



LET'S HOUSE
SAN RAFAEL

ATTACHMENT 1

San Rafael 2023-2031 Housing Element Working Group
Meeting #3
March 17, 2022
MEETING SUMMARY

Attendance

Members Present: *Omar Carrera, Don Dickenson, Linda Jackson, Lorenzo Jones, Cesar Lagleva, Amy Likover, Diana Lopez, Rina Lopez, Jon Previtali, Daniel Rhine, Joanne Webster*

Members Absent: *Andrew Hening (excused), Tom Monahan*

Staff Present: *Alexis Captanian, Alicia Giudice, Barry Miller*

(1/2) WELCOME/ RECORDING OF MEMBERS PRESENT AND ABSENT

The meeting was called to order at 4.00 PM. Roll call was taken.

(3) ACCEPTANCE OF PRIOR MEETING SUMMARIES

The following edits were made to the meeting of February 17, 2022:

- Page 3, typo on third bullet (residents)
- Page 4, item 6. It was requested that staff provide further information where the minutes indicated the “survey was under review”
- Page 3, final bullet. Reference should be corrected to read “In 2026, the first baby boomer turns 80.” Also, reference to silver tsunami is deleted.

Staff notes: The minutes of the 2/17/22 meeting have been edited as described above and may be reviewed [here](#).

The Summary was accepted as edited.

(4) INITIAL OPPORTUNITY FOR PUBLIC COMMENT

There were no initial comments.

(5) DISCUSSION ITEMS

A. Housing Needs Follow-up Discussion

Director Ali Giudice thanked Working Group members for their insightful discussion about housing needs and issues at the February meeting. She noted that the Working Group would be revisiting the comments regarding race, equity, and fair housing that had been raised at the prior meeting, and that a discussion specifically focused on fair housing was being scheduled for later in the Spring. Several Committee members described recent discussions with residents who were struggling to stay in the city due to high costs, including some who stayed and some who moved away. Members also stated that is

was important that City acknowledge past discriminatory practices and work more intentionally to address segregation and fair housing. The City should take a proactive approach to fair housing, rather than a reactive approach.

Barry Miller asked if there was public comment on the item. There was one speaker. Linda Haumann, a member of the Marin Organizing Committee (MOC), indicated that her group was working on affordable housing and strongly supported development at Northgate and on the former Nazareth House site. She indicated that MOC was a potential ally and partner to get projects built—issues related to aging, young couples finding housing, and diversity must be addressed. We need housing for our teachers and service workers to maintain our quality of life.

B. Site Inventory Presentation

Barry Miller provided a PowerPoint presentation on the San Rafael housing site inventory. A copy of the presentation can be reviewed [here](#).

Following the presentation, the following comments were made by Working Group members (*staff responses to questions are in italics*):

- Question about how environmental factors were considered in site evaluation, particularly factors that could be hazardous to future residents such as air pollution on sites near highways. Keep air quality issues in mind, and also need for sites for carbon sequestration. *Staff noted that environmental factors were a consideration—however, the assessor data only indicates the average slopes on properties and not the presence of other hazards. We can note air quality issues in the inventory.*
- Question about how ADUs are counted—are there potential incentives for ADU development other than those required by State law? Is there a chart showing what rents would be considered “affordable” for an ADU? *Staff noted that affordable rents were based on income and household size, and were discussed in the Needs Assessment.*
- Are owners consulted when their properties are counted as opportunity sites? *Staff indicated that this was not required by State law, but staff would be notifying property owners after the list was completed. Notifying owners helps the City make the case to HCD that these are viable sites—although some owners may ask that their sites be removed from the list.*
- How do we know that ADUs are being used for housing and not as AirBNBs? *Staff noted that the City has adopted a short-term rental ordinance. There are provisions that do allow ADUs to be used this way, but these may be re-evaluated if needed. Staff also noted that the City cannot require owners to rent out their ADUs, and we cannot over-rely on them to meet our housing needs. They are only a part of the solution.*
- Since ADUs add residents who need City services, are they subject to the same fees that apply to new multi-family construction? *Staff noted that the State has limited the City’s ability to charge certain fees, but many impact fees still apply.*
- How do we decide how many new units are rentals versus for sale? It is important to have affordable ownership opportunities as well.

- I agree that we should avoid residential uses in air pollution hot spots. This can contribute to asthma. But there may also be commercial areas that would benefit from looser restrictions that facilitate housing development.
- Please post the list of sites on the website once it is finalized, and possibly offer property owners the chance to add their sites if eligible.
- Please share PPT slides in advance of the meeting when feasible.
- We should be asking what the factors are that caused so many of the sites in the last element to not be developed. Also, what was special about the sites that were developed that got them through the funnel? What enabled them to be built, and not others?
- I'm impressed to see how many sites we have with the potential for housing, particularly commercially zoned sites. We need to focus on sites that can be realistically developed by 2031, which can be a challenge. Many of these sites won't be developed in the next 8 years. This is particularly true for lower income units, since required funding is limited and the pre-development process can be challenging.
- Does the Assembly Bill that gave Marin County an exception to required densities on housing sites apply in San Rafael? Another Working Group member indicated that this requirement didn't apply in San Rafael, and that we used a 30 unit per acre minimum for lower income sites.
- How do we count Northgate? The previous inventory only assumed 200 units here—but it's a recycled site, so do we have to allow housing by right here? *Staff replied that the current proposal was the develop Northgate in phases, and we were only looking at what was likely by 2031. However, this would be more than 200 units, so perhaps a portion would be by right. This is a legal question and we will investigate.*
- An 18-acre site in the prior inventory (near Dominican) was just acquired by a wildlife conservation group, so it is now off the table. There may be opportunities on the Dominican campus, however.
- Marin Square is less viable now than it was in 2014 when the last inventory was done.
- Even with all of these sites, we are unlikely to meet the RHNA for very low and low income due to the way tax credits are allocated. There are state financing policies that dictate which sites are viable, namely the TCAC (Tax Credit Allocation Committee) opportunity map. Funding became more competitive in 2018. The map has areas designated based on resource levels. As of right now, applications are not getting through unless the site is in the highest resource areas. Another metric to determine eligibility for funding is called DDA (difficult to develop areas, which are often wealthy). There's also QCT (qualified census tract), which are areas of higher poverty designated by HUD. If your site is not in one of these areas, it is much harder to finance a project. Also, if your site can't support at least 40 units, it's hard to find a tax credit investor. At 40 units, a project will barely pencil out. These things are beyond the City's control, but they mean that many of these sites will still be vacant or underused in 8 years.
- The State keeps loading up on requirements to make the sites inventory more accurate. Yet housing sometimes gets built on sites we never even thought of rather than the designated Housing Element sites. Moreover, our definition of "low income" is skewed because we are in an affluent area. Our

analysis should address the fact that our greatest needs are very low and extremely low income. Given these factors, we should plan for as large a buffer as possible in our opportunity sites.

- Can we see the sites distributed by Council district? Can we ask developers and property owners about obstacles to redevelopment of these sites?
- Air quality is not a major constraint here—our air quality is generally good, and there are mitigation measures in construction that can reduce this issue. Also electric vehicle switch over may reduce some of the air quality hot spots.
- Contact Marin Interfaith Council to reach all religious institutions in Marin to see if they are open to housing on their properties. Lutheran Church, Victory Village in Fairfax are examples of this.
- Look at the north side of Miracle Mile as a future opportunity site. We thought about this area last time, but didn't list sites here. Also, note that some of the sites listed in 2014 that got developed were less than 20 units. The parcels may be small but are important to help meet the need. Take a second look at low-rise apartments on Nova Albion, Downtown sites like Westamerica Bank, and sites like Nazareth House.
- Check laws about counting assisted living. **Recent court case indicates these can be counted as dwelling units. [correction 4/21]**
- SB9 may have limited impacts on our housing potential but we should ask developers their thoughts on how to get units out of it.
- Allow higher densities in the neighborhood commercial zoning district.
- Remove the ground floor retail requirement in the CO district. It's not needed except on 4th Street, especially with the changes in traditional retailing.
- Take note that 25% of single-family homes in Vancouver have an ADU. Put a lot of attention towards ADUs/JADUs because they meet a need for young people and support homeowners' ability to afford to stay in their homes. I think if we did our own survey, we would find that they are far more affordable than Bay Area-wide study shows.
- The Chamber regularly hears about the difficulty in developing affordable housing. There are projects in the pipeline that are entitled but they can't get financing.
- Focusing on office complexes is a good idea. Projects can be designed so people don't feel like they're living next to a freeway.
- Think about whether Marin Square should stay on the sites list. The owners considered housing but were told traffic was a problem so they didn't pursue it. What about Canalways?
- How can we distribute our housing needs more equitably, so we don't have some districts that are all single family and others all multi-family?
- Look at the Project Homekey model that's been used recently by Marin County. Ask owners if they are interested in selling, etc. Could Toscalito Tires be an opportunity site? Also, look at Westamerica Bank, Scandinavian Design, etc,

- Canal Alliance advocates for placemaking and climate resilience. We understand that the City wants to avoid housing in light industrial areas, but we should put Canalways back on the table for discussion. It has the potential to help us respond to many challenges including parks, housing, sea level rise. *Staff noted that the General Plan includes programs to study Canalways and consider housing opportunities in the future—but the site would not be viable now because it is zoned for conservation and requires biological studies and environmental review before rezoning.*
- Consider a limited number of sites in the light industrial area around the Canal to see what may be possible in this community.
- Look at the used car lot on 4th St between F and G.
- Consider political realities. How can we leverage the knowledge and expertise of this group to work on a variety of different levels?
- Agree with others regarding conversion of offices and banks for housing

Working Group members returned to the earlier comments about why affordable housing might not be viable on the sites we were identifying. How do we aggregate sites to make them viable for 40 unit projects? We seem to do better with smaller projects, which encounter less neighborhood opposition.

From the perspective of an affordable housing developer, smaller sites are great, but they rely on different funding sources. Affordable developers can't compete for public funding for smaller sites: Developers do scattered site affordable developments, but from an operational standpoint, it's more cost efficient to work at a larger scale, especially when providing supportive services.

(6) MEMBER AND STAFF ANNOUNCEMENTS

Staff indicated that there were additional working group meetings that needed to be scheduled. Staff also noted that the Annual Progress Report was being presented to the City Council on March 21. The Council will also receive an update on the Housing Element at its meeting on April 4.

(7) PUBLIC COMMENT OPPORTUNITY #2

There were three public comments:

- I am a San Rafael resident and recently learned about the Housing Element. I support affordable housing, but most residents are unaware this process is going on. How can more people get involved? I would like to develop an ADU. The City should consider using vacant retail space on 4th Street for housing.
- I am a young resident of Downtown San Rafael and support the efforts to bring more housing here. The need is extreme, and it is a struggle to find an affordable place to live. Be ambitious because the need is really high.
- President of Terra Linda Homeowners Association—which is changing its name to Terra Linda Neighborhood Association, because we represent all residents and not just homeowners. Speaking personally, and not on behalf of the organization, I encourage you to speak to our community and take a look at housing opportunity sites in our area. They include Northgate Walk, Nazareth House,

Northgate Mall, and the recently approved Los Gamos apartments. We want to ensure that current and future residents have a high quality of life.

(8) ADJOURNMENT

The meeting was adjourned at 5:58 PM.