



September 21, 2022

The Honorable James T. Chou,
Presiding Judge,
Marin County Superior Court
3501 Civic Center Drive
San Rafael, CA 94903

Pat Shepherd,
2022-2023 Foreperson,
Marin County Civil Grand Jury
3501 Civic Center Drive, Suite 275
San Rafael, CA 94903

Re: City of San Rafael response to "Affordable Housing: Time for Collaboration in Marin" Marin County Civil Grand Jury report dated June 24, 2022

Dear Judge Chou and Foreperson Shepherd:

At the regular City Council meeting on September 19, 2022, the San Rafael City Council reviewed the report "Affordable Housing: Time for Collaboration in Marin" and in accordance with Penal Code 933 (c) responded to Findings F1 through F10 and Recommendation R1 as requested.

Should the members of the Grand Jury require additional information, please contact Jim Schutz, City Manager, at (415) 485-3070.

Sincerely,

A handwritten signature in blue ink that reads "Kate Colin".

Kate Colin
Mayor

RESOLUTION NO. 15124

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL
APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE
RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT ENTITLED
- AFFORDABLE HOUSING: TIME FOR COLLABORATION IN MARIN**

WHEREAS, pursuant to Penal Code section 933(c), a public agency which receives a Grand Jury Report with findings and recommendations pertaining to matters under the control of the public agency must, within ninety (90) days, provide a written response to the Presiding Judge of the Superior Court with a copy to the Foreperson of the Grand Jury, responding to the Report's findings and recommendations; and

WHEREAS, Penal Code section 933(c) specifically requires that the "governing body" of the public agency provide said response and, in order to lawfully comply, the governing body must consider and adopt the response at a noticed public meeting pursuant to the Brown Act; and

WHEREAS, the City Council of the City of San Rafael has received and reviewed the Marin County Grand Jury Report, dated June 24, 2022, entitled "Affordable Housing: Time for Collaboration in Marin;" and

WHEREAS, at a regular City Council meeting held on September 6, 2022, the Grand Jury Report was presented, public testimony was accepted, and the City Council discussed the report findings and recommendations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Rafael hereby:

1. Approves and authorizes the Mayor to execute the City's response to the Marin County Grand Jury's June 24, 2022 report, entitled "Affordable Housing: Time for Collaboration in Marin," a copy of which response is attached hereto and incorporated herein by reference.
2. Directs the City Clerk to forward the City's response forthwith to the Presiding Judge of the Marin County Superior Court and to the Foreperson of the Marin County Grand Jury.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a special meeting of the San Rafael City Council held on the 19th day of September 2022, by the following vote to wit:

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate

NOES: Councilmembers: None

ABSENT: Councilmembers: None

B. Nurmi
for LINDSAY LARA, City Clerk



RESPONSE TO GRAND JURY REPORT FINDINGS AND RECOMMENDATIONS

REPORT TITLE: "AFFORDABLE HOUSING: TIME FOR COLLABORATION IN MARIN"
REPORT DATE: June 24, 2022
RESPONSE BY: San Rafael City Council

GRAND JURY FINDINGS

- We agree with the findings numbered: **F1, F2, F3, F4, F5, F6, F7, F9, and F10**
- We disagree wholly or partially with the finding numbered: **F8**

GRAND JURY RECOMMENDATIONS

- Recommendation numbered **R1** will not be implemented because it is not warranted or reasonable.

Date:

09/21/22

Signed:

Kate Colin
Mayor Kate Colin



City of San Rafael Response to Grand Jury Report Findings and Recommendations
"Affordable Housing: Time for Collaboration in Marin"
(June 24, 2022)

RESPONSE TO GRAND JURY FINDINGS

F1. Marin County lacks sufficient affordable and workforce housing.

Response: Agree.

F2. Increasingly, individuals who work in Marin County cannot afford to live in the county, many of whom must commute from outside the county.

Response: Agree.

F3. Recent California laws provide new incentives for local governments to collaborate in developing affordable housing.

Response: Agree.

F4. The Regional Housing Needs Allocation allotments are widely viewed as unachievable for the county and many Marin municipalities.

Response: Agree.

The City supports using the Regional Housing Needs Allocation (RHNA) as a means of identifying sites for housing and is on track to meet its increased market-rate allocation for the 2023-2031 planning period. In August 2021, the City Council adopted General Plan 2040. General Plan 2040 maintained almost all existing land use designations, which have existed since at least 2000. Most of these designations already allow residential development. The City is also actively seeking ways to support affordable and workforce/moderate housing projects. That said, whether the amount of housing allocated through RHNA can be built within the eight-year timeframe will depend on many factors that are outside the City's control, such as owner interest, availability of land, financing, and other market forces.

F5. Failure to achieve Regional Housing Needs Allocation allotments will trigger loss of local control over housing development.

Response: Agree.

F6. There is new and increasing support and willingness to cooperate among elected officials for building affordable housing in Marin.

Response: Agree.

F7. A countywide approach to housing development would enhance Marin's ability to meet affordable and workforce housing needs.



City of San Rafael Response to Grand Jury Report Findings and Recommendations
"Affordable Housing: Time for Collaboration in Marin"
(June 24, 2022)

Response: Agree.

San Rafael collaborates and coordinates housing programs with Marin County and other towns and cities in a number of areas, as discussed further in the response to Recommendation R1 below.

F8. Large affordable housing developments in Marin require subsidies to be financially feasible.

Response: Partially disagree.

Regardless of size, all affordable housing developments require subsidies. In fact, smaller developments are more expensive, more difficult to fund, and cost more per unit than larger developments.

In addition to subsidized affordable housing, the City encourages the development of homes that are affordable "by design," such as Accessory Dwelling Units and mobile homes. These homes are priced lower due to their smaller size and can be built by the private sector without subsidies.

F9. Organizations with expertise and access to subsidies and other funding sources are successfully building new affordable and workforce housing developments in Marin.

Response: Agree.

The Vivalon Healthy Aging Campus and Senior Housing currently under construction in San Rafael is an example of successful countywide partnership. Eden Housing and Vivalon are collaborating on a mixed-use project with studios and 1-bedroom apartments on the upper floors, which will be available to low-income seniors. The City of San Rafael and County of Marin provided funding, and the Marin Housing Authority provided project-based vouchers.

F10. A countywide approach to housing development would enhance Marin's ability to secure funding for affordable and workforce housing.

Response: Agree.

San Rafael collaborates and coordinates housing programs with Marin County and other towns and cities in a number of areas, as discussed further in the response to Recommendation R1 below.

RESPONSE TO GRAND JURY RECOMMENDATIONS

The Marin County Civil Grand Jury recommends the following:

R1. No later than December 31, 2022, the Marin County Board of Supervisors and Marin's city and town councils should jointly create a regional authority, or empower an existing authority such as the Transportation Authority of Marin, to coordinate affordable and workforce housing policy on a countywide basis.



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This recommendation will not be implemented because it is not warranted or reasonable.

The City agrees that more collaboration on housing policy and funding would be beneficial and will likely result in more affordable housing in our communities. In fact, much work has been done to date, as described below, and additional opportunities are being developed. The City values the County's leadership in providing technical expertise and convening Marin jurisdictions, and hopes that role will continue to develop. The City remains open to additional collaboration and/or more formal arrangements in the future.

However, forming a Joint Powers Agreement (JPA) with 12 jurisdictions would take a significant investment of time, funding and energy that would likely impair current housing efforts, and of course requires willing partners. Doing so by December 31, 2022 is not a realistic timeline, particularly given that each Marin jurisdiction is currently striving to meet statutory deadlines to submit their housing element by January 31, 2023.

Below is a brief summary of existing and recommended new pursuits for strengthening interjurisdictional coordination and planning around affordable and workforce housing:

Existing collaboration

The City has long participated in housing collaboration with the County and other cities and towns, beginning in 2008 with the development of the countywide Housing Element Workbook, which provided a shared template, background information and model programs and policies for development of the 2009 Housing Element. This effort resulted in all Marin municipalities receiving certified housing elements, which in turn made more housing funds available.

In 2019, City staff joined a countywide working group of Planning Directors and planning staff to encourage interjurisdictional collaboration on housing issues and solutions, with a specific focus on responding to new state legislation to streamline housing developments. The working group established common goals and coordinated on housing legislation, planning, production, and preservation of existing affordability. The working group meets once monthly and has evolved from briefings and discussions regarding state housing legislation into collaboration on projects to facilitate the development of more housing in Marin County. The group received funds from ABAG to work collaboratively on shared Housing Element deliverables including translation dollars, Affirmatively Furthering Fair Housing products, visualizations, and a countywide website. In some instances where the City already had begun certain policies and projects ahead of other jurisdictions, the City shared its conclusions and remained open to alignment when in service to increasing housing supply.

Future collaboration

The City intends to expand collaboration with the County and other cities and towns in the following ways:

1. **Commit to collaboration:** In the City's draft 2023-2031 Housing Element, a proposed new program would "*Collaborate with Marin County, cities and towns to address regional planning and housing issues*"
 - This would require the City, along with Marin County and other cities and towns, to commit resources to collaboration and hold a public hearing annually to report



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on progress to the respective decision-making body and report to the State through the Annual Progress Report (APR).

2. **Implementation of Housing Element programs:** During implementation of the 2023-2031 Housing Element, the City will collaborate with the County and other cities and towns on program implementation, especially those related to Affirmatively Furthering Fair Housing and tenant protections. This will include:
 - *Model ordinances:* helping to inform model ordinances developed by the County, to be considered by the Board of Supervisors and City Councils.
 - *Outreach and community engagement:* Conducting shared outreach and community engagement.
3. **Housing Element Collaboration:** Develop a deeper and more formalized collaboration on the Housing Element in the future. This could include:
 - *Shared Housing Element components and policy toolkit:* Develop shared background and outreach sections, and a toolkit of programs and policies. This would provide consistency, save funds and improve accessibility for stakeholders and housing developers.
 - *Consider a Subregional approach:* The County and cities and towns could consider developing a subregional approach to meeting the Regional Housing Need Allocation in the next housing element cycle.
 - *Shared consultants* to conserve resources and develop more consistent policies and programs, the County, cities and towns will seek to hire the same consultants to prepare parts of the housing element, conduct regional outreach and conduct any needed environmental review.
4. **Funding collaboration:** explore ways to more effectively collaborate on shared funding for affordable housing. This could include:
 - *Inclusionary policies:* Developing more consistent fees to encourage and facilitate more affordable housing as part of new market rate developments and increase funding for affordable housing.
 - *Regional housing trust fund:* Consider the establishment of a regional housing trust fund which would make state applications more competitive and lower the administrative burden for cities and towns.
 - *Community Development Block Funds:* Continue to collaborate as part of the Marin County entitlement community on using CDBG funds to fund affordable housing and leverage other State and Federal Sources.
 - *Permanent Local Housing Allocation (PLHA):* Continue to collaborate as an entitlement community to use PLHA funds on housing-related projects and programs that assist in addressing the unmet housing needs of our local communities.
 - *The Bay Area Housing Finance Authority (BAHFA):* Actively participate and support the efforts of BAHFA to raise funds to help address affordable housing and housing stability.