



City of Larkspur

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September 6, 2023

The Honorable Judge James Chou
Marin County Superior Court
Post Office Box 4988
San Rafael, CA 94913-4988

Rod Kerr, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

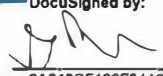
Dear Judge Chou and Foreperson Kerr:

At its regular meeting on September 6, 2023, the City Council reviewed the report "Build More ADUs – An Rx to Increase Marin's Housing Supply", dated June 15, 2023. The report calls for a response from the City of Larkspur to findings 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 (F1, F2, F3, F4, F5, F6, F7, F8, F9, F10) and recommendations 1, 2, 3, 4, 5, 6 (R1, R2, R3, R4, R5, R6).

Please see the attached for the response from the City.

Should the members of the Grand Jury require any additional information, please contact City Manager Dan Schwarz at 415-927-5110 or dschwarz@cityoflarkspur.org.

Gabe Paulson
Mayor, Larkspur

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Signature

09/06/2023

Date

RESPONSE TO GRAND JURY REPORT FORM

Report Title: "BUILD MORE ADUS – AN RX TO INCREASE MARIN'S HOUSING SUPPLY"

Report Date: June 15, 2023

Agenda Date: September 6, 2023

Response by: Gabe Paulson

Title: Mayor, City of Larkspur

FINDINGS:

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

RECOMMENDATIONS:

- Recommendations numbered R4 have been implemented.
- Recommendations numbered R3 have not yet been implemented but will be implemented in the future.
- Recommendations numbered R1, R2, and R5 will not be implemented because they are not warranted or are not reasonable.
- Recommendations numbered R6 require further analysis

Number of pages attached: 3

FINDINGS AND RESPONSES

F1. More housing in Marin is needed and ADUs are one solution.

Agree. The City of Larkspur agrees that more housing is needed and ADU's are one solution.

F2. Many homeowners lack information and knowledge about ADU development, and Marin's jurisdictions are not always helpful to homeowners seeking information about ADU development

Partially Disagree. It is probably true that many homeowners lack information and knowledge about ADU development. The statement that "Marin's jurisdictions are not always helpful to homeowners seeking information about ADU development" is not an accurate reflection of the service Larkspur staff provide homeowners inquiring about ADUs.

F3. It is often difficult, if not impossible, for a Marin homeowner to determine the planning, building, connection, capacity and impact fees associated with developing an ADU in a particular jurisdiction.

Partially Disagree. While it can be difficult to obtain information about fees because they include multiple agencies, the word "impossible" is exaggerating the level of difficulty. The City of Larkspur's current fee schedule is available on the City's website. The fee schedule includes information on various fees for a variety of departments including the Planning Division, Building Division, Fire Department, Public Works Department. City staff are available to discuss the calculation of the various fees that are charged by the City for an ADU provided enough project information is provided by the homeowner. Staff are available to meet with homeowners in person or answer questions over the phone or via email.

F4. Many Bay Area cities and counties, for example Napa and Sonoma, have implemented comprehensive websites and related support to help homeowners create ADUs.

Agree. The City of Larkspur agrees that Many Bay Area cities and counties have implemented comprehensive websites and related support to help homeowners create ADUs.

F5. ADUs may be rented affordably and provide additional benefits for older adults and their caregivers.

Agree. The City of Larkspur agrees that ADUs may be rented affordably and provide additional benefits for older adults and their caregivers.

F6. Most Marin jurisdictions could provide better resources offering or identifying financing incentives for ADU development.

Agree. The City of Larkspur agrees that most Marin jurisdictions could provide better resources offering or identifying financing incentives for ADU development.

F7. Impact, connection, and capacity fees vary considerably throughout the County and such fees can be a disincentive to homeowners considering ADU development.

Partially Disagree. Jurisdictions and districts should not charge impact fees for ADUs that are less than 750 square feet per state law. Connection and capacity fees vary by jurisdiction and/or utility district.

F8. Not every jurisdiction in Marin has updated its planning and building policies to conform with current California ADU laws.

Partially Disagree. It is possible that not every jurisdiction in Marin has updated its planning and building policies; however, state law supersedes local ordinances, so that even if the local ordinance has not been updated, the State law is in effect.

F9. Granting amnesty, following safety inspection, to existing non-conforming second units could help Marin meet its housing obligations.

Partially Disagree. Until 1/1/30 California Health and Safety Code Section 17980.12 allows owners to request a 5-year delay in enforcement if correcting the violation is not necessary to protect health and safety. The County and other cities and towns previously included amnesty programs to encourage legalization of existing unpermitted ADUs by providing relaxed standards. However, given the permissiveness and flexibility of state law, granting amnesty may not be necessary as barriers are not related to planning and building requirements (see the response to Grand Jury recommendation R2). Furthermore, amnesty for legalization of existing units could address health and safety issues with existing housing but may not directly create new housing.

F10. ADU Marin and HelloADU are a good start. However, compared to several other Bay Area cities and counties, for example Napa and Sonoma, they could be substantially enhanced and expanded.

Agree. The City of Larkspur agrees that "ADU Marin and HelloADU are a good start. However, compared to several other Bay Area cities and counties, for example Napa and Sonoma, they could be substantially enhanced and expanded."

R1. On or before December 31, 2023, the Marin County Board of Supervisors should direct the Community Development Agency's Development Priority Setting Committee to:

- 1) Identify available funding/financing information for residents who need help with the cost of building an ADU,***
- 2) Transmit the collected information to all the jurisdictions represented on the Committee.***
- 3) Start a continuous monitoring program to update the information sources as they become available.***

This recommendation will not be implemented by the City because it is not warranted or reasonable. The City has no authority to direct the County Board of Supervisors to take any action.

R2. By December 1, 2023, begin investigation to consider an amnesty program to legalize existing unpermitted second units. Add a marketing communications plan so that citizens can be made aware of it.

This recommendation will not be implemented because it is not warranted or reasonable. Until 1/1/30 California Health and Safety Code Section 17980.12 allows owners to request a 5-year delay in enforcement if correcting the violation is not necessary to protect health and safety. Amnesty programs typically waive existing violations of a zoning or development code, such as setbacks, height, size, lot coverage or location that have been identified as barriers to development. The ADU state laws, notably AB670, allows most units and violations of the code described above would not be a factor in permitting

existing, unpermitted accessory dwelling units. In some cases, the limiting factor is costs to bring the unit up to building and fire codes and an amnesty program would not alleviate that constraint.

R3. By December 1, 2023, begin the process of merging and/or collaborating with Napa/Sonoma ADU, and hiring a full-time Marin ADU Program Coordinator. The program coordinator should work with all jurisdictions on the development of ADUs and identify impact and connection fees within each jurisdiction.

This recommendation has not been implemented yet. The Cities and Towns and Marin County have been communicating with the Napa/Sonoma ADU Center over the last several months through the Marin County Housing Collaborative Group, the Housing Working Group (HWG). The HWG is composed of Planning Directors and staff from the County and all cities and towns in Marin. The County is leading a conversation with the Marin Community Foundation to help fund this effort. It is anticipated that a recommendation for funding and strategy for the merger will be proposed by January 2024.

R4. By December 1, 2023, begin a feasibility assessment of waiving or significantly lowering impact and connection fees for units smaller than 750 square feet.

This recommendation has already been implemented. Under current state law, all ADUs under 750 square feet are exempt from impact fees. Changing connection fees would need to be evaluated by each of the districts that require them.

R5. By December 1, 2023, begin creating plans to accelerate the permit approval process for ADU applications to within 30 days, or less, of submission. Implement such plans no later than July 1, 2024. This recommendation will not be implemented because it is not warranted or is not reasonable. State law requires that a local agency approve or deny an ADU permit within 60 days. Most applications for ADUs are only required to obtain a building permit. Building permit review typically takes approximately 60 days from when an application is received. Because the allowed 60-day review period may be interrupted due to an applicant addressing comments generated during the permitting process, reducing review to within 30 days is not feasible. However, much of the delay currently is due to incomplete applications or delayed resubmittal from the applicant. Increased technical assistance for applicants, such as through a merger with Napa/Sonoma ADU or other mechanism, means a greater likelihood of complete applications thereby expediting the review process.

R6. By December 1, 2023, begin feasibility assessments of new incentives for ADU development, such as pre-approved plans, technical assistance, property tax relief, development fee waivers, and forgivable loans; implement at least one such incentive no later than July 1, 2024.

This recommendation requires further analysis. A number of these incentives could be accomplished through a merger with the Napa/Sonoma ADU Center, including pre-approved plans, technical assistance and exploring loans and other financial incentives. However, property tax relief would require State legislation and implementation will take longer than July 1, 2024.