



RESPONSE TO GRAND JURY REPORT FINDINGS AND RECOMMENDATIONS

REPORT TITLE: "AFFORDABLE HOUSING: TIME FOR COLLABORATION IN MARIN"
REPORT DATE: June 24, 2022
RESPONSE BY: Mill Valley 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.

DATED: 9/19/2022

SIGNED: Jim Wickham
Jim Wickham, Mayor

ATTEST: Hank Blitzer
City Clerk

Number of pages attached: 5

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 acknowledges the Regional Housing Needs Allocation (RHNA) as a means of identifying sites for housing, but the current allocation of 865 units for the 2023-2031 planning period represents an increase of 670% above the 129 units that were allocated for the most recent planning period (2015-2023). Whether this amount of housing 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.

Acknowledging local conditions are important to the conversation of housing, as noted in the City's RHNA appeal:

Emergency access and fire safety are of great concern for residents living in these hillsides as well as the general community. Of the 6,539 parcels in Mill Valley, approximately 60% (3,865) are located in the Wild/and Urban Interface These areas also represent largely sloped areas with roadways less than 20' wide. These lots are developed parcels zoned as Single-Family-- rightfully so, as they pose little opportunity for any other type of development due to limited access. Another 306 parcels are in the FEMA Floodway where the building footprint cannot be expanded.

These local site conditions need to be recognized as part of the process. Almost 65% of the City's parcels which are already developed are in a high fire zone with limited access or FEMA Floodway that prohibits changes to an existing parcel's footprint. There needs to be a better understanding of these local site conditions and the acknowledgement that there is little opportunity for growth and development in these areas." (Mill Valley appeal letter to Association of Bay Area Governments, October 2020).

General Plan guidance should continue to be used by the State, region and local entities as a means of balancing local programs and policies that serve to protect and enhance a local community, which include chapters or "elements" that address mobility/circulation, safety, land use, housing, community vitality, open space/conservation, climate action and noise.

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

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.

Response: Agree.

The City of Mill Valley currently collaborates and coordinates housing programs with Marin County, the towns and cities, 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.

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 City is currently partnering with EAH Housing, an affordable housing developer with direct experience in guiding successful public/private partnerships, to build affordable homes on the northern portion of the city-owned parcel, known as 1 Hamilton. The City is aware of various affordable housing developments underway in Marin County. 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.

The City of Mill Valley is part of a County-wide Working Group that meets monthly to collaborate on housing programs, issues and solutions, 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.

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 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

Collaboration began 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, County staff reconvened 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 working group applied jointly for SB2 planning grants in the summer and fall of 2019 and has started to collaborate on these grant projects, including Objective Design and Development Standards, an ADU Workbook and Website, and inclusionary housing program updates. 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.

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 County, and each city and town, to commit resources to collaboration and hold a public hearing annually to report 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/Town 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 policies and 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 an 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.

RESOLUTION NO. 22-51

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILL VALLEY AUTHORIZING THE MAYOR TO EXECUTE THE CITY OF MILL VALLEY'S RESPONSE TO THE 2021-2022 MARIN COUNTY CIVIL GRAND JURY REPORT ENTITLED "AFFORDABLE HOUSING: TIME FOR COLLABORATION IN MARIN"

THE CITY COUNCIL OF THE CITY OF MILL VALLEY HEREBY FINDS AND RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to Penal Code section 933, a public agency which receives a Grand Jury Report addressing aspects of the public agency's operations 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.

SECTION 2. Penal Code section 933 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.

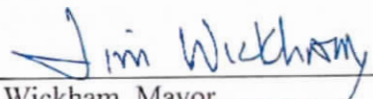
SECTION 3. The City Council of the City of Mill Valley has received and reviewed the Marin County Grand Jury Report, dated June 24, 2022, entitled "Affordable Housing: Time for Collaboration in Marin", and has added the discussion of this report to the September 19, 2022 City Council meeting agenda to consider the City's response.

SECTION 4. The City Council approves and authorizes the Mayor to execute the City's response to the Marin County Civil Grand Jury's June 24, 2022 report, entitled "Affordable Housing: Time for Collaboration in Marin", a copy of which is attached hereto and incorporated herein by reference.

SECTION 4. The City Clerk is hereby directed 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.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Mill Valley on the 19th day of **September, 2022**, by the following vote:

AYES: Councilmembers: Perrey, Burke, Wickham
NOES: None.
ABSENT: Vice Mayor Carmel.
ABSTAIN: None.


Jim Wickham, Mayor

ATTEST:

Hannah Politzer, City Clerk/Management Analyst III