000 to \$207,300. It is evident that impact fees are the greater source of variation in development costs between jurisdictions.

Table B2.11: Average Development Fees in San Rafael and Marin County

	San Rafael Average	Marin Average*	Marin Range*
Single Family Home			
Planning & Building Fees	\$12,561	\$11,125	\$7,743 - \$14,480
Impact Fees	\$13,392	\$10,524	\$3,750 - \$28,463
Total Fees	\$25,953	\$21,649	
10-Unit Condo			
Planning & Building Fees	\$52,380	\$56,467	\$23,498 - \$83,399
Impact Fees	\$124,820	\$93,757	\$30,000 - \$207,300
Total Fees for 10-Unit Condo	\$203,153	\$150,224	
Fees per Unit	\$20,315	\$15,224	

Source: *Marin County Housing Workbook*, 2009.

*Countywide average and range do not include Sausalito or the County of Marin.

Table B2.12 below details San Rafael's fees for a single-family house and a ten-unit multifamily condominium project, compared with the average fees charges by all jurisdictions in Marin.

Table B2.12: San Rafael and Average Marin County Fees for a Single-Family Home and a Multifamily Unit

	Single-Family House (1)		Multifamily Unit (2)	
Type of Fee	San Rafael	Marin County Average	San Rafael	Marin County Average (3)
Jurisdiction-Controlled Building and Planning Fees				
Design Review (4)	\$2,641	\$2,449	\$6,392	\$3,866
Building Permit	\$3,234	\$3,584	\$15,059	\$21,160
Plan Check	\$2,425	\$2,481	\$11,294	\$14,042
Plan Storage	\$33	\$63	\$153	\$187
Title 24 Energy Fee	n/a	\$480	n/a	\$3,170
Seismic Tax	\$50	\$50	\$400	\$400
Engineering Plan Check	n/a	\$575	n/a	\$1,675
Engineering Site Inspection	n/a	\$221	n/a	\$1,809
Planning Plan Check	\$90	\$174	\$180	\$533
Plumbing	\$264	\$227	\$1,957	\$1,276
Electrical	\$209	\$270	\$920	\$1,308
Mechanical (incl. fire sprinklers / alarms)	\$1,907	\$372	\$9,682	\$2,028
Crime Prevention	n/a	\$72	n/a	\$720
General Plan Surcharge	\$453	\$559	\$2,108	\$3,755
Database Management Surcharge	n/a	\$540	n/a	\$3,755
Residential Development Tax	\$382	\$602	\$2,250	\$4,775
Construction Permits	n/a		n/a	\$3,750
Sewer Connection Fee (not impact fee) (5) (6)	n/a	\$1,652	n/a	\$16,515
Other	\$873	\$388	\$1,985	\$1,836
TOTAL FEES	\$12,561	\$11,125	\$52,380	\$56,467
TOTAL FEES PER UNIT	\$12,561	\$11,125	\$5,238	\$5,647
Jurisdiction-Controlled Impact Fees				
Affordable Housing In-Lieu Fee	n/a		n/a	\$470,000
Roads	\$4,900	\$5,489	\$39,900	\$41,972
Storm Water	n/a	\$3,768	n/a	\$25,550
Parks	n/a	\$9,463	n/a	\$49,533
Fire	n/a	\$979	n/a	\$7,640
Police	n/a		n/a	

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	Single-Family House (1)		Multifamily Unit (2)	
Type of Fee	San Rafael	Marin County Average	San Rafael	Marin County Average (3)
Jurisdiction-Controlled Impact Fees (continued)				
Library	n/a		n/a	
Other Civic Facilities	n/a	\$6,381	n/a	\$65,710
Solid Waste	n/a		n/a	
Other (Traffic Mitigation Fee)	\$8,492	\$4,331	\$84,920	\$40,277
Sewer (5)	n/a	\$3,722	n/a	\$37,220
TOTAL IMPACT FEES	\$13,392	\$10,524	\$124,820	\$93,757
TOTAL IMPACT FEES PER UNIT	\$13,392	\$10,524	\$12,482	\$9,375

- 1) Single-Family Home: Assumes a 3-bedroom, 2,400 sq. ft., on 10,000 sq. ft. lot with a 400 sq. ft. garage at density of 4 units per acre and construction cost of \$500,000, estimated sale price \$800,000.
 - 2) Multifamily Unit: Assumes a ten unit condominium development, 2-bedroom, 1,200 sq. ft., on 0.5 acres with a construction cost of \$400,000 per unit, to be sold at an average of \$500,000 per unit.
 - 3) Average calculations do not include Sausalito or County of Marin data. Note that most cities and towns in the County do not process longer projects
 - 4) Includes fees related to State-required California Environmental Quality Act (CEQA) review fees. Typical CEQA fees are:
 - Initial Study & Mitigated/Negative Declaration- City Fee: \$9,713 deposit
 - Environmental Impact Report (EIR)- City Fee: Actual cost of consultant + 25% surcharge for staff review and contract administration
 - Marin County Clerk Recordation Fee: \$50
 - CA Department of Fish and Game Fees
 - Mitigated/Negative Declaration: \$2,010.25
 - EIR: \$2,792.25
 - Certified Regulatory Program: \$949.50
- Source: Marin County Housing Workbook, 2009.

12. Article 34 Referenda

California Law (Article 34) requires jurisdictions to place public housing projects on the ballot for local approval before construction. In 1977, San Rafael voters passed (by a 73 percent majority) a referendum allowing construction of 120 publicly-financed housing units for senior citizens. The election results indicated a general community willingness to approve Article 34 referenda in San Rafael. Eighty-three of these non-market rate units were built in the San Rafael Commons project. An additional 12 units of the Article 34 Allocation were utilized for the Buckelew Project at 1103 Lincoln. Twenty-five units remain under the referendum authorization.

By requiring referendum approval of all low rent housing projects “developed, constructed, or acquired in any manner” by any state or public body, Article 34 of the State’s Constitution poses an obstacle to the delivery of housing suited to the needs of lower income households. In general, Article 34 applicability depends on three criteria. First, a state or public body must be involved in the project. Private sponsors developing low rent housing projects with federal or private money, for instance, are not subject to Article 34. Second, the State or public agency must develop, construct or acquire the project. Public agencies which lease low rent housing are not covered by Article 34. The third requirement is that the project be a low income rental development. The development of mixed income rental housing that is not 50 percent or more low income has been held by California courts not to require a referendum.

State legislation exempts from the referendum requirement the following types of projects: (1) privately owned housing which is less than 50 percent low income rental; (2) privately owned housing which is not financed or subsidized by a State or local public agency; (3) cooperative housing or any other type of owner-occupied housing; and (4) newly constructed, privately owned one-to-four family dwellings not located on adjoining sites.

To summarize, in order to promote the development of affordable housing within San Rafael, the City has adopted numerous incentives. These include:

- Fee waivers (see Housing Program H-9g), including specifically traffic impact, planning, and building fees for affordable housing projects. After considering a request from the City, the Marin Municipal Water District expanded its 50 percent fee reduction policy for affordable housing units to all 11 cities in the County; formerly, the fee reduction only applied to County projects. The fee reduction policy also applies to second units.
- Density bonuses above and beyond those mandated by state law, pursuant to the City’s inclusionary housing ordinance.
- Height bonuses (see policies established in the City’s *General Plan 2020* Land Use Element).
- Reduced parking standards (see Housing Program H-15a).

B. NON-GOVERNMENTAL CONSTRAINTS AND OPPORTUNITIES

State law requires an analysis of potential and actual governmental and non-governmental constraints to the maintenance, improvement, and development of housing for all income levels. The Housing Element must identify ways, if any, to reduce or overcome these constraints in order to meet the city's housing needs.

1. Land and Construction Costs

The price of housing in Marin County has continued to rise at a faster rate than household income. Contributing factors include the rising cost of land, construction costs (materials and labor), financing, fees and associated development requirements, sales commissions, and profits. Another factor is the increasing perception of housing as a commodity for speculation. According to the Marin Economic Commission, 84 percent of land in Marin is protected as open space, agricultural land, watersheds, or parkland, leaving only 16 percent of land available for development. As of 1999, 11 percent of the remaining developable land was developed, leaving approximately five percent available for future development (Marin Economic Commission, 1999). The scarcity of developable land in the County is a significant driving factor in the increase in land costs.

The typical cost to build an average-quality, two-story, wood frame, single-family, detached home is about \$125/square foot, and more for expensive custom-built homes. Land costs for single-family homes account for approximately 40 percent of the total cost, with hard construction costs (including labor and materials) and soft costs (including design and insurance) accounting for 40 percent and 20 percent, respectively. Generally, land zoned for single-family homes is less expensive than land zoned for multifamily homes. (Marin Housing Workbook, 2009)

The total cost for recently built multifamily developments in Marin County averages between \$300 and \$500 per square foot. Land costs account for 15 to 20 percent of total cost. Land costs for multifamily development depend upon allowable densities; construction constraints; and potential fees for rezoning, general plan amendments, environmental impact review, and mitigation efforts. Total costs per multifamily unit can range from \$400,000 to \$500,000. (Marin Housing Workbook, 2009)

Vacant land within the city of San Rafael is extremely limited. Since the demand for housing in the city is very high, the value of potential residential land is increasing and has become a substantial factor in the cost of providing housing. An informal survey of vacant residential land sales in San Rafael from January 2012 to May 2014 identified a wide range of prices, from \$98,000 for a small, 5,900 square foot infill parcel, up to \$2.9 million for a 1/2 acre hillside lot. The overall price for the fifteen residential land sales during this period was \$125 per square foot.

2. Financing Costs

Financing for above moderate or market rate housing is not restrained for those who can qualify. It is difficult, however, for first-time home buyers without capital or equity to qualify for financing without incomes above \$100,000. For example, the income required for a \$450,000 mortgage at

4.5% is about \$100,000, which requires a monthly payment of about \$2,800 (inclusive of expenses).

Financing new construction has also become more difficult, as lenders have reduced their loan to value ratios, thus requiring builders to shoulder a larger portion of project costs. Complicated projects, such as mixed use developments, are often the most difficult to finance. Non-profit developers may have even greater difficulty securing funding from the private sector, and the increasing competition for federal funding can create additional roadblocks to the construction of affordable housing units. Additionally, smaller projects often cost more to develop, which may necessitate higher retail prices above the affordability level of low-income renters or buyers. The reduction of tax credits for low-income housing has also had a chilling effect on the construction of affordable housing. Despite these barriers, smaller projects have been successfully built in Marin County by several local community based organizations. (Marin Housing Workbook, 2009)

3. Community Concerns

Potential opposition to affordable housing exists in many communities throughout Marin and the Bay Area. It is important, in this regard, to identify sites for special needs and affordable housing that fit with community character and have minimum impacts. Design plays a critical role in creating new developments that blend into the existing neighborhood, especially in higher density developments that might otherwise seem out of place. Good design can help ensure that high density developments are not bulky or out-of-scale. Through sensitive design, a building's perceived bulk can be significantly reduced to create a development that blends with the existing character of the neighborhood. Design strategies that the City has used to minimize the perception of bulk and create a blending with the community do not necessarily increase costs. These include the following:

- (1) Minimize building heights;
- (2) Break-up the building "mass" in its architecture and detailing;
- (3) Vary the roofline;
- (4) Create a three-dimensional facade (rather than a massive, flat facade);
- (5) Step back the building height, with the lowest part of the building towards the street and adjacent properties, locating the highest part of the building towards the center of the property;
- (6) Site the building appropriately in relation to surrounding buildings;
- (7) Use architectural design, landscaping, materials, and colors that fit with the area;
- (8) Use landscaping to blend the buildings with the natural setting; and
- (9) Provide for open space and pathways throughout the development.

The Marin Consortium for Workforce Housing was established to build public understanding and support for workforce housing. The Consortium focuses public concern on potential environmental impacts, quality of design, and the quality of long-term management of the project. The Housing Element includes Program H-3b - Information and Outreach on Housing Issues - to help address this potential constraint. In addition, the City's environmental and design review procedures assist in achieving project acceptability and allow for neighborhood participation.

4. Working with Non-Profit Housing Developers

Community Development and Redevelopment Agency 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 purchase.

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

All affordable housing developments in San Rafael have been the result of collaborative efforts between the government, affordable housing developers and the philanthropic community. In most cases, the City and/or Redevelopment Agency works collaboratively with non-profit developers to provide technical assistance, funding through Redevelopment housing funds, City in-lieu fees, CDBG funds and the issuance of tax exempt bonds. The State and Federal governments provide funding through the HOME program and tax-exempt bond allocations. The philanthropic community provides additional funding and the non-profit housing groups construct and manage the housing.

5. Financing Incentives for Workforce and Special Housing Needs

There are a wide variety of resources provided through federal, state, and local programs to support affordable housing development and related programs and services. The single largest (and often least recognized) federal program is mortgage interest tax deduction, saving 70 percent of all homeowners (or 36 million taxpayers) \$67 billion in FY 2008 (National Low Income Housing Coalition, 2009). State agencies also play an important role in providing housing assistance by allocating federal housing funds and/or making loans available to affordable housing developments. The three principal agencies involved are the State Treasurer's Office, the California Housing Finance Agency (CHFA), and the California Department of Housing and Community Development (HCD). In 2008 in California, \$90 million of federal funding and \$97 million from the State was applied towards tax credits issued for the construction of over 5,000 low-income housing units. An additional \$75 million in tax-exempt bonds were issued by the federal government to help finance the construction of over 10,000 low-income units across the state. (CA State Treasurer's Office, 2009)

California localities receive federal subsidies for affordable housing through a number of programs. Like State programs, federal programs often change in terms of program details, application procedures, and amount of subsidy dollars available. In 2007, the Marin Housing Authority received over \$27 million from the U.S. Department of Housing and Urban Development to fund the Section 8- Housing Choice Voucher Program, which serves over 2,000 households throughout Marin (MHA Annual Financial Report, 2008). Approximately \$9 million of the County funding was distributed to almost 500 households in San Rafael who were recipients of Section 8 vouchers in 2008 (MHA, 2008; Marin Housing Workbook, 2009). Federal funding for MHA-administered programs, however, continues to be unpredictable; in 2008, federal funding for public housing nationwide was below full funding at 88.96 percent (MHA, 2008). Public housing

complexes that depend on federal funding include the Golden Hinde, a public housing complex for seniors managed by MHA and located in Terra Linda.

City government resources, especially through the Redevelopment Agency, have also played an important role in supporting housing development. Highlights of Redevelopment Agency achievements are described in the previous section. The Redevelopment Implementation Plan for the period of 2010/11-2014/15 anticipates receiving approximately \$925,000 annually. The Agency anticipates the following ongoing annual expenses; \$300,240 annual bond debt service payment for previous housing activities, \$90,000 for administration of the ownership Below Market Rate Housing program, \$100,000 for code enforcement related activities serving low income renters, and \$500,000 for personnel services, including oversight of the affordable ownership program and management of the affordable rental units resulting from the City's Inclusionary requirements. The Agency anticipates spending \$2,300,000 between 2010 and 2015 on projects and programs to increase and improve the supply of low and moderate income housing in San Rafael.

When developments are able to demonstrate a financial commitment and contribution from local sources—especially if coupled with regulatory support through policies such as fast-track processing, fee waivers, and/or density bonuses—they are better able to *leverage* funding from other 'outside' sources.

Additionally, all funding sources require separate reporting and data collection. When multiple funding sources are used (usually necessary), additional burdens are placed on developers to track the information required and report on a timely basis with limited staffing.

6. Fair Housing

The City of San Rafael provides financial support to a variety of fair housing organizations, including Fair Housing of Marin (through CDBG funds distributed by the RDA) and the Marin Housing Authority (which receives \$30,000 annually from the RDA for its Rebate for Marin Renters program). Fair Housing flyers are distributed throughout City buildings, including City Hall, City Hall at the Mall and the City libraries. Information on housing opportunities in the city of San Rafael and the county of Marin is available through the Housing Assistline, which is staffed by Marin Housing workers and trained volunteers. However, due to recent budget cuts, Marin Housing has temporarily discontinued the Housing Assistline. When operational, the Assistline provides information and referrals on affordable housing, including Section 8, Public Housing, housing for persons with special needs, Below Market Rate rental and ownership programs, the Low Cost Rehabilitation Program, housing discrimination and landlord tenant law.

The Redevelopment Agency has previously provided \$10,000 annually to Mediation Services, an organization providing bilingual assistance in the area of landlord tenant law. In 2001 and 2002, the City sent bilingual letters to all tenants in buildings over four units informing them of Mediation Services and encouraging them to use this service if necessary. The City does not anticipate sending further letters due to the cost being too substantial to justify the small number of calls received as a result of the letter. The County of Marin removed funding for Mediation Services stating that legal assistance could be provided by the Marin County Superior Court's Legal Self Help Services Division (formerly Legal Self Help of Marin), which provides free assistance to self-represented litigants on all legal matters, including landlord tenant and Fair Housing law.



APPENDIX B-3. SITES INVENTORY AND CAPACITY ANALYSIS

Potential for new housing exists throughout San Rafael. This section provides an overview of the methodology used to identify housing opportunity sites and estimate residential capacity on those sites. Included are tables showing and explaining residential capacity assumptions for each site. The San Rafael Housing Element identifies opportunities for new housing in residential and mixed use districts and examines second unit development.

The methodology for meeting the City’s Regional Housing Needs Allocation (RHNA) employs a balanced approach utilizing the full range of options allowed under State Housing Element law. HCD recommends that jurisdictions provide extra capacity in their site inventory to offset sites that may be developed at lower densities, and therefore a “buffer” is provided above the required RHNA. San Rafael’s sites strategy includes housing units built or issued building permits during the planning period, accessory dwelling units and potential housing units on vacant and under-utilized parcels.

A. SITE INVENTORY AND CAPACITY ANALYSIS

1. Summary of Sites to Meet RHNA

San Rafael has developed a thorough and realistic approach to identifying sites suitable for development during the planning period. Through this site analysis, the City is able to demonstrate sufficient site capacity zoned at appropriate densities to accommodate its RHNA for both the prior and current planning periods.

The inventory of opportunity sites, which consists of residential and mixed use sites, has a capacity of 2,183 units. Sites entitled or under construction feature 172 units. Finally, projected second units and junior second units account of 60 units, creating a total unit capacity of 2,415 units.

As summarized in Table B3.1, sites and projects have been identified that are suitable to accommodate 409 units affordable to very low income households, 422 units affordable to low income households, 388 units affordable to moderate income households and 1,196 units affordable to above moderate income households.

Table B3.1: Potential for Sites to Accommodate Housing Units for 2015-2023

Income Levels	Very Low	Low	Moderate	Above Moderate	TOTALS
RHNA TARGETS	240	148	181	438	1,007
Total Opportunity Site Capacity	377	377	377	1052	2,183
Residential*	46	46	46	291	429
Mixed Use*	331	331	331	761	1,754
Entitled/Under-Construction	2	15	11	144	172
Second Units	20	20	0	0	40
Junior Second Units	10	10	0	0	20
Total Unit Capacity (Equals sum of Total Opportunity Site Capacity; Entitled/Under Construction; Second Units; and Junior Second Units)	409	422	388	1,196	2,415
Total Unit Capacity Over RHNA Target	169	274	207	758	1,408

*Projected very low, low, and moderate income units are estimated as 20 percent of the total units where the default density (zoned at 30 or more units per acre) can be applied. Section B3.6 Zoning to Accommodate Lower Income Households lists the sites and number of units on sites with densities of 30+ units per acre that can accommodate at least 20 units on site.

The methodologies for selected sites and estimated capacity are described in the following sections. In summary, housing capacity in residential districts estimates are based on the allowed residential density and the average density from past development. For mixed use sites, housing capacity estimates are based on lot size and the average density from past development.

2. Residential Projects with Entitlements or Under Construction

Residential projects under construction or with development entitlements with occupancy post January 1, 2014 are credited towards the City's RHNA for 2015-2023. In total, 172 units will be added during the planning period. Table B3.2 provides the breakdown by income level in each of these projects. Units identified as affordable to very low, low or moderate income households have been provided either through the density bonus or the City's inclusionary housing program, and maintain deed restrictions to ensure long term affordability.

Table B3.2: Residential Projects with Entitlements or Under Construction

Address	General Plan	Zoning	Market Rate Units	Mod	Low	Very Low	Site Description
Sites Identified in the Previous Housing Element Entitled or Under Construction							
1144 Mission Ave.	HDR	HR2	3				Under construction
1867 Lincoln Ave.	HDR	HR1.8	14			2	Under construction
1203-1211 Lincoln Ave.	HDR	HR1	30	2	4		Entitled
110 Loch Lomond Dr.	NC	PD	64	9	8		Entitled
6 Live Oak, 9 Live Oak	HRR	PD (1729)	2				Entitled
21 G St.	HDR	HR1	7	-	1	-	Entitled
Subtotal			146				
Other Residential Entitled or Under Construction							
220 Canal St.	MFR	HR1	1	-	-	-	Construction recently completed
19 Mountain View Rd.	SFR	R10	1	-	-	-	Construction recently completed
69 Graceland St.	SFR	R10	1	-	-	-	Under construction
16 E Crescent St.	MFR	MR3	1	-	-	-	Under construction (add a 3 rd unit to existing 2 unit site)
10 Lindenwood St.	SFR	R20-H	1	-	-	-	Under construction
46 Scenic Ave.	SFR	DR	1	-	-	-	Under construction
524 Mission Ave.	MFR	MR2.5	13	-	2	-	Entitled
207 Chula Vista St.	SFR	R10	1	-	-	-	Entitled
31 Gold Hill Grade St.	SFR	R1a-H	1	-	-	-	Entitled
51 El Camino Ave.	SFR	DR	1	-	-	-	Entitled
1850 Pt San Pedro Rd.	SFR	R1a-H	2	-	-	-	Entitled (1 main and 1 second unit)
Subtotal			26				
Total Projects Entitled or Under Construction			172				

Source: City of San Rafael Community Development Department, 2014

3. Residential District Sites

San Rafael's Housing Opportunity Site Inventory below includes residential-zoned sites in San Rafael without existing structures, and able to support at least three housing units. Nearly all of the parcels in the city's residential zoning districts have been developed. In the 2009-2014 Housing Element, the City zoned for 520 units on residential sites – for a total inventory of 2,520 units when combined with mixed use sites that can accommodate residential. With the excess capacity established in the prior Housing Element, the City is able to carry over the majority of these residential sites into the 2015-2023 Housing Opportunity Sites Inventory. There are 12 sites zoned for residential development that remain vacant. Five residential sites are underutilized. The underutilized sites are largely zoned for high density residential development and present opportunities to accommodate a larger number of units than vacant residential sites. The unit capacity for residential development is shown below:

- Twelve sites are vacant and available for development. The realistic capacity is 200 units (see Table B3.3).
- Five sites are underutilized and available for development. The realistic capacity is 229 units

Table B3.3: Total Unit Capacity of Residential Sites

	Max Zoning Capacity	Realistic Potential
Vacant Available	248	200
Underutilized Available	256	229
Total	504	429

The Table B3.4 below demonstrates San Rafael's track record of approving residential-only housing development. The data includes all multi-unit projects approved of three or more units. The 'maximum potential units' is the number of units allowed per the zoning district. For sites zoned 'Planned Development,' the General Plan maximum density was used. In some cases, the 'approved units' are higher than the 'maximum potential units' because of a density bonus; these sites are conservatively considered to have reached 100% of their zoning potential. In the inventory for sites which are vacant and without approvals or under review, the 'total realistic units' is calculated using the 83% average potential achieved.

Table B3.4: Historic Approvals of Sites Zoned Residential, 2000 – 2014

Address	Maximum Potential Units	Approved Units	% Approved of Maximum Potential
111 Merrydale Rd.	31	56	100%
440 Canal St.	5	3	60%
Marin Lofts, 50 Cresta Dr.	32	15	47%
157 Woodland Ave.	17	10	59%
Northview (Sterling Way)	28	28	100%
262-268 Channing Way	8	4	50%
119 Laurel Place	5	3	60%
110 North Ave.	49	50	100%
Redwood Village	102	134	100%
1203-1211 Lincoln Ave.	30	36	100%
1867 Lincoln Ave.	12	16	100%
524 Mission Ave.	13	15	100%
Live Oak	5	5	100%
1515 Lincoln Ave.	30	24	80%
56 San Pablo Ave.	3	3	100%
21 G St.	13	8	62%
1203-1211 Lincoln Ave.	30	36	100%
1144 Mission Ave.	4	3	75%
1867 Lincoln Ave.	21	16	76%
6-18 Live Oak Way	2	2	100%
Average potential achieved			83%

Source: City of San Rafael Community Development Department 2000-2014

For the residential sites in Table B3.5 and Table B3.6 below, the following assumptions are made:

- For projects already approved or proposed, realistic units are determined by the project proposal.
- Vacant sites without existing structure are currently zoned to accommodate housing, and able to support at least three housing units.
- Sites suitable for redevelopment are currently zoned to accommodate housing, and able to support at least fifteen housing units.
- The maximum dwelling units per acre is the net allowable density described per zoning district in the San Rafael zoning ordinance. For areas zoned PD (Planned Development) the General Plan gross density is used.
- For sites not already approved or under review, Realistic Capacity is derived from historical approval trends from 2000 to 2010, which show that since 2000 the City has approved residential development at 83% of the maximum allowable density, as described above.
- Sites identified as eligible for tax credit financing allow for greater than 36 units and scored more than 15 points using current tax credit competitive scoring guidelines in an analysis conducted by Non Profit Housing and Green Info.
- Constraints list any known conditions that might act as a deterrent to developing new housing. All sites have ready access to necessary utilities and infrastructure unless otherwise noted. Commonly listed constraints include:
 - o Hillside - any site that contains an average slope of 25% or greater.

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- o Historic - any site listed on San Rafael's Historic/ Architectural Survey.
- o CUP required - Conditional Use Permit Required to build housing (requires Planning Commission approval).
- o Biological - signifies that biological mitigation would need to occur in order to build housing.
- o Traffic - lack of available traffic capacity could trigger the need for an Environmental Impact Report (EIR).
- o Wooded - means there are a significant amount of trees on site that could cause environmental mitigation and/or difficulties with site grading.
- o Access- means a road would have to be developed or improved.
- o Geologic - signifies sites expecting to require a significant amount of engineering work due to unsuitable terrain to make the site suitable for housing development.

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Table B3.5: Vacant Residential Sites Available for Development

APN	Address	General Plan	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
Vacant Sites Available for Development									
011-193-06	1628 Fifth Ave.	HDR	HR1.5	29	0.3	9	7	Vacant	None
009-330-01	104 Windward Way	MDR	MR2	21	2.3	48	42	Vacant. Former San Rafael Sanitation District Site	Traffic capacity; geotech
013-101-07	225 Picnic Ave.	MDR	MR3	15	3	45	39	Vacant. Ready access to all essential public facilities and services.	Hillside
185-020-02	Glenwood School (Vacant Lot)	LDR	R7.5	5	9	45	26	Vacant. Level lot adjacent to Glenwood School. Unit estimate based on CEQA constraints.	Limited access; wetlands; archaeology
011-031-07, 011-031-43 to 011-031-50	Coleman Dr.	LDR	R10	4	2.1	9	9	Vacant. Nine single-family homes on nine lots.	Hillside; wooded; access
011-022-02 to 011-022-27	Fair Dr.	LDR	R5/R7.5/R10	2	5.3	10	6	Vacant. Owners have indicated an interest to develop.	Hillside; wooded; access; parcels under separate ownership

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APN	Address	General Plan	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
016-213-12	Point San Pedro Rd.	LDR	PD	3	6.2	18	9	Vacant hillside site that was part of a larger subdivision but never developed. There have been 2 different applications for development of 6- 9 units on this site, but due to economy, were not pursued through completion.	Hillside; traffic; drainage; geotech; wooded. Requires master plan.
015-163-03	Dominican University	Hillside Residential	PD	2	18.7	37	32	Dominican University has indicated an interest in building affordable staff housing.	Requires master plan
165-240-02 to 165-240-05	Jaleh Estates	Hillside Residential	PD	1	6	4	4	Vacant. Four single-family homes on four lots.	Hillside; wooded; access; Requires master plan.
015-250-44	Dominican University (end of Dominican Dr.)	Hillside Residential	PD-H	0.5	18	9	8	Vacant	Hillside; Requires master plan.
165-220-06, 165-220-07	End of Los Gamos Dr.	Hillside Residential Resource	PD-H	0.3	11	3	3	Vacant. Parcel -06 is approximately three acres, with potential for one unit. Parcel - 07 is approximately eight acres with potential for two units. Lots are under same ownership.	Hillside; geotech; site access; Requires master plan.

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APN	Address	General Plan	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
155-101-03, 155-101-04	280 Channing Way	LDR, Hillside Residential	PD	2	6.6	11	15*	Vacant hillside site and never developed. There have been preliminary inquiries for development, but no formal applications submitted to city.	Hillside; traffic; drainage; geotech; wooded; Requires master plan.
Total Vacant Residential							200		

*Sites identified with an “ * ” have pending projects or have garnered development interests. Densities are based on the number of units proposed.

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Table B3.6: Residential Sites Underutilized Available for Development

APN	Address	General Plan	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
Underutilized Sites Available for Development									
011-141-46	Lincoln Hill Community Church 1411 Lincoln Ave	HDR	HR1	43	1.4	60	52	Underutilized. Owned by non-profit; surrounded by residential. The only structure on the parcel is a church, occupying just 14% of total lot area. Eligible for Tax Credit Financing.	Partial hillside
011-245-38	220 Shaver St	HDR	HR1	43	0.9	39	33	Underutilized. On residential street; potential for residential use if disbanded. Tax Credit Financing.	Utility Service
011-076-11	Villa Inn & Restaurant 1600 Lincoln Ave	HDR	HR1	43	1.2	51	44	Underutilized. Level, near public transit and freeway; surrounded by residential use. Had proposal for housing in early 2000s.	Currently generating Transient Occupancy Tax for City.
011-131-04	Elks Club 1312 Mission Ave	HR	PD	43	10.5	80	67	Large site currently developed with a few buildings used as a private club (Elks Club). Site is a hillside, with a large bowl area that is used as surface parking that could accommodate development. A proposal for 67 units was submitted and under review by the City until the member of the club terminated the lease option with the development for their own reasons.	Hillside; historic; biological; geotech. Requires master plan.

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APN	Address	General Plan	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
011-064-06	Colonial Motel 1735 Lincoln Ave	HDR	HR1	43	0.6	26	33*	Underutilized site currently developed with a one story motel, containing 20 motel units. Site is small, but has a graded portion of the site that could accommodate development.	None
Total Underutilized Residential							229		

Sites identified with an “” have pending projects or have garnered development interests. Densities are based on the number of units proposed.



4. Mixed Use and Commercial Districts

The City of San Rafael identified mixed use zoning districts as areas with the greatest potential for new units and a record of accomplishment of units being built. Mixed use districts are located in commercial areas throughout the city. In the 2009-2014 Housing Element, the City zoned for 2,000 units on mixed use sites – for a total of 2,520 units when combined with sites in the residentially-zoned areas. With the excess capacity established in the prior Housing Element, the City is able to carry over the majority of these mixed use sites and add several new sites into the 2015-2023 Housing Opportunity Sites Inventory.

Opportunity sites were identified using the City’s database of parcels. This analysis did not identify all underutilized sites with redevelopment potential; it identified the sites considered most likely to redevelop based on community input, General Plan land use policy direction, past trends, and/or expressed development interest. Many of the sites are developed with one-story single-use commercial structures with surface parking lots. The majority of the zoning districts allow three stories, and up to six stories in parts of Downtown. Additionally, the mixed use zoning districts allow mixed use development, which generally provide more potential revenue than commercial-only buildings. Therefore, many commercial sites are underutilized compared to allowable building sizes and uses. The unit capacity of mixed use sites is shown below:

Table B3.7: Total Unit Capacity of Mixed Use Sites

	Max Zoning Capacity	Realistic Potential
Vacant Available	169	160
Underutilized Available	2,946	1,594
Total	3,115	1,754

Source: City of San Rafael Community Development Department

In general, and depending on the type of use, the value of the land will be greater than the value of the older single-story building on the land. When land values are greater than the value of existing development there is an incentive to redevelop the land with more valuable buildings and uses.

Opportunity sites in the mixed use districts are more likely to redevelop with mixed use or residential-only buildings, rather than commercial-only building for several reasons:

- The majority of recent redevelopment for commercial uses has been new buildings with residential uses above ground floor commercial, or in the most recent housing project, a residential-only building in the Office District. This is due to market conditions where there is a high commercial vacancy rate. For the timeframe of the Housing Element, residential is forecast to offer a higher return than office use. Residential and retail uses command a higher rent than office uses, therefore there is a strong economic incentive to build a mixed use building with residential units over a retail space.
- The San Rafael zoning ordinance favors mixed use buildings over exclusively residential or commercial buildings by allowing shared parking, and
- San Rafael has no restrictions that pro-rate residential development against a site’s commercial development potential, thereby encouraging the maximum amount of density possible.

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The exhibit below demonstrates San Rafael's track record of approving mixed use housing development. The data includes all multi-unit projects approved of three or more units. The maximum potential units is the number of units allowed per the zoning district. For sites zoned 'Planned Development,' the General Plan maximum density was used. The 'approved units' in some cases is higher than the 'maximum potential units' because of a density bonus. For development approved with a density bonus, the site was conservatively considered to have reached 100% of its zoning potential. In the inventory, for sites which are without approvals or under review, the 'total realistic units' is calculated using the 92% average potential achieved.

In addition, as shown in Table B3.8 below, residential development on sites zoned for mixed use typically surpasses the district's zoning. In all but three projects was the density below the maximum allowed.

Table B3.8: Historic Approvals of Mixed Use Sites, 2000 – 2014

Address	Maximum Potential Units	Approved Units	% Approved of Maximum Potential
729 Fourth Street	28	30	100%
Rafael Town Center	94	11	100%
Albert Lofts, 931 Second (residential-only) (1)	92	11	100%
Edge Hill Village, Dominican University (residential-only)	96	54	56%
515 Northgate Dr. (residential-only) (1)	63	12	100%
33 San Pablo (residential-only) (1)	81	82	100%
522 Third St.	3	3	100%
Average potential achieved			93%

Source: City of San Rafael Community Development Department

(1) Sites zoned for mixed use, developed with a residential-only project.

Nearly all of the parcels in the city's mixed use zoning districts have been developed. There are an estimated five sites zoned for mixed use development that remain vacant.

As can be seen in Table B3.9 below, the identified housing sites make up only a small portion of the total available acreage for residential development in the mixed use zoning districts. As noted above, the zoning regulations, which do not prorate residential development against commercial development, are an incentive to building housing on a mixed use zoned site. Even with development of all housing sites below, there remains over 86 percent of commercially-zoned property available for commercial redevelopment to meet community needs.

Table B3.9: Available Acreage for Nonresidential Development in Mixed Use Districts

Zoning	Residential Development	Acres, Citywide	Acres, Housing Opportunity Sites	% Available for Nonresidential Development
C/O	Residential as part of a mixed use project	30	1.6	93%
GC	Residential as part of a mixed use project	206	45.5	78%
HO	Residential as part of a mixed use project	6	0.3	95%
M	Residential as part of a mixed use project	93	2.2	98%
NC	Residential as part of a mixed use project	38	2.4	94%
O	Residential-only allowed	196	31.6	84%
CSMU	Residential as part of a mixed use project	37	2.5	93%
2/3	Residential-only allowed			
MU	Residential as part of a mixed use project			
WEV	Residential-only allowed	12	2.3	81%
	TOTAL (1)	618	88.4	86%

Source: City of San Rafael Community Development Department

(1) P/QP is not included in the total because much of the district's 940 acres is not available for housing. Note: Loch Lomond Marina project is not included as it is on a site with multiple land use districts.

For the mixed use sites in Table B3.10 and Table B3.11 below, the following criteria was used:

- Currently zoned to accommodate housing.
- At least 0.5 acre in size, or where an application has been received for a smaller site
- Accommodated at least 20 units per site, or under public ownership.
- For projects already approved or proposed, realistic units are determined by the project proposal.
- Contained older buildings with suburban design of single-story buildings and surface parking lots. Existing underutilized property are assumed to redevelop with the outdated buildings replaced.
- The maximum dwelling units per acre is the net allowable density described per zone in the San Rafael zoning ordinance.
- For sites not already approved or under review, Realistic Capacity is derived from historical approval trends from 2000 to 2013, which show that since 2000 the City has approved residential development at 93% of the maximum allowable density, as described above.
- Sites identified with an " * " have pending projects or have garnered development interests. Densities are based on the number of units being proposed.
- Sites identified as eligible for tax credit financing allow for greater than 36 units and scored more than 15 points using current tax credit competitive scoring guidelines in an analysis conducted by Non Profit Housing and Green Info.
- Sites identified as "PDA" are located within a Priority Development Area, an area designated by the Association of Bay Area Governments (ABAG) as supportive of sustainable

development that will contribute to the reduction of greenhouse gases. ABAG anticipates that PDA development will receive regulatory streamlining, and that PDAs will receive funding to assist with needed infrastructure improvements to support the new housing. San Rafael has a PDA extending a ½ mile radius around the Downtown SMART station.

- Constraints list any known conditions that might act as a deterrent to developing new housing. All sites have ready access to necessary utilities and infrastructure unless otherwise noted. Commonly listed constraints include:
 - o Hillside - any site that contains an average slope of 25% or greater.
 - o Historic - any site listed on San Rafael's Historic/ Architectural Survey.
 - o CUP required - Conditional Use Permit Required to build housing (requires Planning Commission approval).
 - o Biological - signifies that biological mitigation would need to occur in order to build housing.
 - o Traffic - lack of available traffic capacity could trigger the need for an Environmental Impact Report (EIR).
 - o Wooded - means there are a significant amount of trees on site that could cause environmental mitigation and/or difficulties with site grading.
 - o Access- means a road would have to be developed or improved.
 - o Geologic - signifies sites expecting to require a significant amount of engineering work due to unsuitable terrain to make the site suitable for housing development.

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Table B3.10: Vacant Mixed Use Sites Available for Development

APN	Address	General Plan	Zoning	Density (u/a)	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
Vacant Sites Available for Development									
011-275-13	901 Tamalpais/ 706 3 rd St.	Heatherton Office	HO	72	0.311	23	30*	Vacant site that used to host a two story restaurant, that was demolished in mid-2000's. Site is one block from downtown transit center and has received interest in a variety of development, including retail, banks, and housing. Site has one of the most development potential of all zoning classifications in the city.	Parking, access; traffic capacity
011-263-22	Third St. & Lootens	Second/Third Mixed Use	2/3 MUE	72	0.8	60	51	Vacant; no structures, level site; in Downtown; suitable for mixed use. Within ¼ mile of transit, market, and services. Eligible for tax credit financing.	Traffic capacity
009-191-09	Former Dodge/Chrysler Dealership 1075 Francisco Blvd. East	General Commercial	GC	43	1.59	68	63	Vacant. Former auto dealership Housing developers have expressed interest in site; Eligible for Tax Credit Financing.	Traffic Capacity; noise; air quality
011-162-17	Menzes Parking Lot 1429 Mission Ave.	Public- Quasi-Public	P/QP	24	0.8	18	16	Vacant. Surface parking lot; no structures. City ownership.	Loss of city parking
Total Vacant Mixed Use							160		

*Sites identified with an “ * “ have pending projects or have garnered development interests. Densities are based on the number of units proposed.

Table B3.11: Underutilized Mixed Use Sites Available for Development

APN	Address	General Plan	Zoning	Density (u/a)	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
Underutilized Sites Available for Development									
011-256-12 011-256-14 011-256-15 011-256-32	809/815 B St.	Second/Third Mixed Use	CSMU/ MUW	72	0.5	36	33	Under review since 2005 in various forms. There is a current application filed and under review. An EIR is needed since the project involves the demolition of a historic resource. Will not be built until 2016 at the earliest.	Historic Preservation
011-277-01	930 Tamalpais (Whistlestop)	Hetherton Office	HO	62	0.35	25	30*	Whistlestop is considering applying to tear down existing senior center and building new senior center with 50 senior age restricted units above. Site is right next to the SMART rail station in downtown San Rafael. No formal application has yet been submitted.	Traffic capacity; parking
011-263-21	First Federal 1030 Third St.	Second/Third Mixed Use	CSMU	72	0.7	50	43	Underutilized. Level site, suitable for mixed use, close to transit. Eligible for tax credit level parking structure. PDA site.	None
011-278-01	898 Lincoln Ave.	Second/Third Mixed Use	2/3 MUE	72	0.5	36	31	Underutilized. Level site, suitable for mixed use. Single-story/surface parking. One block from transit station. Eligible for tax-credit financing.	Parking (outside of downtown parking district)

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APN	Address	General Plan	Zoning	Density (u/a)	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
011-192-07	1700 4th St.	West End Village	WEV	32	0.17	7	10*	Site is currently underdeveloped, with a one story restaurant. Site is flat and has the ability to be developed with a mixed use project.	None
010-291-49	1826 4 th St.	West End Village	WEV	43	0.5	22	20	Underutilized. Single story building. Built in 1925, currently unoccupied, former retail use.	Narrow site
011-231-16	1800 2 nd St.	West End Village	WEV	43	0.6	26	24	Underutilized. Site consists of one single-story building and parking lot. Former retail use. Eligible for Tax Credit Financing.	None
011-231-21	1801 4th St.	West End Village	WEV	43	1.1	47	43	Underutilized. Site consists of one single-story building and parking lot. Former retail use. Eligible for Tax Credit Financing.	None
175-250-14	Northgate 3 400 Las Gallinas Ave.	General Commercial	GC	43	5.5	237	203	Underutilized. Single-story shopping center with large surface parking lot, built in 1968. Within ½ mile of planned SMART station. Eligible for tax credit financing.	Freeway noise; air quality
175-060-60, 175-060-67	Northgate Mall 1500 Northgate Mall	General Commercial	GC	43	31	1,333	200	Underutilized. Unit potential based on General Plan 2020 site estimate. Commitment to potential housing scenarios (rezoning not required). Eligible for Tax Credit Financing.	Cross Easements
018-051-20	Marin Square 55 Bellam Blvd.	General Commercial	GC	43	6.2	267	202	Underutilized. One-story mostly large surface parking lot.	Traffic; access

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APN	Address	General Plan	Zoning	Density (u/a)	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
179-064-01	Hudson Street Design (Former Bruener's Furniture Store) 3773 Redwood Hwy.	General Commercial	GC	43	1.2	52	45	Underutilized. Large single-story retail with large surface parking lot, within a half mile of the future Civic Center SMART rail station and within ¼ mile of neighborhood market.	Freeway noise; air quality
155-141-28 155-141-29 155-141-30 155-141-31	Margarita Plaza Office - 12 Mitchell Blvd.	Office	O	43	3.6	155	133	Underutilized. Currently a single story office building on three parcels, constructed in 1966 on a level site with freeway access. Parcels under same ownership; lot -31 is parking for the building on parcels -28 to -30.	Freeway noise; air quality
155-141-26	La Plaza Office - 4340 Redwood Hwy.	Office	O	43	5.1	219	189	Underutilized. Single story level site with freeway access.	Freeway noise; air quality
175-060-32	555 Northgate Dr.	Office	O	43	2.2	95	81	Underutilized. Level site, close to Civic Center SMART station.	None
175-321-34	820 Las Gallinas Ave.	Office	O	43	1.0	43	37	Underutilized. Level site, only 25% developed. Across from residential. Adjacent to Safeway, major transit stop. Eligible for Tax Credit Financing.	None
175-331-13	670 Las Gallinas Ave.	Office	O	43	0.6	26	24	Underutilized. One-Story building and adjacent parking. Eligible for Tax Credit Financing.	Freeway noise
175-331-20	550 Las Gallinas Ave.	Office	O	43	0.57	25	23	Underutilized. One-story building and adjacent parking. Eligible for Tax Credit Financing.	Freeway noise

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APN	Address	General Plan	Zoning	Density (u/a)	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units	Site Description	Constraints
175-331-21	550 Las Gallinas Ave.	Office	O	43	0.58	25	23	Underutilized. One-story building and adjacent parking. Eligible for Tax Credit Financing.	Freeway noise
175-331-24	600 Las Gallinas Ave.	Office	O	43	1.3	56	52	Underutilized. One-story building and adjacent parking. Eligible for Tax Credit Financing.	Freeway noise
010-277-12	2114 4 th St.	Retail Office	C/O	43	0.6	26	24	Underutilized. Level site. One story fast food restaurant with surface parking. Eligible for Tax Credit Financing.	Traffic
014-092-26	Salvation Army 350 4 th St.	Retail Office	C/O	43	1.0	47	41	Underutilized. Owned by a non-profit; level lot, near transit. Eligible for Tax Credit Financing. PDA site.	Traffic
008-092-02	Country Club Bowl 145 Belvedere St.	Neighborhood Commercial	NC	24	2.4	58	53	Significant amount of pavement and surface parking area. One story; built in 1959.	Traffic
014-12-28	Harbor Center 555 Francisco Blvd. East	Marine	M-C	15	2.2	33	30	Underutilized. One story shopping center. Level lot with Canal frontage	Freeway noise; air quality; flood zone
Total Underutilized Mixed Use							1,594		

*Sites identified with an “ * ” have pending projects or have garnered development interests. Densities are based on the number of units proposed.



5. Housing Opportunity Sites Map.

Figure B3.1: Housing Opportunity Sites Map (Overview)

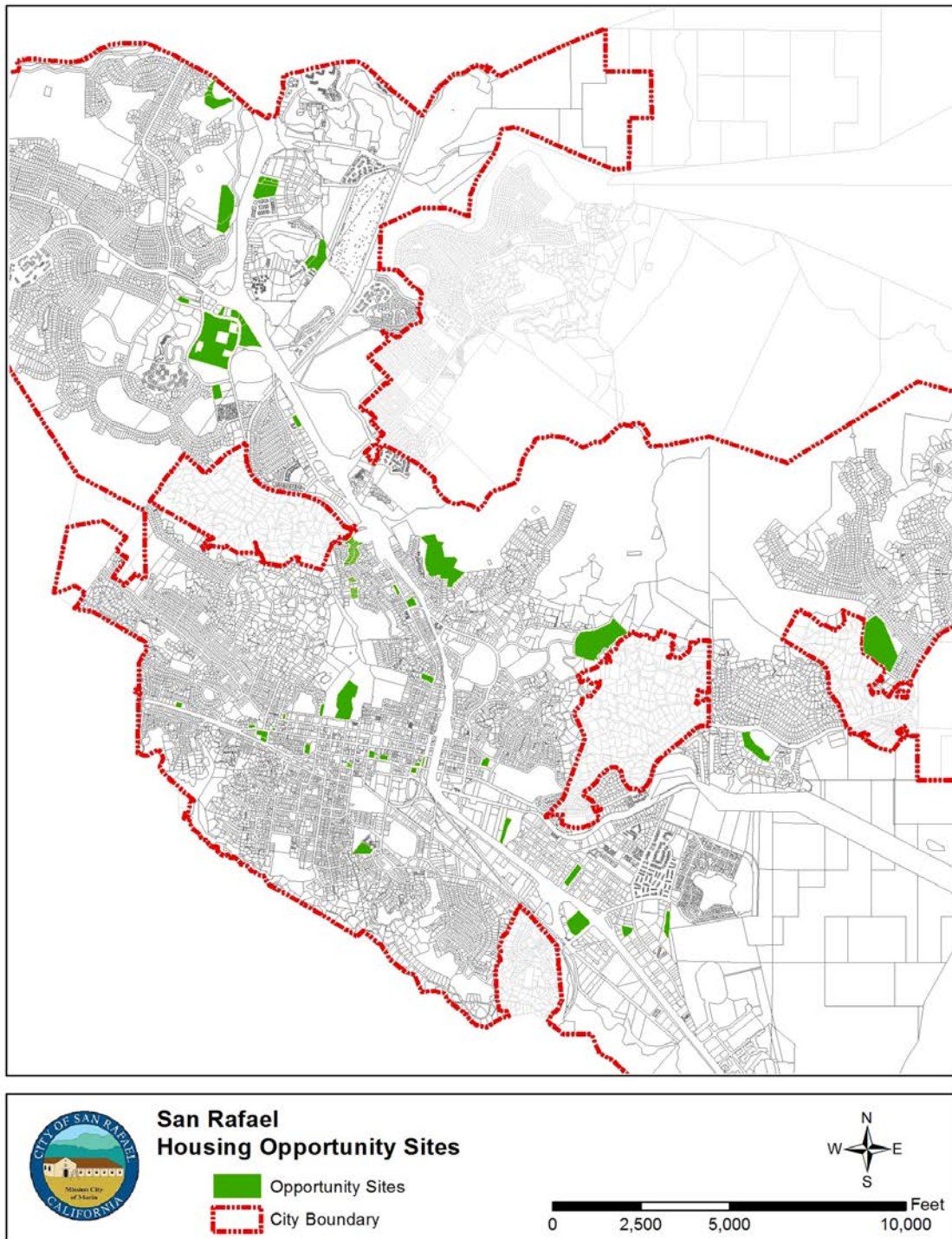




Figure B3.3: Housing Opportunity Sites Map (West)

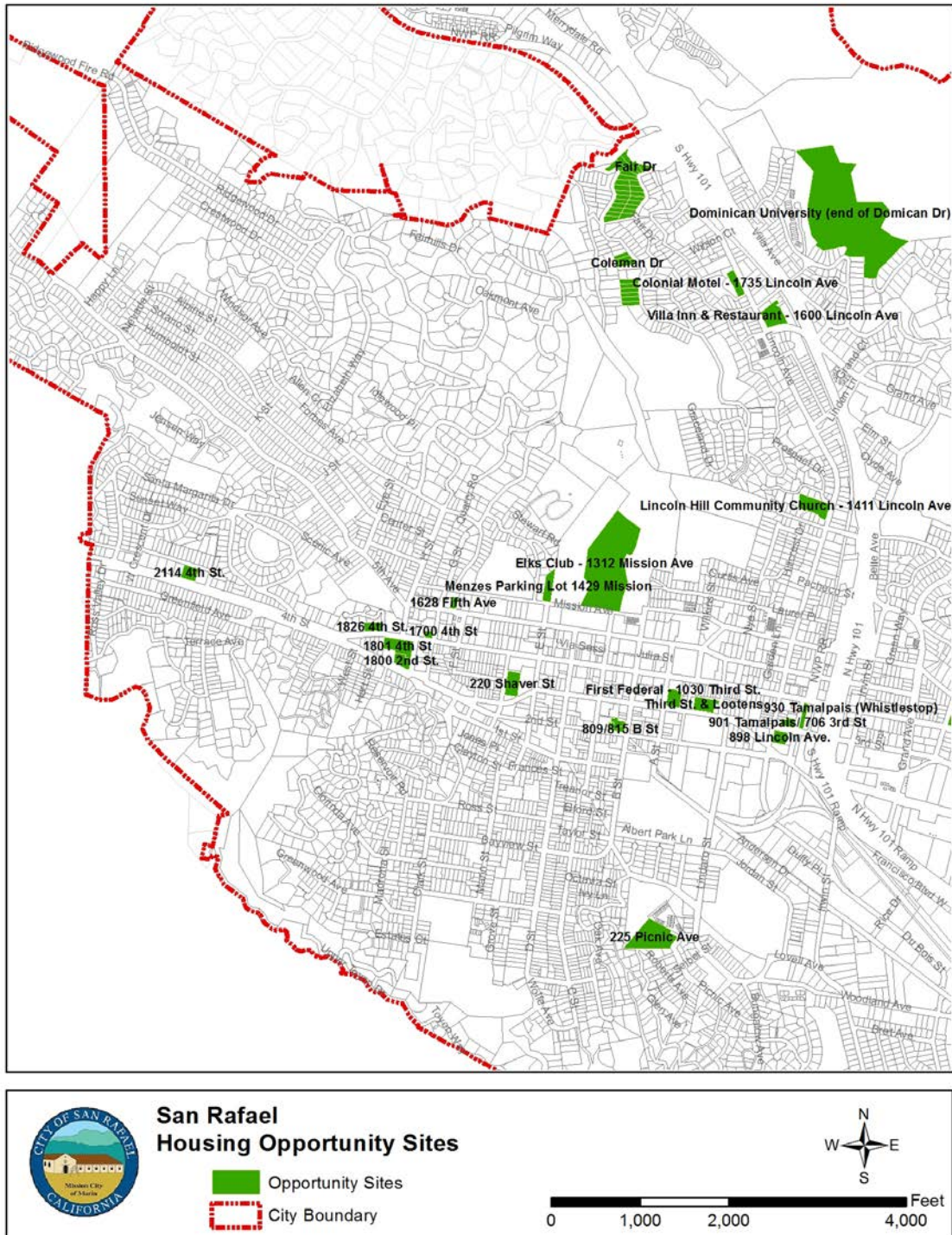


Figure B3.4: Housing Opportunity Sites Map (East)

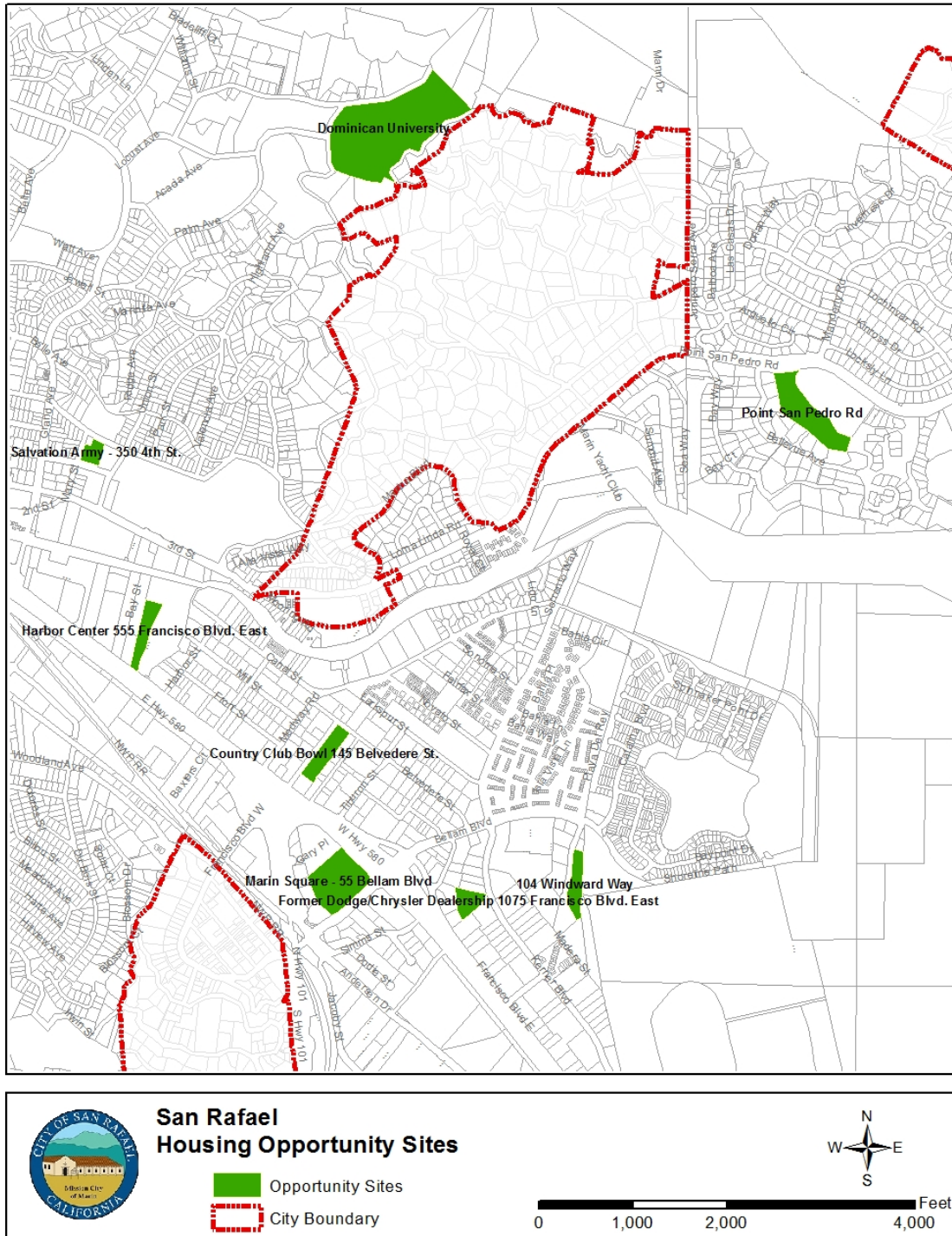
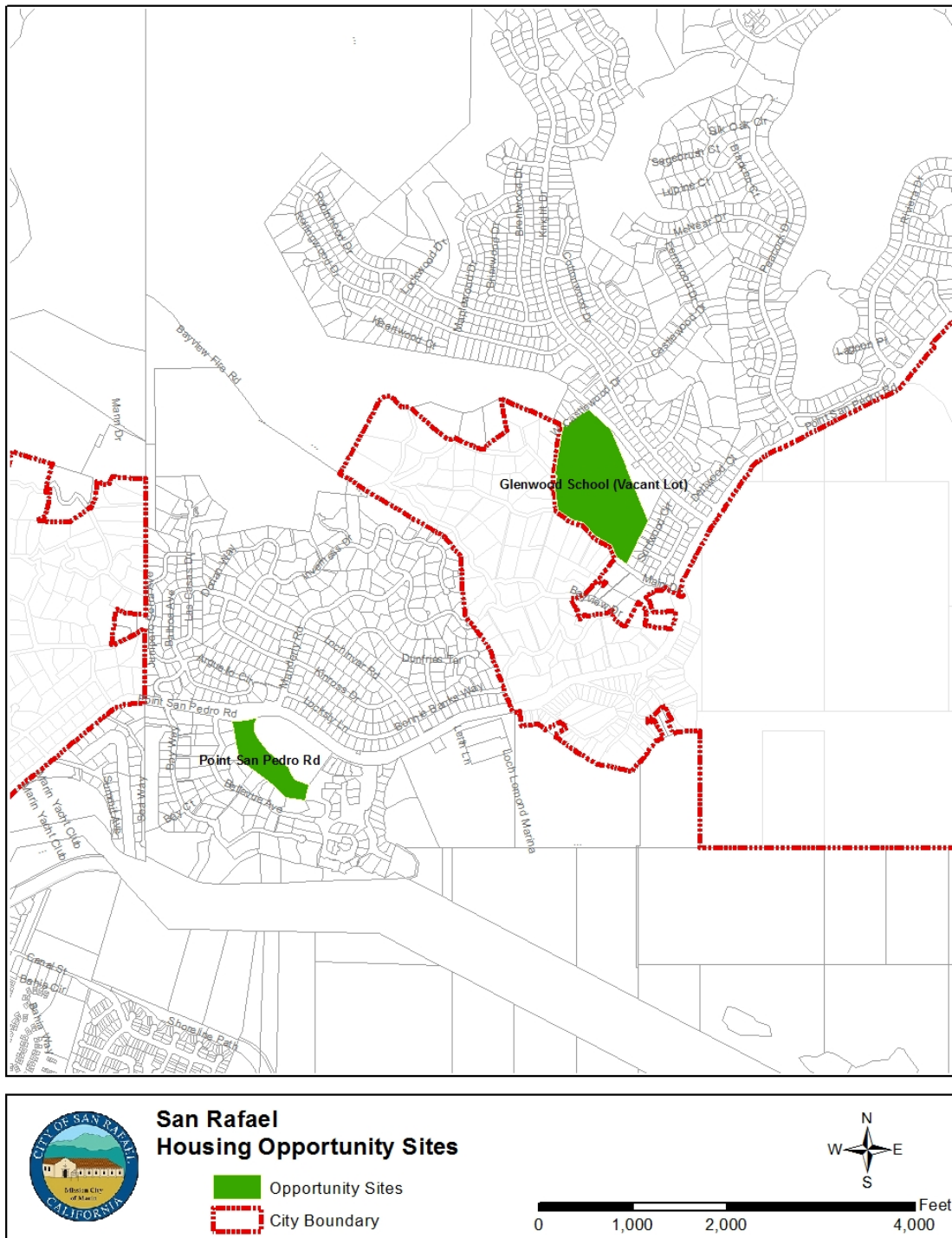


Figure B3.5: Housing Opportunity Sites Map (North-East)



6. Zoning to Accommodate Housing Lower Income Households

State law requires cities to demonstrate that sites in their land inventory can accommodate some portion of their share of units for lower income households. California Government Code Section 65583.2(c) establishes minimum or “default” densities that are deemed appropriate to accommodate housing for lower income households. This is based on the recognition that higher densities provide the potential for lower construction costs through economies of scale and reduced per-unit land cost, which can then lower the rental or sale price of the units. For San Rafael, the default density according to state law is a least 30 units per acre based on Government Code Section 65583.2(c)(3)(B)(iv).

Examples of projects developed at 30 units or more per acre, with affordability levels, include the following:

Table B3.12: Residential Development at 30+ Units/Acre, 1992 – 2013

Project Name, Location or Name	APN	Very Low Income	Low Income	Moderate Income	Market Rate at/or above 30 units/acre	TOTAL	Net Density	Note
Centertown 815 C St.	011-254-19	12	29	19	19	60	71	62% density bonus
Clocktower 729 Lincoln at Fourth St.	011-275-01		3	2	25	30	44	Mixed use project
Boyd Court 1115 B St.	011-300-01 to 25		2	5	18	25	69	25% density bonus
Rafael Town Cntr 998 Fourth and Court Streets	011-222-04		19	19	75	113	164	12' height bonus 66% density
Lone Palm Apts. 840 C St.	011-256-35	24	12	12	12	60	61	40% density bonus
Albert Lofts 931 Second St.	013-012-33			17	94	111	76	Mixed use project
Muir Terrace 1110-1126 Mission Ave.	011-310-01 to -13		1		12	13	43	Tandem parking
33 San Pablo Ave.		0	8	8	66	82		

Source: Community Development Department, 2014

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San Rafael's RHNA requirement for very-low to moderate income households is 569 units. The total housing opportunity sites available for development zoned at 30+ units/acre, with the potential for projects of 20 or more units on the site, is 1,884 units. Therefore, San Rafael has identified sufficient sites at densities above the default density to accommodate the RHNA requirement for housing for lower-income households.

The five residential sites with densities of 30 or more units per acre, with the potential for projects of 20 or more units on site, have a total realistic zoning capacity of 229 units. Although the maximum zoning capacity is over 600 units when multiplying the density by lot size, a more realistic expectation is 229 units because of site constraints. In particular, the Elks Club site (1312 Mission Ave) is largely restricted by steep slopes and previous applications to develop on the site have suggested that 67 units is a reasonable figure. Table B3.13 shows the realistic potential units of available sites with densities over 30 units per acre.

Table B3.13: Vacant or Underutilized Residential Sites at 30+ Units per Acre Available for Development

Address	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units
Elks Club – 1312 Mission Ave.	HR	43	10.5	80	67
Lincoln Hill Community Church - 1411 Lincoln Ave.	HR1	43	1.4	60	52
220 Shaver St.	HR1	43	0.9	39	33
Villa Inn & Restaurant - 1600 Lincoln Ave.	HR1	43	1.2	51	44
Colonial Motel - 1735 Lincoln Ave.	HR1	43	0.6	26	33
			Total	256	229

Source: City of San Rafael Community Development Department, 2014

The 25 mixed use sites with densities of 30 or more units per acre, with the potential for projects of 20 or more units on site, have the potential for a large number of affordable units. The total realistic capacity of these sites is 1,655. Among the larger sites are Northgate 3 (400 Las Gallinas), Northgate Mall, Marin Square and La Plaza Office. Table B3.14 lists these vacant or underutilized mixed use sites.

Table B3.14: Vacant or Underutilized Mixed Use Sites at 30+ Units per Acre Available for Development

Address	Zoning	Density	Lot Size (acres)	Max Zoning Capacity	Total Realistic Potential Units
901 Tamalpais/ 706 3 rd St.	HO	72	0.311	22	30*
Third St. & Lootens	2/3 MUE	72	0.8	60	51
Former Dodge/Chrysler Dealership 1075 Francisco Blvd. East	GC	43	1.59	68	63
809/815 B St.	CSMU/ MUW	72	0.5	36	33
930 Tamalpais Ave. (Whistlestop)	HD	62	0.35	25	30*
First Federal - 1030 Third St.	CSMU	72	0.7	50	43
898 Lincoln Ave.	2/3 MUE	72	0.5	36	31
1700 4 th St.	WEV	32	0.17	7	10*
1826 4 th St.	WEV	43	0.5	22	20
1800 2 nd St.	WEV	43	0.6	26	24
1801 4 th St.	WEV	43	1.1	47	43
Northgate 3 - 400 Las Gallinas Ave.	GC	43	5.5	237	203
Northgate Mall 1500 Northgate Mall	GC	43	31	1,333	200
Marin Square - 55 Bellam Blvd.	GC	43	6.2	267	202
Hudson Street Design - 3773 Redwood Hwy.	GC	43	1.2	52	45
Margarita Plaza - 12 Mitchell Blvd.	O	43	3.6	155	133
La Plaza Office - 4340 Redwood Hwy.	O	43	5.1	219	189
555 Northgate Dr.	O	43	2.2	95	81
820 Las Gallinas Ave.	O	43	1	43	37
670 Las Gallinas Ave.	O	43	0.6	26	24
550 Las Gallinas Ave.	O	43	0.57	25	23
550 Las Gallinas Ave.	O	43	0.58	25	23
600 Las Gallinas Ave.	O	43	1.3	56	52
2114 4 th St.	C/O	43	0.6	26	24
Salvation Army - 350 4th St.	C/O	43	1	43	41
Total				3,001	1,655

Source: City of San Rafael Community Development Department, 2014

Sites identified with an “” have pending projects or have garnered development interests. Densities are based on the number of units being proposed.

One incentive that the City offers to encourage affordable housing is to allow developments that meet affordability criteria to develop at higher densities (“density bonus”). Projects that receive such density bonuses must guarantee units at below market rate prices for a specified period of time. This allows cost items such as land, site design, and long-term management and maintenance costs to be shared across a larger number of units, thereby bringing down the per-unit cost, and making it easier to achieve affordability goals. San Rafael requires that projects of 20 or more units provide inclusionary units. Thus, projects of 20 units or more automatically qualify for San Rafael’s density bonus ordinance which provides for reduced parking standards, a height bonus, or other regulatory assistance.

7. Second Dwelling Units

Second units are “accessory” or subordinate to a main single-family dwelling unit developed on a lot or parcel. San Rafael allows “second dwelling units” with ministerial approval (“by-right”), or with a use permit for certain designs, in all residential districts. There are approximately 11,000 single-family homes in San Rafael. Approximately 9,000 of these homes were located on lots of at least 5,000 square feet, the minimum lot size requirement to establish a second unit. Because second units are added to already existing single-family homes, they have ready access to all essential public facilities and services. Unit sizes have ranged from 340 to 1,000 square feet, with an average size of 600 square feet. Sixty-five second units have been approved between 2000 and 2013. Of these units, thirty-four were approved during the previous RHNA period, as shown in Table B3.15.

Table B3.15: Second Unit Approval 2007-2013

	Total Number of Second Units
2007	5
2008	6
2009	5
2010	7
2011	5
2012	5
2013	1
Total	34

Source: City of San Rafael Community Development Department, December 2013

B. INFRASTRUCTURE AVAILABILITY

Infrastructure, service needs, and utility needs for future development are addressed in the San Rafael General Plan. They do not represent a constraint to development as policies and programs are in place to assure that adequate infrastructure and services will serve new in-fill development consistent with San Rafael's share of the regional housing need. Traffic, in particular, continues to be a community-wide concern. Sites closer to transit and services offer opportunities to provide housing with limited impacts on traffic.

The Marin Municipal Water District (MMWD), a special purpose district, provides water service throughout Central and Southern Marin County. A member of the City Council acts as a liaison between the City and the District. In order to be eligible for water service, a property must front on an existing water main and the structure to be served must be within 125 feet of the main. The standard connection fee for a new residential unit is \$29,260 per acre foot of estimated annual consumption (MMWD, 2014). The schedule of service installation charges is shown in the following:

Table B3.16: MMWD Schedule of Service Installation Charges in 2014

Meter Size	Charge*
5/8" x 3/4"	\$4,350
3/4"	\$4,370
1"	\$4,420
1 1/2"	\$5,290
2" and larger	Estimated

Source: Marin Municipal Water District, June 2014

*Additional charge for meter relocation requiring two street openings is \$2,020

During past periods of drought, temporary restrictions were placed on new water connections. Currently, despite several years of below average rainfall, there is no moratorium on new hook-ups. Water services are not anticipated to affect new housing in San Rafael throughout the remainder of the current planning period. MMWD has completed engineering and environmental analysis on a desalination plant to meet future water needs. Although development of the plant is on pause due to lack of demand, MMWD plans to pursue the project if current water supply becomes inadequate to meet the necessary demand. Currently, Marin County has enough water supply options for the foreseeable future.

APPENDIX B-4. HOUSING RESOURCES

This “Housing Resources” chapter describes the resources available for development, rehabilitation, and preservation of housing in San Rafael, including financial and administrative resources available to facilitate housing production and housing-related services; and opportunities for energy conservation in existing and new residential development as a means of reducing housing costs.

A. FINANCIAL RESOURCES

The ability of the City of San Rafael to achieve its housing goals and objectives will, to a large extent, depend on the financial resources that are available to the City and its residents.

The foremost local source of funds for affordable housing in San Rafael traditionally had been its Redevelopment Agency’s Low- and Moderate-Income Housing Fund which generated approximately \$1 million per year for housing activities, including rehabilitation of existing affordable units, homeownership assistance, assistance with acquisition-rehabilitation projects, and development of affordable rental and special needs housing. However, due to passage of Assembly Bill (AB) 1 26, as of February 1, 2012, redevelopment agencies across California have been eliminated, removing the primary local tool for creating affordable housing. The former San Rafael Redevelopment Agency has approximately \$425,000 remaining in former RDA housing funds, which will be spent on managing the affordable Below Market Rate (BMR) ownership program and preserving affordability for the ownership units.

Given the loss of this key funding source, San Rafael's affordable housing requirements on market rate residential development to include affordable units and for job-producing commercial development to contribute financially to affordable housing programs become even more critical. More specifically, the City's Affordable Housing Ordinance (section 14.16.030 of the Zoning Code) requires residential developments of two or more units to provide between 10-20% affordable units on-site (depending on project size), with fractional affordable housing requirements of 0.5 or less permitted to be satisfied through payment of an Affordable Housing In-Lieu Fee. San Rafael's on-site inclusionary requirements have resulted in the creation of over 1,000 deed restricted affordable housing units.

New, non-residential construction of 5,000 square feet or larger is also subject to the City's Affordable Housing Ordinance, and is required to provide 20% of the total number of residential units needed to provide housing for lower to moderate income project employees. Developers of non-residential development typically choose to pay the Affordable Housing In-Lieu Fee rather than provide the units. The current (2014) in-lieu fee for one affordable unit is \$254,599.

Affordable Housing In-Lieu Fees generated from non-residential development and fractional inclusionary units are placed in a segregated citywide housing in-lieu fee account to be used to increase the supply of housing affordable to very low, low, and moderate income households. San Rafael's Housing In-Lieu Fee Fund has a current balance of approximately \$1.2 million. Given

the limited remaining vacant commercial sites, the City estimates an additional \$100,000 could be generated in Affordable Housing In-Lieu Fees during the planning period.

The following describes the other primary financial resources available to San Rafael to support its housing programs.

Community Development Block Grant (CDBG) Program

The CDBG program provides funding for the construction, acquisition or rehabilitation of housing serving low income (80% AMI) households. The City of San Rafael and the County of Marin entered into a Cooperative Agreement to jointly undertake community development and housing assistance activities. This cooperative agreement covers both the CDBG program and the HOME program. In 2014/2015, Marin County received approximately \$1.3 million in CDBG funding. After subtracting administrative expenses, the funds are divided so that 40% goes to housing on a countywide basis and the remaining 60% goes to six local planning areas, including the City of San Rafael, to be used for housing, capital, and public service projects. At least 30% of each planning area's funds must be used for housing.

San Rafael's 2014/15 CDBG allocation was approximately \$220,000, a significant reduction from the \$400,000 the City received as recently as 2011. The City allocates 85% of its CDBG funds for housing and capital grants, and 15% for public services. Housing allocations of approximately \$120,000 fund countywide programs including the Rehabilitation Loan Program, Fair Housing, and Residential Accessibility Improvements.

HOME Program

The HOME program is a federally funded program that provides funding for the construction or acquisition of housing to be occupied by low income households. HOME funds are allocated by the County of Marin for specific developments. San Rafael has successfully utilized HOME funds on several affordable housing acquisitions. Potential changes to the County's priorities for Federal housing funds may negatively affect San Rafael's ability to compete for future HOME funding. At the request of the Federal Department of Housing and Community Development ("HUD"), the County recently completed an Analysis of Impediments to Fair Housing Choice (AI). This comprehensive planning document was commissioned by the County as part of its mandate to affirmatively further fair housing. The AI identifies barriers to fair housing choices in Marin County and provides recommendations for addressing those barriers. Some of the recommendations in the AI may result in Federal housing funds being shifted from areas of the County with a larger proportion of minority inhabitants to areas of the County with a less diverse populace. This shift may negatively affect San Rafael's ability to use Federal funds to address affordable housing needs in our community.

Marin Workforce Housing Trust

The Marin Workforce Housing Trust is a public/private partnership that has been created to meet the challenges of housing affordability for workers in Marin County. The primary partners include the County of Marin, the Marin Community Foundation, and a group of major employers. Through a revolving loan fund, the Trust provides low-interest rate loans to nonprofit and for-profit developers who are constructing homes affordable to lower income families, as well as special needs populations. Every dollar that is contributed to the Housing Trust is matched by both

the Marin Community Foundation and the County of Marin, thereby tripling the value of each donation.

Priority Development Areas

San Rafael is a participating jurisdiction in the FOCUS regional planning initiative facilitated by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Authority (MTC). Downtown San Rafael within 1/2 mile surrounding the future SMART station has been designated a Priority Development Area (PDA). The objective of the program is to promote compact land use patterns around transportation. Funding is periodically available through regional sources for housing projects or activities within PDAs.

Low Income Housing Tax Credits

State and Federal tax credits enable sponsors/developers of low income rental housing to raise project equity through the sale of benefits to investors. Both 4% and 9% credits are available for acquisition/rehabilitation and new construction, and are administered by the Tax Credit Allocation Committee through a competitive process. In San Rafael, tax credits have been used in numerous projects to leverage local funding.

Assistance from Local Philanthropies

The Marin Community Foundation and its community partners have been instrumental in providing financial assistance for the acquisition or rehabilitation of affordable housing in Marin County. This type of funding is critical to the success of affordable housing in the County.

New Funding Opportunities

San Rafael will continue to explore new funding sources and programs, and opportunities to partner with the private sector and local non-profit organizations. Examples of new funding opportunities recently announced at the State level include:

Multi-family and Supportive Home Development

The 2014-15 State budget includes \$100 million of General Fund revenues committed to funding development through the Multifamily Housing Program (MHP) and MHP-Supportive Housing, with half of the total allocation going to MHP and the other half to MHP-Supportive Housing. This money will be administered by the State Department of Housing and Community Development to build homes for low-income families and homeless individuals who will benefit from supportive services.

Transit-Oriented Housing Development

\$135 million in cap-and-trade auction revenues in 2014-15 and 20 percent of ongoing receipts will be dedicated for affordable homes and other components of sustainable communities, including bike and walking improvements, transit, and planning. At least half of the 20 percent (or roughly \$200-300 million/year) is specifically dedicated to affordable homes built near robust transit lines.

CalWORKs Homelessness and Housing Support

The 2014-15 budget includes a General Fund appropriation of \$20 million to support CalWORKs participants who face homelessness or housing instability as a barrier to self-sufficiency. County welfare agencies will work closely with the state Department of Social

Services to implement evidence-based models like those used by HUD for rapid rehousing. Support can include everything from rental assistance and security deposits to housing stabilization funds and relocation assistance for families moving from welfare to work, among others.

B. ADMINISTRATIVE RESOURCES

The Bay Area is home to numerous nonprofit housing developers who have produced thousands of high-quality affordable housing projects over the past 40 years. These non-profit agencies can serve as resources in helping San Rafael to address its housing needs, and in the implementation of its Housing Element programs. Several non-profits already have a track record of producing and managing affordable housing in San Rafael, including EAH, BRIDGE Housing, and Mercy Housing.

The Ecumenical Association for Housing (EAH) is a well-known affordable housing non-profit developer with projects in Marin County and the western United States. EAH currently owns and manages two affordable family projects in San Rafael - Riviera Apartments and Turina House, and Lincoln Avenue apartments for persons with developmental disabilities.

BRIDGE Housing is one of the largest affordable housing developers in the State, having produced over 13,000 units since its founding in San Francisco over two decades ago. The City of San Rafael and its former Redevelopment Agency has partnered with BRIDGE on two projects to date - Belvedere Place and Casa Vista Apartments, providing 66 units affordable to lower income families.

Mercy Housing is a national housing organization involved in the development, preservation, management, and financing of affordable housing for low-income families, seniors, and people with special needs. In San Rafael, Mercy provides 60 units of housing for very low income seniors at Maria B. Freitas housing.

The Marin Housing Authority (MHA) owns and manages two affordable rental developments in San Rafael – Sundance (family) and Golden Hinde (senior/disabled). The City also contracts with MHA to monitor deed restricted affordable rental and ownership housing provided through the City's inclusionary housing program.

Several non-profit organizations provide housing and supportive services for special needs populations in San Rafael, including Buckelew, Lifehouse, Centerpoint, the Marin Center for Independent Living, and Homeward Bound.

The Nonprofit Housing Association of Northern California (NPH) serves as a local networking agency, advocacy group and resource organization for affordable housing developers in the Bay Area. In addition, the North San Rafael Village (part of the Marin Villages non-profit) can also serve as a resource to the City in implementing its senior-oriented housing programs.

C. ENERGY CONSERVATION

1. Climate Change and Sustainable Housing

Climate change, known alternatively as “global warming,” has become a significant political issue on regional, national, and global level. This global phenomenon encompasses accelerated changes in weather patterns, including precipitation and temperature, and increases in sea level as icecaps melt due to warmer temperatures at the Earth’s poles. These changes threaten global agricultural production, the availability of fresh water, the spread of disease, and causing the mass displacement of populations as areas become inhospitable to human survival. A global scientific consensus pinpoints the anthropogenic (human-based) emission of greenhouse gases from industrial, agricultural, and transportation activity (including carbon dioxide, methane, and water vapor) as the most important contributor to accelerated climate change. As awareness of the impacts of climate change has grown, a simultaneous awareness of the concept of “sustainability” has also grown. Practicing sustainability can be generally defined as making choices in the way we live our lives that do not negatively impact the quality of life of future generations.

In response to growing concern over the impacts of climate change, governments at all community levels have written legislation or made international agreements (such as the Kyoto Protocol between members of the United Nations, and the Cities for Climate Protection program for members of ICLEI- Local Governments for Sustainability) that aim to reduce greenhouse gas emissions and pursue a more sustainable way of life. While there are currently no federal laws addressing climate change in the U.S., the state of California passed its own greenhouse gas reduction bill (AB32) in 2006, which aims to reduce greenhouse gas emissions statewide to 1990 levels by 2020.

In April of 2009, the City adopted its own Climate Change Action Plan, which assessed the city’s greenhouse gas “footprint” and proposed policies and programs to reduce emissions of greenhouse gases citywide by 25% from 2005 levels by 2020. The plan outlines specific programs for attaining sustainable lifestyles, building standards, environmental protection, and economic development within the city. Significantly, analysis showed that the area with the most potential for greenhouse gas emission reduction was in increasing building efficiency (by reducing dependence on non-renewable energy sources and increasing the supply of renewable sources), while changes in lifestyle (including adopting City policies promoting compact, mixed use, and transportation oriented development) represent another significant opportunity for reductions.

The City has already adopted and implemented several policies that promote sustainable building standards and lifestyle choices. San Rafael’s ordinance incorporated the California Green Building Standards (CalGreen) code regulations to guide sustainable construction practices. The City has had a history of promoting sustainability within the community. Prior to adopting the Climate Change Action Plan, San Rafael was one of the first cities in the Bay Area to adopt a mandatory Green Building Ordinance in 2007. The ordinance requires that all new residential buildings be Green Point Rated, and all new commercial or civic buildings be LEED (Leadership in Energy & Environmental Design) certified. This ordinance was significantly updated in February 2010, increasing requirements for new buildings and applying green building requirements for residential and commercial remodeling projects as well. In addition, the City led a county-wide collaborative process of local governments and building industry professionals called Marin Green

BERST (Building, Energy, Retrofit, and Solar Transformation), to create uniform green building standards to serve as a blueprint for jurisdictions throughout the county. Marin Green BERST, along with LEED and Build-It-Green regulations, has been replaced with more stringent CalGreen standards in 2013.

Housing has far-reaching impacts on the quality of our lives, from the resources used to construct and power our homes, to the quality of the air and water in both the built and natural environment, to the transportation patterns created by the location of our homes. “Sustainable” housing can be defined as housing that minimizes these impacts in order to allow future generations to enjoy the same, or better, quality of life as we do now. By adopting housing policies proposed by the Climate Change Action Plan that encourage energy efficient building standards, and promote mixed use and transportation oriented developments that reduce reliance on the automobile, the City is committed to improving the lives of community members both present and future.

2. Opportunities for Energy Conservation

Housing Elements are required to identify opportunities for energy conservation. Since the deregulation of energy companies in 1998, the price of energy rose significantly. Consequently, energy costs now account for a substantial portion of housing costs. Effective energy conservation measures built into, or added to, existing housing can help residents manage their housing costs and help keep operating costs affordable for lower income households. There are a number of programs offered by local organizations, the local energy provider (PG&E) and by the State of California that provide cost-effective energy saving programs for qualifying households.

The City of San Rafael is encouraging energy conservation in new and existing housing with the following strategies:

- (1) Through Adoption, in 2009, of a Climate Change Action Plan to reduce San Rafael’s energy consumption and Green House Gas emissions in accordance with AB32 and SB375.
- (2) Through participation in Marin Green BERST, a countywide collaborative of jurisdictions and local industry experts to create uniform green building standards for use throughout the County. Through adoption of the mandatory measures in CalGreen into the City’s Green Building Ordinance. In 2013, the City adopted CalGreen to lay out the standards for new residential and non-residential construction projects. The change from the former “BERST” green building ordinance to CalGreen allows the City to keep up with stringent statewide design standards and provide consistent design standards from the State’s code.
- (3) Through application of State residential building standards that establish energy performance criteria for new residential and commercial buildings (Title 24 of the California Administrative Code).
- (4) Through the Housing Rehabilitation Loan Program that assists in the rehabilitation of older housing units, which can include energy efficiency improvements.
- (5) Through appropriate land use policies and development standards that reduce energy consumption, such as promoting more compact, walkable neighborhoods, with housing close to transit, jobs, community facilities and shopping; encouraging in-fill development; planning and zoning for multi- use and higher density development; permitting common

walls and cluster development; and promoting passive and active solar design elements and systems in new and rehabilitated housing.

Energy conservation programs are also offered by State and Federal agencies. For example, State and federal appliance standards now require manufacturers to produce and sell appliances according to specified energy-consumption performance criteria. Additionally, the State Department of Community Services and Development manages the Low Income Home Energy Assistance Program, a federally funded program that helps low income residents pay delinquent energy bills to avoid interruption of service, provides weatherization services, and provides direct payments to offset monthly utility costs for qualifying households.

PG&E, the local utility provider, manages the Energy Watch Partnership Program that provides free education and weatherization services to income-qualified households. The program offers a free home energy audit and can include services such as attic insulation, weather stripping, and minor home repairs (in some cases free replacement and installation of appliances).

Through these and other conservation measures the City seeks to help minimize the percentage of household income that must be dedicated to energy costs as well as minimize the use of nonrenewable resources.

3. Energy Conservation Programs

a. Pacific Gas and Electric Programs

The California Alternate Rates for Energy (CARE) Program

The PG&E CARE program provides a monthly discount on energy bills for income-qualified households and housing facilities.

The Relief for Energy Assistance through Community Help (REACH) Program

REACH provides emergency energy assistance to low-income families within the PG&E service area who are in jeopardy of losing their electricity services. REACH is a one-time energy-assistance program sponsored by PG&E and administered through the Salvation Army from 170 offices in northern and central California. Those who have experienced an uncontrollable or unforeseen hardship may receive an energy credit up to \$200, credit amount based on the past due amount of the bill. REACH assistance may be available once within an 18 month period, but exceptions can be made for seniors, the physically challenged and the terminally ill.

Energy Savings Assistance Program

PG&E's Energy Savings Assistance Program provides income-qualified renters and homeowners with easy, free solutions to help manage their energy use and save money on their monthly energy bills.

Income qualified households may be eligible for the following services:

- Home, apartment or mobile home improvements including fluorescent lights, caulking, showerheads, minor home repair.
- Replacement of old refrigerators, furnaces, and/or water heaters.
- Energy saving tips.

The Balanced Payment Plan (BPP)

Customers who enroll in the Balanced Payment Plan eliminate big swings in home and business payments by averaging energy costs over the year. PG&E averages the customer's energy costs in the previous 12 months to arrive at a monthly balanced payment amount. Energy meters will be read monthly and actual energy costs will be shown in the bill, but customers will only pay the Balanced Payment Plan amount. PG&E monitors the account for appropriate changes to the BPP no more than once every four months. Customers enrolled in CARE are also eligible for BPP.

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant

The LIHEAP Block Grant is funded by the federal Department of Health and Human Services (DHHS) and provides two basic types of services. Eligible low-income persons, via local governmental and nonprofit organizations, can receive financial assistance to offset the costs of heating and/or cooling dwellings, and/or have their dwellings weatherized to make them more energy efficient. LIHEAP accomplishes its goals through three programs: a Weatherization Assistance Program, a Home Energy Assistance Program, and an Energy Crisis Intervention Program.

The Family Electric Rate Assistance (FERA) Program

The FERA program provides a monthly discount on electric bills for low to moderate income households of three or more persons.

b. Marin Energy Authority Programs

The Marin Clean Energy Authority (MCE) is a nonprofit energy provider that strives to provide electricity to residents in Marin County from renewable energy sources. MCE aims to reduce greenhouse gas emissions to address climate change. The agency works to secure energy supply, price stability, energy efficiencies and local economic and workforce benefits. Customers of MCE can choose to have 50 percent to 100 percent of their electricity come from clean sources such as solar, wind, bioenergy, geothermal and hydro at competitive rates. MCE determines the energy source and partners with PG&E to bill and deliver the energy. MCE serves approximately 125,000 customers in Marin County and the city of Richmond.

c. Other Energy Conservation Programs

California Youth Energy Services "Green House Call"

California Youth Energy Services (CYES) trains young adults ages 15 to 22 to perform "Green House Calls," which offer energy and water efficiency evaluations. This program includes the free installation of energy and water saving equipment. CYES has an office in Marin County and works with participating cities.

Smart Lights Program

The Smart Lights Program offers free start-to-finish technical assistance and instant rebates to help defray the cost of upgrading and/or repairing existing equipment for businesses. This program offers assistance with comprehensive lighting retrofits, refrigeration tune-ups, controls and seals replacement, domestic hot water heater replacements, and referrals to appropriate HVAC programs.

Energy Upgrade California

Energy Upgrade California is a statewide program that offers incentives to homeowners who complete comprehensive energy-saving home improvements on a single-family residence. These incentive packages encourage customers to take a “whole house” approach by combining several related improvements at once to increase a home’s overall energy efficiency and achieve greater savings.



APPENDIX B-5. EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT

In order to develop an effective housing strategy for the 2015 to 2023 planning period, San Rafael assessed the achievements of its existing housing programs laid out in the 2009-2014 Housing Element. This assessment will determine the effectiveness of the existing programs, whether they are appropriate for continuation, and whether necessary adjustments are needed for the next planning period.

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the eight-year update to their Housing Elements. These results should be quantified where possible (for example, the number of units that were rehabilitated), but may be qualitative where necessary (for example, the mitigation of governmental constraints). The results are then compared with what was projected or planned in the earlier Housing Element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be documented.

The City's current Housing Element was adopted in 2011. The first step in updating the Housing Element is to conduct a thorough and critical evaluation of the 2009-2014 Housing Element. What worked well? What didn't? What could be done better? What's missing?

Areas of consideration to address through the evaluation process and in the new Housing Element include the following:

- (1) Appropriateness of Goals, Objectives, and Policies. A description of how the goals, objectives, policies, and programs of the updated element incorporate what has been learned from the results of the prior element.
- (2) Effectiveness of the Element. A review of the actual result of the earlier element's goals, objectives, policies and programs. The results should be quantified where possible (e.g., rehabilitation results) but may be qualitative where necessary (e.g., mitigation of governmental constraints).
- (3) Progress in Implementation. An analysis of the significant differences between what was projected or planned in the earlier element and what was achieved.

A. SUMMARY OF ACCOMPLISHMENTS

The City of San Rafael is cognizant of 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, 1996 and 2004 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; (5) provide for single-room occupancy units; and (6) specify density and other regulatory bonus incentives for affordable housing. In addition, in 2001, the General Plan was amended to review inclusionary requirements to better target new rental 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. In the past, the Redevelopment Agency has helped to fund a below market-rate home ownership program (managed by the Marin Housing Authority) that distributes grants to income- qualified households to aid in the purchase of a below market rate home.

Financial support for affordable housing had come from Redevelopment Agency (RDA) funds and other City funding sources. The former RDA has expended over \$4 million in the span of ten years to assist non-profit housing organizations to acquire and rehabilitate lower income rental housing. The City also provided about \$125,000 annually in CDBG funding for rehabilitation of lower income rental housing owned by local non-profit housing organizations. The City has provided over \$350,000 in rehabilitation funds for over 7 years to local non-profit housing groups and over \$500,000 to the County's low income rehabilitation housing program (usually used by low income senior homeowners).

With the dissolution of Redevelopment Agencies in 2012, the City has lost a significant source of funding and a managing body to implement many affordable housing programs. Redevelopment provided the funding and oversight for affordable housing programs, and some programs have no longer become sustainable. However, several programs in the Housing Element that have been led by the Redevelopment Agency can be handed over to a successor agency. The Economic Development Department continues to provide technical assistance to affordable housing developers in the absence of redevelopment and has been proposed as the lead for many of Housing programs previously under the responsibility of Redevelopment.

The Planning Commission and City Council have supported new housing development, including a significant amount of affordable housing. Affordable developments built in the past 15 years include Centertown (60 affordable rental and homeownership units), Maria B. Freitas Senior Housing (61 affordable rental units for seniors), and Ecology House (11 rental units for persons with environmental sensitivities).

Due to dwindling resources, greater collaboration is needed to promote the development of affordable housing. 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.

B. KEY FINDINGS FROM THE EVALUATION OF THE CITY'S CURRENT HOUSING ELEMENT

In general, the goals, policies and programs in the 2009-2014 Housing Element have provided a comprehensive set of actions to meet the city's housing needs and provide a diversity of housing types. Exhibit DD below is a comprehensive evaluation of implementation of San Rafael's housing programs. The entire General Plan, including this revised Housing Element, reaffirms City goals by: (1) acting as a guide for municipal decisions that affect the quality and quantity of housing; (2) maintaining housing growth within limits of available services; and (3) maintaining San Rafael's present quality of life by balancing the availability of housing with other environmental and neighborhood considerations.

San Rafael's housing strategies are to:

- (1) Preserve and strengthen San Rafael's neighborhoods so that they continue to improve over time.
- (2) Be proactive in new housing so that changes enhance San Rafael, making it an ever-increasingly attractive place to live; and
- (3) Target resources for effective partnerships involving neighborhoods, businesses, civic and service organizations, and the County to address housing needs.

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. Implementation of a policy is handled on a case-by-case basis to provide flexibility in responding to unique site or project circumstances. Support is also provided by elected officials and a 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 an important strategy 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 use 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 help to address San Rafael's housing needs.

Housing policies must be integrated with related issues such as land use, design, traffic capacity, economic development, adequate infrastructure, and others. For example, design policies for multifamily housing will help to ensure enhancement of neighborhood identity and sense of community so that new housing will have a sensitive transition of scale and compatibility in form to the surrounding neighborhood. Linkages with land use strategies, that encourage use of transit, are also supported in housing policies.

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT

The following findings and recommendations are based upon the review of current policies and programs:

- (1) Continue the City's proactive role in protecting neighborhoods and existing housing, and in assuring that new housing continues to enhance the city's diversity, economy, and quality of life.
- (2) Foster land use patterns and densities that support lifestyles that are less reliant on carbon-based transportation.
- (3) Encourage mixed use and infill housing development near transit and in commercial areas in order to create housing near workplaces.
- (4) Encourage development at higher densities within easy walking distance to transit where reduced automobile usage and parking requirements are possible.
- (5) Support housing, either as redevelopment or infill, to improve certain areas of town.
- (6) Require that illegal units are abated/removed or legalized.
- (7) Encourage second units as a means of dispersing small, affordable units throughout the community by modifying zoning regulations and processing requirements.
- (8) Continue to support housing for population groups who require special assistance, such as people who are seniors, large families, and single-parent households, homeless, and people living with disabilities.
- (9) Support efforts to link housing to health and human services programs.

Table B5.1: 2009-2014 San Rafael Housing Element Accomplishments Chart

Review of 2009-2014 San Rafael Housing Element Program Accomplishments	
Program	Accomplishments
H-1 HOUSING DISTRIBUTION	Policy carried forward as H-1
H-1a. Annual Housing Element Review. Provide an annual assessment of housing element implementation through annual review of General Plan 2020. Provide opportunities for public input and discussion, in conjunction with State requirements.	<u>Progress/Effectiveness:</u> Prior to elimination of Redevelopment Agencies across the State in 2012, the City prepared an Annual Affordable Housing Report which provided information on the City and RDA's affordable housing programs. The City has not conducted a review of its Housing Element since the Element was last updated and certified in 2011. As a charter city, San Rafael is exempt from the requirement to prepare an Annual Housing Element Report (APR) for submittal to HCD. However, due to the longer 8 year planning cycle, combined with State housing funds tied to completion of the APR, the City will begin conducting an annual review of its Housing Element. <u>Appropriateness for Housing Element update:</u> Maintain program.
H-1b. Housing Production. Monitor housing production annually to review achievements in meeting the community's housing goals.	<u>Progress/Effectiveness:</u> City continues to monitor housing production. Reports on annual building activity submitted to State for population estimates. Program is effective in monitoring production, but not necessarily. Measuring against the City's RHNA goals. As this will need to be completed as part of the Annual Housing Element Report to HCD, this program can be integrated within Program H-1a. <u>Appropriateness for Housing Element update:</u> Consolidate with Program H-1a. Monitoring housing production and measuring progress towards RHNA is already required as part of Annual Housing Element Report.
H-2. NEIGHBORHOOD IMPROVEMENTS	Policy carried forward (consolidated with renumbered H-2)
H-2a. N/A	Remove. No associated program.

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT

Program	Accomplishments
H-3. DESIGN THAT FITS INTO THE NEIGHBORHOOD CONTEXT	Policy carried forward (<i>renumbered to H-2</i>)
H-3a. 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.	<u>Progress/Effectiveness:</u> Interim Design Guidelines adopted November 2004. No funding available for additional work on design guidelines. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-2a)
H-3b. 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.	<u>Progress/Effectiveness:</u> Same as H-3a - Interim Design Guidelines adopted November 2004. No funding available for additional work on design guidelines. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-2b)
H-4. PUBLIC INFORMATION AND PARTICIPATION	Policy carried forward (<i>renumbered to H-3</i>)
H-4a. Neighborhood Meetings. Continue to 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.	<u>Progress/Effectiveness:</u> On-going and as needed. <u>Appropriateness for Housing Element update:</u> Maintain program. Refine to replace "require" with "encourage." (renumbered Program H-3a)

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT

Program	Accomplishments
H-4b. 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 Department of Housing and Community Development.	<u>Progress/Effectiveness:</u> The City Manager holds monthly meetings with business leaders, and monthly meetings with neighborhood leaders. At both these meetings, housing issues are frequently discussed. Economic Development staff participated in Chamber events and committees, and neighborhood meetings. CD staff held design discussions, met with the Federation of San Rafael Neighborhoods to discuss density bonus ordinance, and reported progress on meeting housing needs at the City Council’s annual meeting. Staff spoke at a Chamber of Commerce Leadership Institute sessions about affordable housing. Economic Development staff was a member of the Chamber’s Affordable Housing and Economic Development Committee) and talked about housing issues at the Business Issues Committee as well as the Chamber’s Leadership Institute. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-3b)
H-5. CITY LEADERSHIP	Policy forward (<i>consolidated with renumbered H-4</i>)
H-5a. Housing Element Update. Undertake housing element updates as required by law or generally every five years.	<u>Progress/Effectiveness:</u> Required public meetings held for last Housing Element update in 2008-2011. As part of this Housing Element update, public input will be solicited. Modify program to reflect change in RHNA cycle (7-8 years). <u>Appropriateness for Housing Element update:</u> Remove program. Done as matter of course, unnecessary to call out as program.

APPENDIX B: 2015-2023 HOUSING ELEMENT BACKGROUND REPORT

Program	Accomplishments
H-5b. Constraints and City Incentives for Affordable Housing. As part of the five-year General Plan update, conduct a review by staff and development experts of housing needs, financing, City processing and development incentives, and potential constraints and opportunities to create affordable housing.	<u>Progress/Effectiveness:</u> Building Division continues to implement permit tracking and over-the-counter one-stop permitting. Planning staff continues to inform developers of density bonus and concessions for development projects, where appropriate. In 2012, the City eliminated the traffic mitigation fee requirement for all second units. <u>Appropriateness for Housing Element update:</u> Move to renumbered Program H-17d -Efficient Project Review (under new policy Regulatory Processes and Incentives for Affordable Housing).
H-5c. Redevelopment's Implementation Plan. Update the Redevelopment Agency's Implementation Plan, as required by State law or generally every five years.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved. <u>Appropriateness for Housing Element update:</u> Remove program, no longer applicable with loss of RDA.
H-5d. Expertise in Production of Affordable Housing. Contract with housing consultant(s) as needed to provide staff with the expertise to negotiate affordable housing contracts and housing development proposals.	<u>Progress/Effectiveness:</u> Economic Development staff continues to provide technical assistance on affordable housing contracting as necessary to review financial constraints and opportunities of building housing on various sites in San Rafael. <u>Appropriateness for Housing Element update:</u> Remove program. Done as matter of course, unnecessary to call out as program.
H-5e. Redevelopment Agency Activities. Promote residential opportunities in the redevelopment area, where appropriate, through the Redevelopment Agency. Specifically, develop a summary resource of development requirements for properties around the Downtown and Civic Center transit hubs, and other areas as needed.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved. <u>Appropriateness for Housing Element update:</u> Remove program, no longer applicable with loss of RDA.

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Program	Accomplishments
H-6. COORDINATE WITH OTHER JURISDICTIONS IN ADDRESSING HOUSING NEEDS.	Policy carried forward (renamed and renumbered to H-4)
H-6a. 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.	<u>Progress/Effectiveness:</u> Until 2011, City staff participated in ABAG's Housing Methodology Committee as one of three Marin County representatives, and a San Rafael planner was one of the Marin representatives to ABAG's "Focusing Our Vision" committee. The City also reviewed and commented on Plan Bay Area, during all phases of this process. The City is a participant in the Marin County Planning Directors group. This group actively discusses regional topics, including those on housing issues, at their monthly meetings. Examples include presentations on "Jessie's" units (junior second units), Plan Bay Area, State Density bonus law changes and recent court cases regarding housing. The Marin County planning directors also led efforts to suggest that local utilities agencies reduce their service connection fee for second units for second units. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-4a)
H-7. COMMUNITY COLLABORATION AND PARTNERSHIP	Policy consolidated and carried forward (renamed and consolidated with H-4)
H-7a. Cooperative Ventures. 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.	<u>Progress/Effectiveness:</u> Economic Development staff routinely uses its expertise and connections in affordable housing to assist local developers in pursuing housing development. The Economic Development staff assists developers in finding funding options, learning about tax credits and understanding the density bonus law. <u>Appropriateness for Housing Element update:</u> Retitled Community Collaboration. (renumbered Program H-4b)

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Program	Accomplishments
H-8. HOUSING DISCRIMINATION	Policy carried forward (renamed and renumbered to H-5)
H-8a. Complaints. Continue to refer discrimination complaints to the appropriate legal service, county, state or federal agency, or Fair Housing of Marin.	<u>Progress/Effectiveness:</u> Staff continues to refer complaints to Fair Housing of Marin and Marin Mediation Services. Economic development continues to fund Marin Mediation Services, which is the only place in the County that provides assistance with property owner-tenant disputes. <u>Appropriateness for Housing Element update:</u> Maintain program - integrate within renumbered Fair Housing Program H-5a.
H-8b. Non-discrimination Clauses. Continue to provide nondiscrimination clauses for housing receiving City or Redevelopment Agency financial assistance.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved <u>Appropriateness for Housing Element update:</u> Remove program. Done as matter of course, unnecessary to call out as program.
H-8c. Fair Housing Laws. 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.	<u>Progress/Effectiveness:</u> See H-8a - Staff continues to refer complaints to Fair Housing of Marin and Marin Mediation Services. Economic development continues to fund Marin Mediation Services, which is the only place in the County that provides assistance with property owner-tenant disputes. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-5a)

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Program	Accomplishments
H-9. FUNDING FOR AFFORDABLE HOUSING.	Policy carried forward (renumbered to H-6)
H-9a. Housing Set-Aside Fund. Continue to utilize the Redevelopment Agency's Housing Set-Aside Fund for affordable housing development to increase, improve, and preserve the community's supply of housing affordable to low- and moderate-income persons.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved. <u>Appropriateness for Housing Element update:</u> Remove program - no longer applicable with loss of RDA.
H-9b. Trust Fund for Housing. Support efforts by the private sector, local employers and housing advocates to create a Housing Trust Fund to assist with the financing of affordable housing. Support efforts of the Housing Trust Fund to assist with the financing of affordable housing. This support includes identifying sites that meet the funding requirements of the Marin Workforce Housing Trust Fund, notifying the Marin Workforce Housing Trust staff of discussion and pending CDBG, HOME and tax credit applications that may require additional support, and including a link on the City website to the Marin Workforce Housing Trust Fund.	<u>Progress/Effectiveness:</u> The Marin County Housing Trust Fund was established in 2004, and Economic Development staff serves on the Loan Committee. <u>Appropriateness for Housing Element update:</u> Remove program. Completed and language consolidated with Program H-6b.

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Program	Accomplishments
H-9c. In-Lieu Fees for Affordable Housing. Dedicate in-lieu fees for affordable housing, including rehabilitation, acquisition and design support for second units and infill housing. Dedicate a portion of the commercial in lieu fees for housing for very low income households.	<u>Progress/Effectiveness:</u> The Housing In-lieu Fee Fund, adopted in 2004 by Ordinance 1831, requires that housing in-lieu fees be placed in a segregated citywide housing in-lieu fee account. The funds in the housing in-lieu fee account, along with any interest earnings accumulated thereon, shall be used solely to increase and expand the supply of housing affordable to very low, low, and moderate-income households. To date, the City has collected over one million dollars. The largest contribution to this fund was from Target store project, (\$750,000) which chose to not build the units on site, and rather pay the in lieu fee. <u>Appropriateness for Housing Element update:</u> Revised program – renumber as Program H-6a. Expanded description, including projected funding amounts and objective to direct funding towards acquisition/rehab rather than new construction.
H-9d. Technical Assistance to Housing Developers. Continue to provide staff expertise and assistance to housing developers on methods and resources available to reduce the cost of housing units.	<u>Progress/Effectiveness:</u> Economic Development staff had contacts with the housing developers for 524 Mission, 809 B St, 706 Third Street, Whistlestop and Loch Lomond Marina Project and Northgate Mall. <u>Appropriateness for Housing Element update:</u> Remove program. Addressed under renumbered Program H-4b Community Collaboration.
H-9e. Funding Resources. Work with community and elected leaders to identify potential revenue sources that support local affordable housing initiatives, and to leverage the City’s and Redevelopment Agency’s affordable housing funds.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved. <u>Appropriateness for Housing Element update:</u> Maintain program. Added objective to secure 2 new funding sources (renumbered Program H-6b).

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H-9f. 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.	<u>Progress/Effectiveness:</u> See H-7a. <u>Appropriateness for Housing Element update:</u> Maintain Program. (renumbered Program H-6c)
H-9g. Waiver or Reduction of Fees. Continue to offer fee waivers and reductions for applications including affordable units, consistent with Resolution 11025.	<u>Progress/Effectiveness:</u> In 2012, the City eliminated the traffic mitigation fee required for second units. Since 2010, the City has not adopted any increases in planning or building permit fees. A fee waiver is available consistent with the provisions of Resolution No. 11025. There were no requests for a fee waiver for housing projects during the planning timeframe. <u>Appropriateness for Housing Element update:</u> Move to a renumbered Program H-17c - Waiver or Reduction of Fees (under new policy Regulatory Processes and Incentives for Affordable Housing).
H-9h. Funding for Very Low Income Housing. Work with Marin County, the Chamber of Commerce and Marin Community Foundation to identify approximately \$1,000,000 for funding for housing for very low income households.	<u>Progress/Effectiveness:</u> Redevelopment Agency dissolved. <u>Appropriateness for Housing Element update:</u> Remove program. Addressed within renumbered Program H-6b to pursue outside funding sources and a minimum of \$200,000, and renumbered Program H-9d - Housing for Extremely Low Income Households.

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Program	Accomplishments
H-10. PROTECTION OF THE EXISTING HOUSING STOCK	Policy carried forward (renumbered to H-7)
H-10a. 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.	<u>Progress/Effectiveness:</u> There have been no condominium conversions as the rental vacancy rate remained below 5 percent. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-7a)
H-10b. Preserving Existing Rental Housing Affordable to Low Income Households through Ongoing Affordability Restrictions. Continue to work with nonprofit housing organizations seeking to acquire and rehabilitate affordable rental housing units in order to maintain ongoing affordability of the units. Post and update as necessary information about the Redevelopment Agency's housing conservation program and other funding opportunities and programs appropriate for nonprofit housing organizations on the City's website.	<u>Progress/Effectiveness:</u> Economic Development staff continues to provide management and oversight of affordable rental housing units in the City. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-7b. Preserving Existing Rental Housing Affordable to Low Income Households at Risk for Conversion) Updated scope.

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Program	Accomplishments
H-10c. Canal Housing Improvement Program. Work with the Canal Housing Improvement Program (CAHIP) citywide as a housing conservation program to provide financial assistance for nonprofit housing organizations to acquire and rehabilitate existing poorly maintained rental units and assure long-term affordability of the units (see Program 10 (b)). Post and update as necessary information about the Redevelopment Agency’s housing conservation program and other funding opportunities and programs appropriate for nonprofit housing organizations on the City’s website.	<u>Progress/Effectiveness:</u> Program was funded by Redevelopment Agency, which has been dissolved. <u>Appropriateness for Housing Element update:</u> RDA funding no longer available to support. Integrated within renumbered Program H-6a – In-Lieu Fees for Affordable Housing as an eligible activity.
H-10d. Canal Affordable Safe and Healthy Housing. The Canal Affordable Safe and Healthy Housing (CASH) program was expanded citywide to provide forgivable rehabilitation loans to private owners in exchange for long-term affordability of a certain portion of units. Information on this program and other funding opportunities and programs appropriate for private rental property owners is posted on the City’s website and updated as necessary.	<u>Progress/Effectiveness:</u> Program was funded by Redevelopment Agency, which has been dissolved. <u>Appropriateness for Housing Element update:</u> RDA funding no longer available to support. Integrated within renumbered Program H-6a – In-Lieu Fees for Affordable Housing as an eligible activity.
H-10e. 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.	<u>Progress/Effectiveness:</u> The City defended its Mobilehome Rent Stabilization Ordinance in litigation filed in 1999 by the owners of the Contempo Marin Mobilehome Park. In 2013, the Ninth Circuit Court of Appeals rejected the park owner’s contentions that the ordinance violates its constitutional rights, and upheld the ordinance. The U.S. Supreme Court has since denied certiorari, so the case is over and the ordinance remains in effect. Ongoing. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-7e)

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Program	Accomplishments
H-11. HOUSING CONDITIONS AND MAINTENANCE	Policy carried forward (renumbered to H-8)
H-11a. Apartment Inspection Program. To assure safe living conditions, continue to enforce housing codes for all apartment projects three units or larger in size.	<u>Progress/Effectiveness:</u> H-11a - All properties developed with 3 or more units and all hotel/motel units in the city are inspected to ensure safety. The program strives to inspect all 7,636 units in the city every 5 years. Since 2010, the city has been on the 2nd round of inspections. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-8a)
H-11b. 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.	<u>Progress/Effectiveness:</u> The City has a Development Coordinating Committee meetings that is held bi-weekly to review all development submittals and other matters of interdepartmental concerns. Attending departments include Fire, Police, Building, Planning, Code Enforcement and Public Works. In addition, when the need arises, the Code Enforcement Division has strong relationships with outside agencies, such as the County Health Department, to addresses certain larger issues through a coordinated effort. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-8b) Integrate program prior Program H-12a (investigate and abate illegal units) within program
H-11c. Rehabilitation and Energy Loan Programs. Coordinate with other organizations, including the Marin Housing Authority and PG&E, to continue to provide and expand rehabilitation loan and grant programs to eligible homeowners and renter households.	<u>Progress/Effectiveness:</u> Continuing. <u>Appropriateness for Housing Element update:</u> Refine program to focus on CDBG funded rehab and add quantifies objectives for assistance. (renumbered Program H-8c Residential Rehabilitation Loan Programs)

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Program	Accomplishments
H-11d. Volunteer Efforts. Continue to work with community service clubs and organizations on volunteer labor-assistance housing improvement programs for homeowners physically or financially unable to maintain their properties. Support such programs through volunteer coordination and assistance, public information campaigns, and financial assistance.	<u>Progress/Effectiveness:</u> No activity on this program since 2011. <u>Appropriateness for Housing Element update:</u> Remove program. Implemented but volunteer group has since been disbanded.
H-11e. Maintenance of Older Housing Stock. Pursue funding for conservation and rehabilitation of the viable older housing units to preserve neighborhood character and, where possible, to retain a supply of low- and moderate-income units. Allocate a portion of annual CDBG funds for the County Home Rehabilitation program, which provides funding for owner-occupied homes and group homes for the disabled. In addition, provide Redevelopment Agency funds to nonprofits to purchase and rehabilitate existing multifamily housing, and continue to require the recordation of long term affordability covenants on the property.	<u>Progress/Effectiveness:</u> Economic Development staff worked with Marin Housing Authority, Ritter House and Marin Center for Independent Living in assisting with their rehabilitation programs. <u>Appropriateness for Housing Element update:</u> Remove program. Addressed under Residential Rehabilitation Loan Program (renumbered H-8c) and In-Lieu fees for Affordable Housing Program (renumbered H-6a).
H-11f. Relocation Assistance. Require applicants to provide certain limited relocation assistance for low-income tenants displaced by development, 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.	<u>Progress/Effectiveness:</u> On-going. Reviewed as part of all development application involving displacement of existing residences qualifying as low income households. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumber Program H-8d)

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Program	Accomplishments
H-12. ILLEGAL UNITS	Policy removed (consolidated into renumbered H-8b Code Enforcement and Public Information Programs)
H-12a. Investigation and Abatement or Legalization of Units Built without Required Permits. 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.	<u>Progress/Effectiveness:</u> This is an on-going task completed by code Enforcement and Building Division. Code enforcement responds to complaints about illegal units, while Building Division, investigates a part of Resale inspection. Planning Division provides assistance to property owners for potential legalization of a unit. <u>Appropriateness for Housing Element update:</u> Consolidated with Program H-11b - Code Enforcement and Public Information Programs.
H-13. SPECIAL NEEDS	Policy carried forward (renumbered to H-9)
H-13a. Adaptive Housing. Ensure compliance with State and Federal requirements for accessible units.	<u>Progress/Effectiveness:</u> Building Division holds regular "coffee and codes" meetings with design and construction industry members to discuss ADA requirements. Building staff reviews residential plans for compliance with State accessibility requirements. Staff continues to use a standardized set of forms to streamline the review of disabled accommodation complaints. In addition, the department has an established timetable for review and staff duties to ensure timely and complete responses. <u>Appropriateness for Housing Element update:</u> Maintain program. Additionally, aim to conduct regular meetings with design and construction industry members. (renumbered Program H-9a)

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Program	Accomplishments
H-13b. Reasonable Accommodation. Review and amend zoning regulations as necessary to provide individuals with disabilities reasonable accommodation in rules, policies, practices and procedures that may be necessary to ensure equal access to housing. The purpose of this is to establish a specific process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from various land use, zoning, or building laws, rules, policies, practices and/or procedures of the City.	<u>Progress/Effectiveness:</u> City has a Reasonable Accommodation Ordinance and applications are processed in accordance. <u>Appropriateness for Housing Element update:</u> Maintain program (renumbered Program H-9b). Add new Program H-9c – Housing Opportunities for Persons Living with Disabilities – to specifically address needs of persons with developmental disabilities.
H-14. INNOVATIVE HOUSING APPROACHES	Policy carried forward (renumbered to H-10)
H-14a. Manufactured Housing. Continue to allow quality manufactured housing in all zoning districts which allow single-family residences.	<u>Progress/Effectiveness:</u> No applications received during the planning period. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-10b)
H-14b. Zoning for Live/Work Opportunities. Review implementation of live/work and provisions in the Zoning Ordinance and amend as appropriate to ensure effective standards that encourage live/work projects.	<u>Progress/Effectiveness:</u> Ordinance amendment completed in 2004 to allow live work. No applications received in this planning period. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-10d)
H-14c. 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. Continue to utilize Redevelopment Housing Funds as available to protect the existing SRO unit supply.	<u>Progress/Effectiveness:</u> Completed 2004 with adoption of zoning amendments. No applications or inquiries received in this planning period. <u>Appropriateness for Housing Element update:</u> Maintain program. Remove reference to RDA Housing Funds. (renumbered Program H-10c)

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Program	Accomplishments
H-14d. 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.	<u>Progress/Effectiveness:</u> No inquiries received during the reporting period. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-10a)
H-15. HOUSE SHARING	Policy carried forward (renumbered to H-11)
H-15a. Homesharing and Tenant Matching Opportunities. Continue to support, and consider increased participation in, the Shared Housing Project in collaboration with the Marin Housing Authority.	<u>Progress/Effectiveness:</u> No inquiries received during the planning period. <u>Appropriateness for Housing Element update:</u> Maintain program. Replace "Marin Housing Authority" with "community partners." (renumbered Program H-11a)
H-16. RESIDENTIAL CARE FACILITIES AND EMERGENCY SHELTERS	Policy carried forward (renumbered to H-12)
H-16a. Countywide Efforts to Address Homeless Needs. Work with other jurisdictions and agencies in Marin to provide emergency, transitional, and supportive housing and assistance for families and individuals who are homeless. Continue to support and allocate funds, as appropriate, for programs providing emergency, supportive, and/or transitional shelter and counseling services.	<u>Progress/Effectiveness:</u> Staff is participating in a countywide effort to seek permanent housing opportunities for homeless as well as increase the temporary housing for homeless. The approved a REST (temporary rotating emergency shelter program) at one church within the city to house up to 20 men. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-12a)

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Program	Accomplishments
H-16b. Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities. Where determined necessary during review of an application for a Use Permit application, encourage positive relations between neighborhoods and providers of emergency shelters and residential care facilities by requiring shelter outreach communication programs with the neighborhoods.	<u>Progress/Effectiveness:</u> No applications processed for emergency shelter for residential care facilities and permanent program. For temporary shelter, the City received one application during this period and this program was well received by public, thus no issues were present to require City involvement. <u>Appropriateness for Housing Element update:</u> Maintain program. Eliminate reference to Use Permit. (renumbered Program H-12b)
H-16c. 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 rentals with access to market-rate services.	<u>Progress/Effectiveness:</u> No need to change current regulations for Residential Care facilities during this part period. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-12c)
H-16d. Emergency Shelters. Revise the zoning ordinance to allow emergency shelters as required by State law. Continue to allow emergency shelters with a use permit in areas zoned for office and commercial uses, including those areas designated as General Commercial, Retail/Office, Residential/Office, Industrial, Light Industrial/Office, and Public/Quasi-Public on the Land use Map. Amend the zoning ordinance to comply with State law and designate the LI/O and other zoning districts south of Bellam and east of highway 580 where San Rafael's need for shelter beds as described in Appendix B may be provided without a use permit or other discretionary City approvals, and with appropriate performance standards as allowed by State law.	<u>Progress/Effectiveness:</u> Zoning ordinance amendment drafted to address this change and scheduled for review and adoption in Winter 2014. <u>Appropriateness for Housing Element update:</u> Refine program to reflect zoning code amendment adopted consistent with SB2 to allow shelters by right and to explicitly provide for transitional and supportive housing as a residential use. (renumbered Program H-12d)

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Program	Accomplishments
H-16e. Transitional and Supportive Housing. Amend the zoning ordinance, consistent with State and Federal law, to recognize transitional and supportive housing as residential uses, subject to the restrictions and standards of similar residential dwellings in the same zone.	<u>Progress/Effectiveness:</u> Amendments to Zoning Ordinance defining transitional and supportive housing have been drafted and are scheduled for review and adoption in in Winter 2014. <u>Appropriateness for Housing Element update:</u> Consolidated with renumbered Program H-12d - Emergency Shelters, Transitional and Supportive Housing.
H-17. SENIOR HOUSING	Policy carried forward (renumbered to H-13)
H-17a. Assisted Living. Amend the zoning ordinance to provide regulations for new assisted living housing.	<u>Progress/Effectiveness:</u> This program has not been completed. <u>Appropriateness for Housing Element update:</u> Maintain program. Evaluate establishing inclusionary housing requirements for assisted living. (renumbered Program H-13a)
H-17b. Deleted	Remove.
H-17c. “Age-in-Place” Assistance. 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.	<u>Progress/Effectiveness:</u> Maintain. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-13b)

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H-18. ADEQUATE SITES	Policy consolidated and carried forward (renumbered to H-14)
H-18a. Affordable Housing Sites. 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).	<u>Progress/Effectiveness:</u> The City continually encourages development when approached by housing developers of the sites listed in Appendix B. <u>Appropriateness for Housing Element update:</u> Maintain program. Rename "Residential and Mixed Use Sites Inventory." (renumbered Program H-14a)
H-18b. 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. Amend the zoning ordinance to allow residential use as a permitted use in Downtown zoning districts.	<u>Progress/Effectiveness:</u> No residential only development projects for multi-family housing have been approved since 2011. Zoning Ordinance amendments have not been processed and housing downtown requires an Admin Use Permit to ensure compatibility with surrounding commercial uses. <u>Appropriateness for Housing Element update:</u> Maintain program. Zoning ordinance amendment completed. (renumbered Program H-14b)
H-18c. CEQA review. Use CEQA exemptions for infill development whenever possible. If environmental review is warranted, require the appropriate level of review based on the environmental issues identified in the initial study.	<u>Progress/Effectiveness:</u> No residential only development projects for multi-family housing have been approved since 2011. One downtown housing project currently under review has necessitated the preparation of an EIR, solely due to the historic nature of a building on site that is listed on a State historical list. <u>Appropriateness for Housing Element update:</u> Integrate within renumbered Program H-17d - Efficient Project Review.

Program	Accomplishments
H-18d. Reuse of Commercial Sites. Encourage adaptive reuse of vacant buildings and underutilized sites with residential and mixed use development on retail, office and appropriate industrial sites. In addition: a. Explore zoning regulation incentives to encourage lot consolidation where needed to facilitate housing. b. Review zoning requirements for retail in a mixed use building or site, and to amend the zoning ordinance as necessary to allow for residential-only buildings in appropriate mixed use zoning districts.	<u>Progress/Effectiveness:</u> All commercial zoning districts and most light industrial districts allow mixed use development and current regulations allow the additive intensity of the maximum residential density and maximum floor area ratio to encourage redevelopment. Zoning regulations that would encourage lot consolidations are difficult to define, so <i>section a</i> of the program is proposed for removal. <u>Appropriateness for Housing Element update:</u> Refine as “Zoning Provisions to Encourage Mixed Use” to promote mixed use and higher density development within the Downtown. (renumbered Program H-14c)
H-18e. Underutilized Public and Quasi-Public Lands for Housing. Explore effective ways to share housing site information and developer and financing information to encourage housing development of underutilized institutional lands (City, County, School District, Sanitation District, religious institutions, etc.).	<u>Progress/Effectiveness:</u> No inquiries in this period. <u>Appropriateness for Housing Element update:</u> Remove program. Incorporated under renumbered Program H-14a residential and Mixed Use Sites Inventory.
H-18f. 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.	<u>Progress/Effectiveness:</u> No inquiries or requests since last housing element update. <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-14d)

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Program	Accomplishments
H-18g. Revisions to the Parking Standards. Review parking standards, and amend the zoning ordinance to allow for more flexible parking standards for housing development. Issues to study include the following: a. Parking issues in neighborhoods with congested on-street parking. b. Reduced parking requirements for projects in close proximity to a SMART station. c. Tandem Parking. d. Residential parking in public lots and garages. e. Shared parking for mixed use. f. A parking reserve designated for parking if needed in the future, but in the interim, the area is landscaped or used as a tot lot or gardens. g. Designated, secure bicycle parking areas. h. Expanded or new parking district(s) to address parking issues around the new SMART stations. i. Flexible parking design in structures regarding minimum parking stall and aisle width dimensions.	<u>Progress/Effectiveness:</u> No progress on this program. Revisions continue to be encouraged. Some of the study issues to study were addressed in the Downtown Station Area Plan. <u>Appropriateness for Housing Element update:</u> Remove program. Downtown parking analysis integrated within renumbered Program H-15a - Downtown Station Area Plan, followed by re-evaluation of parking standards on a citywide basis.
H-18h. Staff Consultation. Continue to provide developers conducting a feasibility analysis of potential housing development a consultation with staff to identify potential design and/or zoning considerations, such as methods for early discovery of historic resources and mitigation(s).	<u>Progress/Effectiveness:</u> On-going with every development inquiry. <u>Appropriateness for Housing Element update:</u> Remove program. Done as matter of course, unnecessary to call out as program.
H-18i. Las Gallinas Sanitary District Fees. Work with other local jurisdictions to lobby Las Gallinas Valley Sanitary District to reduce fees for water for affordable housing and for second units.	<u>Progress/Effectiveness:</u> Some progress has been made to lobby to reduce connection fees, however to date, no change in fees. <u>Appropriateness for Housing Element update:</u> Integrated with renumbered Program H-17c - Waiver or Reduction of Fees.

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Program	Accomplishments
H-18j. Housing for Extremely Low Income Households. To meet the needs of extremely low income households, prioritize some set-aside funds and in lieu 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.	<u>Progress/Effectiveness:</u> Ongoing. <u>Appropriateness for Housing Element update:</u> Maintain program. Eliminate reference to RDA set-aside. (renumbered as Program H-9d)
H-18k. Lot Consolidation. To promote redevelopment of underutilized mixed use sites and to provide more design options, amend the zoning ordinance to provide a 12 foot (one story) height bonus where two or more lots are consolidated into one parcel of at least 10,000 square feet.	<u>Progress/Effectiveness:</u> No progress on this program. <u>Appropriateness for Housing Element update:</u> Integrated within renumbered Program 17b – Height Bonuses. Lot consolidation also addressed under Program H-14c - Zoning Provisions to Encourage Mixed Use.
H-22. INFILL NEAR TRANSIT (REFINED AND MOVED TO THIS NEW LOCATION)	Policy refined and carried forward (renumbered to H-15)
H-25 SECOND UNITS (REFINED AND MOVED TO NEW THIS LOCATION)	Policy refined and carried forward (renumbered to H-16)
H-17. REGULATORY PROCESSES AND INCENTIVES FOR AFFORDABLE HOUSING	NEW POLICY with programs consolidated from other sections (renumbered to H-17)
H-19. INCLUSIONARY HOUSING REQUIREMENTS	Policy carried forward (renumbered to H-18)
H-19a. Inclusionary Housing. 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. Evaluate the Inclusionary Housing Ordinance in light of recent court decisions. Amend as necessary, consistent with State law.	<u>Progress/Effectiveness:</u> Due to changes in inclusionary housing laws, program for rental housing may require deleting this requirement. However, requirements may be retained if supported by a nexus study which demonstrates the need to retain based on community demographics and maintaining a jobs/housing balance. <u>Appropriateness for Housing Element update:</u> Refine as “Inclusionary Housing Nexus Study.” (renumbered Program H-18a)

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Program	Accomplishments
H-20. PROTECTION OF EXISTING AFFORDABLE HOUSING	Policy carried forward (Programs moved and consolidated into other Policy sections)
H-20a. BMR Resale Regulations. Continue to require resale controls on ownership BMR units to assure that units remain affordable to very low, low, and moderate-income households. Continue to monitor database with Marin Housing.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered/renamed as Program H-7d)
H-20b. BMR Rental Regulations. Continue to require ongoing reporting for BMR rental projects to assure that these units remain at an affordable price level.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Maintain program, consolidate under renumbered Program H-7b. (Preserving Existing Rental Housing Affordable to Low Income Households)
H-20c. “At Risk” Units. Continue to identify and monitor assisted properties at risk of conversion to market rate housing so that these units are retained to the extent possible as part of the city’s affordable housing stock. For housing that is identified as being at risk, monitor compliance with California Government Code Sections 65863.10 and 65863.11 including required notifications to existing residents and the California Department of Housing and Community Development. Notify previously identified nonprofit organizations with the capacity to acquire the units. Support CDBG and HOME and other applications for Federal or State funding to assist nonprofit housing groups to acquire the units. The San Rafael Redevelopment Agency’s 2010/11-2014/15 Implementation Plan includes a housing conservation program to assist nonprofit housing organizations to acquire existing housing units, including at risk units.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Maintain program, consolidate under renumbered Program H-7b. (Preserving Existing Rental Housing Affordable to Low Income Households)

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Program	Accomplishments
H-21. DENSITY BONUS AND OTHER REGULATORY INCENTIVES FOR AFFORDABLE HOUSING.	Policy carried forward (Programs moved and consolidated into other Policy sections or removed)
H-21a. State Density Bonus Law. Continue to offer density bonuses consistent with the State Density Bonus Law.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-17a)
H-21b. Exceptions from Zoning Standards for Density Bonus Development. For density bonus development, provide limited zoning exceptions to allow minor site adjustments from development standards (e.g. parking, lot coverage, setback, height standards) to accommodate density bonuses for affordable housing. The exception(s) should be subject to the type of housing, size and unit mix, location and overall design. Provide early design review to assist with design issues related to a height bonus. Explore amending the ordinance to apply to projects smaller than five units.	<u>Progress/Effectiveness:</u> On-going. Exceptions already allowed for density bonus projects and these exceptions are identified in Zoning Ordinance. At this time, small projects(<5 units) do not qualify and the issue has not been studied . <u>Appropriateness for Housing Element update:</u> Eliminate program. State density bonus requirements presented in renumbered Program H-17a.
H-21c. Height Bonuses. Continue to offer height bonuses for projects that include affordable housing units as provided in Exhibit 10 of the Land Use Element. Explore appropriate locations for additional height bonuses where needed to encourage lot consolidations.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Maintain program. (renumbered Program H-17b)

Program	Accomplishments
H-21d. Revisions to the Parking Standards. Consider amendments to parking standards and amend the zoning ordinance as necessary to encourage the creation of affordable housing units, consistent with the considerations in Program H-18g (Revisions to Parking Standards).	<u>Progress/Effectiveness:</u> Completed - Amendments to zoning ordinance have been made since 2004 to lower parking rates and allow for tandem parking for residential projects in downtown as well as to allow use of state parking rates and tandem parking for residential projects that qualify for a density bonus outside of downtown. <u>Appropriateness for Housing Element update:</u> Remove program. Downtown parking analysis integrated within Program H-15a - Downtown Station Area Plan.
H-22. INFILL NEAR TRANSIT	Policy carried forward (Policy and Programs moved to new H-15 and consolidated)
H-22a. Higher Density Infill Housing Near Transit. Study underutilized sites near transit hubs, SMART stations, and transit corridors that are not currently zoned for housing to evaluate potential for rezoning to allow high-density residential uses.	<u>Progress/Effectiveness:</u> In 2012, the City completed the Downtown Station Area Plan and Civic Center Station Area plan, which identifies sites to study for high density housing. <u>Appropriateness for Housing Element update:</u> Integrated within comprehensive renumbered Program H-15a Downtown Station Area Plan and new Program H-15b – Civic Center Station Area Plan.
H-22b. Station Area Plans. Complete the Station Area Plans for the Downtown and Civic Center SMART station areas. Revise the Zoning Ordinance to implement the recommendations of the final plans.	<u>Progress/Effectiveness:</u> H-22b - Plans completed and accepted. <u>Appropriateness for Housing Element update:</u> Integrated within comprehensive renumbered Program H-15a Downtown Station Area Plan and new Program H-15b – Civic Center Station Area Plan.

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Program	Accomplishments
H-23. MIXED USE	Policy carried forward (Programs moved and consolidated into other Policy sections)
H-23a. Zoning Amendments to Encourage Mixed Use. Review existing development standards to encourage housing development in mixed use zones. Incentives can include reduced and shared parking based on the use mix and allowances for tandem, shared, and off-site parking.	<u>Progress/Effectiveness:</u> No action <u>Appropriateness for Housing Element update:</u> Integrated within renumbered Program H-14c - Zoning Provisions to Encourage Mixed Use, renumbered Program H-15a - Downtown Station Area Plan and new Program H-15b - Civic Center Station Area Plan.
H-24. CONTRIBUTIONS TOWARDS EMPLOYEE HOUSING	Policy carried forward (Programs moved and consolidated into other Policy sections or removed)
H-24a. Jobs/Housing Linkage Ordinance. Continue to implement the affordable housing zoning requirement for nonresidential development projects.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Integrated within renumbered Program H-6a – In Lieu Fees for Affordable Housing.
H-24b. Employee Housing Opportunities. Work with businesses, public agencies, and local school districts to seek opportunities to help employees find local housing, such as new construction, purchasing or leasing larger facilities to provide local housing opportunities, mortgage buy-downs or subsidies, rent subsidies, etc. Seek the commitment of philanthropic and non-profit housing organizations and others to address employee-housing opportunities.	<u>Progress/Effectiveness:</u> On-going <u>Appropriateness for Housing Element update:</u> Remove program. Integrate within renumbered Program H-4b – Community Collaboration.

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Program	Accomplishments
H-25. SECOND UNITS	Policy carried forward (Policy and Programs moved to new H-16 where old programs were consolidated and new programs were added)
H-25a. New Second Units. Encourage second units, including some second units as part of new single-family development.	<u>Progress/Effectiveness:</u> On-going - Second units are encouraged by staff in all development inquiries. <u>Appropriateness for Housing Element update:</u> Consolidated into single program addressing second units (renumbered Program H-16a). Component addressing reduced fees for second units integrated within renumbered Program H-17c (Fee Waivers/Reductions). Create new program to adopt standards to facilitate junior second units (Program H-11b - renumbered).
H-25b. Second Unit Assistance. Provide staff assistance to explain financing options, recommend design options to designers, assist property owners with preparing a rental management process, and guide property owners through the process of legalizing an illegal unit.	<u>Progress/Effectiveness:</u> On-going. Community Development Department has prepared helpful informational handouts to assist property owners in determining feasibility of a second unit. <u>Appropriateness for Housing Element update:</u> Consolidated into single program addressing second units (renumbered Program H-16a). Component addressing reduced fees for second units integrated within renumbered Program H-17c (Fee Waivers/Reductions). Create new program to adopt standards to facilitate junior second units (Program H-11b - renumbered).

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Program	Accomplishments
H-25c. Publicity. Promote second units through the City’s newsletter, workshops, updates as needed of the Community Development Department’s second unit handout, and use of the City’s website.	<u>Progress/Effectiveness:</u> On-going. The City regularly updates its informational handout that is available on the web and at the counter to promote and inform on requirements for a second units. <u>Appropriateness for Housing Element update:</u> Consolidated into single program addressing second units (renumbered Program H-16a). Component addressing reduced fees for second units integrated within renumbered Program H-17c (Fee Waivers/Reductions). Create new program to adopt standards to facilitate junior second units (Program H-11b - renumbered).
H-25d. Required Parking for Second Dwelling Units. Explore zoning amendments to permit a waiver or reduction in the required off-street parking for second dwelling units.	<u>Progress/Effectiveness:</u> On-going. Some amendments to the Zoning Ordinance have been made to allow for more flexible options for second units. <u>Appropriateness for Housing Element update:</u> Consolidated into single program addressing second units (renumbered Program H-16a). Component addressing reduced fees for second units integrated within renumbered Program H-17c (Fee Waivers/Reductions). Create new program to adopt standards to facilitate junior second units (Program H-11b - renumbered).

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Program	Accomplishments
H-25f. Detached Second Dwelling Unit Stock Plans. Reduce barriers, such as design and permit fees, to building second units by developing a program to assist property owners who want to add a detached second dwelling unit on their property. Work with architects and residents to prepare stock plans appropriate for second units in San Rafael neighborhoods.	<u>Progress/Effectiveness:</u> Use of stock plans for second units was explored as part of the 2010 second dwelling unit progress report and the feasibility was dismissed given that the opportunities are limited, given the city's hillside topography and other physical challenges. <u>Appropriateness for Housing Element update:</u> Consolidated into single program addressing second units (renumbered Program H-16a). Component addressing reduced fees for second units integrated within renumbered Program H-17c (Fee Waivers/Reductions). Create new program to adopt standards to facilitate junior second units (Program H-11b - renumbered).

C. SUMMARY OF QUANTIFIED OBJECTIVES

The following table summarizes the City's quantified objectives contained in San Rafael's 2009-2014 Housing Element. A comparison of goals and the progress that has been made is shown below in Table B5.2.

Table B5.2: Quantified Objectives for San Rafael's 2009-2014 Housing Element

Income Level	New Construction Objectives**		Rehabilitation Objectives***		Conservation Objectives****	
	Goal	Progress	Goal	Progress	Goal	Progress
Extremely Low* (0% - 30% AMI)	131	13	10		29	29
Very Low (31% - 50% AMI)	131	15	25	108	188	188
Low (51% - 80% AMI)	207	23	40	6	256	240
Moderate (81% - 120% AMI)	288	0	2		285	281
Above Moderate (>120% AMI)	646	92	0		0	15
Totals	1,403	143	77	114	787	767

Source: City of San Rafael

*Extremely low income category is half the RHNA allocation for very low income housing need.

**New Construction: Goal reflects 2007-2014 RHNA. Progress reflects residential building permits issued between 1/2007 and 12/2013.

***Rehabilitation: Goal reflects Canal Affordable Safe and Healthy Living Program, Marin Housing Authority Rehabilitation Program and Marin Center for Independent Living access modification program. Progress reflects accomplishments under these programs between 2009 and 2013.

****Conservation: Goal reflects maintaining affordability on 670 BMR rental units and 117 BMR ownership units produced through the City's inclusionary program. During this time period the city lost four moderate income ownership units and 26 low income rental units, and gained four new lower income rental units. The loss of the lower income rental units occurred due to a housing bond payoff at the Highlands of Marin, which was invoked after the bond payoff which reduced the actual unit loss. The City's agreement was for 18 low income units and 15 moderate income units.

Between 2007 and 2013, the city's housing supply increased by 143 units. Table B5.3 shows the number of units added during the previous RHNA cycle. Relative to the RHNA of 1,403, construction was modest in all income levels. Both multifamily developments and second units have been sources of affordable housing during the previous RHNA period. The completion of the multifamily project on 33 San Pablo Ave included 8 very low income units and 8 low income units. A project to include a new low income on 75 Plum Tree Ln added another affordable unit. Thirty-four second units contributed to the affordable housing supply between 2007 and 2013.

Table B5.3: Housing Units by Income Level Constructed between 2007 and 2013

	Very low**	Low**	Moderate	Above Moderate	Total
2007	3*	2*	-	10	15
2008	3*	3*	-	5	11
2009	3*	2*	-	2	7
2010	4*	4 (three 2nd units)	-	2	10
2011	3*	2*	-	2	7
2012	3*	2*	-	2	7
2013	9 (one 2 nd unit)	8	-	69	86
Total	28	23	0	92	143

Source: City of San Rafael Community Development Department, 2014

*Second units approved (affordability estimated)

**Affordability of second units is estimated to be 39% to extremely low income, 16% to very low income, 45% to low income based on *Table B2.4 Survey of Second Units*. Second unit production in each year (34 total) is as follows: 2007 (5), 2008 (6), 2009 (5), 2010 (7), 2011 (5), 2012 (5) and 2013 (1).



APPENDIX B-6. PUBLIC PARTICIPATION

A. PUBLIC PARTICIPATION PROCESS

The City was engaged in a number of public outreach efforts to receive feedback from the community and other interested parties about housing needs in San Rafael. Notification for the Housing Element Update was printed 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. Through the notifications, the community was invited to participate in public meetings and encouraged to express thoughts on housing needs in San Rafael. Planning Commission Study Sessions provided an open forum for members of the public to learn more about the Housing Element update process, obtain information about the current housing trends in the city, and contribute to the discussion of housing needs. The City also facilitated smaller meetings with focus groups to understand special housing needs.

Two Planning Commission Study Sessions were held.

- The first study session was held on April 29, 2014. Information from the completed Housing Needs Assessment was presented.
- The second study session was held on August 12, 2014. Discussion was on the Housing Element draft as a whole, with focus on policies and programs.

Meetings were also held with groups and organizations representing diverse interests.

- Presentations of the housing needs assessment and draft Housing Element were given 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 organizations promoting quality housing for low income and special needs groups. These organizations included EDEN Housing, Marin Environmental Housing Collaborative, Fair Housing of Marin, Marin Continuum of Housing, Canal Alliance, and Habitat for Humanity. The City held smaller informational focus group meetings with organizations that requested them. A notification list is included in the section below.

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.

B. GROUPS AND INDIVIDUALS THAT HAVE INDICATED INTEREST IN THE HOUSING ELEMENT UPDATE AND RECEIVED NOTIFICATION

Baypoint Lagoon Association
Bayside Acres Homeowners Association
Peacock Estates Homeowners Association
Bret Harte Community Association
Canal Area Property & Business Owners Association
Contempo Marin Homeowners Association
Culloden/Quarry/Twin Oaks Homeowners Association
Fairhills Property Owners Association
Gold Hill Grade Homeowners Association
Laurel Glen Terrace Homeowners Association
Lincoln/San Rafael Hill Neighborhood Association
Loch Lomond Homeowners Association
Loch Lomond Highlands Homeowners Association
Lomita Park Homeowners Association
Los Ranchitos Improvement Association
Marin Bay Park Homeowners Association
Marin Lagoon Homeowners Association
Marina Vista Improvement Club
Meadow Oaks Homeowners Association
Meadows of Terra Linda Homeowners Association
Montecito Area Residents Association
Peacock Gap Homeowners Association
Peacock Point Homeowners Association
Picnic Valley Homeowners Association
Quail Hill Townhouses Homeowners Association
Rafael Bay Townhomes Homeowners Association
San Rafael Meadows Improvement Association
San Pedro Cove Homeowners Association
Santa Margarita Neighborhood Association
Smith Ranch Homes Homeowners Association
Southern Heights
Spinnaker Point Homeowners Association
Villa Marin Homeowners Association
Villa Real Property Owners Association
West End Neighborhood Association
Mont Marin/San Rafael Park Neighborhood Association
Downtown Business Improvement District

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Dominican/Black Canyon Neighborhood Association
Gerstle Park Neighborhood Association
Vista Marin Homeowners Association
Montecito Merchants Association
Bahia de Rafael Fourplex Association
Baywood Terrace Owners Association
Boyd Court Homeowners Association
Canal Alliance
Chapel Cove Owners Association
Drake Terrace
Hartzell Homeowners Association
Peacock Court Homeowners Association
Northgate Mall
North San Rafael Coalition of Residents
Knoll Recreation Association
Knollwood Townhomes
Marinwood Community Services District
Redwood Village Homeowners Association
Santa Venetia Neighborhood Association
Seastrand Homeowners Association
Terra Linda Homeowners Association
Federation of San Rafael Neighborhoods

Marin County Community Dev Agency
City of Larkspur
Town of San Anselmo
San Rafael Sanitation District
LGVSD
Central Marin Sanitation
San Rafael City Schools
Dixie School District
Marin Municipal Water District
Marin LAFCO
Town of Ross
Pacific Gas & Electric
City of Novato - Community Development Dept.
Transportation Authority of Marin
ABAG
Rachel Ginis
Marin County Housing Authority

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League of Women Voters
EDEN Housing
Brad Sears
Marin Environmental Housing Collaborative
Forsher + Guthrie
Sustainable San Rafael
Sustainable Marin
Russell Architects
Greenbelt Alliance
Greenbelt Alliance
Richard Hall
Fair Housing of Marin
Dept of Housing & Community Development
Marin Builders Association
Public Advocates, Inc.
Legal Aid of Marin
Marin Association of Realtors
Marin Conservation League
Environmental Forum of Marin
Community Action Marin
Canal Alliance
Marin Audubon Society
San Rafael Chamber of Commerce
Downtown San Rafael Business Improvement District
Marin Continuum of Housing
Law Offices of David Grabill
Ritter Center
Mill Valley Affordable Housing
Bay Area Legal Aid
Greg Andrew
Habitat for Humanity
West Bay Housing Corporation