

II. Housing Plan

The Housing Plan establishes Mill Valley's goals, policies and programs relative to the maintenance, preservation, improvement, and development of housing for all economic segments of the community. The Plan is prepared in the context of: 1) [Mill Valley's determination to maintain its small town character](#); 2) Mill Valley's housing needs; 3) land availability and environmental constraints; 4) funding limitations; and 5) experience gained from implementation of the City's 2003 Housing Element. The Draft 2009-2014 Housing Plan for Mill Valley will continue to be refined to reflect input received from the community and the City's decision-makers.

Mill Valley's Housing Plan is structured around the following overall housing goals:

Housing and Neighborhood Quality

GOAL 1.0: Maintain and enhance the quality and affordability of existing housing and ensure new development is compatible with Mill Valley's [small town character and](#) many environmental, community, neighborhood and scenic attributes.

Housing Supply and Diversity

GOAL 2.0: Provide opportunities for a range of housing types suited to residents of varying lifestyle needs and income levels.

Housing Affordability

GOAL 3.0: Enhance housing affordability so that modest income households can join and remain an integral part of the Mill Valley community.

~~Remove-Reduce~~ Governmental Constraints

GOAL 4.0: ~~Reduce governmental constraints on~~ [Simplify governmental requirements and processes related to](#) the maintenance, improvement and development of housing while maintaining community character.

Equal Housing Opportunities and Special Needs

GOAL 5.0: Promote equal housing opportunities for all residents, including Mill Valley's special needs populations, ~~so that residents can reside in the housing of their choice.~~

Sustainability and Energy Efficiency

GOAL 6.0: Promote a healthy and sustainable Mill Valley through support of existing and new housing which minimizes reliance on natural resources.

Community and Governmental Collaboration

GOAL 7.0: Coordinate with citizens, community groups, and governmental agencies to help address Mill Valley's housing needs.

These seven housing goals and associated housing policies are implemented through a series of housing programs, encompassing both existing and new or modified programs. A specific objective, or action, is identified for each program, as well as a time frame for implementation.

Since the City is nearing the end of the 2009-2014 Housing Element planning period, short-term housing program action items are specified under “program objectives” to illustrate how the City is working to meet its regional housing needs (RHNA). In addition, several programs include longer term actions for the future 2014-2022 Housing Element planning period that are identified under “long-term (2014-2022) objectives.”

Table 2.1 located at the end of this section summarizes Mill Valley’s 2009-2014 Housing Element programs and objectives.

Goals, Policies and Programs

HOUSING AND NEIGHBORHOOD QUALITY

GOAL 1.0: Maintain and enhance the quality and affordability of existing housing and ensure new development is compatible with Mill Valley's [small town character and many environmental, community neighborhood and scenic attributes](#).

POLICIES

Policy 1.1 Housing Design Principles

Assure that new housing is well-designed and based on sustainable development principles to enhance our neighborhoods and community as a whole.

Policy 1.2 Historic Preservation

Identify and preserve historically significant structures consistent with adopted historic preservation guidelines and regulations, and ensure that infill development is compatible with [the community's small town character and](#) the context of Mill Valley's historic resources.

Policy 1.3 Property and Housing Conditions

Support the long-term maintenance and improvement of existing housing through code enforcement and housing rehabilitation programs.

Policy 1.4 Preserve Rental Housing

Conserve the existing stock of rental housing through limitations on conversion to for-sale units or non-residential uses.

Policy 1.5 Protection of Existing Affordable Housing

Ensure the continued affordability of income-restricted housing for low and moderate income households.

PROGRAMS

1. Residential Design Guidelines

Background: The City requires a discretionary Design Review Permit for development of all new single and multi-family housing. The stated purpose of the Design Review Permit is "to encourage development that is compatible with, integrated into, and subordinate to its natural setting. The City strives to preserve, protect, and promote its unique environmental, community and scenic attributes through the residential design review process." To this end, the City has developed ~~a Residential Design Review Handbook to provide~~ [design review guidelines for development in Single-Family Residential \(RS\) ~~zone-zoning~~ districts](#), including principles for slope design, flora and fauna design, soils and grading design, drainage design, and

building design. The ~~Guidebook was guidelines were~~ originally created for hillside single-family residential development and does not provide design standards more specific to “flatland” development or for multi-family (RM) development.

As a means of providing better up-front direction to the development community regarding the desired character of multi-family residential development in Mill Valley, the City will develop an illustrative set of Multi-Family Design Guidelines. The Guidelines will provide direction on multi-family residential development, in the same way that the existing residential design guidelines are serving to direct single-family residential development. In addition to building and site design elements, the Multi-Family Design Guidelines will also integrate recommendations for sustainable site planning and green building design to minimize reliance on natural resources and encourage alternative modes of transportation.

Program Objectives: *Continue to implement a design review process to ensure that new single and multi-family development and substantial modifications to existing structures are compatible with Mill Valley’s [small town character](#), unique environmental, community and scenic attributes. By 2014, develop and adopt Multi-Family Design Guidelines, which address development compatibility and promote sustainable site design and building practices.*



100 Summit Avenue: property in Historic Overlay Zone.

2. Historic Preservation Guidelines and Incentives

Background: Mill Valley has several mechanisms in place to preserve and maintain its historic resources. The Historic Overlay (H-O) designation is currently applied to 27 designated buildings of historic importance in Mill Valley. The H-O Ordinance utilizes the Secretary of Interior’s *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* in design review of any addition to, or alteration of, designated structures, and provides for a delay in any proposed demolition of historic structures while alternative means of preservation are examined by the City. Furthermore, the H-O Overlay designation provides the following incentives for preservation:

- Waiver of building permit fees for exterior and interior building maintenance items requiring a permit.
- Provision of a list of pre-approved historic consultants for applicants for the review of modifications to historic structures in accordance with the California Environmental Quality Act (CEQA).

To further the community's historic preservation goals, the City will explore attaining Certified Local Government (CLG) status as a means of gaining access to federal preservation funds, as well as expert technical advice from the State Architect's Office and National Park Service. Certification will require the City to develop a historic preservation program, and determine whether the current H-O Ordinance meets State standards. In addition, the City will explore the revision of the H-O Ordinance to address in greater clarity demolition procedures, and the role of the Historical Society. The City will also explore conducting a formal historic survey to arrive at and agree upon a single list of historic resources in the City.

Program Objectives: *Explore revising the H-O Ordinance to clarify demolition procedures and process.*

Long-Term (2014-2022) Objectives: *Explore attaining Certified Local Government (CLG) status to reap State and Federal expertise and funding benefits. Explore conducting a formal survey to formalize the list of historic resources in the City.*

3. Housing Maintenance and Public Information

Background: The City inspects all residential units prior to resale to identify any zoning or Building Code violations, and requires compliance for health and safety violations. The opportunity exists to move beyond a pure compliance approach and begin to offer information on how qualifying property owners can utilize existing resources for improving housing conditions. Coordination with *Marin Housing*, *Marin Clean Energy* and PG&E would be increased under this program.

The Residential Rehabilitation Loan Program administered by *Marin Housing* provides technical assistance to very low income homeowners and makes low interest property improvement loans of up to \$35,000 for correction of substandard conditions, elimination of health and safety hazards, energy conservation measures, and accessibility improvements.

Mill Valley homeowners and renters are eligible for a variety of financial incentives through PG&E and Marin Clean Energy for making energy efficiency improvements to their homes, including rebates for home energy assessments, energy efficiency updates, and solar energy improvements. Income-qualified residents can participate in PG&E's Energy Savings Assistance Program which provides free minor home improvements and replacement of old space and water heating systems.

Program Objectives: *Provide informational handouts on available rehabilitation assistance and energy retrofit programs for distribution as part of the normal code enforcement process, and pro-actively publicize on the City's website and through brochures at City Hall and other community locations. Strive to provide rehabilitation assistance to five (5) lower income households.*

4. Condominium Conversion Regulations

Background: As a means of conserving the supply of multi-family rental housing, the current Mill Valley Housing Element establishes a policy to prohibit the conversion of rental developments to

condominium ownership “unless the effective vacancy rate for available rental units is more than 5%.” Furthermore, the City’s Condominium Conversion regulations (Zoning Ordinance Chapter 20.59) set forth a series of tenant protections including tenant noticing and right of first purchase, and prohibits the eviction of low income, senior citizen and disabled tenants. Conversions involving 10 or more units are subject to a 25% low and moderate income inclusionary requirement (15% low income units, 10% moderate income units).

In the nearly twenty years since Mill Valley adopted its condominium conversion regulations, the tenant noticing requirements under State law have become more stringent (refer to Government Code Section 66427.1). In order to provide consistency with State law, the City will update its Condominium Conversion Regulations, including codification of current General Plan policy to prohibit conversions when rental vacancies fall below 5%.

Program Objectives: *By 2013, update the City’s current Condominium Conversion ordinance consistent with State law and specify limitations on conversions in times of low rental vacancies.*

5. Preservation of Existing Affordable Rental Housing

Background: Currently, eight (8) income-restricted affordable rental projects are located within Mill Valley, providing 301 units affordable to lower income families, seniors and persons living with disabilities. In addition, the City’s Inclusionary Housing Ordinance has resulted in the integration of 38 affordable rental and ownership units within market rate developments. None of the affordable housing stock in Mill Valley is at risk of conversion to market rate.

Program Objectives: *Continue to contract with the Marin Housing Authority to monitor deed restricted ownership and rental housing to ensure compliance with affordability restrictions. Require long-term affordability controls on all future affordable housing [projects](#)[units](#).*



Alto Station Apartments – BRIDGE Housing

HOUSING SUPPLY AND DIVERSITY

GOAL 2.0: Provide opportunities for a range of housing types suited to residents of varying lifestyle needs and income levels.

POLICIES

Policy 2.1 Variety of Housing Choices

Encourage diversity in the type, size, price and owner/renter tenure of residential development in Mill Valley. Strive for a balance of unit sizes provided through new development.

Policy 2.2 Adequate Sites

Provide adequately zoned ~~housing~~ sites to address Mill Valley's ~~regional~~ housing ~~growth~~ needs, emphasizing locations near transit and services that promote walkability.

Policy 2.3 Residential Mixed Use

Encourage the efficient use of land by allowing ~~and encouraging~~ commercial and residential uses on the same property in both horizontal and vertical mixed-use configurations.

Policy 2.4 Adaptive Reuse

Support innovative strategies for the adaptive reuse of existing building resources to provide for a wide range of housing types and residential uses.

Policy 2.5 Secondary Dwelling Units

Continue to support the provision of second units in all residential districts as a means of dispersing small, affordable units throughout the community.

PROGRAMS

6. Mixed Use Zoning in Commercial Districts

Background: The residential sites analysis conducted for the Housing Element identifies approximately one-third of Mill Valley's residential infill potential within the City's commercial zoning districts, primarily along Miller Avenue, East Blithedale Avenue, and Camino Alto. The City's Zoning Code currently provides for residential units and mixed use projects as conditionally permitted uses within the primary commercial zones (C-G, C-N and P-A) subject to Planning Commission review and approval. Densities for multi-family residential uses in some commercial districts are not specified in the Zoning Code, and are determined by the Planning Commission at the time an application is submitted.

While these development regulations provide for creativity and variety in development proposals, there is limited certainty in project approval due to development standards being determined on a case-by-case basis. In order to provide more certainty for applicants, Mill Valley will evaluate the following for commercial districts that allow residential uses:

- Elimination of the Conditional Use Permit for multi-family and mixed-use projects, and use of Multi-Family Design Review Guidelines to provide guidance to applicants;
- Modification of parking standards to include incentives, such as shared parking, to encourage mixed-use developments;
- Establishment of minimum densities;
- Modification of development standards for residential uses in commercial zones; and
- Creation of flexible standards for non-traditional housing types (e.g., live/work, co-housing, assisted living, etc.) and adaptive reuse.

As C-G and C-N zoning districts provide for the greatest flexibility for residential uses, the City will also consider revising zoning district boundaries to incorporate appropriate adjacent sites that may be currently within other zoning districts.

Program Objectives: *By 2013, remove the CUP requirement for multi-family residential uses and mixed uses where residential is above the ground floor or off of the commercial street frontage in the C-G and C-N Zoning Districts – while adding multi-family design guidelines to facilitate the City’s design review process - and evaluate modifications to residential development regulations in the P-A, C-R, C-G, and C-N Zoning Districts that promote housing development consistent with General Plan.*

7. Micro-Apartment Units

Background: Micro-apartment units are being considered in high cost urban areas as an alternative, more affordable form of housing for single individuals. Units are typically a maximum of 350 square feet in size, and are marketed to single professionals, students and senior citizens. Micro-apartment units differ from Single-Room Occupancy (SRO) units in that each micro-apartment unit includes a full bathroom and kitchen, whereas SROs tend to have shared bathrooms and kitchen facilities.

Persons living alone comprise one-third of Mill Valley’s households, with seniors making up the majority (44%) of this group. With local apartment rents beyond the level of affordability to lower income single-person households, micro-units could provide an affordable housing option for a segment of the Mill Valley population, in particular young adults in the workforce and seniors who may be seeking smaller spaces. By incorporating micro-units within residential and mixed-use developments with standard-sized units, the City can foster economic diversity and support the integration of residential uses within the pedestrian core of the community.

To further evaluate the appropriateness of micro-apartments in Mill Valley, the City will conduct a survey and focus group with developers, and assess the local target market for such developments. In addition to reduced unit sizes, other modified standards will be considered, including reduced parking and open space requirements (related to common or private patio, deck or yard areas). The survey will also evaluate micro-apartment units as a potential source of affordable housing. The City will consider micro-apartment units only within a development with other standard types of units. Due to the extremely small size, Mill Valley could consider a micro-unit as a ‘half unit’ for purposes of density calculations.

Program Objectives: Explore the feasibility of encouraging and incentivizing micro-apartment units projects ~~and~~ as part of developments with standard-size units.

Long-Term (2014-2022) Objectives: To the extent micro-units are deemed appropriate for Mill Valley, develop standards to facilitate this unit type as a form of affordable residential and mixed-use housing ~~for single individuals.~~

8. Second Units

Background: Second dwelling units are self-contained living units with cooking, eating, sleeping, and full sanitation facilities, either attached to or detached from the primary residential unit on a single lot. Second units offer several benefits. First, they typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors and single persons. Second, the primary homeowner receives supplementary income by renting out the second unit, which can help many modest income and elderly homeowners afford to remain in their homes.

Second units are an integral segment of Mill Valley's housing stock, comprising an estimated 550 units, including approximately 100 new second units built or issued permits since 2000. The City has supported the legalization of existing second units developed without proper permits, with 77 previously unpermitted second units brought up to code during the 2003-2004 amnesty program.

The City continues to review and make appropriate refinements to the second unit ordinance, and is currently evaluating the addition of a deed restriction to ensure approved units remain as functioning second units. To provide expanded opportunities for second units or additional single-family dwellings on lots of a certain minimum size, the City will consider modifications to Section 20.16.030 (F) of the Zoning Ordinance that currently allows "clustered or grouped" single-family housing with a conditional use permit.

Due to the importance of the Second Unit program to the overall production of housing within the community, the City will conduct a survey of recently built second units to obtain more information about their actual use and rent levels. This information will assist in future policy decisions that affect second units.

Program Objectives: By 2013, conduct a second unit survey and adopt ordinance amendments to encourage deed restrictions to ensure that second units are kept as such per City approval. Continue to review and refine the second unit ordinance to provide housing options for seniors, caregivers, and other lower and extremely low income households. Based on past trends, seek to facilitate creation an average of eight second units on an annual basis.

Long-Term (2014-2022) Program Objective: Initiate another amnesty program for second units that do not have permits in order to increase the legal housing stock.

9. Affordable Housing Overlay

An Affordable Housing Overlay is a zoning tool which offers a package of incentives on

designated sites designed to make the development of affordable housing more feasible. It is an “overlay” because it layers on top of base zoning regulations, leaving in place the option for property owners to develop under the base zone, or to utilize the voluntary incentives for the provision of affordable units. Overlay incentives are distinct from incentives offered through State density bonus law in that they provide more certainty by providing the full set of incentives up front and establish local commitments to encourage specific types of housing¹.

The Affordable Housing Overlay will be applied to the following development site in Mill Valley:

The Redwoods Addition: This continuing care retirement community is situated on a large ten-acre lot, and is currently undergoing a comprehensive \$45 million renovation. The non-profit owners plan to initiate a capital campaign in 2013 to raise funds to offset the costs of developing 49 additional independent living units for modest-lower income seniors, planned for the current parking lot which fronts on Miller Avenue. The Redwoods’ goal is to increase the number of affordable units for lower income seniors beyond the current 60 Section 8 subsidized units. To help reduce development costs and enhance affordability on the new units, the Affordable Housing Overlay will provide the following incentives:

- ✓ Increased building height allowance of 35 feet, and 3 stories, measured from finished floor rather than natural grade to account for floodplain requirements
- ✓ Reduced parking requirement of one parking space per unit
- ✓ Development fee waiver
- ✓ By-right allowance for 49 additional independent living units conditioned upon units being provided at levels affordable to lower income seniors.

Program Objectives: By 2013, adopt an Affordable Housing Overlay for The Redwoods site, which specifies development incentives tailored to the site. Coordinate with site property owners in facilitating public review of development proposals, and in application for affordable housing funds.

10. Lot Consolidation Incentives

Background: Mill Valley has many small and irregularly shaped lots, particularly in the commercial zoning districts. These lots are generally under half an acre in size, and some lots are not rectilinear, depending on the terrain and roadways. These site characteristics result in some level of difficulty in achieving housing developments of a sufficient scale to render the inclusion of affordable housing units feasible, including access to State and Federal affordable housing resources. The potential consolidation of adjacent suitable sites, without increasing existing residential densities, would mean the opportunity to create more viable affordable housing developments.

As shown in the Housing Element Capacity Analysis and map in Appendix C, many of the individual commercially-zoned parcels identified as suitable for residential and mixed use development are located adjacent to each other, and a handful share the same ownership.

¹ Property owners can utilize incentives identified in the Affordable Housing Overlay, or utilize State Density Bonus incentives, but not both.

Formatted: Font: Calibri

Formatted: Font: Calibri, 11 pt

Formatted: Font: Calibri

These parcels have potential for assembly into larger sites, enhancing the feasibility of achieving affordable units based on economies of scale, advantages in design, and in some cases, the ability to achieve a one to two-unit increase in the number of units.

As a means of facilitating the consolidation of parcels located within a quarter-mile of transit and identified as suitable for development in the Capacity Analysis, the City will offer the following incentives:

- Contact property owners of adjacent parcels identified in Appendix C to discuss consolidation opportunities
- Guide property owners through the lot consolidation (lot line adjustment) application process, and waive the fee for this particular entitlement.
- Assist property owners in identifying and applying for financial resources for projects which incorporate affordable units
- Utilize the proposed Multi-Family Design Guidelines as a means to identify other tools to encourage lot consolidation where appropriate and consistent with the immediate neighborhood.

Any proposed project on consolidated sites would still need to undergo all other required review procedures, including the appropriate level of environmental review. As part of the City's new Multi-Family Design Guidelines, the City will establish a set of criteria to ensure that site consolidation does not result in developments that are out of scale with the immediate neighborhood and the City of Mill Valley.

Program Objectives: Adopt lot consolidation incentives in 2014 and establish Multi-Family Design Guidelines to ensure compatibility of development with Mill Valley's small town character.

11. Publicly-Owned Land for Affordable Housing

Background: As a predominately built-out city, Mill Valley has few remaining vacant properties suitable for residential development. This shortage of vacant developable land ~~necessitates~~ ~~has resulted in the exploration of~~ ~~the use of~~ alternative mechanisms ~~for to~~ ~~providing~~ sites for housing. Such mechanisms may include long-term leases of surplus publicly-owned land and sale of air rights.

To facilitate affordable housing development, the City ~~would~~ ~~could~~ lease appropriate City-owned properties on a long-term basis to housing developers in exchange for a long-term commitment to maintain all or a portion of units as affordable housing. Another mechanism ~~is~~ ~~could be~~ the sale of air-rights above City-owned ~~parking lots~~ ~~property~~ for development of affordable housing at an off-site location. To increase the supply of potential ~~surplus public~~ ~~sites for housing~~, the City ~~would~~ ~~would~~ allow residential uses in the Community Facilities (C-F) zone ~~subject to the approval of a conditional use permit, consistent with other commercial zone districts.~~

Program Objectives: Prepare an inventory of publicly-owned land that is not already zoned for open space, including parking lots, and examine the feasibility of their use for housing. Modify the City's zoning regulations to allow residential uses in the C-F zone subject to the approval of a conditional use permit.

12. Non-Traditional Housing Types

Background: Mill Valley will explore non-traditional housing types for inclusion in the Zoning Ordinance to broaden the variety of housing types available and cater to all economic segments.

- **Co-housing** refers to collaborative housing, or intentional and supportive communities where people can both live comfortably and conveniently while also developing a powerful sense of community. Co-housing communities consist of individually owned, private units clustered around common facilities and amenities in a walkable, sustainable environment. Common features may include a community garden, recreational areas, and a common house where day care and meals can be shared. The communities are managed by the residents who have chosen to live in a close-knit neighborhood. Hundreds of co-housing communities currently exist throughout the country in a variety of settings, including communities in Berkeley, Oakland, Pleasant Hill, Cotati, Grass Valley, Davis and Santa Barbara. Based on the nature of co-housing and its emphasis on common areas and human scale, there is a distinct opportunity to develop models for a uniquely Mill Valley housing type that responds to the community character and needs.
- **Duets** and **duplexes** are similar from a physical standpoint, both involving two attached residential units, with the distinction lying in their different ownership structure. Duplexes are sold together as a single building and typically rented out, whereas duet homes are sold and owned separately and typically remain owner-occupied. As a means of expanding ownership opportunities for modest income households, the City should consider allowing duets and duplexes as a form of single-family housing within its single-family zone districts.

- **“Roomers”** are currently permitted in single-family Residential zones. (Section 20.16.020(B) of the Zoning Ordinance) This provision allows up to two roomers per dwelling by right, allowing homeowners to sublet parts of their residences and creating less costly rental opportunities. For senior homeowners, taking on roomers can not only generate needed income, it can provide added security and companionship, and help to address the many Mill Valley seniors who are over-housed in single-family homes. Development standards should be created that can make these opportunities available while remaining consistent with neighborhood standards.
- **Live/work housing** is intended for housing a resident and his or her business, typically on different floors of the same building or same unit. This housing type was considered in the 2003 Housing Element for inclusion in the Zoning Ordinance, but has yet to be defined in the text. The City has been considering such housing on a case-by-case basis. The Aloha Lofts represent a live/work project in the downtown area, for which the City provided reduced parking and modified development standards.
- **Assisted living facilities** are designed for elderly individuals requiring assistance with certain activities of daily living – such as eating, bathing and transportation – but desiring to live as independently as possible. Such facilities bridge the gap between independent living and nursing homes. The Redwoods is a continuing care retirement community (CCRC) and includes a mix of independent senior apartment units, assisted living units and health care center/skilled nursing, allowing residents to age in place. The City’s Zoning Ordinance does not currently identify assisted living facilities, or provide specialized standards to facilitate their development.

Long-Term (2014-2022) Program Objectives: *Modify the Zoning Ordinance to develop standards that accommodate new housing types suited to the community’s housing needs and that respect neighborhood attributes.*

HOUSING AFFORDABILITY

GOAL 3.0: Enhance housing affordability so that modest income households can join and remain an integral part of the Mill Valley community.

POLICIES

Policy 3.1 Mixed Income Housing

Utilize the City's Inclusionary Housing Ordinance as a tool to integrate affordable units within market rate developments, and to increase the availability of affordable housing throughout the community. Continue to prioritize the construction of affordable units on-site, with provision of units off-site or payment of an in-lieu housing fee as less preferred alternatives.

Policy 3.2 Affordable Housing Incentives

Facilitate the development of affordable housing through regulatory incentives and concessions, and/or financial assistance. Proactively seek out new models and approaches in the provision of affordable housing.

Policy 3.3 Financial Resources

Pursue expanded financial resources to support in the production of [and conversion to](#) affordable housing for Mill Valley's lower income workforce and special needs populations.

Policy 3.4 Public/Private Partnerships

Explore collaborative partnerships with nonprofit organizations, developers, the business community and governmental agencies in the provision of affordable housing.

Policy 3.5 Homeownership Assistance

Encourage the provision of financial assistance to low and moderate income first-time homebuyers through County and State programs.

Policy 3.6 Rental Assistance

Support and publicize available rental assistance programs for lower income and special needs households.

PROGRAMS

13. Inclusionary Housing Regulations

Background: Chapter 20.80 of the Municipal Code sets forth Mill Valley’s Inclusionary Housing requirements for providing affordable units within market rate developments, summarized as follows:

Existing City Inclusionary Standards	
Project Size	Inclusionary Requirement
2 – 9 units	Permitted to pay in-lieu fee
10+ units	
< 7 units or lots per acre	10% moderate income units
≥ 7 units per acre	15% moderate income units

Through the City discretionary review process, the City has typically been able to achieve 20 percent affordable units and a portion of units for very low and/or low income households. The ordinance specifies that inclusionary units shall contain on average the same number of bedrooms and be compatible in design with project market rate units, although the City maintains the discretion to approve affordable units that are smaller in size and with different interior features than market rate units.

Mill Valley’s Inclusionary Housing Program is the City’s primary regulatory tool to provide housing which is affordable to low and moderate income. As a means of strengthening and enhancing the effectiveness of local inclusionary requirements, the City will re-evaluate its current ordinance in regards to ~~consider the following~~:

- Increasing the percentage of affordable units required from 15% to 20%;
- Requiring deeper income targeting for rental units to require affordability to very low and low income households (i.e. 10% very low and 10% low income units);
- Updating the current housing in-lieu fee calculation based on an appropriate nexus study;
- Requiring greater parity in development and design standards between project affordable and market-rate units; Extending affordable in-lieu requirements to single-family homes (*refer to Program #14*);
- Clarify treatment of fractions of inclusionary units and number of bedrooms for inclusionary units; ~~and~~
- Make any changes to the program to insure compliance with recent case law regarding inclusionary rental housing (*the Palmer Decision*); and
- Define additional public benefits that the City may require from housing developers.

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Formatted: Bullets and Numbering

Program Objectives: *Re-evaluate the City’s Inclusionary Housing Program, and amend the Zoning Ordinance by 2014 to strengthen and enhance the Program’s effectiveness in providing*

affordable housing. Include language in the Code to reflect the 2009 California Court of Appeal decision commonly referred to as *Palmer*.²

14. Single-Family Housing Impact Fee

Background: Mill Valley faces a severe shortage of housing affordable to the local workforce, resulting in the vast majority of persons who work in the community commuting in from outside the City. Residential development further increases the demand for affordable housing, based on the growth in employment generated by residential households' increased demand for goods and services. While the City's Inclusionary Housing Ordinance specifies affordable housing requirements for development of two or more residential units, the Ordinance does not apply to construction of individual single-family homes. As a means of distributing the responsibility for affordable housing across all new residential development, the City will evaluate the contribution towards affordable housing demand from new single-family construction, including the establishment of an affordable housing impact fee on new single-family construction, or fee reductions/waivers for the provision of new second units. Pursuant to AB 1600, a nexus study will need to be prepared to demonstrate the necessary linkage between development of single-family housing and the demand for affordable units, and to establish the maximum supportable impact fee.

Formatted: Font: +Body (Calibri)

Long-Term (2014-2022) Program Objectives: Conduct a nexus study to evaluate the establishment of an affordable housing impact fee for new single-family construction and major additions.



8 Old Mill: Example of Inclusionary Homeownership

15. Local Affordable Housing Fund

² In *Palmer/Sixth Street Properties v. City of Los Angeles*, the California Court of Appeals concluded that the City's inclusionary housing ordinance conflicted with the Costa-Hawkins Rental Housing Act which allows landlords to set rents at the commencement of a tenancy. Thus, until the application of Costa-Hawkins is clarified by the State legislature, local inclusionary requirements are limited to: 1) for-sale housing projects, and 2) rental projects receiving financial or regulatory assistance from the city subject to a written development agreement.

Background: Because Mill Valley has limited access to state and federal housing resources, the City faces practical and financial constraints in its ability to facilitate the construction of affordable housing. To create a more viable funding source, the City proposes to establish an Affordable Housing Fund that will be used to construct or help leverage construction of [and conversion to](#) affordable housing. Potential Housing Fund resources include, but are not limited to: in-lieu fees from the Inclusionary Housing Program; affordable housing impact fees on single-family development; and in-lieu fees on condominium conversions. Implementing regulations will be established to manage the Fund and establish parameters for allocation of funds towards projects.

Program Objectives: *By 2014, establish a dedicated Affordable Housing Fund for deposit of in-lieu fee revenues. Consult with Marin County on their Housing Fund, and establish implementing regulations to govern Fund oversight and expenditures.*

16. Affordable Housing Development Assistance

Background: The City can play an important role in facilitating the development of quality, affordable housing in the community through provision of regulatory incentives and direct financial assistance. By utilizing various tools to facilitate infill development, the City can help to address the housing needs of its extremely low, very low, low and moderate income households. The following are among the types of incentives that will be considered upon request:

- Reduction in development fees;
- Flexible development standards;
- Density bonuses as described in Implementing Program 21;
- City support in affordable housing funding applications; and
- Financial assistance through future Affordable Housing Fund resources, as described in Program 13.

Program Objectives: *Provide financial and regulatory incentives to private developers for the development of high quality affordable housing for families and seniors [appropriately designed to respect Mill Valley's small town character.](#)*

17. Partnerships for Affordable Housing

Background: 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. Within Mill Valley, several regional and national housing non-profits have a track record of developing and managing successful affordable housing projects, including BRIDGE Housing, EAH (Ecumenical Association for Housing), Eden Housing, Mercy Housing, and North Bay Rehabilitation Services. The key to the success of non-profits lies in three areas: 1) their ability to access a diversity of funding sources; 2) their commitment to working cooperatively with the local community; and 3) their long-term dedication to their projects. The Nonprofit Housing Association of Northern California serves as a resource organization for affordable housing developers in the Bay Area.

Program Objectives: *Explore partnerships with a variety of affordable housing providers, utilizing the Nonprofit Housing Association of Northern California as a resource to identify nonprofits with experience in developing small scale residential infill and mixed use projects.*

18. Homebuyer Assistance

Background: First-time homebuyers in Mill Valley have access to several homebuyer assistance programs offered through *Marin Housing*.

The Mortgage Credit Certificate (MCC) program administered by *Marin Housing* provides qualified first time homebuyers with a federal income tax credit of up to 15% of the annual interest paid on the homebuyer's mortgage. This enables homebuyers to have more disposable income available to qualify for a mortgage loan and make the monthly mortgage payments. Eligibility includes maximum household incomes of approximately \$100,000 (for 2 person household), and sales price limits of approximately \$400,000.

Marin Housing also administers a Below Market Rate (BMR) first-time homebuyer program on behalf of jurisdictions in the County with inclusionary housing requirements, including Mill Valley. The City has entered into a Memorandum of Understanding with *Marin Housing* to manage and monitor the City's 28 affordable ownership inclusionary units, and to conduct ongoing education through publication of homeowner newsletters.

Program Objectives: *Continue to participate with *Marin Housing* in administration of the Below Market Rate program and Mortgage Credit Certificate (MCC) program. As MCCs become available on an annual basis, actively publicize availability through local media and on the City's website.*

19. Section 8 Rental Assistance

Background: The Section 8 Rental Assistance Program extends rental subsidies to very low-income households (50% area median income or AMI), including families, seniors, and the disabled. The Section 8 Program offers a voucher that pays the difference between the current fair market rent (FMR) and what a tenant can afford to pay (i.e. 30% of household income). The voucher allows a tenant to choose housing that costs above the payment standard, provided the tenant pays the extra cost. With over 100 Mill Valley households currently receiving Section 8 rental vouchers, and an additional 160 City residents on the waiting list for assistance, Section 8 plays a critical role in allowing extremely low and very low income households to remain in the community. As a means of supporting the use of Section 8, Chapter 5.33 of the Mill Valley Municipal Code prohibits discrimination against tenants based on their source of income or the use of rental subsidies and other rental programs.

Program Objectives: *The City will continue to offer tenants information regarding Section 8 rental subsidies and provide referrals to *Marin Housing* for assistance. The City will also encourage landlords to register units with the Housing Authority and direct to www.GoSection8.com, *Marin Housing's* new enhanced program for on-line listing of rental properties, by providing informational brochures to rental property owners.*

~~REMOVE~~ REDUCE GOVERNMENTAL CONSTRAINTS

GOAL 4.0: Reduce governmental constraints on the maintenance, improvement and development of housing while maintaining community character.

POLICIES

Policy 4.1 Regulatory Incentives for Affordable Housing

Support the use of density bonuses and other incentives, such as fee deferrals/waivers and parking reductions, to offset the costs of affordable housing while ensuring that potential impacts are addressed.

Policy 4.2 Flexible Development Standards

Provide flexibility in development standards to accommodate new models and approaches to providing housing, such as transit-oriented development, mixed use, co-housing and live/work housing.

Policy 4.3 Efficient Use of Multi-Family Zoning

Encourage the sustainable use of land and promote affordability by prohibiting new single-family development within multi-family or commercial land use districts.

Policy 4.4 Development Review

Explore continued improvements to the entitlement process to ~~streamline and~~ coordinate the processing of development permits, design review and environmental clearance. Provide for priority and expedited treatment in planning processing for affordable housing.

Policy 4.5 Zoning for Special Needs

Revise the Zoning Ordinance to define and establish parameters for transitional and supportive housing, emergency shelters, and single room occupancy uses (SROs) consistent with State law.

PROGRAMS

20. Update Land Use Map and Zoning Code

Background: As part of the *2040 General Plan*, the City will be defining minimum and maximum densities for each residential land use category, and will establish a Land Use Map to more clearly depict the General Plan designation of each parcel in the City. Residential development standards within the Zoning Ordinance will be updated for consistency with the new General Plan. In Commercial districts, the maximum density of RM 1.5 (29 units per acre) will be used as a ceiling. Development standards such as minimum space set aside for commercial use, height limits, parking requirements and setbacks will also be established.

In order to ensure the efficient use of multi-family properties, development of new single-family residential dwellings will be prohibited in multi-family and commercial land use districts. And as described under Program #6 (Mixed Use Zoning in Commercial Districts), the updated Zoning Ordinance will establish development standards for multi-family residential uses within commercial districts, and combined with the use of Multi-Family Residential Design Guidelines (Program #1), will provide for a more transparent and efficient development review process.

Program Objectives: *By 2013, establish minimum and maximum residential densities within the General Plan and Zoning Ordinance for single-family and multi-family residential districts, and define maximum densities and development standards for residential uses within commercial districts. Establish a Land Use Map to more clearly depict the General Plan designation of each parcel in the City.*

21. Update Parking Standards

Background: Mill Valley's Zoning Code establishes an off-street parking standard of two spaces per residential unit, regardless of unit size or number of bedrooms. With the exception of nursing homes, the Code does not specify reduced parking standards for specialized housing types, such as senior housing, housing for persons with disabilities, or residential/commercial mixed use. While the Planning Commission can provide modified parking standards on a case-by-case basis based on development and design review, this process should be made more effective by adopting appropriate refinements to the City's parking standards and codified in the Zoning Ordinance.

The 2040 General Plan calls for the City to establish new parking standards and a city-wide parking management program for vehicles and bicycles. The following programs are intended to enhance parking efficiencies and sustainability:

- Evaluate parking management strategies and implement those most suitable to Mill Valley's parking needs, including but not limited to: ~~maximum parking requirements, rather than traditional minimum requirements~~, shared parking, "unbundled" parking in commercial and multi-family residential projects, payments in-lieu of providing parking, credits for on-site car sharing, and variable pricing of on- and off-street parking to insure adequate parking during peak demand periods;
- Consider reduced parking requirements for affordable studio and one bedroom units;
- Consider reduced parking requirements in proximity to transit;
- Include bicycle parking requirements in parking standards; and
- Establish shared parking guidelines for mixed-use projects.

Program Objectives: *By 2014, evaluate and establish modified parking standards in the Zoning Ordinance to facilitate specific types of housing such as:*

- *Multi-family and mixed use developments within commercial areas*
- *Senior housing and housing for persons with disabilities*
- *Housing in proximity to transit (1/4 mile)*
- *One bedroom, studio and micro-units*



505 Miller Avenue; mixed-use development

22. Fee Deferrals and/or Waivers for Affordable Housing

Background: The City collects various fees from development projects to cover the costs of processing permits and providing services and facilities. While these fees are assessed on a per unit share basis, they are an element in the cost of housing and could potentially constrain the provision of affordable housing. The deferral, reduction or waiver of City fees can lower the production costs of affordable housing.

Pursuant to Municipal Code Section 5.32, the City will continue to offer a 50% reduction in City fees, licenses and taxes for units provided at levels affordable to and occupied by lower and moderate income households. In order to specifically encourage the provision of housing affordable to extremely low income (ELI) households (<30% AMI), the City will waive 100% of application processing fees for projects with a minimum of 10% ELI units, or not less than one unit.

In addition, the California legislature passed AB 641 in 2007, which helps to address the cash flow challenges inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to low or very low-income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

Program Objectives: Provide information to the affordable housing community that fee deferrals, reductions and waivers may be requested for affordable housing projects. By 2014, update the Code to specify the waiver of 100% of application processing fees for projects with a minimum of 10% Extremely Low Income units.

23. Density Bonus and Other Incentives for Affordable Housing

Background: Under Government Code section 65915-65918, for housing projects of at least five units cities must grant density bonuses ranging from 5% to 35% (depending on the affordability provided by the housing project) when requested by the project sponsor, and provide up to three incentives or concessions unless specific findings can be made. Local jurisdictions are required to adopt regulations that specify how compliance with the State's density bonus law will be implemented. The City is also required to establish procedures for waiving or modifying development and zoning standards that would otherwise inhibit the utilization of the density bonus on specific sites. These procedures must include, but not be limited to, such items as minimum lot size, side yard setbacks, and placement of public works improvements.

Program Objectives: *By 2013, adopt a local density bonus ordinance to implement State law, and clarify the relationship with the City's inclusionary housing ordinance.*

24. CEQA Exemptions for Infill Projects

Background: State law allows for approximately 30 classes of categorical exemptions for California Environmental Quality Act (CEQA) review. These are types of projects that the Secretary of the Resources Agency has determined do not usually have a significant effect on the environment. Examples include the replacement of reconstruction of existing structures, construction of small structures as defined by State Guidelines, and actions to maintain, restore, or enhance a natural resource. The nature or location of projects can result in exceptions to exemptions. Mill Valley will continue to utilize allowable California Environmental Quality Act (CEQA) exemptions for qualified urban infill and other residential projects where site characteristics and an absence of potentially significant environmental impacts allow. Use of the CEQA exemption must be consistent with the environmental review of individual projects.

Program Objectives: *Continue to utilize categorical exemptions under CEQA on a case by case basis as appropriate based on the facts and circumstances of individual residential and mixed use infill development projects.*

25. Zoning Text Amendments for Special Needs Housing

Background: Consistent with Senate Bill 2 (Government Code sections 65582, 65583 and 65589.5), the City will specify transitional and supportive housing to be treated as a residential use under the Zoning Ordinance, identify a zoning district where emergency shelters will be permitted by right, and specify provisions for Single-Room Occupancy buildings. Mill Valley will establish procedures to encourage and facilitate the creation of emergency shelters and transitional and supportive housing, and group housing for persons with disabilities, consistent with state law and Mill Valley's small town character by:

- Adding transitional housing and supportive housing to the Zoning Ordinance's definition section, and regulate as a permitted use within residential zoning districts;
- Adding single room occupancy (SRO) facilities within the Zoning Ordinance's definition section, and conditionally allow within the C-G (General Commercial) zoning district;
- Identifying emergency shelters as a permitted use in the C-G Zoning District; and
- Identifying residential care homes of different sizes as a permitted or conditionally permitted use in single-family and multi-family residential districts (consistent with California Health and Safety Code Section 1566.3), and distinguish between residential care homes and nursing/rest homes.
- Adding an inclusive definition of "family" to the Zoning Ordinance that accommodates different household types and unrelated persons living together.

Emergency shelters will be subject to the same development and operational standards as other permitted uses in the General Commercial Zoning District. However, the City will develop written, objective standards to regulate the following, as permitted under SB 2:

Formatted: Font: 11 pt

Formatted: Bullets and Numbering

- The maximum number of beds or persons permitted to be served nightly by the facility;
- Off-street parking based on demonstrated need, but not to exceed parking requirements for other residential or commercial uses in the same zone;
- The size and location of exterior and interior onsite waiting and client intake areas;
- The provision of onsite management;
- The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

Program Objectives: *By 2013, adopt text amendments to the Zoning Ordinance to make explicit provisions for a variety of special needs housing. Develop objective standards to regulate emergency shelters as provided for under Senate Bill 2.*

EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS

GOAL 5.0: Promote equal housing opportunities for all residents, including Mill Valley's special needs populations, ~~so that residents can reside in the housing of their choice.~~

POLICIES

Policy 5.1 Fair Housing

Seek to ensure that individuals and families pursuing housing in Mill Valley do not experience discrimination on the basis of race, color, religion, marital status, disability, age, sex, familial status, national origin, sexual preference, source of income or other arbitrary factors, consistent with the Fair Housing Act.

Policy 5.2 Housing Options for Seniors

Support development and maintenance of affordable senior rental and ownership housing and supportive services to facilitate maximum independence and the ability of seniors to remain in their homes and/or in the community.

Policy 5.3 Housing for Persons with Disabilities

Address the special housing needs of persons with disabilities through provision of supportive housing, homeowner accessibility grants, zoning for group housing, and reasonable accommodation procedures.

Policy 5.4 Homeless Housing and Services

Work cooperatively with Marin County and other applicable agencies to provide a continuum of care for the homeless, including emergency shelter, transitional housing, supportive housing and permanent affordable housing.

PROGRAMS

26. Fair Housing Program

Background: Fair Housing of Marin (FROM) is the designated provider of fair housing and tenant-landlord information in Marin County. FROM provides fair housing investigation and coordinates referral services to assist individuals who may have been the victims of discrimination. Many of the people who contact FROM have basic questions about landlord and tenant rights and responsibilities; FROM's housing counselors provide clients with comprehensive information to help resolve tenant/landlord issues. FROM conducts extensive fair housing education and outreach throughout Marin County, and is a certified HUD Foreclosure Counseling agency.

Program Objectives: *Continue to promote fair housing practices, and refer fair housing complaints to Fair Housing of Marin. As a means of furthering fair housing outreach in the local*

community, the City will publicize the fair housing program (including the City's local ordinance to prohibit discrimination based on source of income or use of Section 8 subsidies) through placement of fair housing services brochures at the public counter, on the City's website and in other community locations.

27. Senior Support Services

Background: Seniors citizens in Mill Valley have access to a range of services that can help support aging in place and prevent premature institutionalization. Many of the senior programs operate from the Community Center through the sponsorship of the Parks & Recreation Department. In addition to social and recreational activities, services such as health insurance counseling and advocacy, legal counseling, and AARP drivers safety courses are offered at the Center.

The Mill Valley 2040 Community Vitality Element establishes the following programs to support independent and healthy living for seniors:

- Work with paramedics, community based organizations and County and City staff to identify those most at risk for falls and provide them with assessments of their homes and regular check ins to reduce the risk of injuries related to falls.
- Create "Safe Routes for Seniors" by identifying the routes that older adults take to access medical care, food and social events in the community and make those safer.
- Promote opportunities to allow residents who wish to age in place and remain part of the community

Mill Valley Village, together with its parent Marin Village, is a non-profit membership organization dedicated to providing resources and assistance to enable seniors to remain in their own homes as they age. Mill Valley Village is actively recruiting a growing team of community volunteers to help members with occasional transportation assistance, household tasks, home visits and phone check-ins. In addition to home support services, Mill Valley Village will organize and link seniors with Village social events, cultural programs, and educational and fitness classes to support seniors in remaining active and connected to their community.

2013-2022 Program Objectives: Support the provision of senior services in the community to promote independent and healthy living .

28. Home Sharing and Tenant Matching Opportunities

Background: Sharing a home promotes independent living, provides additional income for the provider, an affordable rent for the seeker, and the potential for deeper relationships for both. The average age of community members in Mill Valley is growing older, and nearly 500 seniors currently live alone in single-family homes in the City. Shared housing promotes the efficient use of the housing stock, and can help address the housing needs of seniors in our community. Homesharing programs, such as Marin Housing's "Home Connection of Marin" match lower income home seekers with homeowners with excess space who are interested in sharing their homes.

Program Objectives: Support organizations that facilitate house sharing, and actively promote through senior citizen organizations, such as Mill Valley Village.

29. Universal Design/Visitability

Background: As Mill Valley’s population continues to age, providing housing that is accessible to people of all abilities becomes increasingly important. The majority the community’s housing stock was built prior to 1991 when current ADA accessibility standards took effect, and thus it is important for the City to facilitate the retrofit of existing housing to provide greater accessibility, as well as to promote accessibility in new construction. The goal of universal design is to accommodate a wide range of abilities including children, aging populations, and persons with disabilities by providing features in residential construction that enhance accessibility. Examples of universal design features include:

- Entrances without steps that make it easier for persons to enter the home;
- Wider doorways that enhance interior circulation and accommodate strollers and wheelchairs;
- Lever door handles that are easier to use, especially by parents with an infant or persons with arthritis; and
- Light switches and electrical outlets that are located at a height more convenient and accessible to the elderly.

Housing that is “visitable” is accessible at a basic level, enabling persons with disabilities to visit the homes of their friends, relatives, and neighbors. Visitability can be achieved in new construction by utilizing two simple design standards: (1) providing a 32-inch clear opening in all interior and bathroom doorways; and (2) providing at least one accessible means of ingress and egress for each unit.

Long Term (2014-2022) Program Objectives: Develop guidelines encouraging principles of universal design and visitability, and provide to residential development applicants.

30. Homeless Assistance

Background: Support Countywide programs and the Marin Partnership to End Homelessness in the provision of resources to address the needs of the homeless and persons at risk of homelessness, including emergency shelter, transitional housing, supportive housing and permanent housing. Provide flyers and information on the City’s website, including the Annual Marin Community Resource Guide, and links to the emergency 211 toll-free call system for information and referral.

Program Objectives: Support implementation of the Homeless Countywide Continuum of Care and publicize the Marin Community Resource Guide and emergency 211 call system.

SUSTAINABILITY AND ENERGY EFFICIENCY

GOAL 6.0: Promote a healthy and sustainable Mill Valley through support of existing and new housing which minimizes reliance on natural resources and automobile use.

POLICIES

Policy 6.1 Smart Growth

Preserve open space, watersheds and environmental habitats, while accommodating new growth in compact forms in a manner that de-emphasizes the automobile, allowing residents to use their cars less or not at all.

Policy 6.2 Green Building

Implement Mill Valley's Green Building Program to ensure new development is energy and water efficient, and consider establishing incentives to achieve energy efficiencies higher than those required by the Ordinance.

Policy 6.3 Energy Efficiency and Alternative Energy Sources

Promote modifications to increase energy efficiency and the use of alternative energy sources such as solar energy, cogeneration, and non-fossil fuels.

Policy 6.4 Healthy Community.

Promote healthy living and physical activity through decisions in the location, site planning and design of housing and mixed use development.

Policy 6.5 Transportation Alternatives and Walkability

Incorporate transit and other transportation alternatives including walking and bicycling into the design of new development, particularly in areas within a half mile of designated transit stops.

Policy 6.6 Jobs/Housing Balance

Encourage a closer link between housing and jobs in the community, including housing opportunities affordable to Mill Valley's modest income workforce.

PROGRAMS

31. Prioritization of Sustainable Housing Projects

Background: The Federal Department of Housing and Urban Development (HUD), Department of Transportation (DOT), and the Environmental Protection Agency (EPA) formed an interagency partnership in 2009 for Sustainable Communities, incorporating livability principles into the provision of housing. ~~Transit-oriented and mixed-use developments are two of these~~The key principles are ~~—~~focused eding on the provision of housing in relative proximity to transit and amenities, therefore reducing the need for cars owned by residents. Community benefits associated with transit-accessible and mixed use housing include: better health outcomes,

increased access to employment, reduced infrastructure costs to the City, additional economic development, and increased tax revenue.

The City of Mill Valley places a high priority on sustainability, and will prioritize funding for residential and mixed use projects located within 1/2 mile or less walking distance to transit and other pedestrian amenities. Please see Appendix B, Section C. 10 - Impact of Sustainability Factors on Development, for maps illustrating the relationship between transit, amenities, and parcels in Mill Valley.

Program Objectives: *Prioritize projects competing for funds and grants that are within a quarter to half mile radius of transit stops, have a large number of amenities within a half mile radius, and/or have a higher walkscore.*

32. Green Building

Background: Mill Valley adopted a local Green Building Ordinance in December 2008, establishing green building requirements for all new residential and commercial development, including building additions and renovations. Residential and mixed use projects are required to complete a Build It Green (“BIG”) checklist as part of building plan submittal to the City, and demonstrate compliance with BIG Green Building Guidelines as verified by a certified GreenPoint Rater. (Non-residential development is subject to LEED³ green building standards). “Buildings are responsible for almost 40% of total energy use, 12% of water use, and 40% of all raw materials used,” said then Mayor Shawn Marshall. “By adopting this Ordinance, Mill Valley joins other municipalities in the Bay area and across the world in reducing our greenhouse gas emissions and our overall ecological footprint.” Green building design, construction and operation can have a significant impact on Mill Valley’s environmental sustainability, including:

- Resource and material usage
- Energy consumption and efficiency
- Water consumption and efficiency
- Waste management
- Air quality
- Health and welfare of residents, workers and visitors

In addition to the adopted Green Building Ordinance, the California Statewide Green Building Code, or CALGREEN, went into effect on January 1, 2011, and updated the California Building Standards Code (otherwise known as Title 24). CALGREEN has mandatory requirements that apply to residential and non-residential construction, that achieve material and water conservation, and reduced waste in construction practices, but not a higher level of energy efficiency compared to Title 24. Green Building Ordinances such as BIG and LEED fill in this gap by typically exceeding Title 24’s energy efficiency standards by 15%.

Program Objectives: *Provide outreach and education to developers, architects and residents to provide information on the new CALGREEN code, ways to incorporate sustainability in project*

³ LEED (Leadership in Energy and Environmental Design) refers to the green building rating system developed by the U.S. Green Building Council.

design and in existing structures. Evaluate incorporation of incentives into the Green Building Ordinance to achieve higher levels of energy efficiency.



Cool roof system on a Mill Valley home.
(Source: www.cityofmillvalley.org)

33. Energy Conservation

Background: The City will evaluate the following activities to support clean energy and energy efficiency solutions in the community's housing:

- Work with the Marin Housing Authority to provide rehabilitation loan applicants with information on use of green materials and energy conserving measures in home improvements.
- Update the City's development standards and design guidelines to encourage solar, water harvesting and other emerging green technologies.
- Require energy audits for residential uses prior to the completion of sale, and provide audit results and information about opportunities for energy improvement to prospective buyers.
- Require where feasible, new residential construction to use "solar ready" guidelines, for the easy, cost effective installation of solar energy systems in the future.
- Support neighbors working together to implement solar power on a block or neighborhood level.
- Support efforts of the Marin Energy Authority, Marin Clean Energy and PG&E to maximize residential subscription rates for green energy plans.
- Set up an information page on the City's website to assist and guide Mill Valley residents to locate contractors, incentives and financial resources to install photovoltaic panels on their homes or businesses. Explore the provision of additional incentives for properties in Mill Valley that have high solar potential. Contact PG&E to learn about their solar programs and available incentives. Contact Marin Solar to learn about the County-wide program and any challenges, and explore bringing the county-wide program into Mill Valley.

Please see Appendix B, Section C. 10 - Impact of Sustainability Factors on Development, for the solar potential of parcels in Mill Valley.

Program Objectives: *Implement actions for energy efficiency identified in the 2040 Mill Valley General Plan.*

34. Addressing Natural Hazards

Background: AB 162 was passed to ensure that local planning agencies consider flooding risks and plan flood management strategies while preparing General Plans. Pursuant to AB 162, jurisdictions are required to amend the Safety and Conservation Element of the General Plan to add analysis and policies relating to flood hazards, at the time the City updates its Housing Element after January 1, 2008, and every five years thereafter.

The City's current Public Health and Safety Element was written in 1989, and is currently being updated as part of the Mill Valley 2040 General Plan Update process.

Mill Valley's Floodplain Management Ordinance regulates new development and substantial improvements to existing development within the floodplain. The Ordinance meets the following requirements set forth by AB 162:

- Identify information regarding flood hazards, including flood hazard zones, maps, historical data, land uses, and flood protection agencies.
- Establish comprehensive goals, policies and objectives to protect against unreasonable flooding risks, based on the above information.
- Establish a set of feasible implementation measures to carry out those goals, policies and objectives.

Program Objectives: *Incorporate the appropriate references to the Floodplain Management Ordinance in the 2040 Mill Valley General Plan as required by AB 162. Review the Housing Element whenever amendments are made to the 2040 Mill Valley General Plan to ensure internal consistency.*

COMMUNITY AND GOVERNMENTAL COLLABORATION

GOAL 7.0: Coordinate with citizens, community groups, and governmental agencies to help address Mill Valley's housing needs.

POLICIES

Policy 7.1 Community Participation

Undertake effective and informed public participation from all economic segments in the community, including both homeowners and renters, and special needs groups in the formulation and review of City housing policies.

Policy 7.2 Neighborhood Outreach

Encourage developers of any major housing project to conduct neighborhood meetings with residents early in the process to undertake problem solving and facilitate more informed, faster and constructive development review.

Policy 7.3 Public Review of Development

Encourage public awareness and involvement in housing development proposals to facilitate the design of new housing that fits within the neighborhood context.

Policy 7.4 Housing Element Implementation

Take a proactive leadership role in working with community groups, other jurisdictions and agencies, non-profit housing sponsors, and the building and real estate industry to ensure the timely follow through of actions identified in the Housing Element, including formation of a Housing Committee to support implementation.

PROGRAMS

35. Community Education and Outreach

Background: The Mill Valley 2040 General Plan has involved extensive community participation from a wide spectrum of residents and stakeholders in planning for the future of the town. As part of this effort, the community has become more informed about Mill Valley's unique housing needs and issues, and Housing Element policies and programs designed to address the community's needs. [A detailed description of these efforts is described in Chapter 1.](#)

The City will build on the momentum gained through the 2040 General Plan to garner public support for implementation of the Housing Element and the provision of housing for all economic segments of the community. [The education and outreach efforts to the Mill Valley community will address broader housing issues, rehabilitation and maintenance of the existing housing stock, retrofits for energy efficiency, and also the creation of housing that fits with and enhances the small-town character of Mill Valley.](#)

Program Objectives:

- Provide ongoing education and outreach on housing issues, rehabilitation, energy retrofits, and design through presentations, on-line resources, housing fact sheets and other means.
- Assist prospective ~~development~~ applicants of all types of residential developments in coordinating meetings with neighbors and other stakeholders prior to submittal of a formal development application.
- Coordinate with interested groups, including local businesses, housing advocacy groups and owner and renter neighborhood groups to build public understanding and support for affordable, workforce and special needs housing.

36. Housing Element Monitoring/Annual Report

Background: The Planning Department will be responsible for establishing the regular monitoring of the Housing Element, and preparing an Annual Progress Report for review by the public, City decision-makers and submittal to State HCD. Completion of the Annual Report is required for the City to maintain access to State housing funds.

The Report will document:

- Mill Valley’s annual residential building activity, including identification of any deed restricted affordable units and assignment of market rate units to an appropriate affordability category
- Progress towards the Regional Housing Needs Allocation since the start of the planning period;
- Input from the Planning Commission and other community stakeholders; and
- Implementation status of Housing Element programs.

Formatted: Bullets and Numbering

Program Objectives: *The Planning and Building Departments will review the Housing Element annually and provide opportunities for public participation, in conjunction with the submission of the City’s Annual Progress Report to the State Department of Housing and Community Development by April 1st of each year.*

37. Mill Valley Housing Advisory Committee

Background: Through the Mill Valley 2040 General Plan process, the City and its community stakeholders have developed valuable new goals and established a strong foundation for future action to address the community’s affordable housing needs. As a means of supporting the effective implementation of the City’s new Housing Element, the City will establish a Housing Advisory Committee to serve as an advisory group to the Planning Commission and City Council for guidance on Mill Valley’s housing policies, procedures, projects and funding opportunities. Responsibilities of the Housing Advisory Committee will may include:

- Monitor and report regularly on housing issues in Mill Valley, including:
 - Progress towards Housing Element goals
 - Identification of any obstacles or impediments to achieving these goals
 - Suggested policies and actions to keep Mill Valley on track towards its goals

- Work with the ~~Planning Department~~[City Council](#) to coordinate housing activities with other City goals and plans.
- ~~Meet regularly to gather public input and recommendations, and to make~~[Make](#) periodic reports to [the Planning Commission and](#) City Council.
- Submit reports on housing activities to the ~~Planning Department~~[Planning Commission and City Council](#) for inclusion in the City's Annual Housing Element Progress Report.
- Coordinate with interested and affected groups, ~~including non-profit and~~ organizations ~~and other government agencies~~.
- Promote appropriately scaled and stable funding streams to support identified goals.

Program Objectives: Establish a Mill Valley Housing [Advisory](#) Committee in 2013, and define the Committee's specific role and responsibilities in supporting Housing Element implementation.

Table 2.1: Summary of Implementing Programs

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
Housing and Neighborhood Quality					
1. Residential Design Guidelines	Ensure future development projects remain compatible with character and setting of Mill Valley.	2009-2014: Develop and adopt Multi-Family Design Guidelines.	General Fund	Planning Department; Planning Commission	By end of 2014.
2. Historic Preservation Guidelines and Incentives	Preserve and maintain historic buildings in Mill Valley.	2009-2014: Explore revising the H-O Ordinance to clarify demolition procedures and role of the Historical Society. 2014-2022: Explore attaining CLG status. Explore conducting formal survey of historic resources.	General Fund	Mill Valley Historical Society; Planning Department; Planning Commission;	Explore revisions to Ordinance by end 2013.
3. Housing Maintenance and Public Information	Maintain health and safety levels of building stock and provide assistance to income-qualifying households.	2009-2014: Publicize rehabilitation assistance and energy retrofit programs. Provide rehabilitation assistance to five lower income households.	General Fund; CDBG; PG&E	Planning Department	Publicize by end 2013, and complete 5 rehab loans by end of 2014.
4. Condominium Conversion Regulations	Maintain rental stock by prohibiting condominium conversions in times of low rental vacancy rates.	2009-2014: Update current Condominium Conversion ordinance and specify conversion limitations in times of low rental vacancy rates.	General Fund	Planning Department; Planning Commission	By end of 2013.
5. Preservation of Existing Affordable Rental Housing	Maintain affordable housing rental stock.	2009-2014: Continue to contract with MHA to ensure compliance with affordability restrictions. Require long-term affordability controls on future affordable housing projects.	General Fund	Planning Department; Planning Commission	Ongoing.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
Housing Supply and Diversity					
6. Mixed Use Zoning in Commercial Districts	Promote housing development in Commercial districts, to realize infill potential.	2009-2014: Remove CUP for multi-family and mixed uses for residential above ground floor or off commercial street frontage. Evaluate modifications to residential development regulations in Commercial districts.	General Fund	Planning Department; Planning Commission; City Council	By end of 2013.
7. Micro-Apartment Units	Provide an alternative form of affordable housing through micro-apartment units.	2009-2014: Explore the feasibility of encouraging and incentivizing micro-apartment units. 2014-2022: To the extent appropriate, develop standards for micro-apartment units.	General Fund	Planning Department; Planning Commission; City Council	By end of 2013.
8. Second Units	Review and refine the second unit ordinance as a means to provide housing for seniors, caregivers, and extremely low income households.	2009-2014: Conduct a survey of recently built second units. Adopt ordinance amendments to ensure maintenance of second units. Seek to create an average of eight second units annually.	General Fund	Planning Department; Planning Commission; City Council	Conduct survey and review ordinance by end of 2013. Annually monitor second unit production.
9. Affordable Housing Overlay	Establish an Affordable Housing Overlay to provide targeted incentives on designated sites to enhance the feasibility of affordable housing development.	2009-2014: Adopt an Affordable Housing Overlay for the Redwoods site, specifying development incentives tailored to the site. Coordinate with property owners in facilitating public review of development proposals, and in	General Fund	Planning Department; Planning Commission	Adopt Overlay by end of 2013.

Formatted: Font: 10 pt

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
		application for affordable housing funds.			
<u>10. Lot Consolidation Incentives</u>	<u>Facilitate the consolidation of small parcels to enhance the viability of affordable housing.</u>	<u>2009-2014: Adopt lot consolidation incentives in coordination with Multi-family Design Guidelines.</u>	<u>General Fund</u>	<u>Planning Department; Planning Commission</u>	<u>By end of 2014.</u>
11. Publicly-Owned Land for Affordable Housing	Allow and incentivize the development of affordable housing on publicly-owned land.	2009-2014: Prepare inventory of publicly-owned land. Modify City's zoning regulations to allow residential uses in C-F zone.	General Fund	Planning Department; Planning Commission; City Council	By mid 2014.
12. Non-Traditional Housing Types	Explore non-traditional housing types to allow a wider variety of housing types suited to Mill Valley.	2009-2014: Modify Zoning Ordinance to develop standards for new housing typologies.	General Fund	Planning Department; Planning Commission; City Council	By end of 2013.
Housing Affordability					
13. Inclusionary Housing Regulations	Enhance inclusionary housing regulations to provide more affordable housing.	2009-2014: Amend Ordinance to strengthen and enhance the program's effectiveness in providing affordable housing.	General Fund	Planning Department; Planning Commission; City Council	By mid-2014.
14. Single-Family Housing Impact Fee	Evaluate contribution to affordable housing from new single-family construction.	2014-2022: Conduct nexus study to assess impact of single-family construction on affordable housing demand. Evaluate establishment of a fee or provision of new second unit to offset identified impact.	General Fund; Potential impact fees from single-family construction	Planning Department; Planning Commission; City Council	By end of 2014-8.
15. Local Affordable Housing Fund	Facilitate construction of affordable housing by establishing an	2009-2014: Establish a dedicated Affordable Housing Fund for deposit of in-lieu fee revenues,	Potential Affordable Housing Fund Revenues	Planning Department; Planning Commission; City Council	By end of 2014.

Formatted: Font: Not Bold

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
	Affordable Housing Fund.	including regulations.			
16. Affordable Housing Development Assistance	Facilitate development of affordable housing by providing incentives for developers.	2009-2014: Provide financial and regulatory incentives to private developers for affordable housing.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department; Planning Commission; City Council	Ongoing; continue and expand current practice.
17. Partnerships for Affordable Housing	Partner with a variety of affordable housing providers to bring affordable housing to Mill Valley.	2009-2014: Work through Nonprofit Housing Association of Northern California to identify and explore partnerships with affordable housing providers.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department	By mid-2013.
18. Homebuyer Assistance	Assist first-time homebuyers in Mill Valley	2009-2014: Continue participation with Marin Housing to administer BMR and MCC programs.	Federal funds	Planning Department	Ongoing; maintain current practice.
19. Section 8 Rental Assistance	Provide assistance to very low income households through Section 8 Rental Assistance.	2009-2014: Continue to offer tenants information regarding Section 8 and encourage landlords to register units with the program.	HUD Section 8 funds	Planning Department	Ongoing; Begin outreach to landlords to register units starting mid-2013.
Remove Governmental Constraints					
20. Update Land Use Map and Zoning Code	Define densities for residential uses with greater clarity for a more transparent and efficient development review process.	2009-2014: Establish minimum and maximum residential densities for residential districts, and maximum densities and development standards for residential uses in commercial districts.	General Fund	Planning Department; Planning Commission; City Council	By end of 2013.
21. Update Parking Standards	Increase effectiveness of parking standards by refining the standards.	2009-2014: Evaluate and establish modified parking standards in the Zoning Ordinance to	General Fund	Planning Department; Planning Commission; City Council	By end of 2014.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
		facilitate specific types of housing.			
22. Fee Deferrals and/or Waivers for Affordable Housing	Provide information regarding fee waivers for affordable housing, and specify fee waivers in the Municipal Code.	2009-2014: Provide information to affordable housing community regarding fee deferrals, reductions and waivers. Specify the waiver of 100% of application processing fees in the Municipal Code for projects with 10% ELI units.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department; Planning Commission; City Council	Provide information on fee deferrals, reductions and waivers starting in mid-2013. Specify waiver of fees in code for projects with 10% ELI units by end of 2014.
23. Density Bonus and Other Incentives for Affordable Housing	Maintain consistency with State law by adopting a local density bonus ordinance.	2009-2014: Adopt a local density bonus ordinance, and clarify relationship with City's inclusionary housing ordinance.	General Fund	Planning Department; Planning Commission; City Council	By the end of 2013.
24. CEQA Exemptions for Infill Projects	Utilize allowable CEQA exemptions for qualified urban infill and other qualifying residential projects.	2009-2014: Continue to utilize categorical CEQA exemptions where appropriate, on a case-by-case basis.	General Fund	Planning Department; Planning Commission; City Council	Ongoing; maintain current practice.
25. Zoning Text Amendments for Special Needs Housing	Maintain consistency with State law by adopting provisions for a variety of special needs housing.	2009-2014: Adopt zoning text amendments to specify provisions for a variety of special needs housing, including requirements under SB 2.	General Fund	Planning Department; Planning Commission; City Council	By the end of 2013.
Equal Housing Opportunities and Special Needs					
26. Fair Housing Program	Continue to promote and further fair housing practices and outreach.	2009-2014: Publicize the fair housing program through brochures and the City's website.	General Fund; CDBG	Planning Department	Beginning in mid-2013.
27. Senior Support Services	Provide senior services to help	2009-2014: Continue to provide senior	General Fund	Parks and Recreation	Ongoing; maintain

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
	seniors age in place.	services in Mill Valley.		Department	current practice.
28. Home Sharing and Tenant Matching Opportunities	Promote efficient use of housing stock and addressing the housing needs of seniors.	2009-2014: Support organizations that facilitate housing sharing; actively promote through senior citizen organizations.	General Fund; CDBG	Planning Department	Beginning in mid-2013.
29. Universal Design/ Visitability	Facilitate the retrofit of existing housing to provide and promote greater accessibility.	2009-2014: Develop and promote guidelines encouraging principles of universal design and visitability.	General Fund	Planning Department; Planning Commission	By the end of 2014.
30. Homeless Assistance	Support Countywide programs to address the needs of homeless persons and those at risk of becoming homeless.	2009-2014: Support implementation of the Homeless Countywide Continuum of Care, publicize the Marin Community Resource Guide and emergency 211 call system.	General Fund	Planning Department	Beginning in mid-2013.
Sustainability and Energy Efficiency					
31. Prioritization of Sustainable Housing Projects	Prioritize sustainable housing developments in sustainable locations for their numerous benefits.	2009-2014: Prioritize projects in sustainable locations competing for funds and grants.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department	Beginning in mid-2013.
32. Green Building	Promote green building practices for more sustainable housing development projects.	2009-2014: Provide outreach and education to developers regarding CALGREEN and the Green Building Ordinance. Evaluate incentives for Green Building Ordinance for higher energy efficiency.	General Fund	Planning Department	Beginning in mid-2013.
33. Energy Conservation	Evaluate and implement activities to	2009-2014: Implement actions for energy efficiency	General Fund	Planning Department	Beginning in mid-2013.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
	support clean energy and energy efficiency solutions in Mill Valley's housing.	identified in the 2040 General Plan.			
34. Addressing Natural Hazards	Maintain consistency with State law in the General Plan with regards to flood hazards.	2009-2014: Incorporate appropriate references to the Floodplain Management Ordinance in the 2040 General Plan. Review Housing Element whenever General Plan amendments are made to ensure consistency.	General Fund	Planning Department	Incorporate references in General Plan by end of 2013. Monitor Housing Element beginning in mid-2013 for future changes.
Community and Governmental Collaboration					
35. Community Education and Outreach	Garner public support for implementation of Housing Element and the provision of housing for all economic segments of the community.	2009-2014: Provide education and outreach on housing issues, assist prospective applicants, and coordinate with interested groups.	General Fund	Planning Department	Ongoing; maintain and expand current practice.
36. Housing Element Monitoring/ Annual Report	Maintain consistency with State law and access to State housing funds by annually reporting to HCD.	2009-2014: Submit an annual report to HCD by April 1 of each year.	General Fund	Planning Department; Building Department; City Council	First annual report due April 1, 2014.
37. Mill Valley Housing <u>Advisory</u> Committee	Support the effective implementation of the Housing Element.	2009-2014: Establish Mill Valley Housing Committee in 2013, define roles and responsibilities.	General Fund	Planning Department; City Council	By mid-2013

Summary of Quantified Objectives

The following table summarizes the City's quantified objectives for the 2009-2014 Housing Element planning period. The objectives include the City's new construction objectives to meet its 2007-2014 RHNA; rehabilitation objectives to reflect *Marin Housing's* Rehabilitation Loan Program; and conservation objectives to reflect preservation of existing rent-restricted affordable housing.

Table 2.2: Quantified Objectives for Mill Valley's 2009-2014 Housing Element period

Income Level	New Construction Objectives	Rehabilitation Objectives**	Conservation Objectives***
Extremely Low* (0% - 30% AMI)	37	2	177
Very Low (31% - 50% AMI)	37	3	
Low (51% - 80% AMI)	54	--	127
Moderate (81% - 120% AMI)	68	--	4
Above Moderate (>120% AMI)	96	--	
Totals	292	5	308

* Of Mill Valley's RHNA allocation for 74 very low income units, half is allocated to extremely low income households, and half to very low income households.

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

*** Conservation objectives reflect preservation of 308 existing rent-restricted units in publicly-assisted projects owned by non-profits or the Marin Housing Authority, and affordable rental units provided through the City's inclusionary housing program..