



CITY OF MILL VALLEY

Housing Element Update 2015-2023

Volume I - Chapters
Volume II - Appendices

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Mill Valley Residents, Members of the Public and City Representatives, including:

City Council

Kenneth R. Wachtel, Mayor
Garry Lion, Vice Mayor
Jessica Jackson, Councilmember
John McCauley, Councilmember
Stephanie Moulton-Peters, Councilmember

Planning Commission

Steven Geiszler, Chair
Anne Bolen, Commissioner
Ricardo Capretta, Commissioner
Larry Davis, Commissioner
Fred Eisenhart, Commissioner

Zoning and Design Guidelines Advisory Committee

Michael Dyett, FAICP, Chair, Resident-at-large
Ken Wachtel, Vice-Chair, City Council Liaison
Ricardo Capretta, Planning Commission Liaison
Bruce Dorfman, Chamber of Commerce Liaison
Burton Miller, FAIA, Architect/Neighborhood Liaison
Jim Parrinello, Resident-at-large
Stephanie Witt, Realtor, Property Development Liaison

City Staff

Jim McCann, City Manager
Vin Smith, Director of Planning and Building
Danielle Staude, Senior Planner

Consultant: Metropolitan Planning Group, Inc.

Geoff I. Bradley, AICP
David Javid, AICP, LEED AP
Justin Shiu

Consultant: Karen Warner Associates, Inc

Karen Warner, AICP

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I. Introduction

A. Mill Valley Community Context

Mill Valley is located on the western and northern shores of Richardson Bay. Beyond the flat coastal area and marshlands, it occupies narrow wooded canyons, mostly of second-growth redwoods, on the southern slopes of Mount Tamalpais. The combination of Mill Valley's idyllic location nestled beneath Mount Tamalpais, together with ease of access to nearby San Francisco, and its strong sense of place and small-town character, has made it a popular place to call home. Over the last 20 years, following a trend that is endemic throughout the Bay Area, home prices have climbed in Mill Valley, which has diminished affordable housing choices for older adults in the community who would prefer to “down-size” and live closer to shopping, arts and cultural events and transportation options; for the grown children of long-time residents who wish to stay in the town where they grew up; and for those who would prefer the option to live closer to their Mill Valley job.

Mill Valley has experienced some demographic shifts in its population over the past decade. There has been a significant increase of over 200 new families in Mill Valley, of which 80 percent are families with children, and a corresponding increase in the school age population. Young adults (25-44 years) have decreased from 28 to just 20 percent of Mill Valley's population during the same period, and the community of senior citizens (age 65+) is growing, currently comprising 19 percent of Mill Valley residents, compared to just 15 percent a decade ago.

Approximately 20 percent of Mill Valley households earn low incomes (<80% area median income or AMI), with an additional 12 percent earning moderate incomes (80-120% AMI). Among the community's 2,100 renter households, one-third are lower income and 15 percent moderate income.

This Housing Element identifies solutions that address these trends and demographics consistent with the overall goals, applicable community values, housing development potential and housing policies in this Housing Element of the Mill Valley 2040 General Plan.

The 1989 Mill Valley General Plan established a decision-making framework of two overall goals and seven community values that many have suggested are still applicable to and should be included in the MV2040 General Plan, including the 2015-2023 Housing Element. The two overall goals are:

1. To protect and enhance the natural beauty and small-town character of Mill Valley; and
2. To encourage continued diversity of housing, income levels and lifestyles in the community.

The seven community values from the 1989 General Plan have been slightly modified and updated through the MV 2040 General Plan process, and additional values related to the arts, municipal fiscal policies and practices, sustainability and climate action, community participation and public education have been added based on community input and discussion:

- Preserving the quality, diversity and historic resources of the community's residential neighborhoods;
- Maintaining a strong, healthy economy that supports locally-owned and local-serving businesses;
- Prudent municipal fiscal policies and practices and operational excellence by city officials and employees;
- Managing and restoring the scenic quality and physical character of the bayfront, ridgelines and hillsides for open space, resource protection and outdoor recreation;
- Preserving and enhancing creeks, marshes, woodlands and other natural resources for the use and enjoyment of current and future generations;
- Fostering sustainable policies and practices that enhance climate protection and adapt to climate change;
- Minimizing traffic congestion and encouraging safe and convenient mobility alternatives;
- Planning, preparing, adapting and responding to natural and human-made disasters;
- Accommodating more housing choice for all income levels and community needs than may be possible under conditions in the private housing market
- Promoting the arts, the artistic community and its on-going and lasting contribution to the culture, heritage, character, economy and quality of life of the community;
- Cultivating community participation, volunteerism, mutual respect, civil discourse and civic responsibility;
- Furthering excellence in public education and an open, effective and mutually supportive relationship among the community, public schools and City.

Carrying over the two overall goals and the updated and expanded community values from the 1989 General Plan to the MV2040 General Plan and the 2015-2023 Housing Element not only provides continuity for a critical decision-making framework that has sustained Mill Valley over the years, but also speaks to the overall purpose of the MV 2040 General Plan and this Housing Element to continue to preserve the great qualities that make Mill Valley a special place to live, learn, work and play; to protect its unique, small-town character; and reinforce the primacy of local decision-making within the context of state and regional planning mandates.

The 1989 Mill Valley General Plan and MV2040 are quite similar in their respective approach to addressing the major issues then and now. For example, the 1989 General Plan states that “[I]n Mill Valley, significant growth is not anticipated and there are no proposals to convert agricultural lands to urban development; there are no proposals for major new streets or sewer systems; and there are no plans to build new schools.” Much the same is true for the MV2040 General Plan and this 2015-2023 Housing Element. Particularly in the areas of “infill housing” and “affordable housing”, two issues of significance in 1989, as well as today (and probably into the future, as well), the Housing Element has taken an approach to identify potential housing sites and recommended policies and programs that are based on specific, local criteria that reflect the need to meet state mandates, yet protect existing neighborhoods, preserve the character of the community, and work within the City's existing zoning and residential development standards.

Much of Mill Valley's character can be found in the architectural diversity and historic character of its existing and predominantly single-family residential neighborhoods. The 1989 General Plan went to considerable lengths to successfully reduce the previously anticipated residential development potential of the city in order to encourage smaller scale and more individual development patterns. The 1989 General Plan did this by "down-zoning" a number of large, undeveloped tracts of land on the fringes of existing residential areas. Much of this land became designated open space, and with a few exceptions, the rest was developed into large-lot custom single-family homes and neighborhoods. The MV2040 General Plan and the 2015-2023 Housing Element have identified opportunities to meet anticipated housing needs through a similar approach focused on the existing small-scale, individual lot development patterns set forth in the 1989 General Plan and reflective of historic development and lot patterns.

As the Housing Element is required to address all housing (not just affordable), there are a few sites identified in this document that are appropriately zoned and would accommodate a new single-family home (See Appendix C for further details). It's important to note, and this Housing Element reinforces that the identification of sites appropriately zoned for potential housing development to meet the City's Regional Housing Needs Allocation (RHNA) is a requirement of state law, but how that housing is ultimately developed – if it is developed during the term of this Housing Element – is entirely based on property owners interest in redeveloping their property according to local housing policies expressed herein, and local zoning and development standards. The development and redevelopment of existing single-family homes on single lots is an on-going feature of Mill Valley's evolving housing market. The consideration of their overall design and site planning, and the community's participation in that decision, is what regularly fills bi-monthly Planning Commission agendas. However, the community has also identified other housing needs beyond single-family residences on a single lot: the needs reflected in the overall goal of "a diversity of housing, income levels and lifestyles" and the community value of "accommodating more housing choice".

To accomplish this overarching vision, this Housing Element primarily focuses on the much smaller and more discrete areas of the city that are already zoned for multi-family housing and commercially zoned areas that allow mixed commercial and residential uses, or multi-family residential uses on their own. These areas represent about 9 percent of the city's total number of lots (the large remainder are all single-family), and most are comparatively small in area. As a result, it's quite possible to develop projects of multiple residential units that meet identified local needs; are consistent with Mill Valley's character; and meet the City's proposed standards for dwelling units per acre, also known as "density". In addition, the design of those projects, through the proposed establishment of multi-family specific design guidelines and development standards for height, bulk and mass will be applied as existing standards are applied to the city's single-family developments. Some examples of existing developments of this type - developments that are already an accepted part of the fabric of the community - are included in Appendix C. The principal purpose of these examples is to show that "higher density" in a local Mill Valley context is neither out of character with existing neighborhoods, nor contrary to community goals and values.

B. The Role and Purpose of the Housing Element

The purpose of the Housing Element is to achieve an adequate supply of safe, affordable housing for all economic segments of the community, including individuals with special housing needs. The Bay Area and Marin County in particular have become one of the most desired, and therefore expensive, housing markets in the country. Mill Valley's housing conditions are reflective of many area-wide and nation-wide trends, where housing costs, including interest rates, construction costs and high land costs, have increased the real cost of housing disproportionately in comparison to incomes. This has resulted in difficulties in the job market, longer commutes, and the moving out of young families, longtime residents, and other community members who can no longer afford the high cost of housing.

Every jurisdiction in California must have a General Plan that contains a Housing Element. While jurisdictions must review and revise all elements of their General Plan regularly to ensure that they remain up to date, State law has specific requirements for updating the Housing Element every eight years. The Housing Element is also subject to review by the State Department of Housing and Community Development.

This Housing Element identifies policies and programs that focus on:

- | |
|---|
| <ol style="list-style-type: none">1. Housing and Neighborhood Quality;2. Housing Supply and Diversity;3. Housing Affordability;4. Removing Governmental Constraints;5. Equal Housing Opportunities and Special Needs;6. Sustainability and Energy Efficiency; and7. Community and Governmental Collaboration. |
|---|

The Housing Element consists of the following major components, which are established in State law:

- A summary of the City's existing and projected housing needs;
- An assessment of the land, financial and administrative resources available to address Mill Valley's housing needs;
- A Housing Plan to address the City's identified housing needs, including housing goals, policies, and programs; and
- Technical documents consisting of a detailed housing needs assessment, an analysis of constraints to housing production and affordability, and an evaluation of the City's progress in implementing the housing programs established in the 2009-2014 Housing Element.

Data Sources

Various sources of information are used to prepare the Housing Element. They include:

- Population and demographic data from the 1990, 2000, and 2010 Census; 2006-2010 American Community Survey, the State Department of Finance, County of Marin Point in Time Homeless Count 2013, Golden Gate Regional Center, and student enrollment information from the Mill Valley School District;

- Employment and income data from the California Department of Housing and Community Development; 2013 California Occupational Employment Statistics;
- Housing market information, such as home sale prices, rent prices, and vacancies, was collected through a survey of internet rental websites including Craigslist.org, Trulia.com, and Bay4Rent.com, and DataQuick;
- Utility cost information from Marin Housing Authority
- Housing inventory information and approved and built unit numbers from Assessor data, the Mill Valley Planning and Building Departments;
- Association of Bay Area Governments (ABAG) Projections 2013 and ABAG's Regional Housing Needs Determination provide demographic projections and information on future housing needs;
- Comparative data for income levels of various groups is provided by the Comprehensive Housing Affordability Strategy prepared by the U.S. Department of Housing and Urban Development; and
- Information on Mill Valley's development standards was from the City's Zoning Ordinance.

Housing affordability is a major issue in the Bay Area, with a significant number of households in the region overpaying for housing. As shown by the U.S. Census and other data in Appendix A, Housing Needs Assessment, the shortage of affordable housing particularly affects lower-income renters and first-time homebuyers, and limits the choice and opportunity of many with local jobs, such as public safety workers and teachers. As part of this Housing Element update, the City will look for additional means to expand the supply of affordable housing, including facilitating residential development in mixed-use areas and around transit stops.

C. Relationship to the General Plan

This Housing Element is consistent with Mill Valley's 2040 General Plan. The General Plan is a long-range planning document that serves as the "constitution" for development in a jurisdiction, by describing goals, policies and programs to guide all development-related decisions. If a development proposal is not consistent with the General Plan, the proposal or the General Plan itself must be amended. State law requires a community's General Plan to be internally consistent. Therefore, although the Housing Element is subject to special requirements and a defined timetable of updates, it must function as an integral and consistent part of the overall General Plan and its other Elements.

Various housing needs can only be addressed on a comprehensive basis in concert with other community concerns such as infill development or mixed use incentives, for example, which must consider land use, traffic, parking, design as well as other considerations. In the past, major amendments to Mill Valley's Housing Element were made simultaneously with updates to other General Plan Elements.

D. Housing Element Law and Changes to State Requirements

State Housing Element law enacted in 1969 requires local governments to adequately plan to meet the existing and projected housing needs of all economic segments of the community. This law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulations which provide opportunities for, and do not unduly constrain, housing development.

Housing Element law also requires that the California Department of Housing and Community Development (HCD) review local housing elements for compliance with State law and to report its written findings to the local government. If HCD finds that the housing element substantially complies with State Housing Element law, HCD “certifies” the housing element. If a housing element has been certified by HCD, State Housing Element law states that there shall be a “rebuttable presumption of validity of the element” in any court challenge to the validity of the housing element.

Major recent updates to Housing Element law include the following:

- ✓ Senate Bill (SB) 375 passed in 2008 requires the annual submission of reports to HCD monitoring the Housing Element, changes the Housing Element cycle from five years to eight years, and outlines consequences for the failure to adopt a Housing Element. The 2015-2023 Housing Element will be under the eight year cycle provide by SB 375.
- ✓ Senate Bill (SB) 2 passed in 2007 requires local governments to support homeless persons in obtaining shelter and services, specifically, through the identification of a Zoning District (or Districts) where emergency shelters are allowed as a permitted use, without a conditional use or other discretionary permit. The bill also requires local governments to add transitional and supportive housing and emergency shelters to its provisions for very low, low, or moderate income households.
- ✓ Assembly Bill (AB) 2348 passed in 2004 clarifies the requirements for an inventory of land suitable for residential development, to reflect the provision of adequate sites within the community for housing. The requirements include an analysis of each site, description of how site capacity was established,
- ✓ Assembly Bill (AB) 1866 passed in 2002 facilitates the creation of second units, or Accessory Dwelling Units, through ministerial approval procedures, and allows the identification of realistic capacity for second units, based on development trends of second units in the jurisdiction.
- ✓ The California Housing Accountability Act (Government Code section 65589.5), passed in 2010, limits the ability of cities and counties to reject proposed housing development projects that are consistent with local plans and zoning regulations. In order to disapprove a proposed residential development that complies with all applicable objective planning and zoning criteria, the local agency must make written findings, supported by substantial evidence, that: (1) the project would have a specific adverse

impact on public health or safety, and (2) no feasible means exists to satisfactorily mitigate or avoid the impact.

- ✓ Under federal mandate, reasonable accommodations procedures need to be established to remove hurdles in the provision of housing that can accommodate the needs of persons with disabilities.

E. Community Participation Summary

The Mill Valley 2040 General Plan and the 2009-2014 Housing Element was adopted in October 2013, and included extensive community outreach to stimulate community wide interest and conversation. A nine-member General Plan Advisory Committee (GPAC), representing a cross-section of local backgrounds and experience and chaired by a member of the City Council oversaw the General Plan update. The GPAC conducted four public meetings in 2012-2013 that focused specifically on the Housing Element planning effort, and conducted a housing tour on October 6, 2012 to view existing and potential housing options in portions of Mill Valley. Prior to the review by the General Plan Advisory Committee, the 11-member Land Use and Mobility Working Group held four public meetings focused on the Housing Element and Housing Element issues, goals, policies and programs before making its recommendations to the GPAC. In addition, the City conducted a robust on-line engagement effort, including e-mail blasts, on-line comment tools and a dedicated Mill Valley 2040 General Plan website. The City also utilized Mind Mixer, an innovative community engagement tool that generated ideas for the General Plan and Housing Element.

Because the prior Housing Element was prepared near the end of the 2009-2014 Housing Element planning period, the Element included both short-term housing program actions, as well as longer-term actions that carried over into the future 2014-2022 Housing Element planning period. Thus, the recent and extensive community engagement process conducted for the prior Housing Element provided the policy foundation for the focused updated for the 2015-2023 Housing Element period.

More recently in 2014, the City has focused its outreach and community participation on specific efforts to implement Housing Element Programs. Community involvement has included the following:

- **Zoning and Design Guideline Advisory Committee (ZDAC).** The City has appointed seven community members to serve on the ZDAC to assist staff and the community at-large in identifying development standards and design guidelines for Multi-Family and Mixed Use projects. ZDAC has conducted five public meeting, with the first meeting held in May 20, 2014. ZDAC recommendations on the multi-family design guidelines will be presented to Planning Commission in early 2015.
- **Planning Commission/City Council Meetings.** The City has held over five public hearing related to the Special Needs Housing/Density Bonus Ordinances. While the purpose of the agenda item was specific to updating the City's Zoning Code, the staff report and presentation included background information on the Housing Element process and anticipated schedule for the 2014-2023 Housing Element Update.

- **Joint City Council/Planning Commission Meeting.** On September 8, 2014, the City Council hosted a joint Study Session meeting to foster the on-going and important partnership between the Planning Commission and City Council as part of policy review and development. At this meeting, an overview was provided about the upcoming Housing Element, with one of the agenda items to review Mill Valley's inclusionary housing regulations, future impact fees and Housing Trust Fund as part of the City's Housing Element Goal #3 to provide opportunities for a range of housing types suited to residents of varying lifestyle needs and income levels.
- **Public Meeting on Draft Housing Element.** Upon completion of the draft 2015-2023 Housing Element, the City conducted a public meeting on October 28, 2014 before the Planning Commission to discuss, review and solicit community input on the Draft. Meeting notification was e-mailed to nearly 8,000 interested persons and organizations, including organizations representing special needs and lower income populations, and affordable housing advocacy groups active in Marin. The following are among the groups receiving ongoing e-mail notification on the Housing Element that represent lower income and special needs populations in Mill Valley: Mill Valley Affordable Housing Committee, Public Advocates of Marin, The Redwoods senior community, Lilypad Homes (junior second units), League of Women Voters, and Fair Housing of Marin.

Common themes that arose at public meetings on the Housing Element and implementing ordinances include the following:

- The importance of preserving the existing lower cost rental stock
- The need to continue to increase the supply of affordable housing
- The need to provide housing at all income levels so that long-time residents can remain in Mill Valley and young families can establish themselves
- The importance of balancing growth and density with traffic and other environmental impacts

Mill Valley's Housing Element update continues to promote a variety housing policies and programs to address these identified needs and desires of the community.

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 2009-2014 Housing Element.

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.

Address Governmental Constraints

GOAL 4.0: Address 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.

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. Table 2.1 located at the end of this section summarizes Mill Valley's 2015-2023 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 creative incentives allowing property owners to maintain and rehabilitate existing rental units as opposed to tearing down buildings or converting units 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 "Study Session" and subsequent 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 design review guidelines for development in Single-Family Residential (RS) zoning districts, including principles for slope design, flora and fauna design, soils and grading design, drainage design, and building design. The guidelines

were updated to address hillside development in 2001, and now apply to all residential 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 established a Zoning and Design Guidelines Advisory Committee (ZDAC) to provide guidance to staff in the creation of design review guidelines for multi-family development. The Guidelines will provide direction on multi-family and mixed use 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 2015, develop and adopt Multi-Family Design Guidelines, which address development compatibility and promote sustainable site design and building practices.*

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. Pursue attaining Certified Local Government (CLG) status to acquire State and Federal*

expertise and funding benefits. Explore conducting a formal survey to formalize the list of historic resources in the city.



100 Summit Avenue: property in Historic Overlay Zone.

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 dissemination of brochures at City Hall and the Community Center, with focused outreach to senior citizen organizations. Strive to provide rehabilitation assistance to five (5) lower income households.*

4. Regulations to Preserve Existing Rental Housing

Background: As a means of conserving the supply of multi-family rental housing, Mill Valley's Condominium Conversion Ordinance (Zoning Ordinance Chapter 20.59) prohibit the conversion of rental developments to condominium ownership unless the following findings can be made:

- A. the proposed conversion will not substantially affect the availability of rental housing in the community;
- B. replacement housing for displaced tenants is available within Mill Valley; and
- C. the proposed conversion is consistent with the Mill Valley General Plan, and in particular, with the objectives, policies, and programs of the Housing Element of the General Plan designed to provide for the housing needs of all economic segments of the community, as well as with any and all applicable specific plans.

As part of the application process, new regulations require applicants to conduct a rental survey showing comparable rental housing within the municipal boundaries of Mill Valley to illustrate to staff and City decision makers that the proposed condominium conversion project will not substantially impact the availability of rental housing and that there is sufficient replacement housing for the displaced tenants. The survey must include identification of all rental housing in structures of two or more units within Mill Valley and shall include the number of units, categorized by bedroom count and rents charged, as well as vacancies by unit type. This survey, along with the findings, creates sufficient regulations to address condominium conversions.

Furthermore, the City's new ordinance sets forth a series of tenant protections associated with condominium conversions, including relocation assistance, right of first purchase, and leasehold rights such as notice of termination and restricting rent increases.

While updating the City's Condominium Conversion Ordinance, the City Council, Planning Commission and members of the public expressed interest in exploring further regulations to protect rental housing as condominium conversion regulations only apply to existing structures. As such, the City will consider regulations to address tear downs and other regulations and/or creative incentives to allow property owners to rehabilitate their rental units and building as opposed to tearing down the building and/or converting the space to ownership units or commercial use. There is also interest from the community in utilizing existing rental housing for residents and relocation purposes as opposed to short-term rentals that tend to be used for vacationing purposes.

Program Objectives: *By 2015, clarify or define a "tear down" versus "renovation to existing building" in the Municipal Code, and apply the definition to the Condominium Conversion Code (Mill Valley Municipal Code, Section 20.59). Consider regulations and incentives for property owners to maintain their existing rental housing as opposed to tearing down building and/or converting rental units to for-sale units or commercial space, and review possible regulations as part of updating the inclusionary housing regulations (Program #15). Evaluate allowing rental projects to utilize funds that are set aside in a Local Affordable Housing Trust Fund (Program #17) for the purposes of rehabilitating buildings while maintaining affordable rent levels. Consider revising the Municipal Code to regulate and/or limit short-term rentals (less than 30 days) in single family residential areas as a means of increasing the availability of rental properties for longer term residence (as opposed to vacation rentals).*

5. Preservation of Existing Deed Restricted 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 development of 37 affordable rental and ownership units integrated within ten 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 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 sites to address Mill Valley's housing needs, emphasizing locations near transit and services that promote walkability.

Policy 2.3 Residential Mixed Use

Encourage the efficient use of land by allowing 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. Minimum densities have recently been established through the Mill Valley General Plan Update (adopted October 2013) in the Land Use Element and Land Use map. These minimum densities are intended to assist in the development review process for the applicants and surrounding community. Minimum and maximum density ranges were also established by the community and included in the Land Use Element to better balance the number and size of units on a parcel based on its land use designation. (Specific site-related limitations and constraints such as slope, creek setback and limited vehicular access may form the basis for reduced minimum densities).

While current development regulations for residential and mixed use projects within commercial districts 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, the Zoning and Design Guidelines Advisory Committee (ZDAC) is evaluating 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;
- 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 2015, 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. Currently there are no regulations pertaining to micro-apartment units in Mill Valley.

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

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 over 100 new second units built or issued permits since 2000. The City has supported the legalization of existing second units built without proper permits, with 77 unpermitted second units brought up to code during the 2003-2004 amnesty program.

The City continues to review and make appropriate refinements to its second unit regulations (Municipal Code Section 20.90), and has recently added a deed restriction for those second units that receive any square foot bonus in Floor Area 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 Municipal Code that currently allows "clustered or grouped" single-family housing with a conditional use permit. As indicated previously in Program #4, the City will also consider revising the Municipal Code to regulate and/or limit short-term rentals, including rentals of second units, in single-family residential areas as a means of increasing the availability of rental properties for long term residence.

Due to the importance of the Second Unit program to the overall production of housing within the community, in September 2014, the City completed a survey of second units to obtain more information about their actual use and rents. Based on the response of 100 Mill Valley property owners with a second unit, approximately three-quarters of second units in the community are provided at rent levels affordable to very low and low income households. For additional results of the survey, see Appendix E. This information will assist in future policy decisions that affect second units.

Program Objectives: *Continue to review and refine the second unit ordinance to provide housing options for seniors, caregivers, and other lower and extremely low income households. Evaluate regulations on short-term rentals within single family residential areas. Based on past trends, seek to facilitate creation an average of eight second units on an annual basis. Consider another amnesty program for second units that do not have permits, should the average number of new second units fall below 5 new units a year.*

9. Junior Second Units

Background: As identified in the Housing Element Needs Assessment, of Mill Valley's approximately 1,300 senior homeowners, over one-third are living alone in single-family homes. As these seniors continue to age, their ability to live independently can become more of a challenge. One zoning tool being explored by many Marin jurisdictions which can help to support elderly homeowners remain in their homes is the concept of allowing "Junior Second Units" created from existing underutilized space, such as an unused bedroom, which can be improved as an independent rental unit. Because these junior units are established within the existing improved square footage of the home, little or no additional parking may be required.

Mill Valley will coordinate with other Marin jurisdictions in evaluating appropriate zoning regulations to support in the creation of Junior Second Units of less than 500 square feet in size. Such units would be created through the repurposing of existing space within a single-family dwelling to create a semi-private living situation for a renter or caregiver in conjunction with the owner-occupied unit. Junior Second Units would be required to have exterior access, and meet the U.S. Census definition of a housing unit¹ to qualify for credit towards the City's regional housing needs (RHNA).

Program Objectives: *Explore and evaluate development standards to facilitate the provision of Junior Second Units, while addressing issues of neighborhood compatibility.*

10. 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 housing².

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

The Redwoods Addition: The Redwoods, A Community of Seniors ("The Redwoods") is a multi-level retirement community situated on a large ten-acre lot, and is currently undergoing a comprehensive \$33 million renovation. Phase 2 of the Redwoods revitalization includes development of approximately 40 additional independent living units for lower income seniors, planned for the current parking lot which fronts on Miller Avenue. The Redwoods is appointing a Phase 2 Task Force to provide input on the project's design, density and affordability. To help reduce development costs and enhance

¹ The 2010 U.S. Census defines a "housing unit" as a house, an apartment, a mobile home, a group of homes, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

² Property owners can utilize incentives identified in the Affordable Housing Overlay, or utilize State Density Bonus incentives, but not both.

affordability on the new units, the City will establish an Affordable Housing Overlay that provides the following incentives:

- ✓ Increased building height allowance
- ✓ Reduced parking requirement
- ✓ 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: *During 2015, coordinate with Redwoods' staff and Phase 2 Task Force to define specific development incentives and incorporate within an Affordable Housing Overlay for The Redwoods site. Coordinate with site property owners in facilitating public review of development proposals, and in application for affordable housing funds.*

11. 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 provide 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. 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:

- Discuss consolidation opportunities with property owners of adjacent parcels identified in Appendix C.
- Guide property owners through the lot consolidation (lot line adjustment) application process, and waive the fee for this particular entitlement when the resulting project includes designated affordable units.
- 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 2015 in conjunction with Multi-Family Design Guidelines while ensuring compatibility of development with Mill Valley's small town character.*

12. 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 has resulted in the exploration of alternative mechanisms to provide sites for housing. Such mechanisms include long-term leases of surplus publicly-owned land and sale of air rights.

To facilitate affordable housing development, the City would 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 could be the sale of air-rights above City-owned property for development of affordable housing at an off-site location. To increase the supply of potential sites, the City would allow residential uses in the Community Facilities (C-F) zone subject to the approval of a conditional use permit.

Program Objectives: *By 2018, 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. Consider modifying the City's zoning regulations to allow residential uses in the C-F zone subject to the approval of a conditional use permit.*

13. 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, and will be defined in the Municipal Code as part of the pending review and adoption multi-family residential design guidelines. The City has been considering such housing on a case-by-case basis. The Aloha Lofts at 65 Throckmorton Avenue 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.

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.*

14. Maintain and Monitor Capacity in Sites Inventory

Background: Mill Valley shall ensure that adequate sites are available throughout the planning period to accommodate the City's regional housing needs, or "RHNA".

Program Objectives: *On a project-by-project basis, pursuant to Government Code Section 658633, the City will monitor available residential capacity and evaluate projects on sites within the inventory. Should approval of a project on a site listed on the Capacity Analysis result in a reduction of capacity below the residential capacity needed to accommodate the City’s housing needs, the City will identify and zone sufficient sites to accommodate the shortfall.*

³ Government Code Sec. 65863(b) requires the following findings to be made to reduce residential density for any parcel identified in the housing element inventory:

1. The reduction is consistent with the adopted General Plan, including the Housing Element; and,
2. The remaining sites identified in the housing element are adequate to accommodate the jurisdiction’s RHNA allocation.

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 consistent with applicable densities, 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

15. Inclusionary Housing Regulations

Background: Inclusionary housing requires developers to make a percentage of housing units in new residential developments affordable to low and moderate-income households. A major goal of Inclusionary Housing is to expand the supply of affordable housing throughout the community to encourage mixed-income neighborhoods and to help people live and work closer to home. Mill Valley's Inclusionary Housing Ordinance has been an important tool in integrating affordable units within market rate developments, with 37 affordable inclusionary units built since the Ordinance's adoption in 1988.

Pursuant to policy direction given as part of the 2009-2014 Housing Element, the City has been working with the Zoning and Design Guidelines Advisory Committee (ZDAC), Planning Commission and City Council to re-evaluate key parameters of the City's current ordinance to enhance its effectiveness, including analysis of the following:

- Increasing the percentage of affordable units required from 15% to 20%-25%;
- Reducing the project size threshold when projects are required to provide affordable units rather than being permitted to pay an in-lieu fee;
- Requiring deeper income targeting to address affordability for very low and low income households;
- Considering replacement unit requirements for removal of existing rental units;
- Requiring greater parity in development and design standards between project affordable and market-rate units;
- Extending affordable housing impact fees to single-family homes (*see Program #16*);
- Updating the current housing in-lieu fee calculation based on a nexus study;
- Moving to a fee-based program for rental housing with on-site and off-site alternatives to insure compliance with recent case law regarding inclusionary rental housing (*the Palmer Decision*); and
- Defining additional public benefits that the City may require from housing developers.

Program Objectives: *Re-evaluate the City's Inclusionary Housing Program, and amend the Zoning Ordinance in 2015 to strengthen and enhance the Program's effectiveness in providing affordable housing and comply with the 2009 California Court of Appeal decision commonly referred to as Palmer/Sixth Street Properties L.P. vs City of Los Angeles.*⁴

⁴ In *Palmer vs. City of Los Angeles* (2009), the California Court of Appeal ruled that inclusionary ordinances applied to rental housing violate the Costa Hawkins Act (the State law regulating rent control), and that jurisdictions may not establish the rent levels of inclusionary units unless the project has received a benefit from the government. Thus, similar to many Bay Area jurisdictions, Mill Valley is evaluating the following approach for application of inclusionary requirements to rental housing:

- Moving away from an "on-site," "off-site," or "fee" program to a fee-first program defensible under impact fee law;
- Developer payment of a fee to mitigate the impact of market rate housing OR qualification for an alternative to the fee (on-site or off-site units);
- Allowance for provision of affordable rental units only when the project has received a financial contribution or other government benefit, as recorded in an agreement.

16. 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 is evaluating 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, the City is preparing a nexus study regarding the linkage between development of single-family housing and the demand for affordable units, and, if such a link is established, will recommend the adoption an impact fee.

Program Objectives: *Finalize the residential nexus analysis regarding the establishment of an affordable housing impact fee for all new residential redevelopment, including new single-family homes, tear downs and major additions. Integrate single-family impact fees within the City's updated Inclusionary Housing Program, as appropriate (refer to Program #15).*



8 Old Mill: Example of Inclusionary Homeownership

17. Local Affordable Housing Fund

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: *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.*

18. 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 #25;
- City assistance, where applicable, in the preparation of affordable housing funding applications; and
- Financial assistance through future Affordable Housing Fund resources, as described in Program #17.

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.*

19. 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.*

20. 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 27 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.*

21. 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 nearly 100 Mill Valley households currently receiving Section 8 rental vouchers, and an additional 135 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.*

ADDRESS GOVERNMENTAL CONSTRAINTS

GOAL 4.0: Address 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 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 Regular Updates to the Zoning Code to Reflect Housing Standards and Regulations

Update Mill Valley's Zoning Code to provide adequate zoning provisions as established by State Housing Law (including but not limited to State density bonus regulations and special needs housing).

PROGRAMS

22. Update Zoning Code Consistent with Land Use Element

Background: As part of the *2040 General Plan*, the City established minimum and maximum densities for each residential land use category, along with a Land Use Map that clearly depicts the General Plan designation of each parcel in the city. Residential development standards within the Zoning Ordinance are being 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 are also being 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. This

modification is part of the Zoning Code update that will occur as part of the proposed multi-family development standards ZDAC will present to Planning Commission in early 2015. And as described under Program #6 (Mixed Use Zoning in Commercial Districts), the updated Zoning Ordinance will establish multi-family residential development standards and uses in commercial areas, 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: *In 2015, update residential development standards consistent with the adopted 2040 General Plan. Conduct ongoing monitoring of the Housing Element sites inventory to ensure the continued provision of adequate site capacity to address Mill Valley's regional housing needs by income category throughout the planning period. Should a potential shortfall be identified, redesignate additional sites as necessary.*

23. 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 citywide 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: 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: *In 2015, 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*

24. 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 2015, adopt a resolution to specify the waiver of 100% of application processing fees for projects with a minimum of 10% Extremely Low Income units.*

25. 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. In 2014, the Mill Valley City Council adopted local residential density bonus provisions (Mill Valley Municipal Code, Chapter 20.81), consistent with State law. The City's Ordinance reflects AB 2222, effective January 1, 2015, which requires developers to replace any pre-existing affordable units on a site as a condition of eligibility for granting a density bonus.

Program Objectives: *Implement the City's local density bonus ordinance to implement State law.*

26. 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 or 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 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.*



505 Miller Avenue; mixed-use development

EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS

GOAL 5.0: Promote equal housing opportunities for all residents, including Mill Valley's special needs populations.

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

27. 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.

Mill Valley maintains a website dedicated to housing resources, including information on the Fair Housing Program.

Program Objectives: Continue to promote fair housing practices, and refer fair housing complaints to Fair Housing of Marin. 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.

28. 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 Seniors Club meets weekly at the Center and provides input on the city's senior programming.

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 volunteer-drive 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 has 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.

Program Objectives: *Support the provision of senior services in the community to promote independent and healthy living as outlined in the Mill Valley General Plan goals, policies and programs.*

29. 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 the one offered by Episcopal Senior Communities (ESC) in San Rafael, match lower income home seekers with homeowners with excess space who are interested in sharing their homes.

Mill Valley maintains a website dedicated to housing resources, including information on the home sharing and tenant matching program.

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

30. 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.

Program Objectives: *Develop guidelines encouraging principles of universal design and visitability, and provide to residential development applicants.*

31. 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.

Senate Bill 2 establishes requirements for emergency shelter ordinances. During the State Department of Housing and Community Development (HCD) review of Mill Valley's draft Housing Element, HCD requested specific changes to the City's Emergency Shelter Standards that were adopted in October 2014. To address this issue, the City will amend Section 20.40.050.1 of the Municipal Code as follows: a) amend Section 20.40.050.1.G4 (Management Plan) to eliminate the following words in the last sentence "and other regulations, as appropriate, or as requested by the Planning and Building Director"; and b) eliminate Mill Valley Municipal Code Section 20.40.050.1.G5 (Annual Report).

Mill Valley maintains a website dedicated to housing resources, including homeless assistance information.

Program Objectives: Support implementation of the Homeless Countywide Continuum of Care and publicize the Marin Community Resource Guide and emergency 211 call system. Amend Mill Valley Municipal Code Sections 20.40.050.1.G4 and 20.40.050.1.G5 as specified in Program #31 in 2015.

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

32. 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. The key principles are focused 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 within a quarter to half-mile walking radius of 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 redevelopment 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.*

33. 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 LEED⁵ green building standards). 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

⁵ LEED (Leadership in Energy and Environmental Design) refers to the green building rating system developed by the U.S. Green Building Council.

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%.

Mill Valley maintains a webpage dedicated to Green Building, including an information guide that can be downloaded.

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

34. Energy Conservation

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

- Continue to 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 and MEA 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. Incorporate energy conservation and sustainability measures as part of the proposed mixed use/multi-family design guidelines and development standards (see Program #1 for details).*

35. 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.

In recent years and as reflected in the MV2040 General Plan, more attention has been raised about natural hazards and events as it relates to Climate Change. There are many potential hazards that could be exacerbated as part of climate change and sea level rise based on Mill Valley's topography and proximity to San Francisco Bay.

Program Objectives: *Continue to work with local jurisdictions and through the All Hazards Mitigation Plan and the MV2040 General Plan to address and mitigate natural hazards.*

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

36. Community Education and Outreach

Background: The Mill Valley 2040 General Plan 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 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.*

37. Housing Element Monitoring/Annual Report

Background: The Planning Department is responsible for 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 Annual Report documents:

- 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.

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.*

38. Mill Valley Housing Advisory Committee

Background: Through the Mill Valley 2040 General Plan process, the City and its community stakeholders 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 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 City Council to coordinate housing activities with other City goals and plans.

- Meet regularly to gather public input and recommendations, and to make periodic reports to the Planning Commission and City Council.
- Submit reports on housing activities to the Planning Commission and City Council for inclusion in the City's Annual Housing Element Progress Report.
- Coordinate with interested and affected groups, as directed by the City Council.
- Research and investigate new and existing methods of financing, funding and managing housing and mixed use affordable housing development consistent with Housing Element goals and policies, and report findings to the City Council, as requested.

Program Objectives: Establish a Mill Valley Housing Advisory Committee in 2015, 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.	Develop and adopt Multi-Family Design Guidelines.	General Fund	Planning Department; Planning Commission	In 2015
2. Historic Preservation Guidelines and Incentives	Preserve and maintain historic buildings in Mill Valley.	Explore revising the H-O Ordinance to clarify demolition procedures and process. Pursue 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 2016.
3. Housing Maintenance and Public Information	Maintain health and safety levels of building stock and provide assistance to income-qualifying households.	Publicize rehabilitation assistance and energy retrofit programs, with focused outreach to senior citizens. Provide rehabilitation assistance to five lower income households.	General Fund; CDBG; PG&E	Planning Department	Complete 5 rehabilitation loans during 2015-2023 period.
4. Regulations to Preserve Existing Rental Housing	Conserve the supply of existing rental housing by restricting conversions to condominium ownership, and regulating tear downs and conversions to non-residential use.	Implement City's Condo Conversion ordinance. Evaluate use of objective and reliable data sources to accurately assess rental vacancy rates. Clarify tear downs vs renovations, evaluate incentives for property owners to maintain existing rental housing, and consider regulations on vacation rentals.	General Fund	Planning Department; Planning Commission	In 2015.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
5. Preservation of Existing Affordable Rental Housing	Maintain affordable housing rental stock.	Continue to contract with MHA to ensure compliance with affordability restrictions. Require long-term affordability controls on future affordable housing units.	General Fund	Planning Department; Planning Commission	Ongoing.
Housing Supply and Diversity					
6. Mixed Use Zoning in Commercial Districts	Promote housing development in Commercial districts, to realize infill potential.	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	In 2015.
7. Micro-Apartment Units	Provide an alternative form of affordable housing through micro-apartment units.	Explore the feasibility of encouraging and incentivizing micro-apartment units. To the extent appropriate, develop standards for micro-apartment units.	General Fund	Planning Department; Planning Commission; City Council	In 2015.
8. Second Units	Support the provision of second units as a means to provide housing for seniors, caregivers, and lower income households.	Continue to review and refine the second unit ordinance. Consider regulations on short-term rentals. Seek to create an average of eight second units annually.	General Fund	Planning Department; Planning Commission; City Council	Monitor progress in conjunction with Annual Housing Element progress report. Evaluate vacation rentals in 2015.
9. Junior Second Units	Explore Junior Second Units created through repurposing of underutilized space within single-family homes.	Evaluate, and as appropriate, adopt standards to facilitate Junior Second Units.	General Fund	Planning Department; Planning Commission; City Council	Evaluate and adopt standards, as appropriate, by 2018.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
10. Affordable Housing Overlay	Establish an Affordable Housing Overlay to provide targeted incentives on designated sites to enhance the feasibility of affordable housing development.	Coordinate with Redwoods' staff and Phase 2 Task Force to define specific incentives for inclusion in Affordable Housing Overlay for the Redwoods site.	General Fund	Planning Department; Planning Commission	Define incentives and adopt Overlay during 2015.
11. Lot Consolidation Incentives	Facilitate the consolidation of small parcels to enhance the viability of affordable housing.	Adopt lot consolidation incentives in coordination with Multi-family Design Guidelines.	General Fund	Planning Department; Planning Commission	In 2015.
12. Publicly-Owned Land for Affordable Housing	Allow and incentivize the development of affordable housing on publicly-owned land.	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	In 2018.
13. Non-Traditional Housing Types	Explore non-traditional housing types to allow a wider variety of housing types suited to Mill Valley.	Modify Zoning Ordinance to develop standards for new housing typologies.	General Fund	Planning Department; Planning Commission; City Council	In 2015.
14. Maintain and Monitor Capacity in Sites Inventory	Ensure sites are available throughout the planning period to accommodate Mill Valley's RHNA.	Conduct ongoing monitoring to ensure adequate sites, and should potential shortfall exist, redesignate additional sites as necessary.	General Fund	Planning Department; Planning Commission; City Council	Ongoing monitoring of sites adequacy in conjunction with project applications.
Housing Affordability					
15. Inclusionary Housing Regulations	Enhance inclusionary housing regulations to provide more affordable housing.	Amend Ordinance to strengthen the program's effectiveness in providing affordable housing, and comply with current case law.	General Fund	Planning Department; Planning Commission; City Council	In 2015.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
16. Single-Family Housing Impact Fee	Evaluate contribution to affordable housing from new single-family construction.	Finalize nexus study regarding establishment of impact fee on single-family construction and major additions. Integrate within updated Inclusionary Housing Program.	General Fund; Potential impact fees from single-family construction	Planning Department; Planning Commission; City Council	In 2015, in coordination with amendments to Inclusionary Housing Ordinance.
17. Local Affordable Housing Fund	Facilitate construction of affordable housing by establishing an Affordable Housing Fund.	Establish a dedicated Affordable Housing Fund for deposit of in-lieu fee revenues, including regulations.	Potential Affordable Housing Fund Revenues	Planning Department; Planning Commission; City Council	Following update of Inclusionary Housing Ordinance in 2015.
18. Affordable Housing Development Assistance	Facilitate development of affordable housing by providing incentives for developers.	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.
19. Partnerships for Affordable Housing	Partner with a variety of affordable housing providers to bring affordable housing to Mill Valley.	Work with Nonprofit Housing Association of Northern California to identify and explore partnerships with affordable housing providers.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department	Beginning in 2015.
20. Homebuyer Assistance	Assist first-time homebuyers in Mill Valley	Continue participation with Marin Housing to administer BMR and MCC programs.	Federal funds	Planning Department	Ongoing; maintain current practice.
21. Section 8 Rental Assistance	Provide assistance to very low income households through Section 8 Rental Assistance.	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 2015.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
Remove Governmental Constraints					
22. Update Zoning Code Consistent with Land Use Element	Define densities for residential uses with greater clarity for a more transparent and efficient development review process.	Update residential development standards consistent with 2040 General Plan. Monitor to ensure adequate sites to address RHNA.	General Fund	Planning Department; Planning Commission; City Council	In 2015. Ongoing monitoring of sites adequacy in conjunction with project applications.
23. Update Parking Standards	Increase effectiveness of parking standards by refining the standards.	Evaluate and establish modified parking standards in the Zoning Ordinance to facilitate specific types of housing.	General Fund	Planning Department; Planning Commission; City Council	In 2015.
24. Fee Deferrals and/or Waivers for Affordable Housing	Provide information regarding fee waivers for affordable housing, and specify fee waivers in the Municipal Code.	Provide information to affordable housing community on fee deferrals, reductions and waivers. Adopt resolution to waive of 100% of application processing fees for projects with 10% ELI units.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department; Planning Commission; City Council	Provide fee information starting in 2015. Adopt resolution for ELI fee waivers in 2015.
25. Density Bonus and Other Incentives for Affordable Housing	Provide density bonuses for qualified mixed income projects, consistent with State law.	Implement local density bonus ordinance.	General Fund	Planning Department; Planning Commission; City Council	Ongoing.
26. CEQA Exemptions for Infill Projects	Utilize allowable CEQA exemptions for qualified urban infill and other qualifying residential projects.	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.
Equal Housing Opportunities and Special Needs					
27. Fair Housing Program	Continue to promote and further fair housing practices and outreach.	Publicize the fair housing program through brochures and the City's website.	General Fund; CDBG	Planning Department	Ongoing.
28. Senior Support Services	Provide senior services to help seniors age in place.	Continue to provide senior services in Mill Valley.	General Fund	Parks and Recreation Department	Ongoing; maintain current practice.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
29. Home Sharing and Tenant Matching Opportunities	Promote efficient use of housing stock and addressing the housing needs of seniors.	Support organizations that facilitate housing sharing; actively promote through senior citizen organizations.	General Fund; CDBG	Planning Department	Beginning in 2015.
30. Universal Design/ Visitability	Facilitate the retrofit of existing housing to provide and promote greater accessibility.	Develop guidelines encouraging principles of universal design and visitability.	General Fund	Planning Department; Planning Commission	In 2016.
31. Homeless Assistance	Support Countywide programs to address the needs of homeless persons and those at risk of becoming homeless.	Support implementation of the Homeless Countywide Continuum of Care, publicize the Marin Community Resource Guide and emergency 211 call system. Amend Code Sections 20.40.050.1.G4 and 20.40.050.1.G5 as specified in Program #31.	General Fund	Planning Department	Amend the code in 2015.
Sustainability and Energy Efficiency					
32. Prioritization of Sustainable Housing Projects	Prioritize sustainable housing developments in sustainable locations for their numerous benefits.	Prioritize projects in sustainable locations competing for funds and grants.	General Fund; Potential Affordable Housing Fund Revenues	Planning Department	Ongoing.
33. Green Building	Promote green building practices for more sustainable housing development projects.	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	Ongoing.

Program	Summary	Objectives	Funding Source	Responsible Entity	Time Frame
34. Energy Conservation	Evaluate and implement activities to support clean energy and energy efficiency solutions in Mill Valley's housing.	Implement actions for energy efficiency identified in the 2040 General Plan.	General Fund	Planning Department	Ongoing.
35. Addressing Natural Hazards	Maintain consistency with State law in the General Plan with regards to flood hazards.	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	Ongoing.
Community and Governmental Collaboration					
36. Community Education and Outreach	Garner public support for implementation of Housing Element and the provision of housing for all economic segments of the community.	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.
37. Housing Element Monitoring/ Annual Report	Maintain consistency with State law and access to State housing funds by annually reporting to HCD.	Submit an annual report to HCD by April 1 of each year.	General Fund	Planning Department; Building Department; City Council	Annually, by April 1st.
38. Mill Valley Housing Advisory Committee	Support the effective implementation of the Housing Element.	Establish Mill Valley Housing Advisory Committee in 2015, define roles and responsibilities.	General Fund	Planning Department; City Council	In 2015.

Summary of Quantified Objectives

The following table summarizes the City's quantified objectives for the 2015-2023 Housing Element planning period. The objectives include the City's new construction objectives to meet its 2014-2022 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 2015-2023 Housing Element Period

Income Level	New Construction Objectives	Rehabilitation Objectives**	Conservation Objectives***
Extremely Low* (0% - 30% AMI)	20	2	177
Very Low (31% - 50% AMI)	21	3	
Low (51% - 80% AMI)	24	--	127
Moderate (81% - 120% AMI)	26	--	4
Above Moderate (>120% AMI)	38	--	
Totals	129	5	308

* Of Mill Valley's RHNA allocation for 41 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.

III. Housing Needs Summary

State Housing Element law requires that local governments adequately plan to meet existing housing needs, including special housing needs, and projected housing needs. A complete analysis of these needs is required and must include a quantification and descriptive analysis of those needs, and the resources available to address them.

The Housing Needs Summary in this chapter is a summary of the needs analysis in Appendix A. Chapter IV details the resources that Mill Valley has to address its housing needs.

A. Existing Housing Needs

1. Population and Employment Trends

Mill Valley has experienced only modest population growth over the past two decades, from 13,029 in 1990 to 13,903 in 2010 as recorded by the Census. However, the city's demographic and household characteristics have changed, illustrating shifts in the make-up of the population.

The community has evidenced a noticable increase in the families with children, which comprises over 80 percent of the increase of over 200 families from 2000 to 2010. Corresponding to this increase, the school age population (5-17 years) over the past decade has grown to 18 percent of the population.

Young adults (25-44 years) have decreased from 28 to 20 percent of Mill Valley's population during the 2000-2010 period. Senior citizens (age 65+) continue to represent a growing segment of the community, currently comprising 19 percent of Mill Valley residents, compared to just 15 percent a decade ago.

Two-thirds of Mill Valley's resident workforce is employed in Management, Business, Science and Arts occupations, with the majority employed outside of the County in urban centers such as San Francisco and Oakland.

The employment base in Mill Valley (4,360 primary jobs within Mill Valley city limits) is dominated by lower paying retail and service-related jobs, and given the shortage of local affordable housing opportunities, has resulted in the vast majority of people who work in the community being unable to live here.

2. Summary of Housing Needs

The summary of existing housing needs is organized into four areas: housing availability, housing affordability, housing adequacy, and special needs households.

Housing Availability			Housing Affordability		
Total Housing Units	6,534		Overpaying households (>30% of income on housing cost)		
Total Occupied Units	6,084		Renters	780	37%
- Owner Occupied	3,974	65%	- Low Income Renters (<80% AMI)	607	66% ²
- Renter Occupied	2,110	35%	Owners	1,709	43%
Total Vacant Units	450	6.9%	- Low Income Owners (<80% AMI)	490	71% ²
- For rent	100	1.5%			
- Rented, not occupied	15	0.2%			
- For sale only	47	0.7%			
- Sold, not occupied	28	0.4%			
- Seasonal, recreational use	115	1.8%			
- All other vacant units	145	2.2%			
Renter vacancy rate		4.5% ¹			
Homeowner vacancy rate		1.2% ¹			
Housing Adequacy			Special Needs Households/Persons		
Overcrowded households (>1.01 persons/room)			Senior Households (65+)	1,822	30%
Renter	89	4.2% ³	- Senior Homeowners	1,331	73% ⁴
Owner	25	0.6% ³	- Senior Renters	491	27% ⁴
			- Seniors Living Alone	888	49% ⁴
			Disabled Persons	1,562	12% ⁵
Estimated Units in Need of Rehabilitation			Female-Headed Families	465	7.6%
Renter	425	20%	Large Households (5+ ppl)	305	5.0%
Owner	320	8%	Homeless Persons	3	1%
			Farmworkers	18	0.3%

Sources: 2000 and 2010 Census data; American Community Survey 2006-2010; HUD Comprehensive Housing Affordability Strategy Data Book.

Notes: Please see Appendix A for notes and explanations on numbers and percentages

1. Per 2010 Census, rental vacancy rate is calculated by dividing total number of vacant units "for rent" by sum of renter-occupied units, vacant units for rent, and vacant units rented but not occupied, x 100. The Census computes homeowner vacancy rate using a similar methodology.
2. This percentage is of all low income renters or low income owners, respectively.
3. These percentages are based on American Community Survey data, applied to 2010 Census households.
4. These percentages are of all senior households in 2010.
5. This percentage is based on the 2000 Census population over 5 years old.

3. Housing Availability

The 2010 Census documents a total of 6,534 housing units in Mill Valley, reflecting a net increase in approximately 400 units over the past two decades, or an average of 20 units/year. The proportion of owner (65%) and renter (35%) households has remained unchanged during this period.

During the most recent decade, Mill Valley has seen a net loss in over 100 multi-family units, whereas a net increase in over 300 single-family detached and attached homes were developed. The decline in multi-family housing is concentrated among smaller properties with two to four units.

As measured by the 2010 Census, the residential vacancy rate in Mill Valley was 1.2 percent for ownership units and 4.5 percent for rental units, and indication that vacancies are slightly below ideal levels for normal resident turn over.

Second units and affordable housing developments are integral components of Mill Valley's affordable housing stock. 89 building permits were issued for new second units from 2000-2010, and 74 previously unpermitted second units were legalized and brought up to code from 2002-2003 through the City's second unit amnesty program. There are eight rental housing developments owned by non-profits or the Marin Housing Authority, providing 301 units affordable to lower income families, seniors and persons living with disabilities. The City's Inclusionary Housing Ordinance also resulted in the integration of 38 affordable rental and ownership units within market rate developments. Eight of these units were approved and built in the last decade, with three more units to be built.

4. Housing Affordability

Market rents in Mill Valley are well beyond the level of affordability for very low and low income (<80% AMI) households. The 2014 rent survey documents average apartment rents of \$2,500 for one bedroom and \$2,850 for two bedroom units, translating to an affordability gap ranging from \$800 to \$950 per month depending on household size. Lower income occupations which may be constrained in finding appropriate housing in Mill Valley (depending on willingness to share a unit or live in lower cost rentals) include elementary school teachers, graphic designers, and transit bus drivers.

With a median single-family sales price of \$1.5 million (2014), single-family home prices in Mill Valley are well beyond the reach of moderate income households (120% AMI). Condominiums, however, do provide an affordable homeownership option for many moderate income households. Expanding the supply of condominiums, combined with downpayment assistance programs and inclusionary housing requirements, may be an effective strategy to extend affordable homeownership opportunities to households earning moderate incomes.

Housing overpayment among lower income households is high, with 70 percent of both lower income owners and lower income renters spending greater than 30 percent of their incomes towards housing. The level of overpayment is defined as the expenditure of more than 30

percent of gross household income on housing. By this standard, 37% of renters and 43% of owners in Mill Valley overpay for housing.

The community's special needs populations – seniors, persons with disabilities, and female-headed households with children – are particularly vulnerable to losing their housing due to an inability to pay.

As previously stated, second units, affordable housing developments, and inclusionary units represent an important segment of Mill Valley's affordable housing stock. The Housing Element proposes a program to preserve or replace any such units "at-risk" of conversion.

The waiting list at each of these affordable housing developments is long. Additional indications of the general shortage of affordable housing in the area include over 160 Mill Valley households on the waiting list for Section 8 rental subsidies.

5. Housing Adequacy

High property values and a strong sense of neighborhood pride have contributed to ongoing upkeep and renovation of the housing stock. Nonetheless, given that half of Mill Valley's housing is more than 50 years old, combined with a sizable senior population who may face difficulties maintaining their homes as they age, both code enforcement and housing rehabilitation programs continue to be important.

Despite the advanced age of the housing stock, problems with property maintenance and housing deterioration have not been an issue thus far in Mill Valley. In terms of developing a general estimate of the number of units in need of rehabilitation in Mill Valley, the City used the following approach. Using 30 years as the benchmark when residential structures begin requiring major systems replacement or repair, units built prior to 1980 can be considered as potential candidates for rehabilitation needs. Of Mill Valley's approximately 1,700 pre-1980 rental units, an estimated 25 percent, or 425 units, may require some degree of rehabilitation. Among the city's 3,300 pre-1980 owner units, an estimated ten percent, or 330 units, may be in need of rehabilitation. No units have been identified as needing replacement.

Less than one percent of owner households in Mill Valley are considered overcrowded (>1.01 persons per room), with 25% of these households meeting the definition of severe overcrowding (>1.51 occupants per room). The incidence of overcrowding is more prevalent among Mill Valley's renter households, with 4.2 percent overcrowded; none of these households are severely overcrowded. Overall, household overcrowding remains a relatively minor issue in Mill Valley.

6. Special Needs Households

Special housing needs cater to specific demographic or occupational groups, which call for specific program responses, such as the preservation or development of housing units of certain types or sizes. Housing Element statute specifically requires the analysis of the special housing needs of the elderly, disabled, female-headed households, large families, farmworkers, and homeless persons and families.

a. Seniors

Seniors are the largest special needs group in Mill Valley, comprising 30 percent of all households. Some of their more pressing housing needs include:

- Rental affordability – about three-quarters of Mill Valley’s approximately 500 senior renter households are lower income, with one-quarter extremely low income;
- Housing accommodations for disabilities – 31 percent of Mill Valley’s seniors have one or more disabilities, including physical, sensory and mental, and conditions that limit the ability to leave their home;
- Housing maintenance – about one-third of Mill Valley’s approximately 1,300 senior homeowners live alone, and may be unable to maintain their homes or perform minor repairs as they age.

Lower income seniors often cannot afford the cost of licensed facilities in assisted living. On top of basic rent, personalized care is an additional cost for the senior population. Two residential care facilities are currently available in Mill Valley: Redwoods (150 apartment units) and Marin Terrace (49 units).

Diverse strategies which foster independent living such as accessibility improvements, second units, shared housing, rehabilitation assistance), and strategies to encourage the provision of a variety of supportive living environments for seniors of all income levels, will be required to address the needs of seniors in Mill Valley, including Programs #27 (Fair Housing Program), #28 (Senior Support Services), #29 (Home Sharing and Tenant Matching Opportunities), and other programs to encourage the development of affordable housing in Mill Valley.

b. Persons with Disabilities

Many individuals with a disability (mental, physical, or developmental) live on a small fixed income, limiting their ability to pay for housing. Persons with disability need affordable, conveniently-located housing which, where necessary, has been or can be specially adapted to address accessibility issues and with on- or off-site support services including outpatient/inpatient day treatment programs.

Approximately 1,500 Mill Valley residents (12%) are living with a disability, a number that will likely increase as the population continues to age. The design and affordability of housing, modifications to improve accessibility, proximity to services and transit, and group living opportunities represent some of the considerations important in serving this need group.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act require Mill Valley to make reasonable accommodations (i.e. modifications or exceptions) in zoning and land use regulations to afford disabled persons an equal opportunity to use and enjoy a dwelling. Mill Valley has reviewed its zoning laws and policies for compliance, and makes related information available to the public through handouts and notices published in the planning and City Council agendas.

Program #30 (Universal Design/Visitability) specifically facilitates the retrofit of existing housing to provide and promote greater accessibility.

c. Large Households

Due to the limited supply of adequately sized units to accommodate larger households, defined as households with five or more persons, large families often face significant difficulty in locating adequately-sized, affordable housing.

The 2010 Census documents 305 large households, representing five percent of all households in Mill Valley. 20 percent of these households earn lower incomes. The 2000 Census identified 298 rental units in Mill Valley with three or more bedrooms, which is the appropriately-sized unit for a large household. In comparison, the city has only 57 large renter households per Census data, indicating that Mill Valley has an adequate supply of rental units suitable for the city's large families. However, market rents for a 3-bedroom rental unit exceed the level of affordability for lower income large family households. As this is not a significant special needs group in Mill Valley, the Housing Element focuses more broadly on addressing the housing needs of families with children, which comprise over 30 percent of the city's households.

d. Single-parent and Female-headed Households

Female-headed households generally have lower-incomes and higher living expenses and could lack the resources needed for adequate child care or job training services, often making the search for affordable, decent and safe housing more difficult.

The 2010 Census identified 465 female-headed householders in family households with no husband present, which is 7.6 percent of all Mill Valley households. Nearly 60 percent of these female-headed families (276 households) included children under the age of 18. The American Community Survey estimates that 4.6 percent of Mill Valley's female-headed households with children were living in poverty, compared to a 1.2 percent poverty rate for all families with children. While this special needs group is limited in number, there are critical needs for assistance through housing subsidies, and accessible and affordable day care.

e. Homeless Persons

Homelessness in California is a continuing and growing crisis affecting almost one in every 100 California residents. Homeless individuals and families are without permanent housing largely due to a lack of affordable housing and often compounded by a lack of job training and supportive services related to mental illness, substance abuse or domestic violence. Pursuant to Senate Bill 2, the Housing Element is required to provide a detailed analysis of the homeless population, and quantification of the need for emergency shelters, as well as the identification of a zoning district that will allow emergency shelters as a permitted use.

The Marin Point in Time Homeless Count in January 2013 identified three homeless persons in Mill Valley on the day of the count, therefore creating an unmet need for three emergency shelter beds.

Program #31 (Homeless Assistance) supports Countywide programs to address the needs of homeless persons and those at risk of becoming homeless.

f. Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Farmworkers have special housing needs due to their limited income and the often unstable nature of their employment. In addition, farmworker

households tend to have high rates of poverty; live disproportionately in housing which is in the poorest condition; have very high rates of overcrowding; have low homeownership rates; and are predominately members of minority groups.

The 2006-2010 American Community Survey identified only 18 Mill Valley residents employed in the industries of agriculture, forestry, fishing and hunting and mining, representing 0.3% of the city's labor force. Given the limited presence of this special needs group, the City of Mill Valley plans to provide for this group through the overall programs targeted at housing affordability.

B. Future Housing Needs

Housing Element law requires the documentation of projections and quantification of the Mill Valley's existing and projected housing needs for all income levels. These projected needs must include Mill Valley's share of the regional housing need.

This "fair share" allocation concept is also known as the Regional Housing Allocation (RHNA). It is a state-mandated process that determines the amount of future housing growth each city and county must plan for in their housing elements. The process is administered by the California Department of Housing and Community Development (HCD), while the methodology and assigned share to each jurisdiction is developed by the Association of Bay Area Governments (ABAG). A fair share allocation is given to each jurisdiction every planning period or cycle, which is approximately every seven or eight years.

The process seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction's projected share of regional housing growth across all income categories.

1. The 2007-2014 and 2014-2022 RHNA Cycles

Table 3-2 below shows Mill Valley's RHNA for the current (2014-2022) Housing Element planning period in comparison to the 2007-2014 RHNA. In the previous Housing Element update process, the City consulted with State HCD. Based on their suggestions, the City incorporated certain long term actions for the future 2014-2022 Housing Element cycle within the 2009-2014 Element due to the short timeframe between the October 2013 adoption and the start of the next RHNA cycle in 2014. In setting the approach to meet the 2007-2014 RHNA, the City has also set a solid foundation to meet the lower RHNA presented in the 2014-2022 cycle.

Table 3-2: 2007-2014 and 2014-2022 RHNA

Income Level	Percent of AMI	2007-2014	2014-2022
Very Low	<50%	74	41
Low	51-80%	54	24
Moderate	81-120%	68	26
Above Moderate	>120%	96	38
Total		292	129

Since the RHNA is not cumulative between planning periods (except in the instance where an unaccommodated housing need triggers a RHNA carry over), the residential sites inventory may be utilized to address Mill Valley's RHNA needs for each planning period. As long as identified residential sites remain available for development and the zoning remains in place, sites may be carried forward to future Housing Element cycles.

The City's goal is to continue to provide adequate residential sites zoned at appropriate densities to address Mill Valley's RHNA by income category for both the current and future planning periods.

IV. Housing Resources

An important component of the Housing Element is the identification of sites for future housing development, and an evaluation of the adequacy of these sites in fulfilling the City's regional housing needs allocation (RHNA). This "Housing Resources" chapter describes the resources available for development, rehabilitation, and preservation of housing in Mill Valley, including sites for new housing; financial and administrative resources available to facilitate housing production and housing-related services; and opportunities for energy conservation in existing and new residential development as a means of reducing housing costs.

A. Accommodating 2014-2022 RHNA

The Mill Valley Housing Element Update aims to meet State mandates, achieve California Department of Housing and Community Development (HCD) certification, and also reflect the values and desires of the community.

Housing Element law requires local governments to adequately plan to meet their existing and project housing needs, including their share of the regional housing need. HCD recommends that jurisdictions identify enough residential capacity within their boundaries that is above and beyond the required housing numbers identified in each RHNA cycle, to help offset sites that may be developed at lower densities than identified in the capacity analysis. A healthy buffer above the required RHNA therefore demonstrates a "margin of safety".

Mill Valley has developed a realistic approach to the identification of sites suitable for housing development and at appropriate densities, within the 2014-2022 RHNA cycle to accommodate the City's identified need for 129 units.

As shown in Table 4.1, an adequate number of new housing units have been identified to satisfy the 2014-2022 RHNA cycle. The Housing Needs Analysis documented in Table 4.1 includes: a) units in projects issued building permits in 2014, or with project entitlements; b) potential sites with additional capacity as outlined in the Capacity Analysis in Appendix C; and c) projected new second units. This table will be updated in the next Housing Element Update to reflect actual new units that were built/permitted/approved through the entire 2014-2022 RHNA cycle.

Table 4.1: Mill Valley's 2014-2022 Housing Needs Analysis

	Income Levels	Very Low (<50% AMI)	Low (51-80% AMI)	Moderate (81-120% AMI)	Above Mod (>120% AMI)	Total
	RHNA	41	24	26	38	129
A	Units in Projects with Building Permits Issued in 2014, or with Planning Entitlements					
	Second Units*	3	3	2	-	8
	Single-Family Units	-	-	-	3	3
	Multi-Family Units	-	-	4	23	27
	Total New Units Permitted or Entitled	3	3	6	26	38
B	Potential new units identified in the Capacity Analysis					
	RS	-	-	-	30	30
	RM	20	20	-	-	40
	C-N/C-G/C-R/P-A	60	60	3	-	123
	Total New Units Projected based on Site Capacity Analysis and Existing Residential Zoning	80	80	3	30	193
C	Additional Projected Second Units (2015-2022)*	22	25	14	3	64
	GRAND TOTAL (A+B+C)	105	108	23	59	295
	Remaining Need / Unaccommodated RHNA	-64	-84	3	-21	-166

* Affordability based on Mill Valley's 2014 second unit survey, which documents 35 percent of Second Units are affordable to very low Income; 39 percent are rented at the low income level; 22 percent are rented at the moderate income level; and 4 percent are rented at levels suitable for above moderate income households.

See details below for further explanation of numbers provided in Table 4.1.

1. Units in Projects with Building Permits Issued in 2014, or with Project Entitlements

Residential projects issued building permits in 2014, as well as projects with planning entitlements that have not yet pulled a building permit, are credited towards Mill Valley's 2014-2022 RHNA¹. As indicated in Table 4.2 below, the City has permitted/entitled eight second units, three single-family units, and 27 multi-family units which will contribute towards addressing the City's future regional housing needs. Mill Valley's 2014 second unit rent survey provides the basis for assigning affordability to the approved second units. Affordability for the approved multi-family units is based on inclusionary requirements (542 Miller) and rents for comparably sized units (862 Blithdale).

Table 4.2: Residential Projects Issued Building Permits or with Entitlements in 2014

Unit Type	Total Units	Income Level			
		Very Low	Low	Moderate	Above Mod
Second Units	8	3	3	2	-
Single-family	3	-	-	-	3
Multi-family					
542 Miller	16	-	-	3	13
500 Miller	9	-	-	-	9
862 Blithdale	2	-	-	1	1
Total Units Permitted/Entitled	38	3	3	6	26

2. Site Capacity within Existing Residential Zoning

Housing Element law requires Housing Elements to include a detailed land inventory and analysis of properties to identify sites that can be developed for housing within the planning period, noting zoning and general plan designations, size and existing uses; general analysis of environmental constraints and the availability of infrastructure, and the evaluation of the suitability, availability and realistic development capacity of sites.

All parcels in the city were reviewed to identify sites that would be realistic candidates for infill residential development, to fulfill the RHNA. To ensure a meaningful analysis, a list of criteria was developed to identify only properties that had realistic development potential. Please see Appendix C for the list of criteria and details for identified sites.

a. Default Density

"Default density" is a feature of state law and is a very important component of the methodology for the capacity analysis. The RHNA is divided into different income levels, as a jurisdiction needs to show its intent to provide housing for households of various income levels (the Association of Bay Area Governments, or ABAG, determines the calculation methodology and number of units per income category).

¹ Projects which were issued building permits prior to 2014, but which are under construction in 2014 (such as the four unit Aloha Lofts), are credited towards the City's progress in meeting its 2007-2014 RHNA (see Table D.2 under Appendix D).

In order to assess this from a planning perspective, a “default density” is assigned to determine the number of units that could be counted in individual income categories. Generally speaking, the higher the potential density of a site, the more affordable the resultant development will be and the lower the income level it will be assigned to. Default density is therefore used for the purpose of assessing whether a jurisdiction is able to meet its RHNA, but actual development circumstances may vary.

Pursuant to Housing Element statutes, sites in Mill Valley with zoning designations that allow residential development at a density of at least 20 dwelling units per acre (du/ac) are categorized as affordable to very low and low-income households. Sites with unit potentials of at least 10 du/ac but less than 20 du/ac are considered affordable to moderate income households, and sites with unit potentials lower than 10 du/ac are considered affordable to above-moderate income households only.

b. Residentially Zoned Sites

A review of all parcels within the city with residential zoning in place in the Single-Family Residential, Multiple Family, Planned Single-Family Residential, Residential Planned, and Planned Multi-Family Residential Districts (RS, RM, RSP, RP, RMP respectively) currently yields a total of **32** parcels that are considered good candidates for infill residential development. On these parcels, it is estimated that **70** new residential units could be built in the future under existing zoning regulations.

c. Commercially Zoned Sites

Mill Valley’s existing zoning regulations allow for residential uses in certain commercially zoned districts, including the General Commercial, Neighborhood Commercial, Commercial Recreation, and Professional Administrative Office Districts (C-G, C-N, C-R, and P-A respectively). This form of mixed-use infill development is an ideal way for the City to utilize its existing stock of parcels currently served by existing roads and utilities. Residents next to or over ground floor commercial provide passive security for the area, provide a built-in customer base, and create increased activity and vitality within commercial areas. This form of traditional mixed-use enhances the historic development pattern found in the commercial areas of Mill Valley where a number of apartments and flats exist above and next to street level retail spaces.

24 parcels in the Commercial zoning districts were identified as good candidates for mixed-use development. It is estimated that **123** new residential units could be built in the future on these sites under existing zoning regulations. Some sites could potentially support the addition of new residences above existing buildings, or the reconfiguration of parking to allow for residential development, or a complete redevelopment of the site.

Table 4.3: Summary of Capacity Analysis for 2015-2023 Planning Period

	Zoning Districts	Number of Parcels	Potential Unit Capacity
Residential	All RS, RSP, RP, RM, RMP	32	70
Commercial	C-G, C-N, C-R, P-A	24	123
Total		56	193

More detailed information about the capacity analysis can be found in Appendix C.

3. Second Dwelling Units

Second units are small, self-contained dwelling units that provide a kitchen, bathroom and sleeping area. The unit can be attached to the main home with a separate entrance or can be a small detached unit located in the rear yard or above a garage. Because of their small size, second units typically rent for less than apartments, and can provide affordable rental options for smaller households, and can provide rental income for the homeowner.

Second units are an integral segment of Mill Valley's housing stock, comprising an estimated 550 units, including 88 new units permitted in the prior 2007-2013 Housing Element RHNA cycle, and an additional eight permitted in 2014. In order to obtain information on the use and rent structure of second units in the community, the City mailed a survey to 416 property owners identified as having a legal second unit on their property. A total of 117 completed surveys were received from respondents with a second unit, with 100 of these respondents providing information on the rent charged for their unit. As presented in Table 4.4 below, 35 percent of rents were within the level affordable to very low income households, 39 percent were affordable to low income households, 22 percent were affordable to moderate income households, and four percent were at levels affordable to above moderate income households. (refer to Appendix E for the complete Second Unit Survey report).

Table 4.4: Second Unit Rents and Affordability - 2014 Mill Valley Survey

Rent Range	# Survey Responses	% of total	Qualifying Affordability Level
Utilities only	1	35%	Very Low Income
\$0/No rent charged	28		
\$400-\$700	6		
\$701-\$1,000	16	39%	Low Income
\$1,001-\$1,300	14		
\$1,301-\$1,500	9		
\$1,501-\$1,800	12	22%	Moderate Income
Over \$1,800 (1 bdrm)	10		
Over \$1,800 (2 bdrm)	4	4%	Above Moderate
Total	100		

Given Mill Valley's strong track record in providing second units, combined with the continued capacity to provide such units, the City's objective will be to achieve the creation of an average of eight new units per year, for a total of 64 units during the 2015-2023 planning period. The affordability of the projected 64 second units is based on rent levels from the City's survey as presented in Table 4.4.

4. Residential Development Potential and RHNA

The City's approved and built units, together with its residential development potential shown in Table 4.1 and Table 4.5, demonstrate that the City has provided sufficient sites to address its 2014-2022 RHNA of 129 units, as well as the affordability targets established by the RHNA,

therefore leaving no remaining housing need. The City aims to further encourage the production of affordable housing through the programs contained in Chapter 2.

Table 4.5: Comparison of RHNA to Total Built Units and Zoning Potential

Income Levels	Very Low (<50% AMI)	Low (51-80% AMI)	Moderate (81-120% AMI)	Above Mod (>120% AMI)	Total
RHNA	41	24	26	38	129
Total Projected Units: Projects with Permits/Entitlements; Capacity Analysis/Existing Residential Zoning; and Additional Second Units in 2015-2022	105	108	23	59	295
Remaining Need/ Unaccommodated RHNA	-64	-84	3	-21	-166

B. Availability of Infrastructure and Public Services

Mill Valley is an established community, and new developments on land designated for residential use can be easily connected to the existing infrastructure systems for power, sewer, storm drains, water pipes, and other utilities. The Mill Valley Refuse Service provides residential and commercial garbage collection to Mill Valley and several other surrounding communities in Marin County. Water is provided by the Marin Municipal Water District, which obtains 75% of its water from rainfall collected in Marin reservoirs. The Marin Municipal Water District laid out its most recent Urban Water Management Plan in 2011, which considered population projections and does not anticipate any shortfall in its ability to provide water to its service areas.

Mill Valley is served by The Sewerage Agency of Southern Marin for wastewater treatment services. Mill Valley's sewer system is aging, as most of the city's pipes were installed over 50 years ago, primarily three to four-foot sections of vitrified clay pipe, which are therefore brittle and with many connecting joints, which are susceptible to intrusion from groundwater and tree roots. Street debris has also impeded flow and caused sewage to overflow into the public street.

A major spill in 2008 resulted in 2.5 million gallons of sewage into Pickleweed Inlet in Richardson Bay, resulting in \$1.6 million in fines from the U.S. Environmental Protection Agency. The City was required to implement a sewage spill reduction plan, which has reduced sewage overflows by 68 percent since 2008. The City was also required to clean its sewers on a five-year cycle, and mandated a citywide inspection of its pipes. A partial survey focused on high-risk zones with a higher density of housing and pipes that have not been fixed recently showed a variety of defects in the system, estimating the total repair cost at \$13 million. The City had been spending \$550,000 a year on sewer system repairs.

In response, Mill Valley's City Council approved a plan in 2012 to raise approximately \$2.4 million a year to fix its aging sewer system, and shifted to a "flow-based" system to charge users based on the amount of water consumed and therefore discharged into sewers. Continued efforts have been pursued by the City to repair and strengthen its sewer system. Recent rate increases have been implemented in order to continue to upgrade the collection system and the treatment facilities and process. System upgrades will improve the efficiency and capacity of the Sewerage Agency of Southern Marin treatment plant. Collection system or treatment plant capacity has not been identified as a constraint on future development consistent with the Housing Element or the General Plan.

C. Financial Resources

The ability of the City of Mill Valley to achieve its housing goals and objectives will, to a large extent, depend on the financial resources that are available to the City and its residents. The list below summarizes major sources of such funding at the local and State levels.

1. Local Programs

Affordable Housing Fund

Chapter 2 of the Housing Element establishes a new program to establish a Mill Valley Affordable Housing Fund that will be used to construct or help leverage construction of affordable housing. Potential Housing Fund resources include, but are not limited to: in-lieu fees from the Inclusionary Housing Program; a potential affordable housing impact fee 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.

Marin Workforce Housing Trust

The Marin Workforce Housing Trust is a public/private partnership that has been created to meet the challenges of housing affordability for workers in Marin County. Through a revolving loan fund, the Trust provides low-interest rate loans to nonprofit and for-profit developers who are constructing homes affordable to lower income families, as well as special needs populations. Every dollar that is contributed to the Housing Trust is matched by both the Marin Community Foundation and the County of Marin, thereby tripling the value of each donation.

Marin County Community Development Block Grant (CDBG)

Mill Valley is a participating city in Marin County's Community Development Block Grant (CDBG) program, and thus income qualified residents are eligible for participation in several of the County's CDBG programs, including the Residential Rehabilitation Loan Program.

Mortgage Credit Certificate (MCC)

The Marin County Community Development Agency administers the MCC Program for first-time homebuyers. This program operates as a federal income tax credit, reducing the potential federal income tax liability of the borrower, in effect creating additional net spendable income that a borrower may use towards the monthly mortgage payment. A first-time homebuyer may convert a portion (currently 20%) of their annual mortgage interest into a direct income tax credit on their income tax return for the life of the loan.

2. State Programs

The State Department of Housing and Community Development (HCD) administers more than 20 programs that award loans and grants for the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing. Most of these programs award points for jurisdictions with an adopted housing element found in substantial compliance by HCD. The following highlights several of the State's programs with potential relevance in Mill Valley:

Local Housing Trust Fund Grant Matching Program (LHTF)

State funding is available to assist existing and new Local Housing Trust Funds (LHTFs). The State will provide matching grant funds to LHTFs. Approved activities include development of affordable multi-family rental and ownership housing and emergency shelters. New Local Housing Trust Funds that are in a county with a population of less than 425,000 persons are given priority in each round of funding, making activities funded through Mill Valley's Affordable Housing Fund eligible for priority funding.

Building Equity and Growth in Neighborhoods (BEGIN) Program

BEGIN provides grants to cities and counties which then make deferred-payment, second mortgage loans to qualified first-time low and moderate-income homebuyers of new homes, in projects where affordability is enhanced by local regulatory incentives or barrier reductions.

Infill Incentive Grant (IIG) Program

This State program assists by providing grants to qualifying infill projects and areas, in the new construction and rehabilitation of infrastructure that supports higher-density affordable and mixed-income housing in such infill locations.

Housing Related Parks Program

Provides financial incentives to jurisdictions who construct new units affordable to very low and low income households. Grants may be used for the creation of new parks, or rehabilitation or improvements to existing parks.

HOME Investment Partnership Programs (HOME)

The HOME Program provides grants to cities, counties, and Community Housing Development Organizations (CHDOs) for housing rehabilitation, new construction, and acquisition and rehabilitation for both single-family and multi-family housing projects serving lower income renters and owners.

Housing Enabled by Local Partnership (HELP) Program, California Housing Finance Agency

The HELP Program and the Residential Development Loan Program (RDLP) offer reduced rate loans to local government entities for locally determined affordable housing activities and priorities (acquisition, construction, rehabilitation, single-family homeownership, or preservation of multi-family and special needs units).

Multifamily Housing Program (MHP)

Provides deferred payment loans to assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. The conversion of non-residential structures to rental housing are also eligible.

D. Administrative Resources

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. These non-profit agencies can serve as resources in helping Mill Valley to address its housing needs, and in the implementation of its Housing Element programs. Several non-profits already have a track record of producing and managing affordable housing in Mill Valley, including EAH, BRIDGE Housing and Mercy Housing.

The Ecumenical Association for Housing (EAH) is a well-known affordable housing non-profit developer with projects in Marin County and the western United States. In 2009, EAH Housing joined Interfaith Housing Foundation (IHF) to renovate and extend affordability at the 75 unit Shelter Hill family apartments in Mill Valley.

Bridge Housing is one of the largest affordable housing developers in the State, having produced over 13,000 units since its founding in San Francisco over two decades ago. The City of Mill Valley has partnered with BRIDGE by providing ground leases on City-owned land to realize the development of the 32 unit Pickleweed and 17 unit Alto Station family apartments.

Mercy Housing is a national housing organization involved in the development, preservation, management and financing of affordable housing for low-income families, seniors and people with special needs. In Mill Valley, Mercy provides 24 units of service-enriched housing for persons with disabilities at Camino Alto Apartments.

The Marin Housing Authority (MHA) owns and manages two affordable senior housing developments in Mill Valley – Homestead Terrace and Kruger Pines. The City also contracts with MHA to monitor deed restricted affordable rental and ownership housing provided through the City's inclusionary housing program.

The Nonprofit Housing Association of Northern California (NPH) serves as a local networking agency, advocacy group and resource organization for affordable housing developers in the Bay Area. In addition, the recently incorporated Mill Valley Village can also serve as a resource to the City in implementing its senior-oriented housing programs.

E. Opportunities for Energy Conservation

Housing Element statutes require an analysis of opportunities for energy conservation with respect to residential development. Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases.

The Housing Element sets forth Goal 6 “promote a healthy and sustainable Mill Valley through support of existing and new housing which minimizes reliance on natural resources and automobile use,” (see Housing Programs #32-Sustainable Housing Projects; #33-Green Building;

and #34 Energy Conservation for details). along with a series of policies and implementing programs, to specifically address residential energy efficiency and sustainability (see below).

The Housing Element also identified additional sites as part of the Capacity Analysis (Appendix C), identifying sites based on sustainability criteria, including solar access, walkability and access to amenities (1/4 mile). See C-7 for details.

1. Sustainability Policies and Practices in Mill Valley

The City of Mill Valley has a long-standing commitment and track record in environmental and sustainable policies and initiatives. The City hired a Sustainability Director in 2008 to provide leadership and coordination services for the City's sustainability efforts. Mill Valley's City Green Committee, composed of representatives from each of the City's departments, was originally formed in 2007 to incorporate environmental practices into City operations and the community as a whole. City Green continues to meet regularly to determine the most effective sustainability measures to advance in the city, and encourages ongoing and effective flow of communication throughout the city relative to sustainability initiatives. The City website provides extensive information on sustainability and energy efficiency practices and initiatives, a sampling of which include:

- Community Outreach and Education through City Green
- Climate Protection/Greenhouse Gas Inventory
- Curbside Compost Pick-Up Service
- Environmentally Preferable Food Packaging
- Paper Reduction and Recycled Content Directive
- Reducing Employee Commute Trips
- Testing the Energy Efficiency of LED Streetlights



The City employs several measures at City Hall and throughout the city to promote sustainability. These include energy conservation measures for City and community buildings and water conservation measures for new building projects. The City also has a Construction and Demolition Waste Recovery Ordinance which requires building contractors to recycle or reuse 50 percent of the waste generated from a construction project (wood, metal, windows, doors). Large building projects are required to provide recycling areas. The Recycled Lumber program mills lumber in Mill Valley with fallen trees, trees removed for safety, and tree donations from professional tree services, and uses this lumber for City projects.

2. Green Building Practices

Green Building practices are a major component of Mill Valley's approach to sustainability. On December 1, 2008, the Mill Valley City Council unanimously adopted a Green Building Ordinance that establishes green building requirements for all new residential and commercial development, including building additions and renovations. The objectives of the Green Building Ordinance are to:

- Encourage resource conservation;
- Reduce waste generated by construction projects;
- Increase energy and water efficiency; and
- Promote the health of residents.

The Green Building Ordinance requires applicants to comply with Build It Green (“BIG”) green building requirements during Planning or Building applications. Applicants complete a BIG checklist identifying Green Building features intended for incorporation in the project and compliance with BIG Green Building Guidelines, and a LEED-Accredited Professional or GreenPoint rater checks the list prior to the issuance of the Building Permit.

In addition to Mill Valley’s 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. Mill Valley’s Green Building Ordinance, based on Build It Green requirements, fills in this gap by typically exceeding Title 24’s energy efficiency standards by 15%.

3. Pacific Gas and Electric programs

The California Alternate Rates for Energy (CARE) Program

The PG&E CARE program provides a monthly discount on energy bills for income-qualified households and housing facilities.

The Relief for Energy Assistance through Community Help (REACH) Program

REACH provides emergency energy assistance to low-income families within the PG&E service area who are in jeopardy of losing their electricity services. REACH is a one-time energy-assistance program sponsored by PG&E and administered through the Salvation Army from 170 offices in northern and central California. Those who have experienced an uncontrollable or unforeseen hardship may receive an energy credit up to \$200, credit amount based on the past due amount of the bill. REACH assistance may be available once within an 18 month period, but exceptions can be made for seniors, the physically challenged and the terminally ill.

The Balanced Payment Plan (BPP)

Customers who enroll in the BPP will eliminate fluctuations in energy costs and therefore unpredictable expenses. PG&E averages the customer’s energy costs in the previous 12 months to arrive at a monthly balanced payment amount. PG&E monitors the account for appropriate changes to the BPP once every four months.

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant

The LIHEAP Block Grant is funded by the federal Department of Health and Human Services (DHHS) and provides two basic types of services. Eligible low-income persons, via local governmental and nonprofit organizations, can receive financial assistance to offset the costs of heating and/or cooling dwellings, and/or have their dwellings weatherized to make them more energy efficient. LIHEAP accomplishes its goals through three programs: a Weatherization Assistance Program, a Home Energy Assistance Program, and an Energy Crisis Intervention Program.

The Family Electric Rate Assistance (FERA) Program

The FERA program provides a monthly discount on electric bills for low to moderate income households of three or more persons.

4. Marin Energy Authority Programs

Marin Energy Authority (MEA) is a joint powers authority formed in 2008 to address climate change by reducing energy related greenhouse gas emissions and securing energy supply, price stability, energy efficiencies and local economic and workforce benefits. Marin Clean Energy (MCE) is a program under the MEA to collectively buy renewable power on behalf of Marin County residents, cities and towns. Mill Valley residents are automatically enrolled in the program and can choose to opt out to remain with PG&E. The MCE program has “light green” and “dark green” options, with 25-50% of renewable power and 100% renewable power respectively.

The Mill Valley City Council approved an ordinance to join MEA in December of 2008 such that residents and businesses could choose their electric energy supplier. As of July 2012, electric service is offered to all Mill Valley customers.

MCE’s rebate funds for energy efficiency upgrades and home energy assessments were recently exhausted in May 2012 and no new rebates are currently being offered.

5. Other Energy Conservation Programs

California Youth Energy Services "Green House Call"

California Youth Energy Services "Green House Call" offers indoor efficiency evaluations from professional young staff. This program includes the free installation of energy and water saving equipment.

Smart Lights Program

The Smart Lights Program offers free start-to-finish technical assistance and instant rebates to help defray the cost of upgrading and/or repairing existing equipment for businesses. This program offers assistance with comprehensive lighting retrofits, refrigeration tune-ups, controls and seals replacement, domestic hot water heater replacements, and referrals to appropriate HVAC programs.

Energy Upgrade California

This Statewide program offers incentives to homeowners who complete select energy-saving home improvements on a single-family residence and two-to-four-unit buildings. The incentive packages encourage customers to take the “whole house” approach by combining several improvements at one time to achieve greater energy efficiencies and savings. Homeowners are required to hire a contractor and perform an initial assessment. EUC has a list of participating contractors and raters.



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Appendix A. Housing Needs Assessment

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A. Executive Summary

The major findings of the Housing Needs Assessment are presented below.

1. Demographic Profile

- ❖ While Mill Valley has experienced only modest population growth over the past several decades, analysis of the city's demographic and household characteristics illustrate changes in the make-up of the population.
- ❖ The community has evidenced a noticeable increase in the school age population (5-17 years) over the past decade, growing to 18 percent of the population. The Mill Valley School District K-8 enrollment figures confirm this trend, with a 30% increase in enrollment between 2002 and 2011.
- ❖ Young adults (25-44 years) have decreased from 28 to just 20 percent of Mill Valley's population during the 2000-2010 period. Factors contributing to this decline include an aging in place of young adults into middle age, and a limited number of young adults and young families moving into Mill Valley due in part to high housing costs and low vacancy rates. Most young adults depart Mill Valley in their early 20's and are replaced by adults in their 30's with school age children.
- ❖ Since 2007, a "demographic shift" in existing single-family housing from older "empty nesters" to young families with school-aged children has created a population growth spurt (mostly school ages children) which has the potential to continue for many decades. This should be monitored to determine if it is likely to continue in the long term.
- ❖ Senior citizens (age 65+) continue to represent a growing segment of the community, currently comprising 19 percent of Mill Valley residents, compared to just 15 percent a decade ago. With approximately half of Mill Valley's seniors age 75 and above, this population may require more supportive housing options as they age and become frailer.
- ❖ The employment base in Mill Valley is dominated by lower paying retail and service-related jobs, and given the shortage of local affordable housing opportunities, has resulted in a large segment of people who work in the community being unable to live here.

2. Household Profile

- ❖ Mill Valley has experienced a significant increase in both the number and proportion of family households over the past decade. Of the increase in over 200 families between 2000 and 2010, families with children comprised over 80 percent, consistent with the increase in the school age population during this same period.

- ❖ Approximately 20 percent of Mill Valley households earn low incomes (<80% area median income- AMI), with an additional 12 percent earning moderate incomes (80-120% AMI). Among the community's 2,100 renter households, one-third are lower income and 15 percent moderate income.
- ❖ Housing overpayment among lower income households is high, with 70 percent of both lower income owners and lower income renters spending greater than 30 percent of their incomes towards housing. The community's special needs populations – seniors, persons with disabilities, and female-headed households with children – are particularly vulnerable to losing their housing due to an inability to pay.
- ❖ Seniors are the largest special needs group in Mill Valley, comprising 30 percent of all households. Some of their more pressing housing needs include:
 - Rental affordability
 - Housing accommodations for disabilities
 - Housing maintenance
- ❖ Addressing the diverse needs of Mill Valley's senior population will require strategies which foster independent living (such as accessibility improvements, second units, shared housing, rehabilitation assistance), as well as strategies which encourage the provision of variety of supportive living environments for seniors of all income levels.
- ❖ Approximately 1,500 Mill Valley residents (12%) are living with a disability, a number that will likely increase as the population continues to age. The design and affordability of housing, modifications to improve accessibility, proximity to services and transit, and group living opportunities represent some of the considerations important in serving this need group.

3. Housing Stock Characteristics

- ❖ The 2010 Census documents a total of 6,534 housing units in Mill Valley, reflecting a net increase in approximately 400 units over the past two decades, or an average of 20 units/year. The proportion of owner (65%) and renter (35%) households has remained unchanged during this period.
- ❖ During the most recent decade, Mill Valley has seen a net loss in over 100 multi-family units, whereas a net increase in over 300 single-family detached and attached homes were developed. The decline in multi-family housing is concentrated among smaller properties with two to four units.
- ❖ Second units represent an important segment of Mill Valley's housing stock, with 89 new second units issued building permits during 2000-2010. In addition, 74 previously unpermitted second units were legalized and brought up to code through the City's 2002-2003 second unit amnesty program.
- ❖ Mill Valley is home to eight rental housing developments owned by non-profits or the Marin Housing Authority, 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.

- ❖ The waiting list at each of Mill Valley's affordable housing developments is long. In addition, Marin Housing reports that 135 Mill Valley households are currently on the waiting list for Section 8 rent subsidies, indicative of the general shortage of affordable housing in the area.
- ❖ A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered a healthy balance between the demand and supply of housing. As measured by the 2010 census, the residential vacancy rate in Mill Valley was 1.2 percent for ownership units and 4.5 percent for rental units, indicating vacancies are slightly below ideal levels for normal resident turn over.
- ❖ High property values and a strong sense of neighborhood pride have contributed to ongoing upkeep and renovation of the housing stock. Nonetheless, given that half of Mill Valley's housing is more than 50 years old, combined with a sizable senior population who may face difficulties maintaining their homes as they age, both code enforcement and housing rehabilitation programs continue to be important.

4. Housing Costs and Affordability

a. Rental Housing

- ❖ The September 2014 rent survey identified a limited number of vacant apartments listed for rent in Mill Valley. Median apartment rents on advertised units were \$2,500 for a one-bedroom and \$2,850 for a two-bedroom, with no three-bedroom units listed. In comparison, the 2012 rent survey conducted for the City's 2009-2014 Housing Element identified median rents of \$1,750 for a one-bedroom and \$2,200 for a two-bedroom apartment.
- ❖ Rental listings for single-family homes were more prevalent than apartments in Mill Valley, commanding median rents of \$4,000 for a two bedroom home, \$5,000 for a three bedroom home, and \$6,800 for a home with four or more bedrooms.
- ❖ Market rents in Mill Valley are well beyond the level of affordability for very low and low income (<80% AMI) households. The Housing Element rent survey conducted in 2012 documented an affordability gap for low income two person households of just \$90, and \$140 for households with three persons, whereas the 2014 rent survey identifies a gap ranging from \$800 to \$950 per month, indicative of the steep increase in rents over the past several years.

b. Ownership Housing

- ❖ During the January - September 2014 period, a total of 134 single-family home sales were recorded within the Mill Valley city limits, with prices ranging from a median of \$1,158,000 (one-bedroom) to \$1,212,000 (three-bedroom) up to \$1,971,000 (five-bedroom). Housing sales reflect the diversity of Mill Valley's housing stock, ranging from smaller, more modest units (one and two bedroom homes averaged 1,400 square feet in size, with two homes selling for under \$500,000), to larger lot, luxury units (lot

sizes for four and five bedroom homes averaged 15,000 and 22,500 square feet, with 15 homes selling for over \$3 million).

- ❖ Forty condominium units were sold in Mill Valley during the first nine months of 2014, with median prices ranging from \$455,000 for a one-bedroom, to \$660,000 for a two-bedroom and \$650,000 for a three-bedroom unit. Among all condominiums sold, the overall median sales price was \$610,000 for a 1,200 square foot unit.
- ❖ The maximum affordable purchase price for a moderate income household (120% AMI) ranges from \$470,000 (two person household) up to \$676,000 (five person household), rendering single-family home prices in Mill Valley well out of reach. Condominiums, however, do provide an affordable homeownership option for many moderate income households. Expanding the supply of condominiums, combined with downpayment assistance programs and inclusionary housing requirements, may be an effective strategy to extend affordable homeownership opportunities to households earning moderate incomes.

5. Regional Housing Needs Allocation (RHNA)

- ❖ The results of the residential sites analysis for the Housing Element indicate that Mill Valley has sufficient sites to address its 129 unit regional housing needs (RHNA) for the 2014-2022 period.
- ❖ Because the RHNA is not cumulative between planning periods (except in the instance where an unaccommodated housing need triggers a RHNA carry over), the residential sites inventory developed for the prior 2009-2014 Housing Element is able to be updated and utilized to address Mill Valley's RHNA needs for the current Housing Element.

B. Introduction to the Housing Needs Assessment

The Housing Needs Assessment serves as the foundation for Mill Valley's Housing Element. Its purpose is to provide a comprehensive assessment of the community's existing housing needs, and to evaluate household and demographic trends impacting those needs. The results of the Needs Assessment will provide direct input into creation of an effective housing strategy for Mill Valley's Housing Element update.

The Mill Valley Housing Needs Assessment is comprised of the following chapters, as required under State Housing Element law:

- Demographic Profile
- Household Profile
- Special Needs Populations
- Housing Stock Characteristics
- Regional Housing Needs Allocation (RHNA)

Much of the demographic and household data in the Needs Assessment is derived from the 2010 US Census and the 2006-2010 American Community Survey. Current housing market data is compiled from a variety of sources, including DataQuick sales transactions and internet rental listings. Marin Housing provided information on affordable rental and ownership housing in Mill Valley, and California Housing Partnership Corporation assisted in evaluating assisted units at risk of conversion to market rates. Finally, the Association of Bay Area Governments (ABAG) provided future projections of population, employment and regional housing needs.



Image by Frank Schulenburg, Mill Valley resident / CC-BY-SA-3.0 (via Flickr).

C. Demographic Profile

Demographic changes such as population growth or changes in age can affect the type and amount of housing that is needed in a community. This section addresses population, age, and race and ethnicity of Mill Valley residents.

1. Population Growth and Trends

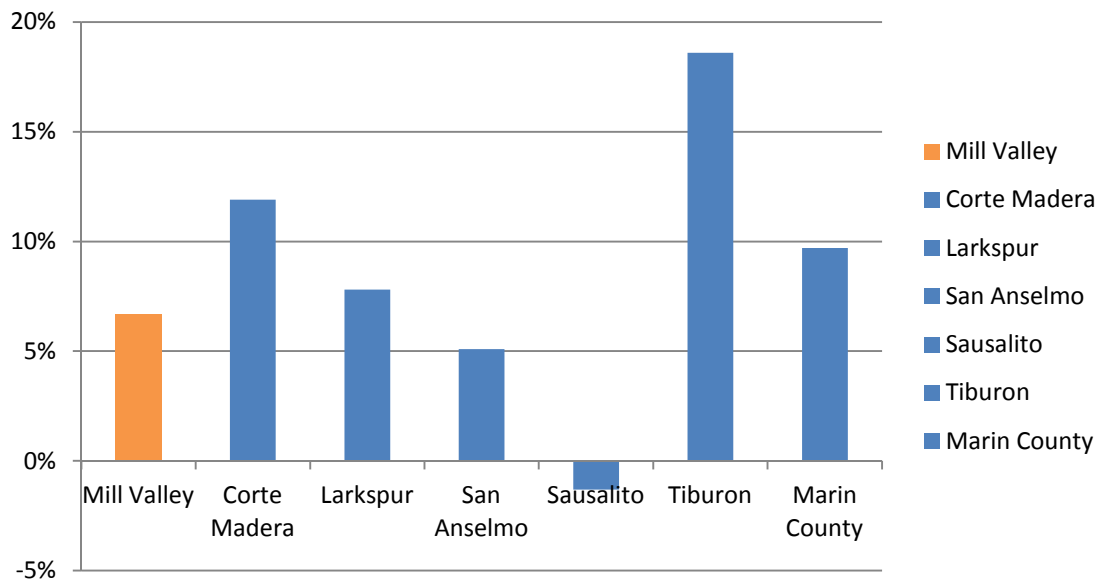
As of the 2010 Census, Mill Valley had just over 13,900 residents, a modest 6.7 percent increase over the past two decades (see Table A.1). This rate of population growth is fairly comparable to similar sized southern Marin jurisdictions (Larkspur and San Anselmo), though considerably below that of Tiburon, Corte Madera and Marin County as a whole.

Table A.1: Regional Population Growth Trends 1990 – 2010

Jurisdiction	1990	2000	2010	% Change 1990-2010
Mill Valley	13,029	13,600	13,903	6.7%
Corte Madera	8,272	9,100	9,253	11.9%
Larkspur	11,068	12,014	11,926	7.8%
San Anselmo	11,735	12,378	12,336	5.1%
Sausalito	7,152	7,330	7,061	-1.3%
Tiburon	7,554	8,666	8,962	18.6%
Marin County	230,096	247,289	252,409	9.7%

Source: U.S. Census 1990, 2000 and 2010.

Figure A.1: Regional Population Growth Trends 1990 – 2010



Over the next three decades (2010-2040), the Association of Bay Area Governments (ABAG) projects that Marin County will remain one of the least populated and slowest growing counties in the region. Countywide population growth is projected at just 13 percent; comparable growth rates are projected for most southern Marin jurisdictions. In Mill Valley, ABAG estimates the population will grow to approximately 15,400 by 2040, an increase in 1,500 residents above the city's current population. Factors contributing to the region's slow growth include the aging population, small household sizes and limited job growth.

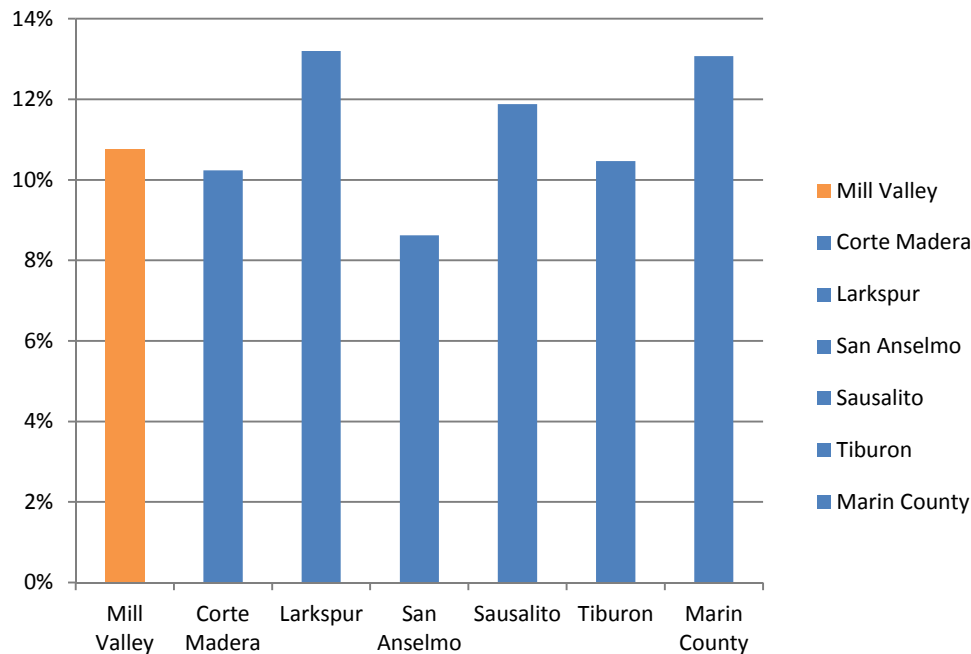
However, an analysis of the city's demographic and household characteristics illustrates changes in the make-up of the population (also known as "demographic shift") that may result in higher population growth than estimated by ABAG. According to annual Department of Finance data, Mill Valley's population rose significantly from 1992 to 2001 (by 600 people) and again from 2007 to 2013 (by 651 people), with a lull following the dot.com bust in 2001 to 2007. The community has also seen a noticeable increase in the school age population (5-17 years) over the past decade. In fact, the increase in school age children was larger than the entire population increase for the city over this period. This appears to be attributable to an on-going turnover in existing single-family housing from elder "empty nesters" (looking to find smaller units closer to shopping and services) to young families with school-aged children. This "demographic shift" may become a long term trend with older, single or two occupant households in existing single-family homes being replaced by younger households with school-aged children. But the trend is too short to be proven (broken by the lull following the dot.com bust), so the ABAG population growth estimates will be used in this version of the General Plan. Nevertheless, the "demographic shift" trend will be closely watched over the term of this General Plan as this population growth, predominately in school-aged children, could significantly impact community facilities and services, especially traffic, schools and recreational facilities.

Table A.2: Regional Population Projections 2010 - 2040

Jurisdiction	2010	2020	2030	2040	% Change 2010-2040
Mill Valley	13,903	14,300	14,800	15,400	11%
Corte Madera	9,253	9,500	9,800	10,200	10%
Larkspur	11,926	12,400	12,900	13,500	13%
San Anselmo	12,336	12,600	13,000	13,400	9%
Sausalito	7,061	7,300	7,600	7,900	12%
Tiburon	8,962	9,200	9,500	9,900	10%
Marin County	252,409	261,100	272,100	285,400	13%

Source: ABAG 2013 Projections.

Figure A.2: Regional Population Projections 2010 - 2040



2. Age Characteristics

Table A.3 displays the age distribution of Mill Valley’s population in 2000 and 2010, and compares this with Marin County as a whole.

- ❖ Just under one-quarter of Mill Valley’s population is comprised of children under the age of 18. The community has evidenced a noticeable increase in the school age population (5-17 years) over the decade, with the proportion of school children (17.7%) now surpassing the County (15.2%). The Mill Valley School District K-8 enrollment figures confirm this trend, showing a 30% increase in enrollment between 2002 and 2011 (from 2,288 students in 2002 to 2,964 students in 2011). The impact of the increase in school age children is an on-going challenge to Mill Valley schools.
- ❖ Using a longitudinal approach and analyzing the number of Mill Valley residents age 20-34 in 2000 (1,670 persons) with this same age cohort ten years later when they are age 30-44 (2,558 persons) depicts a net increase in 888 young adults age 30-44 moving into the community between 2000 and 2010. The results of this longitudinal analysis indicates that young adults are moving into Mill Valley starting in their 30’s, bringing new families and contributing to the community’s increasing school enrollment. Conversely, Mill Valley experienced an exodus of young persons over the past decade, with the number of residents in the 10-19 age cohort in 2000 (1,458 persons) declining to just 580 persons in 2010 when they are 20-29 years, illustrating the challenge for young persons to afford to live in Mill Valley.

- ❖ Senior citizens (age 65+) continue to represent a growing segment of the community, comprising nineteen percent of Mill Valley residents compared to fifteen percent a decade ago. The proportion of seniors in Mill Valley exceeds both Marin County (17%) and the State (11%). With approximately half of Mill Valley's seniors age 75 and above, this population may require more supportive housing options as they age and become frailer.

While the increase in Mill Valley's median age from 43.9 years to 46.6 over the past ten years depicts a maturing population, the significant growth in families with school age children serves to moderate this trend.

Table A.3: Age Distribution 2000-2010

Age Group	2000		2010		
	Persons	Percent	Persons	Percent	Marin Co. %
Preschool (<5 yrs)	749	5.5%	825	5.9%	5.5%
School Age (5-17 yrs)	2,043	15.0%	2,466	17.7%	15.2%
College Age (18-24 yrs)	482	3.5%	459	3.3%	5.7%
Young Adults (25-44 yrs)	3,818	28.1%	2,816	20.3%	24.3%
Middle Age (45-64 yrs)	4,418	32.5%	4,714	33.9%	32.6%
Early Seniors (65-74 years)	995	7.3%	1,362	9.8%	9.2%
Late Seniors (75+ years)	1,095	8.1%	1,261	9.1%	7.5%
TOTAL	13,600	100%	13,903	100%	100%
MEDIAN AGE	43.9 years		46.6 years		44.5 years

Source: U.S. Census 2000 and 2010.

3. Race and Ethnicity

The 2010 Census documents that persons identifying themselves as White continue to make up the majority of the Mill Valley community, although this segment of the population has decreased slightly from 89 percent in 2000 to 86 percent in 2010 (Table A.4). During the most recent decade, the city's Asian/Pacific Islander and Hispanic populations has each grown by one percent, as has persons identifying themselves as belonging to "Two or More Races". Mill Valley is less racially diverse than Marin County as a whole, with the lower percentage of Hispanic residents the most significant difference.

Table A.4: Racial and Ethnic Composition 2000-2010

Racial/Ethnic Group	2000		2010		
	Persons	Percent	Persons	Percent	Marin Co %
White	12,118	89.1%	11,934	85.8%	72.8%
Asian/Pacific Islander	581	4.2%	754	5.4%	5.6%
Hispanic	472	3.5%	622	4.5%	15.5%
African American	132	1.0%	109	0.8%	2.6%
American Indian/Alaskan	26	0.2%	15	0.1%	0.2%
Two or More Races	258	1.9%	428	3.1%	2.9%
Other Race	13	0.1%	41	0.3%	0.4%
TOTAL	13,600	100%	13,903	100%	100%

Source: U.S. Census 2000 and 2010.

4. Employment

The State Employment Development Department estimates that as of March 2012, 7,500 Mill Valley residents are in the labor force, with 5.2% unemployment, compared to an unemployment rate of 7.0% in Marin County and 10.7% in the State.

Table A.5 presents the occupations of Mill Valley residents. Two-thirds of the working population is employed in Management, Business, Science and Arts occupations, although the majority of these workers are employed outside the County in urban centers such as San Francisco and Oakland. Twenty percent of Mill Valley's labor force is employed in Sales and Office occupations, with just six percent employed in Service occupations. While the average commute time to work is 26 minutes, a significant number of residents (16%) work from home, with an additional eight percent taking public transportation, five percent carpooling and three percent walking to work.

Like Marin County, the Mill Valley's resident workforce is overwhelmingly white collar. Nearly three-quarters of the adult population holds a Bachelor's degree or above, compared to fifty percent in the County and thirty percent statewide. These higher than average educational levels directly correlate with higher earnings potential, with a median household income of approximately \$105,500 in Mill Valley, 18 percent higher than Marin and 90 percent above that of California as a whole.

Table A.5: Occupations of Employed Residents - 2012

Occupation	Persons	Percent	Marin Co. Percent
Management, business, science and arts occupations	5,032	67.1%	51.0%
Sales and office occupations	1,523	20.3%	22.9%
Service occupations	480	6.4%	14.8%
Natural resources, construction, maintenance occupations	285	3.8%	6.9%
Production, transportation, material moving occupations	180	2.4%	4.4%
TOTAL	7,500	100%	100%

Source: 2006-2010 American Community Survey. Percentage distribution by occupational category applied to 2012 State EDD estimate of employed residents (age 16+)

The 2010 census documents 4,360 primary jobs¹ within the Mill Valley city limits. As depicted in Table A.6, retail (22.2%) is the most dominant employment sector, followed by educational services (12.2%), accommodation and food services (12.2%), and health care and social assistance (12%).

Table A.6: Primary Jobs by Industry Sector 2010

Industry Sector	# Jobs	% Total Jobs
Retail Trade	968	22.2%
Educational Services	530	12.2%
Accommodation and Food Services	530	12.2%
Health Care and Social Services	525	12.0%
Other Services (excluding Public Administration)	355	8.1%
Professional, Scientific and Technical Services	338	7.8%
Public Administration	251	5.8%
Finance, Insurance and Real Estate	183	4.2%
Arts, Entertainment and Recreation	160	3.7%
Wholesale Trade	133	3.1%
Construction	127	2.9%
Information Technology	105	2.4%
Administration & Support, Waste Mgmt and Remediation	61	1.4%
Transportation and Warehousing	46	1.1%
Manufacturing	18	0.4%
Utilities	15	0.3%
Management of Companies and Enterprises	10	0.2%
Agriculture, Forestry, Fishing and Hunting	5	0.1%
TOTAL	4,360	100%

Source: U.S. Census 2012. OnTheMap Application. <http://onthemap.ces.census.gov/>

With such a large segment of Mill Valley's employment in modest paying retail and service-related jobs, there is a significant disparity between the types of jobs in Mill Valley and the high cost of housing. Wage records compiled by the Census Bureau document the following annual wage distribution for the 4,360 workers employed in Mill Valley:

< \$15,000	942 (22%)
\$15,000-\$40,000	1,549 (35%)
>\$40,000	1,869 (43%)

While this employment data does not capture the significant number of self-employed Mill Valley residents who work at home (approximately 1,000 residents) and in general earn higher incomes, it nonetheless depicts the prevalence of lower paying jobs in the community. The Census documents that ninety percent of the 4,360 persons employed within Mill Valley commute in from outside the city limits, indicative of the severe shortage of local affordable housing opportunities. Therefore, one focus of this Housing Element is to address the issue of better matching housing costs and types to the needs and incomes of the community's workforce.

¹ A primary job is the highest paying job for an individual worker for the year. Employment count does not include self-employed or "informally employed" workers.

D. Household Profile

Household type and size, income levels, and the presence of special needs populations all affect the type of housing needed by residents. This section details the various household characteristics affecting housing needs in Mill Valley.

1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households, and include persons living together related by blood, marriage, or adoption. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes are not considered households.

The 2010 Census documents 6,084 households in Mill Valley, with an average household size of 2.27 persons and average family size of 2.97 persons (Table A.7). This represents a minimal increase in household size (2.20) from 2000, and remains below the Marin County average household size of 2.36.

Mill Valley has experienced a significant increase in both the number and proportion of family households over the past decade, a continuation of the more modest increase in families evidenced during the 1990s. Of the increase in over 200 families between 2000 and 2010, families with children comprised over 80 percent, consistent with the increase in the school age population during this same period. In contrast, the number of single-person households evidenced little change, whereas the proportion and number of other non-family households (unrelated roommates) declined by nearly 200 households. Persons living alone comprise one-third of Mill Valley's households, with seniors making up the majority (44%) and divided relatively equally among senior renters and senior homeowners.

Table A.7: Household Characteristics 2000-2010

Household Type	2000		2010		
	Households	Percent	Households	Percent	Marin Co. %
Families	3,420	55.7%	3,627	59.6%	60.7%
With children under 18	1,663	27.1%	1,835	30.2%	27.5%
Without children	1,757	28.6%	1,792	29.4%	33.2%
Singles	2,098	34.1%	2,016	33.1%	30.8%
Other non-families	629	10.2%	441	7.3%	8.5%
Total Households	6,147	100%	6,084	100%	100%
Average Household Size	2.20		2.27		2.36
Average Family Size	2.85		2.94		2.94

Source: U.S. Census 2000 and 2010.

2. Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life.

a. Income Definitions

The State and Federal government classify household income into several groupings based upon the relationship to the County area median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in Table A.8, which are thus used throughout the Housing Element document. By way of example, the 2014 Marin County income limits are presented for each of the five income categories based on a one, two and three person household size (Mill Valley's average household size is 2.48 for owner households and 1.88 for renter households).

Table A.8: State Income Categories

Income Category	% County Adjusted Median Income (AMI)	2014 Marin County Income Limits		
		1 person household	2 person household	3 person household
Extremely Low	0-30% AMI	\$23,750	\$27,150	\$30,550
Very Low	31-50% AMI	\$39,600	\$45,250	\$50,900
Low	51-80% AMI	\$63,350	\$72,400	\$81,450
Moderate	81-120% AMI	\$86,500	\$98,900	\$111,250
Above Moderate	120%+ AMI	>\$86,500	>\$98,900	>\$111,250

Source: California Department of Housing and Community Development, 2014 Income Limits.

b. Income Characteristics

Between 2000 and 2010, the median household income in Mill Valley grew from approximately \$90,800 to \$105,500, an increase of 16 percent. During this same period, the median household income in Marin County increased by 25 percent, although at \$89,200 in 2010, household income levels in Mill Valley continue to exceed the countywide median. As illustrated in Table A.9 on the following page, significant income disparity exists between Mill Valley's owner and renter populations, with the median income of renter households roughly forty percent below that of homeowners. Approximately one-quarter of Mill Valley's 2,110 renter households and nine percent of the 3,974 owner households earn less than \$35,000, and thus fall under the 2014 very low income thresholds for one to three person households (refer to Table A.8 above). Another seven percent of Mill Valley's renter and owner households earn between \$35,000 and \$50,000 (generally low income), with 15 percent of renters and eleven percent of owners earning between \$50,000 and \$75,000 (generally moderate income).

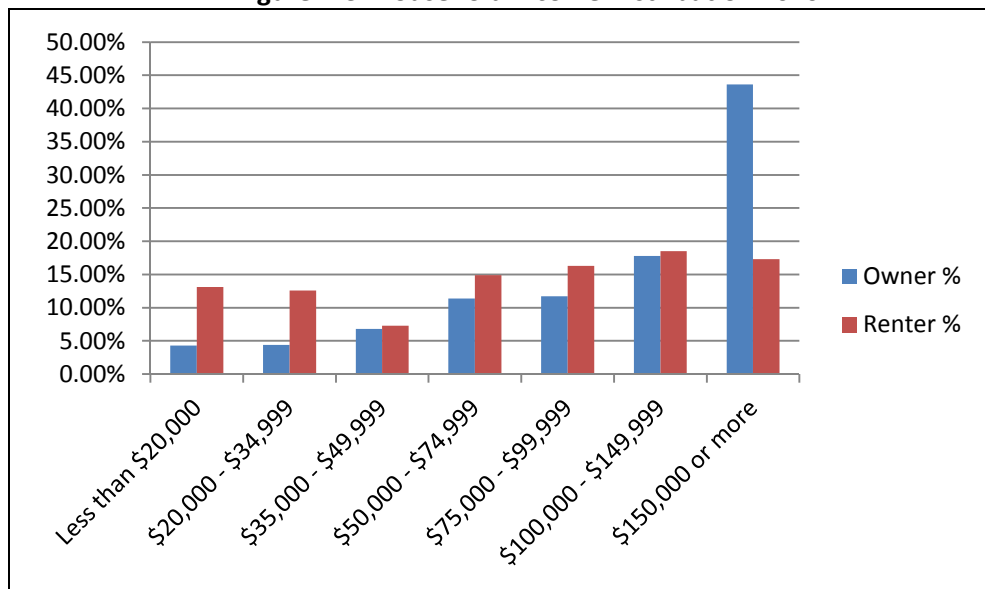
According to the CHAS Databook prepared by HUD, an estimated 272, or 13 percent, of renter households, and 304 (8%) of owner households in Mill Valley earn extremely low incomes (<30% AMI). Extremely low income renter households in particular are considered at-risk of homelessness.

Table A.9: Household Income Distribution 2010

Income Level	Owner		Renter		Total %	Marin Co. %
	Households	%	Households	%		
Less than \$20,000	171	4.3%	276	13.1%	7.1%	10.1%
\$20,000 - \$34,999	175	4.4%	267	12.6%	7.0%	10.0%
\$35,000 - \$49,999	270	6.8%	154	7.3%	7.0%	9.2%
\$50,000 - \$74,999	453	11.4%	314	14.9%	12.5%	14.0%
\$75,000 - \$99,999	465	11.7%	344	16.3%	13.2%	11.9%
\$100,000 - \$149,999	707	17.8%	390	18.5%	18.0%	18.4%
\$150,000 or more	1,733	43.6%	365	17.3%	35.2%	26.6%
Total households	3,974	100%	2,110	100%	100%	100%
Median Income	\$131,179		\$76,198		\$105,478	\$89,268

Source: 2006-2010 American Community Survey. Percentage income distribution applied to 2010 Census count of households.

Figure A.3: Household Income Distribution 2010



Many of the workers who make up Mill Valley's workforce earn modest incomes, making it challenging to afford to live and work in the city. Table A.10 presents a sampling of occupations in Mill Valley which fall within very low, low and moderate income thresholds (based on a single worker household). The analysis of housing costs and affordability presented in Section D4 of the Housing Needs Assessment compares current market rents and sales prices in Mill Valley with the amount that households of different income levels can afford to pay for housing. This analysis illustrates that very low and low income occupations, such as elementary school teachers and retail sales workers, cannot afford to rent in Mill Valley, and that moderate income occupations, such as realtors and accountants, cannot afford to purchase a home.

Table A.10: Bay Area Wages for Select Occupations - 2013

Very Low Income (< \$45,250 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Waiters/Waitresses	\$12.13	\$25,220	\$630
Janitors and Cleaners	\$13.55	\$28,180	\$700
Home Health Aides	\$13.64	\$28,370	\$700
Retail Salespersons	\$14.53	\$30,220	\$750
Child Care Workers	\$15.05	\$31,300	\$780
Security Guards	\$15.27	\$31,770	\$790
Preschool Teachers	\$17.60	\$36,610	\$910
Low Income (\$45,250 - \$72,400 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Transit Bus Drivers	\$22.47	\$46,740	\$1,160
Tax Preparers	\$28.92	\$60,160	\$1,500
Elementary School Teachers	n.a.	\$66,780	\$1,660
Electrical and Electronic Engineering Technicians	\$32.60	\$67,810	\$1,690
Executive Secretaries and Administrative Assistants	\$33.10	\$68,850	\$1,720
Computer User Support Specialists	\$33.43	\$69,530	\$1,730
Graphic Designers	\$34.41	\$71,580	\$1,780
Moderate Income (\$72,400 - \$98,900 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Librarians	\$36.78	\$76,500	\$1,910
Insurance Sales Agents	\$41.23	\$85,760	\$2,140
Accountants and Auditors	\$41.51	\$86,340	\$2,150
Loan Officers	\$47.52	\$98,840	\$2,470
Architects	\$48.55	\$100,980	\$2,520
Physical Therapists	\$49.25	\$102,450	\$2,560
Landscape Architects	\$51.59	\$107,300	\$2,680

Source: 2013 California Occupational Employment Statistics – San Francisco- San Mateo-Redwood City MD

Income categories based on two person household with single wage earner

Maximum affordable housing cost based on standard of 30% of income on housing, including rent/mortgage, utilities, taxes, insurance, HOA fees.

E. Special Needs Populations

Certain segments of the population may have greater difficulty finding adequate and affordable housing due to special circumstances related to employment and income, family type and characteristics, disability or various other household characteristics. State Housing Element law defines “special needs” groups to include the following: senior households, persons with disabilities, large households, female-headed households, homeless persons and farmworkers. Table A.11 summarizes the special needs populations in Mill Valley. Each of these population groups, as well as their housing needs, is described in the section which follows.

Table A.11: Special Needs Populations - 2010

Special Needs Groups	Persons	Households	Percent*
Seniors (65+)	2,623		18.9%
Senior Households		1,822	30.0%
Renter		491	(27%)
Living Alone (Senior Renter)		416	
Owner		1,331	(73%)
Living Alone (Senior Owner)		472	
Persons Living with Disabilities**	1,562		12.2%
Age 5 – 64	960		(61%)
Age 65+	602		(39%)
Large Households (5+ persons)		305	5.0%
Renter		57	(19%)
Owner		248	(81%)
Female-Headed Households in Families		465	7.6%
with Related Children under 18		276	(59%)
Homeless	3		1%
Farmworkers***	18		0.3%
TOTAL Persons or Households	13,903	6,084	

Source: U.S. Census 2010, American Community Survey 2006-2010, Marin County 2013 Point in Time Homeless Count.

* Numbers in () reflect the% of the special needs group and not the % of the total City population/ households. For example, of the City’s senior households, 27% are renters and 73% are owners; of the City’s senior renter households, 85% are comprised of a senior living alone.

**Persons with disabilities based on 2000 Census. % applied to City’s 2000 population > 5 years in age.

***Reflects persons employed in agriculture, forestry, fishing and hunting, and mining in the American Community Survey.

1. Senior Households

Seniors are a significant special needs group in Mill Valley, with persons age 65 and above comprising 30 percent of the community’s households. Senior citizens are considered to have special housing needs because their fixed incomes, higher health care costs and physical disabilities make it more difficult to find suitable and affordable housing. Concurrent with the trends throughout the nation, this population is expected to continue increasing as the baby boom generation approaches retirement.

Although often viewed as homogeneous, Mill Valley's senior population is quite diverse. Among the city's 1,822 senior households, 73 percent (or 1,331) own a home and 27 percent (or 491) rent housing. Many of the renters receive Section 8 rent vouchers, or reside in one of Mill Valley's senior housing projects. Approximately half of Mill Valley's seniors are 75 years of age and above, a population which may require more supportive housing options as they age and become more frail.

Some of the more pressing housing needs of Mill Valley's seniors include:

- **Rental affordability.** Rising rents are a particular concern due to the fact that most seniors are on fixed incomes. Of Mill Valley's approximately 500 senior renter households, three-quarters are lower income (<80% AMI), with one-quarter extremely low income (<30% AMI). Market rents in Mill Valley are well beyond the level affordable to lower income households, as confirmed by the Census which documents 55 percent of the city's lower income senior renters spending more than half their incomes on rent. Forty-one Mill Valley seniors are on the Marin Housing Authority waiting list for Section 8 rent subsidies.
- **Disabilities.** The Census identifies 31 percent of Mill Valley's seniors as having one or more disabilities, encompassing physical, sensory and mental disabilities, as well as conditions which limit the senior's ability to leave their home. Combined with the significant number of older seniors (age 75+) indicates a large segment of the senior population which may require various levels of housing support.
- **Housing maintenance.** Of Mill Valley's approximately 1,300 senior homeowners, over one-third live alone. As these homeowners age, many may be unable to maintain their homes or perform minor repairs. The installation of grab bars and other assistance devices may be necessary to enhance accessibility.

While assisted living provides an option for some seniors requiring a more supportive housing environment, lower income seniors often cannot afford the cost of licensed facilities in Marin. According to the Marin County Division of Aging, the average basic rent averages between \$3,500 and \$4,500 per month for assisted living (room, bathroom, and three meals a day). Personalized care is an additional cost above the basic charge for housing and meals. The State of California Community Care Licensing Division identifies two residential care facilities in Mill Valley for the elderly: Marin Terrace, an assisted living facility which provides 49 beds, and The Redwoods with 150 apartment units, and additional assisted living studios and rooms.

As discussed in the "Housing Stock Characteristics" chapter which follows (Assisted Housing At Risk of Conversion), Mill Valley has three senior housing facilities which provide a total of 144 affordable housing units for very low income seniors. Homestead Terrace and Kruger Pines are owned and operated by the Marin Housing Authority, and provide a combined total of 84 affordable rental units. The Redwoods, originally established by the Community Church of Mill Valley, is a continuing care community offering 150 independent senior apartments, 90 assisted living apartments, and skilled nursing. While the majority of The Redwoods is market rate, 60 of the 150 apartment units receive project-based Section 8 subsidies, providing affordability to very low income seniors.

Addressing the diverse housing needs of Mill Valley's senior population will require strategies which foster independent living (such as accessibility improvements, second units, shared housing, rehabilitation assistance), as well as strategies which encourage the provision of variety of supportive living environments for seniors of all income levels.

2. Persons with Disabilities

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to care for themselves. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs because of their fixed income, shortage of affordable and accessible housing, and higher health costs associated with their disability.

The 2000 Census identifies 12.2 percent of Mill Valley residents over the age of 5 as having one or more disabilities (1,562 persons). Among the working age population with disabilities (908 persons), one-quarter have an employment disability which prevents them from maintaining a job. Of the city's senior population, approximately one-third have one or more types of disabilities. As Mill Valley's population continues to age, the number of residents with disabilities will also increase.

People living with disabilities represent a wide range of different housing needs, depending on the type and severity of their disability as well as personal preference and lifestyle. The design of housing, accessibility modifications, proximity to services and transit, and group living opportunities represent some of the types of considerations and accommodations that are important in serving this need group. Incorporating barrier-free design in all new multifamily housing is especially important to provide the widest range of choice.

Special consideration should also be given to the issue of income and affordability, as many people with disabilities may be in fixed income situations. Marin Center for Independent Living, for example, indicates that most of their clients live below the level of poverty. Mill Valley has two affordable housing developments reserved for persons living with disabilities: Camino Alto Apartments provides 24 units and Mill Creek Apartments provides 9 units. In addition, three affordable senior housing projects (Homestead Terrace, Kruger Pines and The Redwoods) also serve Mill Valley's disabled residents.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The City has reviewed all of its zoning laws, policies and practices for compliance with fair housing laws. Mill Valley provides reasonable accommodation for persons with disabilities with respect to zoning, permit processing and building laws, and makes this information available to the public through handouts and through notices published in the Planning Commission and City Council agendas. The City does not restrict the siting of group homes nor require a minimum

distance between group homes. Group homes with under seven occupants are permitted by right in single-family homes. New or significantly remodeled group homes are required to go through the design review process, as is any residential development, and obtain approval by the Planning Commission. Administrative review of requirements for exceptions to zoning standards is provided. Mill Valley allows displacement of required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for any development, including housing for the disabled, wherever reduced need can be demonstrated. The Building Department administers Title 24 provisions consistently for all disabilities-related construction and responds to complaints regarding any violations.

a. Developmental Disabilities

Due to the dramatic rise in autism spectrum disorders (ASD), in 2010 the California legislature passed SB 812 which requires the housing element to specifically analyze the housing needs of persons with developmental disabilities, and to identify resources available to serve this population. The State Department of Developmental Services (DDS) currently provides community-based services to 6,000 adults diagnosed with ASD; over 4,000 California teenagers diagnosed with ASD will reach adulthood over the next five years, many of whom will want to live independently and need appropriate housing.

The Golden Gate Regional Center (GGRC), which serves the counties of Marin, San Francisco and San Mateo, is among 21 regional centers operated by the State DDS to serve the developmentally disabled population. The goal of these centers is to: 1) prevent/minimize institutionalization of developmentally disabled persons and their dislocation from family and community; and 2) enable this population to lead more independent and productive lives. The living arrangements for persons served by the GGRC in 2010 were as follows:

- 69% Parent's Home
- 13% Community Care Facility
- 6% Own Home Independent Living
- 4% Own Home Supported Living
- 4% Intermediate Care/Skilled Nursing Facility
- 2% Developmental Center
- 1% Family Home Agency/Foster Care
- 1% Other

The GGRC provides services to approximately 1,200 individuals with developmental disabilities in Marin, San Francisco and San Mateo counties, and estimates that 380 of these individuals are in need of housing assistance. Within zip code 94941, which encompasses greater Mill Valley, the Regional Center currently provides services to 105 residents with developmental disabilities, generating an estimated need for 35 housing units:

Table A.12: Developmentally Disabled Residents Served by GGRC within Mill Valley Zip Code

Zip Code	0 - 14 years	15 - 22 years	23 - 54 years	55 - 65 years	65+ years	Total	Estimated Housing Need*
94941	24 persons	15 persons	53 persons	10 persons	3 persons	105 persons	35 units

Source: Golden Gate Regional Center (GGRC), 2012

* GGRC utilizes the following need factors to estimate housing need by age group: age 0-14 25% need hsg; age 15-22 50% need hsg; age 23-54 35% need hsg; age 55-65 25% need hsg; age 65+ 20% need hsg.

Golden Gate has identified a number of community-based housing types appropriate for persons living with a developmental disability: licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special health care and intensive support needs); and for persons able to live more independently, rent subsidized homes; inclusionary housing, and Section 8 rental vouchers.

Founded in 1919, the non-profit *Cedars of Marin* is one of California's original programs for persons with developmental disabilities. *Cedars* provides housing for 48 disabled adults on its main campus in Ross, and in addition provides ten community-based group homes (for 6 or fewer residents) in Novato and San Rafael.

Mill Valley's Housing Element will set forth programs which seek to encourage and facilitate housing for persons with disabilities, enable group homes and ensure reasonable accommodation.

3. Large Households

Large households, defined as households with five or more persons, typically consist of families with children. They are considered a special needs group due to the limited availability of affordable and adequately sized housing in many communities. This shortage of large units is especially evident in communities with an older rental stock with few three bedroom units.

The 2010 Census documents 305 large households in Mill Valley, representing five percent of all households. Of these large households, approximately 80 percent are homeowners and 20 percent are renters. Based on the CHAS (Comprehensive Housing Affordability Strategy) Databook prepared by HUD, 20 percent of Mill Valley's large households earn lower incomes (<80% AMI).

The 2000 Census identifies 298 rental units in Mill Valley with three or more bedrooms, in general, the appropriate sized units for a large household with five or more members. In comparison, the city has just 57 large renter households, indicating that Mill Valley has an adequate supply of rental units suitable for the city's large families. However, market rents for a 3-bedroom apartment exceed the level of affordability for lower income large family households.

As large households are not a significant special needs group in Mill Valley, the Housing Element will more broadly focus on addressing the housing needs of families with children which comprise over 30 percent of the city's households.

4. Female-Headed Households

Single parent and female-headed households may have difficulty finding appropriately sized housing and need affordable housing with day care and recreation programs on-site or nearby, in proximity to schools and with access to services. Also, despite fair housing laws, discrimination against children in rental housing may make it more difficult for this group to find adequate housing. Women in the housing market, especially the elderly, lower and moderate income individuals, and single-parents, face significant difficulties finding housing, and both

ownership and rental units are extremely expensive relative to the incomes of many people in this population category.

The 2010 Census identifies 465 female-headed householders in family households with no husband present, accounting for 7.6 percent of all Mill Valley households. Nearly 60 percent of these female-headed families (276 households) included children under the age of 18. The American Community Survey estimates that 4.6 percent of Mill Valley's female-headed households with children were living in poverty, compared to a 1.2 percent poverty rate for all families with children. This special needs group, while limited in number, have critical needs for assistance with housing subsidies, as well as accessible and affordable day care.

5. Homeless

Pursuant to Senate Bill 2 (2008), Housing Element statutes now require a more detailed analysis of the needs of the homeless population, and quantification of the need for emergency shelters. Based on the outcome of this analysis, SB 2 requires jurisdictions to identify zones that will allow emergency shelters as a permitted use. The following section presents the homeless needs assessment for Mill Valley; the identification of zoning for emergency shelters will be addressed in the governmental constraints and Housing Plan chapters of the Housing Element.

a. Homeless Population Count

The most reliable source of information for evaluating the homeless population in Marin County is the *2013 Marin Point in Time Homeless Count*. The Marin County Department of Health & Human Services, in partnership with housing and service providers, faith based groups and schools, led the effort to conduct the biennial census of persons experiencing homelessness in Marin, consistent with U.S. Department of Housing and Urban Development (HUD) requirements for jurisdictions receiving HUD Continuum of Care funding. In addition to meeting HUD requirements, Marin County used this federal mandate as an opportunity to conduct a community count of broader populations of homeless not formally recognized by HUD as homeless.²

Marin County conducted its "Point in Time Count" on January 24, 2013. The Count is intended as a one day snapshot of unduplicated numbers of homeless families and individuals in sheltered, unsheltered and other locations. The County's methodology includes a detailed survey of each individual counted, with surveys administered at 50 locations/programs throughout Marin on the day of the Count. The following summarizes key findings of the Count:

² In addition to persons defined under the HUD "literally homeless" definition (a person sleeping in a place not meant for human habitation -including living on the streets, in an abandoned building, or in a vehicle - or residing in an emergency shelter or transitional housing program), Marin County's community count included the following "other homeless populations": any person in jail or an institution who would not have a permanent address after release or "literally homeless" prior to incarceration; any person who stayed temporarily with family or friends due to loss of housing and identified themselves as homeless on the day of the count; any person living in motel/hotel and; any person in hospital but homeless prior to admission.

Table A.13: Key Findings of the 2013 Marin County Point in Time Homeless Count

Total 2013 Marin County Homeless Count	933
Persons counted in places not meant for human habitation	196
Persons counted in shelters and transitional housing	519
Persons counted as part of “other homeless populations”	218
Persons Precariously Housed ³	4,388

Source: Marin County 2013 Point in Time Homeless Count

- The number of homeless persons counted in Marin decreased from 1,770 in 2009 to 1,220 in 2011, and then to 933 in 2013. This continual decrease may be attributable, in part, to an infusion of over \$2 million in federal stimulus funds to prevent homelessness.
- Of the 933 homeless counted, 195 (21%) were children and 53 (6%) were “transition age youth” between ages 18 and 24.
- Despite the decrease in the number of homeless individuals, the number of precariously housed persons increased by 5% compared to the 2011 count, reflecting the impact of perpetually high housing costs and lack of affordable housing options.
- The primary reasons stated for the cause of homelessness was loss of job, lack of affordable housing and lack of income.

Table A.14 presents a breakdown of the unsheltered homeless count by jurisdiction in Marin County. In response to the question “In what city/area did you stay in last night?,” approximately 48 percent of the unsheltered and other homeless populations identified San Rafael, 9 percent identified Novato, and seven percent identified Bolinas. Three homeless individuals indicated they had stayed in Mill Valley the night prior to the survey, representing one percent of the total 368 unsheltered/other homeless counted. This limited number of homeless in Mill Valley is consistent with the City Police Department’s qualitative assessment of the lack of homeless visible in public locations. Because Mill Valley is not on a major public transportation route and provides no shelters or services for the homeless, people who become homeless in Mill Valley are likely to gravitate to locations with transit and services.

Data is not available on the breakdown of the sheltered homeless population by jurisdiction, and since the vast majority of Marin’s emergency shelters and transitional housing are located in either San Rafael or Novato, it is likely that most of the sheltered homeless people were residing in one of those two jurisdictions on the night of the count.

³ A person is considered precariously housed and at risk of homelessness if they are about to lose housing and have no other place to live, or are housed but living temporarily with friends or family because they lack the resources or support networks to retain or obtain permanent housing and/or are housed but have moved frequently due to economic reasons and/or are living in severely overcrowded housing.

Table A.14: Marin County Unsheltered Homeless 2013

City/Location on the night prior to the Count	# Unsheltered Homeless	% Unsheltered Homeless
Belvedere/Tiburon	2	1%
Bolinas	27	7%
Corte Madera	4	1%
Fairfax	3	1%
Forest Knolls	2	<1%
Greenbrae	0	0%
Inverness	2	<1%
Kentfield	0	0%
Lagunitas	0	0%
Larkspur	0	0%
Marin City	1	<1%
Mill Valley	3	1%
Novato	32	9%
Olema	1	<1%
Out of area	7	2%
Pt. Reyes	9	2%
Ross	2	1%
San Anselmo	3	1%
San Geronimo	1	<1%
San Rafael	175	48%
Sausalito	23	6%
Stinson	0	0%
West Marin	0	0%
Woodacre	0	0%
Not stated	71	19%
Total	368	100%

Source: Marin County 2013 Point in Time Homeless Count

b. Homeless Subpopulations and Service Needs

The detailed surveys conducted for the 2013 *Marin Homeless Point in Time Count* provides information on disabilities and other special needs of Marin’s homeless, offering insight into the specific service needs of the adult homeless population. The following summarizes the results to the question “Do you have any of the following health issues?”

Table A.15: Specific Service Needs of Adult Homeless Population

	Number	Percent
Physical disability	175	24%
Mental Illness	177	24%
Multiple Disabilities	122	17%
Developmental Disability	36	5%
Alcohol Use Issues	233	32%
Drug Use Issues	51	7%
Chronic Health Condition	50	7%
HIV	19	3%
At Least One Health Issue	384	52%

Source: Marin County 2013 Point in Time Homeless Count

Fifty-two percent (384) of adults counted reported having at least one-type of health issue such as a physical or developmental disability, chronic illness or a substance abuse problem. Seventeen percent reported suffering from two or more illnesses or conditions (multiple disabilities). Health issues are not atypical to the population experiencing homelessness. The lack of medical insurance and access to housing can exacerbate problems which could be better managed in a stable living environment.

The Marin Count found that 89 persons, or 24 percent, were chronically homeless, meaning they had a disability and had been homeless continuously for 12 months or had experienced four episodes of homelessness over a three year period. This data is consistent with national studies that have found high levels of disability among homeless people and suggests that both health and behavioral health services are needed to assist this population. Consistent with what has been found nationally, 26 percent of adults in the Marin Count reported experiencing domestic violence, and nine percent of the adults were veterans.

c. Inventory of Resources Available

SB 2 also requires that the Housing Element include an inventory of the homeless housing resources available within the community, including emergency shelters, transitional housing and supportive housing. Mill Valley does not have a dedicated emergency shelter, transitional housing or supportive housing within its jurisdictional boundary. The nearest emergency shelters are located in Novato and San Rafael. The Fireside Apartments, located on Shoreline Highway just outside the Mill Valley city limits, provides ten of its fifty affordable rental units as permanent supportive housing for homeless families.

d. Unmet Need for Emergency Shelter, Transitional and Supportive Housing

There is no data presently available documenting the increased level of demand for shelter in Marin County during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (December to February). The County's biannual homeless count always takes place in the last week of January, a period when demand for shelter typically is at its highest. Since the year-round need described above is based on that biannual count, the seasonal need for emergency shelter is no likely greater than the year-round need.

In Mill Valley, the estimated three unsheltered homeless individuals determined by the 2013 *Marin Point in Time Homeless Count* creates an unmet need for three emergency shelter beds.

6. Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farm workers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. The 2006-2010 American Community Survey identifies only 18 Mill Valley residents employed in the industries of agriculture, forestry, fishing and hunting and mining, representing 0.3 percent of the city's labor force. Most, if not all, Mill Valley residents employed in these industries are employed in wholesale or horticultural businesses and there are no localized needs for seasonal or other types of farmworker housing. Therefore, given the extremely limited presence of farmworkers in the community, the City has no specialized housing programs targeted to this group beyond overall programs for housing affordability.

F. Housing Stock Characteristics

This section evaluates the characteristics of Mill Valley's housing stock, including housing unit mix, conditions, prices/rents and affordability, and assisted housing at-risk of conversion.

1. Housing Growth

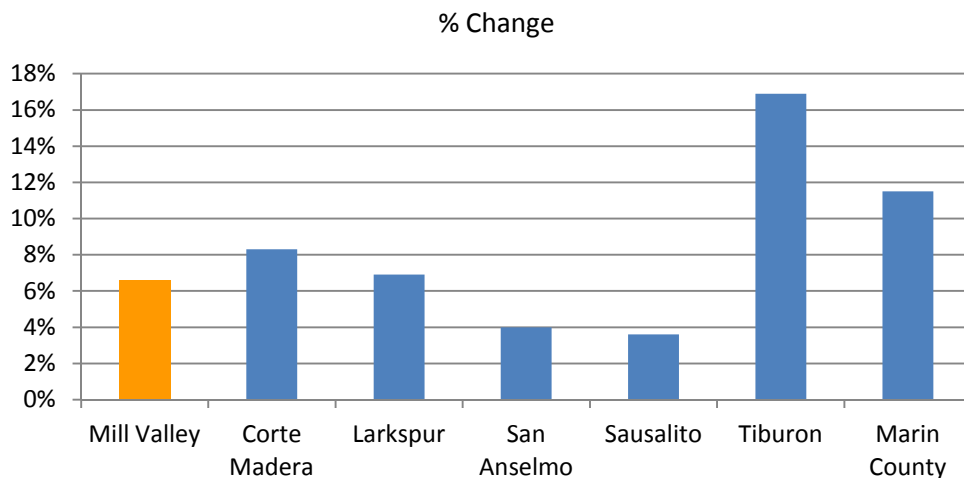
The 2010 Census documents a total of 6,534 housing units in Mill Valley, reflecting a net increase in approximately 400 units over the past two decades, or an average of 20 units/year (Table A.16). This relatively slow rate of growth is fairly comparable to other southern Marin jurisdictions, though below that of Tiburon and Marin County. ABAG 2013 Projections identify Marin as the slowest growing county in the region, with Countywide household growth projected at just 8.6 percent over the next three decades (2010-2040); in Mill Valley, a 7.5 percent increase in households is projected during this same time period.

Table A.16: Regional Housing Growth Trends 1990-2010

Jurisdiction	1990	2000	2010	% Change 1990-2010
Mill Valley	6,131	6,286	6,534	6.6%
Corte Madera	3,717	3,850	4,026	8.3%
Larkspur	5,965	6,413	6,376	6.9%
San Anselmo	5,325	5,408	5,538	4.0%
Sausalito	4,378	4,511	4,536	3.6%
Tiburon	3,443	3,893	4,025	16.9%
Marin County	99,757	104,990	111,214	11.5%

Source: U.S. Census 1990, 2000 and 2010.

Figure A.4: Regional Housing Growth Trends 1990-2010



2. Housing Type and Tenure

Table A.17 presents the mix of housing types in Mill Valley. Of the 6,534 housing units in 2010, 76 percent were single-family detached and attached homes and 24 percent were multi-family units. In contrast, the city's 2000 housing stock of 6,286 units was comprised of 74 percent single-family homes and 26 percent multi-family units. During the past decade, Mill Valley has seen a net loss in over 100 multi-family units, whereas over 300 single-family homes were built. The decline in multi-family housing is entirely concentrated among smaller properties with two to four units, while multi-family properties with five or more units actually increased during the period. Second units also represent an important segment of Mill Valley's housing stock, with 89 new second units issued building permits between 2000 and 2010. In addition, 74 previously unpermitted second units were legalized and brought up to code through the City's 2002-2003 second unit amnesty program.

Table A.17: Housing Unit Type 2000 - 2010

Unit Type	2000		2010	
	Units	Percent	Units	Percent
Single-Family (SF) Detached	4,092	65.1%	4,353	66.7%
SF Attached	536	8.5%	594	9.1%
Total Single-Family	4,628	73.6%	4,953	75.8%
2 to 4 Units	532	8.5%	332	5.0%
5 or more units	1,126	17.9%	1,241	19.0%
Total Multi-Family	1,658	26.4%	1,568	24.0%
Mobile Homes & Other	0	--	14	0.2%
Total Housing Units	6,286	100%	6,534	100%
Vacancy Rate	2.2%		6.9%	

Source: 2000 Census. State Department of Finance, E5 Population and Housing estimates with 2010 Census benchmark.

Table A.18 presents the owner/renter tenure of Mill Valley households, and illustrates a consistent proportion of owner (65%) and renter (35%) households over the past decade. Given the loss of multi-family housing during this same period without a corresponding decrease in the proportion of renter households would indicate an increasing number of single-family homes are being used as rentals. The rental survey presented later in this section confirms the prevalence of single-family rentals in the community.

Table A.18: Owner/Renter Tenure 1990-2010

Occupied Housing Units	2000		2010		
	Households	Percent	Households	Percent	Marin Co. %
Renter	2,121	34.5%	2,110	34.7%	36.0%
Owner	4,026	65.5%	3,974	65.3%	64.0%
Total	6,147	100%	6,084	100%	100%

Source: U.S. Census, 2000 and 2010.

a. Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A low vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to housing overpayment and/or overcrowding. A particularly tight housing market with insufficient vacant units for normal mobility may also lead to high competition for units, placing upward pressure on rents and for-sale housing prices.

A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. As measured by the 2010 census, the residential vacancy rate in Mill Valley was 1.2 percent for ownership units and 4.5 percent for rental units, indicating vacancies are below ideal levels for normal resident turn over. In Marin County, ownership vacancies were also low at 1.3 percent, although the rental vacancy rate was a healthy 5.2 percent.

In situations where the housing market is extremely tight, there can be a greater tendency among landlords to discriminate against renters. Fair Housing of Marin is a civil rights agency that investigates housing discrimination complaints, including discrimination based on race, disability, gender and familial status. Their caseload consists almost entirely of renters. The organization receives approximately 1,200 inquiries a year county-wide, of which approximately 250 are discrimination complaints that are fully investigated. Fair Housing of Main also conducts extensive education and outreach to landlords, property owners and tenants on rights and responsibilities under fair housing laws.



Image by Egan Snow, Flickr

3. Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. Table A.19 displays the age of Mill Valley's occupied housing stock by owner/renter tenure as of 2010.

Mill Valley's housing stock is relatively old, with 80 percent of the community's housing built prior to 1980, 50 percent built prior to 1960 and 25 percent built prior to 1940. Despite the advanced age of the housing stock, problems with property maintenance and housing deterioration have not been an issue thus far in Mill Valley. High property values and a strong sense of neighborhood pride have contributed to ongoing upkeep and renovation of the housing

stock and well maintained neighborhoods. Nonetheless, given the community's aging housing stock, combined with a growing senior population who may face difficulties maintaining their homes, both code enforcement and housing rehabilitation programs continue to be important.

Table A.19: Age of Housing Stock - 2010

Year Structure Built	Owner-Occupied Units		Renter-Occupied Units	
	#	%	#	%
2005 or later	95	2%	0	--
2000-2004	28	1%	0	--
1990-1999	164	4%	92	5%
1980-1989	543	13%	238	12%
1970-1979	358	9%	711	36%
1960-1969	525	13%	300	15%
1950-1959	895	21%	189	9%
1940-1949	294	7%	81	4%
1939 or earlier	1,254	30%	389	19%
Total	4,156	100%	2,000	100%

Source: 2006-2010 American Community Survey.

In terms of developing a general estimate of the number of units in need of rehabilitation in Mill Valley, the City used the following approach. Using 30 years as the benchmark when residential structures begin requiring major systems replacement or repair, units built prior to 1980 can be considered as potential candidates for rehabilitation needs. Of Mill Valley's approximately 1,700 pre-1980 rental units, an estimated 25 percent, or 425 units, may require some degree of rehabilitation. Among the city's 3,300 pre-1980 owner units, an estimated ten percent, or 330 units, may be in need of rehabilitation. No units have been identified as needing replacement.

4. Housing Costs and Affordability

a. Rental Housing Market

A rent survey was conducted in September 2014 to evaluate rental trends down to the city level. Rental data was collected based on asking rents for units advertised on rental websites, including Craigslist and Trulia.

Mill Valley has a very limited number of vacant apartment units listed for rent. A total of 24 one and two bedroom units were identified, ranging in price from \$1,000 to \$3,550 and commanding median rents of \$2,500 and \$2,850 respectively. No studios or three bedroom apartments were advertised for rent in Mill Valley.

With a total of 35 single-family homes advertised, a greater number of homes were listed for rent in Mill Valley than apartment units. Single-family homes commanded median rents of \$4,000 for a two bedroom home, \$5,000 for a three bedroom home, and \$6,800 for a home with four or more bedrooms.

In addition to the full rental units surveyed, 11 individual rooms were listed for rent within condominiums and single-family homes, ranging in price from \$700 to \$1,500.

Table A.20: Survey of Vacant Rental Units – September 2014

Unit Type and Bedrooms	# Units Advertised	Rental Range	Median Rent
<i>Apartments/Condominiums</i>			
1	13	\$1,000 - \$3,000	\$2,500
2	11	\$1,950 - \$3,550	\$2,850
Total	24	\$1,000 - \$3,550	\$2,600
<i>Single-Family Homes</i>			
2	8	\$2,600 - \$5,400	\$4,000
3	12	\$3,500 - \$9,500	\$5,000
4+	15	\$5,000 - \$9,500	\$6,800
Total	35	\$2,600 - \$9,500	\$6,000
<i>Rooms for Rent</i>			
1	11	\$700 - \$1,500	\$1,100

Source: www.craigslist.org and Trulia.com

b. Homeownership Market

Table A.21 compares median home sales prices during calendar year 2013 in Mill Valley and other southern Marin communities by zip code, and contrasts this with sales prices during the prior year. Within the greater Mill Valley zip code 94941 (encompasses Mill Valley and unincorporated communities of Almonte, Alto, Tamalpais-Homestead Valley, and Strawberry), a total of 489 single-family homes and condominiums were sold in 2013 for an overall median sales price of \$1,050,000. In comparison to calendar year 2012, the median price in zip code 94941 increased 16.7 percent and the volume of sales increased 6.1 percent. The 2013 median sales price in greater Mill Valley was significantly higher than San Anselmo, Sausalito, and Corte Madera, slightly below Larkspur, and well below that of Tiburon/Belvedere. However, as the median sales price figures in Table A.21 include both single-family and condominiums, a comparison among communities should consider the relative mix of single-family homes and condominiums given the generally higher sales prices of homes.

Table A.21: Regional Single-Family Homes and Condominium Sales Jan – Dec 2013

Community	Zip code	# Homes/Condos sold	% Change from 2012	Median Sales Price	% Change from 2012	Price/Sq. Ft.
Mill Valley	94941	489	6.1%	\$1,050,000	16.7%	\$616
Corte Madera	94925	158	11.3%	\$872,000	3.8%	\$592
Larkspur	94939	92	-29.8%	\$1,255,000	19.5%	\$638
San Anselmo	94960	285	11.8%	\$869,500	11.0%	\$535
Sausalito	94965	162	8.7%	\$895,000	34.9%	\$707
Tiburon/Belvedere	94920	223	-6.7%	\$1,800,000	21.8%	\$769

Source: Dataquick Annual Sales Price Charts by Zip Code, 2013.

While the prior Table A.21 provides an overview of the sub-regional housing sales market, the following Table A.22 provides detailed information on all sales of existing and new single-family homes and condominiums within the Mill Valley jurisdiction between January and September

2014. A total of 134 single-family home sales were recorded during this nine month period, with prices ranging from a median of \$1,158,000 (one-two bedroom) to \$1,212,000 (three-bedroom) up to \$1,971,000 (five-bedroom). Housing sales reflect the diversity of Mill Valley's housing stock, ranging from smaller, more modest units (one and two bedroom homes averaged 1,400 square feet in size, with two homes selling for under \$500,000), to larger lot, luxury units (lot sizes for four and five bedroom homes averaged 15,000 and 22,500 square feet respectively, with 15 homes selling for over \$3 million). The overall median single-family home sales price in Mill Valley was \$1,550,000 for a 2,300 square foot home built in 1950. In comparison, the January 2012 - June 2013 real estate survey conducted for Mill Valley's last Housing Element documented a median single-family sales price of \$1,075,000, testimony to the dramatic increase in home prices over the past several years.

Forty condominium units were sold in Mill Valley during this nine month period, representing nearly one-quarter of all units sold. Median condo prices were substantially below that of single-family homes, ranging from \$455,000 for a one-bedroom, to \$660,000 for a two-bedroom and \$650,000 for a three-bedroom. (The higher price of a two bedroom versus three bedroom unit is in part explained by the greater number of newer, post-1980 two bedroom units). Among all 40 condominiums sold, the median sales price was \$610,000, reflecting a 25 percent increase above the \$488,000 median sales price documented in the January 2012 - June 2013 sales survey.

Table A.22: Mill Valley Home and Condominium Sales Prices January - September 2014

# Bdrms	Units Sold	Price Range	Median Price	Avg. Unit Size	Avg. Parcel Size	Avg. Year Built
Single-Family Homes						
1/2	27	\$280,000 - \$2,650,000	\$1,158,000	1,400 s.f.	7,700 s.f.	1946
3	52	\$208,000 - \$2,885,000	\$1,212,000	1,900 s.f.	12,000 s.f.	1950
4	39	\$202,000 - \$5,875,000	\$1,930,000	2,800 s.f.	14,900 s.f.	1952
5+	16	\$1,505,000 - \$5,550,000	\$1,971,000	3,600 s.f.	22,500 s.f.	1958
Total	134	\$202,000 - \$5,875,000	\$1,550,000	2,300 s.f.	13,200 s.f.	1950
Condominiums						
1	12	\$350,000 - \$600,000	\$455,000	800 s.f.	--	1994
2	19	\$505,000 - \$920,000	\$660,000	1,300 s.f.	--	1973
3	9	\$525,000 - \$1,050,000	\$650,000	1,500 s.f.	--	1975
Total	40	\$350,000 - \$1,050,000	\$610,000	1,200 s.f.	--	1975

Source: Dataquick On-Line Real Estate Database. Compiled by Karen Warner Associates.

Note: Sales are limited to the City of Mill Valley jurisdictional boundary, and exclude properties within the 94941 zip code outside the city limits.

c. Housing Affordability

The affordability of housing in Mill Valley can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

For purposes of evaluating home purchase affordability, Table A.23 presents the maximum affordable purchase price for moderate income households (120% AMI), and compares this with market sales prices for single-family homes and condominiums in Mill Valley (refer to Table A.22). As illustrated below, the maximum affordable purchase price ranges from \$470,000 (two person household) up to \$676,000 (five person household), rendering median single-family home prices in Mill Valley well out of reach. Condominiums, however, do provide an affordable homeownership option for some moderate income households. For example, a two person moderate income household can afford a purchase price up to \$470,000 and is thus able to afford the \$455,000 median priced one bedroom condominium. While the median price of a three bedroom condominium (\$650,000) exceeds the level affordable to a four person moderate income household (\$620,000), three two-bedroom and three three-bedroom condominiums sold in 2014 fell within this affordability threshold. Expanding the supply of condominiums, combined with downpayment assistance programs and inclusionary housing requirements, can be an effective way to extend affordable housing opportunities and ensure households earning moderate incomes remain part of the Mill Valley community.

Table A.23: 2014 Marin County Maximum Affordable Housing Cost (Moderate Income)

Moderate Income Affordable Housing Cost	1 Bedroom (2 persons)	2 Bedroom (3 persons)	3 Bedroom (4 persons)	4 Bedroom (5 persons)
Household Income @ 120% Median	\$98,900	\$111,250	\$123,600	\$133,500
Income Towards Housing @ 35% Income	\$34,615	\$38,937	\$43,260	\$46,725
Maximum Monthly Housing Cost	\$2,885	\$3,245	\$3,605	\$3,995
Less Ongoing Monthly Expenses:				
Utilities ¹	(\$150)	(\$175)	(\$200)	(\$225)
Taxes (1.1% affordable hsg price)	(\$425)	(\$493)	(\$556)	(\$622)
Insurance ² (0.2% sales price)	(\$75)	(\$87)	(\$99)	(\$110)
HOA Fees & Maintenance ³	(\$400)	(\$400)	(\$400)	(\$400)
Monthly Income Available for Mortgage	\$1,835	\$2,090	\$2,350	\$2,638
Supportable 30 yr Mrtg @ 4.2% interest	\$375,000	\$427,000	\$482,000	\$541,000
Homebuyer Downpayment (20%)	\$95,000	\$107,000	\$120,000	\$135,000
Maximum Affordable Purchase Price	\$470,000	\$534,000	\$620,000	\$676,000
Mill Valley Median Single-Family Price	--	\$1,158,000	\$1,212,000	\$1,930,000
Mill Valley Median Condo Price	\$455,000	\$660,000	\$650,000	--

Source: Karen Warner Associates.

¹Utilities based on Marin Housing Authority single-family utility allowance schedule for gas appliances.

²Homeowner insurance based on quote from Progressive Insurance.

³HOA fees based on fees for condominiums currently on the market

Table A.24 presents the maximum affordable rents for very low, low and moderate income households by household size, and compares with median apartment rents in Mill Valley (as documented in the rent survey presented in Table A.20). The following summarizes the findings of rental affordability by income level:

- ❖ **Very Low Income:** Median rents for all unit sizes are well above the level of affordability for all very low income households, with a monthly affordability gap ranging from approximately \$210 for a single person renting a room, to \$1,717 for a three person household seeking a two bedroom apartment. Examples of very low income occupations priced out of the rental market in Mill Valley include retail salespersons, childcare workers and home health aides (refer to Table A.10).
- ❖ **Low Income:** A low income single person household can afford to rent a room in a shared unit in Mill Valley; single individuals preferring a separate unit may be limited to one bedroom apartments (no studio apartments were identified in the rent survey), which exceeds their maximum affordable rent level by over \$1,000. The rent survey conducted for the Housing Element in 2012 documented an affordability gap for low income two person households of just \$90, and \$140 for households with three persons, whereas the 2014 rent survey identifies a gap ranging from \$800 to \$950 per month, indicative of the steep increase in rents over the past several years. Low income occupations which will be constrained in finding appropriate housing in Mill Valley include elementary school teachers, graphic designers and administrative assistants.
- ❖ **Moderate Income:** Households earning moderate incomes are also limited in the rental housing available within their price range. While the 2012 rent survey depicted a local housing market affordable to moderate income households, the current 2014 survey indicates that moderate income households with two or more persons can no longer afford the median rent in Mill Valley. There are however a limited number of lower priced apartments affordable to households earning moderate incomes. Single-family home rentals – the majority of rental housing currently available in Mill Valley – are well beyond the level affordable to moderate income households.

Table A.24: 2014 Maximum Affordable Rents in Marin County

Income Level	Maximum Affordable Rent After Utilities Allowance*			
	Studio (1 person)	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income	\$890	\$1,016	\$1,133	\$1,249
Low Income	\$1,484	\$1,695	\$1,896	\$2,098
Moderate Income	\$2,062	\$2,358	\$2,640	\$2,925
Median Apartment Rent	\$1,100**	\$2,500	\$2,850	--
Median Single-family Rent	--	--	\$4,000	\$5,000

Source: Karen Warner Associates

*Utility costs based on Marin Housing Authority apartment utility allowance schedule (assumes gas heating, cooking and water heating): \$100 for studios, \$115 for 1 bedrooms, \$140 for 2 bedrooms, and \$165 for 3 bedrooms.

** As no studio apartments were listed for rent, reflects median price of rooms advertised for rent

d. Second Units and Affordability

Second units are an integral segment of Mill Valley's housing stock, comprising an estimated 550 units, including 88 new unit permitted in the prior 2007-2013 Housing Element RHNA cycle, and an additional eight permitted in 2014. Because of their small size, second units typically rent for less than apartments, and can offer affordable rent options for seniors and single persons. In order to obtain more detailed information about their use and rent structure in Mill Valley, in August 2014, the City mailed a survey to 416 properties with potential legal second units based on Planning Department records. A total of 126 responses were received (30% response rate), with 117 respondents indicating they currently have a second unit on their property. The following summarizes the results of the second unit survey, with the complete survey report included in Appendix E of the Housing Element.

- 96 survey respondents provided information on the current occupants of their second unit: 56% were tenants, 27% were relatives/family members, 6% were occupied by the owner, 6% were house guests, 3% were nannies/Au-pairs, and 1% were caretakers. Two-thirds of respondents indicated their ADU was currently occupied, and three-quarters of respondents indicated their ADU was rented to a tenant.
- 100 respondents provided information on the rents charged for their second unit. . As presented in Table A.25 below, 35 percent of rents were within the level affordable to very low income households, 39 percent were affordable to low income households, 22 percent were affordable to moderate income households, and four percent were at levels affordable to above moderate income households.

Table A.25: Second Unit Rents and Affordability - 2014 Mill Valley Survey

Rent Range	# Survey Responses	% of total	Qualifying Affordability Level
Utilities only	1	35%	Very Low Income
\$0/No rent charged	28		
\$400-\$700	6		
\$701-\$1,000	16	39%	Low Income
\$1,001-\$1,300	14		
\$1,301-\$1,500	9		
\$1,501-\$1,800	12	22%	Moderate Income
Over \$1,800 (1 bdrm)	10		
Over \$1,800 (2 bdrm)	4	4%	Above Moderate
Total	100		

5. Assisted Housing At-Risk of Conversion

State Housing Element law requires an analysis of the potential for rent-restricted low income housing units to convert to market rate housing and to propose programs to preserve or replace any units “at-risk” of conversion. Table A.26 presents a complete inventory of deed restricted affordable rental and ownership housing in Mill Valley.

Table A.26: Assisted Housing Inventory

Project Name	Year Built	Tenant Type	Total units/ Affordable units	Deed Restriction Source	Potential Subsidy Expiration	Ownership/ Management
Publicly-Assisted Rental Housing						
Homestead Terrace 100 Linden Lane	1969	Senior/ disabled	28	Public housing- HUD	perpetuity	MHA
Kruger Pines 47 North Knoll Road	1971	Senior/ disabled	56	Public housing- HUD	perpetuity	MHA
The Redwoods 40 Camino Alto	1972	Senior/ disabled	149 / 60	HUD Section 231	2028	Non-profit Community Church of Mill Valley
Shelter Hill 37 Miwok Way	1977	Family	75	Refinanced in 2011 – Tax Credits	2066	Non-profit EAH
Camino Alto Apts 260 Camino Alto Court	1983	Disabled	24	HUD Section 202 CDBG, Section 8	2028	Non-profit Mercy Housing
Pickleweed Apts 651 Miller Avenue	1986	Family	32	CHFA bond City Ground-lease	2031	Non-profit BRIDGE Housing
Alto Station Apts 290 Camino Alto Court	1995	Family	17	HOME State RHCP City Ground-lease	2047	Non-profit BRIDGE Housing
Mill Creek Apts 60 Camino Alto	2004	Disabled	9	Section 202 Section 8	2029	Non-profit N Bay Rehab Services
Fireside Apartments (outside City limits)	2009	Family/ Senior	49	Low Income Tax Credit	2064	Non-profit Eden Housing
Rental Housing with Affordable Inclusionary Units						
420 Miller Avenue	2004	Family	4/1	Inclusionary	50 year	Private
211 Miller Avenue	2007	Family	4/1	Inclusionary	50 year	Private
505 Miller Avenue	2009	Family	21/5	Inclusionary	50 year	Private
542 Miller Avenue	Approved/ Not built	Family	16/3 second units	Inclusionary	50 year	Private
Ownership Housing with Affordable Inclusionary Units						
Ashford Court	1979	Family	28 / 8	BMR HOP	2017	Private
Eucalyptus Knoll I	1981	Family	40 / 6	City of Mill Valley BMR HOP	2026	Private
Eucalyptus Knoll II-IV	1987	Family	80 / 5	City of Mill Valley BMR HOP	2017	Private
Sunrise Pointe	1987	Family	66 / 6	BMR HOP	2017	Private
Strawberry Vista	1996	Family	20 / 2	BMR HOP	2026	Private
8 Old Mill	2011	Family	4/1	BMR HOP	2062	Private
Throckmorton Village	2014	Family	11/2	BMP HOP	2064	Private

Within the Mill Valley city limits, eight publicly assisted multi-family rental housing developments provide 301 units affordable to lower income families, seniors and persons living with disabilities. An additional 49 affordable units, including ten units of permanent supportive housing, are provided at the Fireside Apartments located just outside the city limits. In addition, the City's Inclusionary Housing Ordinance has resulted in the development of 37 affordable rental and ownership units integrated within ten market rate developments.

None of the assisted rental developments in Mill Valley are considered at high risk of conversion to market rents within the planning period, as confirmed by the risk assessment published by the California Housing Partnership Corporation (CHPC) of HUD subsidized properties (2014). Two of the eight assisted rental projects are owned and operated by the Marin Housing Authority, with the remaining six properties owned and managed by non-profit corporations that have a public purpose to develop and own affordable housing.

a. Case Study: Shelter Hill Refinancing

Shelter Hill Apartments, 75 units of affordable family housing developed in 1977 under Mill Valley's inclusionary ordinance, was financed under a HUD Section 236(j) loan that had become eligible for prepayment. Project-based Section 8 contracts were also maintained on two-thirds of the units and were subject to appropriations from Congress and periodic renewals from HUD. In 2009, EAH Housing joined forces with the project's non-profit owner and property manager – Interfaith Housing Foundation (IHF) – taking a majority role on the IHF board of directors and assuming project management of Shelter Hill. After assuming managerial control, EAH worked with architects and engineers to evaluate the physical rehabilitation needs of the 35 year old property, and determined renovations in the order of \$95,000/unit would be necessary, inclusive of significant seismic upgrading.

EAH secured predevelopment funds from the Marin Workforce Housing Trust, providing the resources necessary to begin structuring a financing plan for the Shelter Hill renovations. The final plan involved multiple layers of financing, and included paying off the HUD Section 236 loan and securing 4 percent low income housing tax credits, critical to the project's long term preservation as affordable housing. Rehabilitation improvements are currently underway, and in addition to extensive structural and property improvements, include the installation of photovoltaic panels to supply a portion of the development's power needs.



Shelter Hill Apartments

6. Housing Problems

A continuing priority of communities is enhancing or maintaining the quality of life for residents. A key measure of the quality of life in Mill Valley is the extent of “housing problems.” One measure of housing problems used by both the State and Federal governments is the extent of housing overpayment and overcrowding within a community.

a. Overpayment

Housing overpayment, as defined by the State and Federal government, refers to spending more than 30 percent of income on housing; severe overpayment is spending greater than 50 percent of income. Table A.27 shows the incidence of overpayment in Mill Valley.

Table A.27: Housing Overpayment - 2010

Overpayment	Households	Percent	Marin Co. %
Owners			
Overpayment (>30% income on housing)	1,709	43%	42%
Severe Overpayment (>50% income on housing)	596	15%	20%
Lower Income Households Overpaying	490	71%	60%
Renters			
Overpayment (>30% income on housing)	780	37%	54%
Severe Overpayment (>50% income on housing)	422	20%	28%
Lower Income Households Overpaying	607	66%	66%
Total Overpayment	2,489	40%	46%

Source: American Community Survey (ACS) 2006-2010. Percentage overpayment from ACS applied to 2010 Census count of owner/renter households. Lower income overpayment derived from HUD CHAS.

Note: Severe overpayment is a subset of overpayment.

According to the 2006-2010 American Community Survey, 43 percent of owners and 37 percent of renters in Mill Valley were spending more than 30 percent of their total income on housing. Severe overpayment impacts 20 percent of the city’s renters, which while a significant housing need, remains below the 28 percent renter overpayment Countywide. In terms of overpayment among lower income households (<80% AMI), 607 lower income renter households and 490 lower income owners were faced with overpayment in Mill Valley, translating to nearly 70 percent of the city’s lower income households overpaying. The impact of housing overpayment on Mill Valley’s lower income households is significant, with the community’s special needs populations – seniors, persons with disabilities, and female-headed households with children - most vulnerable to losing their housing due to an inability to pay.

b. Overcrowding

The State defines an overcrowded housing unit as one occupied by more than 1.01 persons per room (excluding kitchens, porches, and hallways). A unit with more than 1.51 occupants per room is considered severely overcrowded. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units.

Table A.28 shows the incidence of overcrowding in Mill Valley and Marin by tenure, as measured by the 2006 -2010 American Community Survey. As indicated, less than one percent of owner households in Mill Valley are considered overcrowded, though all 25 of these households meet the definition of severe overcrowding. The incidence of overcrowding is more prevalent among Mill Valley's renter households, with 4.2 percent overcrowded; none of these households are severely overcrowded. Overall, household overcrowding remains a relatively minor issue in Mill Valley.

Table A.28: Overcrowded Households - 2010

Overcrowding	Households	Percent	Marin Co. %
Owners			
Overcrowding	25	0.6%	0.7%
Severe Overcrowding	25	0.6%	0.2%
Renters			
Overcrowding	89	4.2%	5.8%
Severe Overcrowding	0	0%	2.3%
Total Overcrowding	114	1.8%	2.5%

Source: American Community Survey (ACS) 2006-2010. Percentage overcrowding from ACS applied to 2010 Census count of owner/renter households.

Note: Severe overcrowding is a subset of overcrowding.

G. Regional Housing Needs Allocation (RHNA)

The Regional Housing Allocation (RHNA) is a state-mandated process, which determines the amount of future housing growth each city and county must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories.

The RHNA process begins with the California Department of Housing and Community Development’s (HCD) projection of future statewide housing growth need, and the apportionment of this need to regional councils of government throughout the state. As the Bay Area’s designated Council of Government, the Association of Bay Area Governments (ABAG) is the agency responsible for developing an allocation methodology to allocate the region’s assigned share of statewide need to cities and counties by income level. Once a jurisdiction receives its RHNA allocation from ABAG, it must demonstrate in its Housing Element how it will accommodate its RHNA number by providing “adequate sites” through general plan and zoning. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA goals.

In communities with little or no remaining vacant land, the Housing Element sites inventory may need to explore a variety of site options, such as: underutilized residential sites suitable for intensification; areas with potential for mixed use; adaptive reuse of existing buildings; second residential units; and publicly owned surplus land, among others. Under limited circumstances, up to 25 percent of a jurisdiction’s lower income RHNA need may be met through alternatives to new construction by providing committed financial assistance to make existing units affordable through rehabilitation, conversion and/or preservation. The residential sites analysis conducted for Mill Valley’s Housing Element evaluated a full range of site options, with the goal of providing a balanced approach to addressing the community’s identified housing needs.

2014-2022 RHNA Cycle

As defined by the RHNA, Mill Valley's new construction need for the 2015-2023 period has been established at 129 new units, distributed among the income categories as shown in Table A.29. The 129 units for the fifth cycle RHNA is actually a decrease from the City's previous 2007-2014 RHNA of 292 units, which means that much of the planning for opportunity sites conducted in the last Housing Element can serve as a solid foundation for this Housing Element.

Table A.29: Mill Valley 2014-2022 RHNA

Income Level	Percent of AMI	2007-2014	2014-2022
Very Low	<50%	74	41
Low	51-80%	54	24
Moderate	81-120%	68	26
Above Moderate	120%+	96	38
Total		292	129



Appendix B. Housing Constraints

A. Constraints and Opportunities

Housing Development is affected by both market forces and public regulations and policies. This chapter discusses both governmental and non-governmental constraints that affect housing in Mill Valley. State Housing Law, Section 65583(a) of the Government Code, requires an evaluation of these constraints within the local Housing Element.

Governmental constraints include potential and actual constraints upon the maintenance, improvement or development of housing for all income levels, and persons with disabilities as a result of land use controls and zoning regulations, building code standards and code compliance, site improvements, fees and exactions, and processing and permitting procedures and local housing programs. Non-governmental constraints to housing development include potential and actual constraints upon the maintenance, improvement or development of housing for all incomes resulting from land costs, construction and soft costs and the availability of financing.

State housing law requires the identification of these constraints so that where possible, such constraints may be addressed and removed. An inventory of land suitable for residential development is also required, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning, public facilities and services to these sites. In addition, the analysis must include the identification of a zoning district or districts where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit.

B. Governmental Constraints

Like all jurisdictions, the City of Mill Valley has procedures, regulations and requirements which apply to development application review and processing and are intended to protect the long-term health, safety, and welfare of the community. These requirements can affect the type, appearance, and cost of housing built in Mill Valley, including: zoning standards, permitting fees, subdivision standards and design review. Other building and design requirements enforced by Mill Valley follow state laws, such as the California Building Code, Subdivision Map Act, and energy conservation requirements.

Past efforts to remove governmental constraints in Mill Valley include:

- ❖ Preparation of a Residential Design Guidelines brochure and handouts to clarify review criteria, including definitions associated with second units and floor area ratio (2005 with revisions in 2011-2012).
- ❖ Reduced parking standards for live/work opportunities and other development projects on a case by case basis.
- ❖ Encouragement of mixed use opportunities through reductions in parking requirements.
- ❖ Modification of Second Dwelling Unit development standards including reduction of parking requirements and increase in permitted unit size (2004).
- ❖ Initiation of additional amnesty program for unpermitted second units (July 2003-December 2004).

- ❖ Adoption of Reasonable Accommodation procedures within the Zoning Ordinance to provide formal procedures for persons with disabilities to request reasonable accommodation.
- ❖ Adoption of zoning for special needs populations, including by right zoning for emergency shelters and treatment of transitional and supportive under zoning as a residential use.
- ❖ Adoption of a local density bonus ordinance consistent with State law.

The Housing Plan includes specific policies and programs to remove and reduce governmental constraints on the maintenance, improvement and development of housing, while maintaining community character.

The policies include:

- Policy 4.1 – Regulatory Incentives for Affordable Housing
- Policy 4.2 – Flexible Development Standards
- Policy 4.3 – Efficient Use of Multi-Family Zoning
- Policy 4.4 – Development Review
- Policy 4.5 – Regular Update to the Zoning Code to Reflect Housing Standards and Regulations (such as Density Bonus and Special Needs)

The programs include:

- Program #22 – Update Zoning Code, consistent with the Land Use Element, to define densities for residential uses with greater clarity for a more transparent and efficient development review process;
- Program #23 – Update Parking Standards, to increase effectiveness of parking standards by refining the standards;
- Program #24 – Fee Deferrals and/or Waivers for Affordable Housing, to provide information regarding fee breaks for affordable housing, and specify fee waivers for extremely low income households;
- Program #25– Density Bonus and Other Incentives for Affordable Housing, to maintain consistency with State law;

In addition, the City has established a Zoning and Design Guidelines Advisory Committee (ZDAC) who have been providing input on refinements to multi-family and mixed use residential development standards, in conjunction with the creation of a set of design guidelines for multi-family and mixed use development, to more effectively guide development proposals and reduce uncertainties.

1. Land Use Controls & Development Standards

Government Code Section 65583(a) requires “An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels,...including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures...”.

Although local ordinances and policies are enacted to protect the health and safety of citizens and further the general welfare, it is useful to periodically reexamine local ordinances/policies to

determine whether, under current conditions, they are accomplishing their intended purpose or if in practice constitute a barrier to the maintenance, improvement or development of housing for all income levels.

Such an examination may reveal that certain policies have a disproportionate or negative impact on the development of particular housing types (e.g., multifamily) or on housing developed for low- or moderate-income households.

Ordinances, policies or practices which have the effect of excluding housing affordable to low- and moderate-income households may also violate State and federal fair housing laws which prohibit land-use requirements that discriminate or have the effect of discriminating against affordable housing.

There are many locally imposed land use and building requirements that can affect the type, appearance, and cost of housing built in Mill Valley. The Mill Valley General Plan and Zoning Ordinance establish the locations where housing can be built, at what density, lot size, setbacks, and required site improvements. Zoning and land use designations in Mill Valley are largely determined by the City's goals that: (1) the health and well-being of people and physical safety of property should be assured; (2) the natural environment should be protected and should visually dominate the character of Mill Valley; and (3) new development should be compatible with Mill Valley's small-town character.

To implement these goals, Mill Valley has zoned major portions of its undeveloped hillside areas at very low densities. The City has also zoned certain areas in the hillsides as permanent open space after public acquisition or as a result of dedication from private interests. Community design objectives, as they relate to undeveloped hillside areas, often coincide with environmental constraints to development.

The City has adopted an objective of protecting its existing residential neighborhoods. The City has generally developed into single-family residential neighborhoods, a pattern reinforced by schools, parks and streets with limited traffic capacity. These neighborhoods provide a lifestyle and housing stock which are among Mill Valley's major assets. Policies have therefore been adopted which guarantee that new development in established neighborhoods will be compatible with existing neighborhood character; and development adjacent to established neighborhoods will not generate significant levels of traffic through these neighborhoods.

Much of the remaining developable land area consists of large parcels with significant environmental constraints and moderate to severe public health and safety constraints including: steep slopes, underlying bay mud, drainage problems and fire risk. Detailed soils reports, engineering and design studies and associated permits are required. Therefore most of these parcels are only suitable for single family residential units. Because many of these sites were originally subdivided into lot sizes that are inconsistent with current zoning regulations, variances may be required.

Mill Valley's land use density standards are driven by Zoning district categories and range from 0.01 dwelling units per acre to 29 dwelling units per acre, with an average density of about 6 dwelling units per acre (see Tables 1, 2 and 3). About 5.32 percent of the parcels in the city are designated for development between 0-1 dwelling units per acre (RS-30, RS-43, RS-10A, RSP-1A,

RSP-1.5A, RSP-2A, RSP-2.5A, RSP-3A, RSP-4A, RSP-5A, RSP-10A, RSP-30); 20.29 percent is designated for development at 2-4 dwelling units per acre (RS-10, RS-15, RS-20); 51.65 percent is designated for development at 5-10 dwelling units per acre (R-P, RS-6, RS-7.5, RSP-5, RM-4.0, RM-5.5, RMP-5); 7.13 percent is designated for development at 11-19 dwelling units per acre (RM-2.5, RM-3.0, RM-3.5); and 7.47 percent is designated for densities at more than 20 dwelling units per acre (C-R, RM-1.5, RM-2.0).

Tables 1, 2 and 3 list the existing residential development standards for all of Mill Valley's residential districts. Additionally, the Mill Valley Residential Design Review Handbook offers guidelines for other development features including; relating new buildings to the natural topography and existing vegetation, minimizing grading activities, minimizing view and privacy impacts, minimizing water use and fire hazards, minimizing impervious surfaces, designing for energy efficiency and sustainability, keeping scale, mass and bulk compatible with the neighborhood.

Table B.1: Single Family Residential Development Standards

Development Requirement	RS-6	RS-7.5	RS-10	RS-15	RS-20	RS-30	RS-43	RS-3A	RS-5A	RS-10A
Min. parcel size in SF for lots with < 10% slope	6,000	7,500	10,000	15,000	20,000	30,000	1 acre	3 acres	5 acres	10 acres
Min. lot width	60'	60'	80'	80'	100'	100'	150'	150'	150'	150'
Max. Units (du/parcel)	1 plus 1 Residential Second Unit on Lots over 5,000 square feet									
Max. Density (du/acre)	7.25	5.80	4.35	2.90	2.18	1.45	1.0	0.33	0.20	0.10
Max. Adjusted Floor Area	35% of effective lot area for lots < 8,000 SF		10% plus 2,000 SF of effective lot area for lots of 8,000 to 20,000 SF			5% plus 3,000 SF of effective lot area for lots > 30,000 SF, to a max. of 7,000 SF of floor area				
Max. Building Coverage	40%	40%	40%	35%	35%	30%	25%	10%	7%	4%
Minimum Setbacks										
Exterior Property Lines	15 ft.									
Interior Property Lines	1 ft. for every 1,000 SF of effective lot area, but no less than 5 ft. or more than 15 ft.									
Max. Height	25 ft. above natural grade									
Percentage of total parcels	31.92%	12.91%	13.41%	0.96%	5.91%	0.16%	2.63%	0%	0%	0.59%
Total acreage of parcels	298.58	205.27	273.73	12.18	169.91	7.40	131.10	0	0	89.24

Source: Mill Valley Zoning Ordinance

Table B.2: Single Family Residential Planned and Planned Single Family Residential Development Standards

Development Requirement	R-P	RSP-5	RSP-30	RSP-1A	RSP-1.5A	RSP-2A	RSP-2.5A	RSP-3A	RSP-4A	RSP-5A	RSP-10A
Min. parcel size	10 acres w/base density based on percent slope	5,000 SF	30,000 SF	1 acre	1.5 acres	2 acres	2.5 acres	3 acres	4 acres	5 acres	10 acres
Min. lot width	Determined through Planned Development (PD) review process										
Max. Units (du/parcel)	1 OR Attached and detached dwellings w/ PD approval	1 plus 1 Residential Second Unit on Lots over 5,000 square feet OR Attached dwellings w/ PD approval									
Max. Density (du/acre)	Varies from 5.8 to .01 depending on % slope	8.71	1.45	1.0	0.66	0.50	0.40	0.33	0.25	0.20	0.10
Max. Adjusted Floor Area	Determined through Planned Development (PD) review process										
Max. Building Coverage	Determined through Planned Development (PD) review process										
Minimum Setbacks	Determined through Planned Development (PD) review process										
Max. Height	30 ft.										
Percentage of total parcels	6.38%	0.12%	0.02%	0.1%	0.59%	0.31%	0.07%	0.1%	0.03%	0.24%	0.45%
Total acreage of parcels	68.63	0.814	0.778	6.63	38.54	29.68	42.86	14.14	7.86	57.42	132.77

Source: Mill Valley Zoning Ordinance

Table B.3: Multi Family Residential Development Standards

Development Requirement	RM-1.5	RM-2.0	RM-2.5	RM-3.0	RM-3.5	RM-4.5	RM-5.5
Min. land area per dwelling (SF)	1,500	2,000	2,500	3,000	3,500	4,500	5,500
Max. Units (du/parcel)	1 plus 1 Residential Second Unit on Lots over 5,000 square feet OR Multiple family dwellings						
Max. Density (du/acre)	29	21.78	17.42	14.52	12.45	9.68	7.92
Minimum useable open space							
1-bedroom	100	125	150	200	450	500	500
2-bedroom	150	175	200	300	450	500	500
3-bedroom	200	250	300	450	450	500	500
Max. Lot Coverage	50%	50%	50%	50%	50%	45%	40%
Minimum Setbacks							
Exterior Property Line	15 ft.						
Interior Property Line	1 ft. for every 1,000 SF of lot area from a minimum of 5ft. to a maximum of 10 ft.						
Max. Height	25 ft. at required setbacks to twice all required setbacks 35 ft. if more than twice all required setbacks are provided						
Percentage of total parcels	1.78%	5.6%	2.15%	0.24%	4.74%	0%	0.05%
Total acreage of parcels	21.52	15.92	14.32	2.3	31.62	0	5.07

Source: Mill Valley Zoning Ordinance

Table B.4: Examples of Recent Single-Family and Multi-Family Developments

Year Built	Project Name/ Address	Zoning District	Parcel Size	Zoning Density allowed	Housing Type	Built no. of units	Built Density	Status
2007	505 Miller Ave	PD (over C-N)	51,827 sf	Zoned at RM-2.0 (21.8 du/ac)	Townhomes and condos	21 (2 low, 3 moderate, 16 above moderate)	17.6 du/ac	Approved and Built
2007	90 Evelyn Ave	RS-43	14,766 sf	1 du per lot (plus a second unit)	Single-family home	1	2.9 du/ac	Approved and Built
2008	8 Old Mill St	PD over RM-1.5	6,500 sf	29 du/ac	Single-family homes and affordable studio	4 (1 low, 3 above mod)	26.8 du/ac	Approved and Built
2010	500 Miller	PD over C-N	52,678 sf	Zoned at RM-2.5 density (17.4 du/ac)	Condo units	9 (above moderate)	7.4 du/ac	Approved, not yet built
2010	542 Miller	PD over RM-2.5	1.58 acres	17.4 du/ac	Townhomes and condos	16 (3 mod, 13 above mod)	10.1 du/ac	Approved and Built
2011	227 W Blithedale Ave	RS-7.5	10,800 sf	1 du per lot (plus a second unit)	Second Unit	1 (Second Unit)	4.0 du/ac	Approved, not yet built
2012	65 Throckmorton	C-N	48,351 sf	29 du/ac maximum	Multi-family housing	4	3.6 du/ac	Approved, not yet built
2012	30 Laurelwood	RM-3.5	13,549 sf	12.4 du/ac	Townhomes	3	9.6 du/ac	Approved, not yet built

The Zoning Ordinance currently restricts building heights to 25 feet in all single family residential districts (RS), unless the structure is setback more than twice all required setbacks, then the height limit is 35 feet. The height limit is 30 feet in all Planned Residential Districts (R-P and RSP), and 35 feet in the office and commercial districts that allow residential uses (P-A, C-G, C-N, C-R,). The Ordinance restricts heights in the Multiple Family district based on setbacks, if the setbacks provided are less than twice the minimum required then the maximum height is 25 feet, if the setbacks are more than twice the minimum then the maximum height is 35 feet.

Chapter 20.08.050 of the Zoning Ordinance defines building height as the “vertical distance from the natural grade to the highest point of the structure”. The maximum building height would therefore depend on where the highest and lowest points of contact of the building are with the natural grade. Also, building height is computed individually for each detached structure (with a maximum height limit of 15 feet). This method of measurement presents design flexibility for many residential parcels as a large proportion of them are on sloping lots.

Limitations on height can constrain a development's ability to achieve maximum densities especially in culmination with other development controls. Height limits of two stories or less in multifamily districts is one example of development standards that can constrain achieving maximum densities.

The city has experienced projects achieving the maximum densities within the existing height and other development standards. Reductions in density typically occur due to on-site constraints such as creeks, slope or stands of existing trees.

2. Provisions for Housing within the Commercial District

Mill Valley's existing zoning regulations allow for combined residential uses on commercially-zoned properties. This form of mixed-use infill development has contributed to an increase in residential uses within the commercial core. Residences over ground floor commercial provide passive security for the area, provide a built-in customer base for commercial and retail uses, and create increased activity and vitality within commercial areas. This form of traditional mixed-use enhances the historic development pattern found in the commercial areas of the city where apartments exist above street level retail spaces.

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 commercial districts are not specified in the Zoning Code, and are determined by the Planning Commission at the time an application is submitted.

The recently constructed Tamalpais Commons at 505 Miller Avenue was in the C-N zone, approved in 2007. The project consisted of a three-story mixed-use building along Miller Avenue containing 6 street level commercial spaces with 9 residential units above and 12 townhomes backing up to the Corte Madera Creek.

Another multi-family residential project approved in 2003 was 420 Miller Avenue, in the C-N zoning district, for four units. The proposed project underwent rezoning to allow for a "PD" (Planned Development) overlay. Development standards for the project were determined through the PD approval process.

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. The City has established a Zoning and Design Guidelines Advisory Committee (ZDAC) who have been providing input on refinements to multi-family development standards, including the potential use of Floor Area Ratios (FAR) and other regulatory tools to effectively guide development proposals and reduce uncertainties.

The Professional Administrative Office (P-A) district provides for multiple-family dwellings or mixed use developments as conditionally permitted uses. The General Commercial (C-G) and Neighborhood Commercial (C-N) districts provide for residential development and mixed use development as conditionally permitted uses. The Commercial Recreation (C-R) district provides for multiple-family dwellings only if they are accessory to a permitted use with approval of a Planned Unit Development (PUD) permit. In these commercial districts the residential density is

determined on a case-by-case basis by the Planning Commission. While the Commission retains this discretion to determine the residential density in the commercial districts and does so where justified, the City could provide greater certainty to developers by further defining its multi-family development standards, including density and parking, in the Zoning Ordinance.

Several programs in the Housing Element serve to address these issues. The City will develop and adopt Multi-Family Design Guidelines (Program #1 - Residential Design Guidelines), remove the Conditional Use Permit for multi-family and mixed uses for residential above the ground floor or off commercial street frontage, and evaluate modifications to residential development regulations in Commercial districts (Program #6 – Mixed Use Zoning in Commercial Districts), and update parking standards to facilitate specific types of housing (Program #23 – Update Parking Standards).

3. Provisions for a Variety of Housing Types

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family homes, multi-family housing, mobile homes, emergency shelters and transitional housing, among others. Table 4 below summarizes housing types permitted within residential and commercial districts.

Table B.5: Housing Types Permitted by Zoning District

Housing Types Permitted	RS	RM	P-A	C-G	C-N	C-R
Residential Uses						
Single family dwellings	P	P		C	C	
Two-family (duplex) dwelling	CP	P		C	C	
Multiple family dwellings	CP	P	C	C	C	PD
Secondary dwellings	P	P				
Mobile Homes	P					
Mixed Use Residential		C	C	C	C	
Special Needs Housing						
Residential facility, 6 or fewer clients	P	P		C	C	
Residential facility, 7 or more clients		C		C	C	
Nursing homes		C				
Single Room Occupancy (SRO)		C		C	C	
Supportive Housing *	P	P	C	C	C	
Transitional Housing*	P	P	C	C	C	
Emergency Shelter				P	P	

Source: Mill Valley Zoning Ordinance.

Legend: P = Permitted, C = Conditionally Permitted, PD = Requires a Planned Development Permit

RS: Single Family, RM: Multiple Family, P-A: Professional Administrative Office, C-G: General Commercial, C-N: Commercial Neighborhood, C-R: Commercial Recreation

* Transitional and supportive housing are permitted/conditionally permitted in residential and commercial zoning districts subject to those restrictions that apply to other residential dwellings of the same type in the same zone.

a. Condominiums

The Mill Valley Zoning Ordinance defines Condominiums in accordance with California Civil Code Section 738 except that the definition is not applicable to proposed commercial or industrial condominiums and includes community apartments (developments where an undivided interest in the land is coupled with the right of exclusive occupancy of any apartment located thereon). In Mill Valley, condominiums are common in the commercial districts (C-N and C-R) and the multifamily districts along Miller Avenue (R-M).

In order to preserve the supply of rental units and the affordable housing rental stock, Mill Valley's Zoning Ordinance includes regulations for condominium conversion aimed at maintaining the availability of an adequate supply of rental housing, and ensuring that rental apartments converted to condominiums meet applicable laws, ordinances and regulations. Pursuant to Program #4 in the City's adopted 2009-2014 Housing Element, the City has updated its Condominium Conversion regulations (Zoning Ordinance Chapter 20.59,) prohibiting the conversion of rental developments to condominium ownership unless the following findings can be made:

- A. the proposed conversion will not substantially affect the availability of rental housing in the community;
- B. replacement housing for displaced tenants is available within Mill Valley; and
- C. the proposed conversion is consistent with the Mill Valley General Plan, and in particular, with the objectives, policies, and programs of the Housing Element of the General Plan designed to provide for the housing needs of all economic segments of the community, as well as with any and all applicable specific plans.

As part of the application process, new regulations require applicants to conduct a rental survey to showing comparable rental housing within the municipal boundaries of Mill Valley to illustrate to staff and City decision makers that the proposed condominium conversion project will not substantially impact the availability of rental housing and that there is sufficient replacement housing for the displaced tenants. The survey must include identification of all rental housing in structures of two or more units within Mill Valley and shall include the number of units, categorized by bedroom count and rents charged, as well as vacancies by unit type. This will survey, along with the findings, creates sufficient regulations to address condominium conversions.

Furthermore, the City's regulations set forth a series of tenant protections associated with condominium conversions, including relocation assistance, right of first purchase, and leasehold rights such as notice of termination and restricting rent increases. Conversions are also subject to Mill Valley's Inclusionary Housing regulations.

b. Residential Second Units

The Zoning Ordinance has a section on Residential Second Units (Section 20.90) to regulate the development standards, maximum floor area, and off-street parking standards for second units. The Ordinance also provides a process to legalize existing second units within 150 to 1,000 square feet.

A residential second unit (RSU) is a dwelling accessory to a primary dwelling on a site. An RSU may be either a detached or attached dwelling unit, in addition to the primary unit allowed in all

residential zoning districts that provides complete, independent living facilities for one or more persons, and which may include a kitchen or cooking area, sleeping area or sanitation facilities on the same parcel as the primary unit. A residential second unit may not be less than 150 square feet nor more than a maximum of 1,000 square feet and only one is permitted per lot.

Second units are an integral segment of Mill Valley's housing stock, comprising an estimated 550 units, including 88 new units permitted in the prior 2007-2013 Housing Element RHNA cycle, and an additional eight permitted in 2014. 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 has found that second units are a valuable form of housing that provides low rent options for extended family members, students, elderly, disabled, in-home care providers and others. The City encourages second units within certain locational and development standards that aim to limit or prevent neighborhood problems. Any application of for a second unit that meets the required standards is approved ministerially. The City requires owner occupancy of either the primary or second unit. Off street parking requirements for second units of 700 square feet or less is one space per unit, units of more than 700 square feet up to the maximum allowed floor area of 1,500 square feet must provide two spaces. New second units are not permitted on lots less than 5,000 square feet. As an older city, there are numerous lots in Mill Valley that were created prior to the current standards and are less than 5,000 square feet in area. The city has 1,659 parcels that are less than 5,000 square feet in area, in which 2nd units would not be allowed.

The Marin Municipal Water District (MMWD) charges a hook up fee of \$5,000 for new units which can be a significant disincentive for new second units.

c. Multi-Family Dwelling Units

The Multiple Family Residential (RM) Zoning District provides areas for residential neighborhoods of single-family dwellings, two family dwellings, duplexes, apartments, and other multiple family attached dwelling units, such as condominiums. The multiple family district provides for innovative site planning, while providing on-site open space requirements on a per dwelling basis. Mill Valley has 843 individual parcels in the RM Zoning District, encompassing a total of nearly 90.9 acres of land (excluding the RMP-5 Zoning District, which is 0.78 acres on seven parcels).

d. Manufactured Housing/Mobile Homes

Section 65852.3 of the California Government Code requires jurisdictions to administratively allow manufactured homes on lots zoned for single-family dwellings if they meet certain standards. More specifically, the Government Code requires the following:

"Except with respect to architectural requirements, jurisdictions can only subject the manufactured home and the lot on which it is placed to the same development standards to which a conventional single-family residential dwelling on the same lot would be subject, including, but not limited to, building setback standards, side and rear yard requirements, standards for enclosures, access, and vehicle parking, aesthetic requirements, and minimum square footage requirements. Any architectural requirements imposed on the manufactured home structure itself shall be limited to its roof overhang, roofing material, and siding material."

These architectural requirements may be imposed on manufactured homes even if similar requirements are not imposed on conventional single-family residential dwellings, but requirements may not exceed those which would be required of conventional single-family dwellings constructed on the same lot. In no case may a jurisdiction apply any development standards that will have the effect of precluding manufactured homes from being installed as permanent residences."

Mill Valley allows mobile homes as a land use under the definition of "Single-family dwellings" as a form of affordable housing. Mobile homes are subject to design review and installation standards pursuant to State codes.

e. Residential Care Homes

Thirty percent of Mill Valley's households are senior households, and 12.2 percent of Mill Valley residents over the age of 5 have one or more disabilities. For these special needs groups with diverse housing needs, residential care homes are one way to address such needs. Residential care homes are typically inclusive of facilities that provide residential social and personal care for the disabled including people with substance abuse and people with limited self-care abilities, but where medical care is not a major element. Residential care homes include children's homes, halfway houses, orphanages, rehabilitation centers, and self-help group homes.

The Mill Valley Zoning Ordinance currently allows "Nursing and Rest Homes" as a conditional use in the R-M Zoning Districts, however these are not the same as residential care homes. Nursing and rest homes are typically residences for disabled or recovering persons who require constant nursing care and have difficulty with daily living activities, and medical care is a major component of such facilities.

In order to better clarify zoning provisions for various types of care facilities, the City has added the following definitions to the Zoning Ordinance:

20.08.136 Nursing Homes.

"Nursing home", also referred to as a rest home, convalescent home, skilled nursing facility, or intermediate care facility means a type of residential care for people who require continual nursing care and have significant difficulty coping with the required activities of daily living. Nursing aides and skilled nurses are usually available 24 hours a day.

20.08.159 Residential Facility.

"Residential facility," as defined by California Health and Safety Code Section 1502, means any family home, group care facility, or similar facility determined by the Director of the California Department of Social Services, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual. "Small" residential facilities are those in which six or fewer persons live together, and pursuant to Health and Safety Code Section 1566.3, are required to be classified as a residential use for zoning purposes. "Large" residential facilities are those in which seven or more persons live together.

Section 1566.3 of the California Health and Safety Code requires residential facilities serving six or fewer persons to be considered a residential use of property for purposes of local zoning ordinances. No local agency can impose stricter zoning or building and safety standards on these residential facilities – such as a conditional use permit, variance or other zoning clearance – than is required of a family dwelling of the same type in the same district. Consistent with these requirements, Mill Valley's Zoning Ordinance now specifies that small residential facilities (6 or fewer clients) are permitted by right in the RS and RM zones, and conditionally permitted in the CG zone.

Mill Valley has amended its Zoning Ordinance to provide for large residential facilities (7 or more clients) as a conditional use within the RM and CG zoning districts. Unlike small facilities, large residential care facilities (those with seven or more residents) are subject to applicable local land use regulations and other restrictions such as special permit requirements (for example, having to obtain a local health department permit for central food service). Local governments may impose notification and public hearing requirements. However, the requirements must not apply exclusively to residential care facilities, and local governments must follow state mandated procedural requirements such as holding hearings for zoning decisions. Local government entities are required to make reasonable accommodations for programs serving individuals with disabilities. In some instances, accommodation may include exceptions to zoning ordinances for large facilities with seven or more residents. When public safety issues occur, federal and state laws do not pre-empt local authority or responsibility to deal with it. Local rules that are enacted and enforced to provide for the community's safety are not prohibited under federal or state law as long as they are applied to all community members and groups.

A more detailed discussion of residential care homes can be found in Section D (Special Needs Populations) of Appendix A – Housing Needs Assessment, in relation to housing needs for seniors and persons with disabilities.

Definition of Family: Local governments may unintentionally restrict access to housing for households failing to qualify as a “family” by the definition specified in the Zoning Code. Specifically, a restrictive definition of “family” that limits the number of and differentiates between related and unrelated individuals living together may illegally limit the development and siting of group homes for persons with disabilities, but not housing for families that are similarly sized or situated. Until recently, Mill Valley's Zoning Code did not include a definition of “family”, although given the presence of numerous group living facilities within the community, the City has not utilized a narrow interpretation of the term “family” to restrict the provision of group housing within its single-family and multi-family zoning districts. Nonetheless, in order to facilitate the provision of housing for persons with disabilities, the City has added the following definition to the Zoning Ordinance:

20.08.0915 Family.

"Family" means two or more persons living together as a single housekeeping unit in a single dwelling unit. Family also means the residents and operators of a licensed residential facility as that term is defined in California Health & Safety Code Section 1502(a) (1), which serves six or fewer persons.

f. Senior Housing Projects

Approximately 19 percent of Mill Valley's population is made up of seniors (age 65 and over). Seniors in Mill Valley have access to a range of services that support aging in place and prevent premature institutionalization.

Many of the senior programs are operated by the Mill Valley Seniors' Club, which is sponsored by the Mill Valley Parks and Recreation Department and coordinated by City staff. The Club offers assistance in many areas to seniors (age 55 and above) in the community, and currently has 260 members.

The Terrace Lounge of the Mill Valley Community Center is open for drop-in activities such as chess, scrabble, poker, and social bridge, Monday through Friday from 10 am to 4 pm, and the Club meets on Tuesdays from 10 am until 2 pm at the Center. The Club also organizes events such as the Senior Art Show, volunteer tax aid from AARP, legal counseling and free health insurance counseling by appointment, tai chi classes, driver safety courses, craft classes, knitting groups, and day trips for small groups.

Another organization, Mill Valley Village, together with its parent Marin Village, provides resources and assistance to enable aging in place. The Mill Valley Village is actively recruiting a growing team of community volunteers to offer support services such as transportation and home support services, and other social, cultural, and fitness programs for seniors.

The Episcopal Church of Our Saviour provides bag lunches prepared by volunteers for seniors, and Mount Tamalpais United Methodist Church provides support for worship services for residents at the Redwoods retirement center.

Mill Valley has three senior housing facilities which provide a total of 144 affordable housing units for very low income seniors, including Homestead Terrace (built in 1969, 28 affordable rental units), Kruger Pines (built in 1971, 56 affordable rental units), Marin Terrace (assisted living, 49 beds) and The Redwoods (built in 1972, 150 apartment units). Please see Appendix A, Section F-5 (Housing Stock Characteristics, Assisted Housing At-Risk of Conversion) for more details on past senior housing projects.

The Marin County Department of Health and Human Services, Division of Aging and Adult Services, also offers programs, information and assistance to seniors on housing matters. The Division has a publication called Choices for Living, which lists the various senior housing options available in Marin County,

A more detailed discussion on the needs of the senior population can be found in Section D-1 (Senior Households) of Appendix A – Housing Needs Assessment.

The Fireside Apartments is a 50-unit transit-oriented affordable housing development that will serve low-income families and seniors. A total of 20 units of this property will serve formerly homeless families and seniors with disabilities. Eligible low-income families and seniors will earn between 15% and 60% of the area median income (AMI). The architectural design emphasizes sustainable development and building methods and features the adaptive reuse of the historic Fireside Inn building.

g. Transitional and Supportive Housing and Emergency Shelters

Transitional housing is temporary housing (generally six months to two years) for a homeless individual or family transitioning to permanent housing. Residents are also provided with one-on-one case management, education and training, employment assistance, mental and physical services, and support groups.

SB 2, effective January 2008, amended Housing Element law regarding planning and approval for transitional and supportive housing. Specifically, SB 2 requires transitional and supportive housing to be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multi-family use proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone

Supportive housing is generally defined as permanent, affordable housing occupied by a target population (persons with disabilities, AIDS, substance abuse, or chronic health conditions) linked to on-site or off-site services that help residents transition into stable, more productive lives. Services typically include assistance designed to meet the needs of the target population so they can retaining their housing and jobs in the community, and/or improving their health. Support services may include case management, mental health treatment, life skills, childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component.

Consistent with SB 2, Mill Valley has incorporated the following definitions of transitional and supportive housing into the Zoning Ordinance, and as indicated in Table B.5, permits these uses in residential and commercial zoning districts subject to those restrictions that apply to other residential dwellings of the same type in the same zone.**20.08.193 Transitional Housing.**

"Transitional housing" means buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of assistance. Transitional housing is treated as a residential use, subject only to restrictions that apply to other residential dwellings of the same type in the same zone.

20.08.185 Supportive Housing.

"Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing is treated as a residential use, subject only to restrictions that apply to other residential dwellings of the same type in the same zone.

Emergency shelters are defined in California's Health and Safety Code Section 50801(e) as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

SB 2 also requires the Housing Element address new planning and approval requirements for emergency shelters. Jurisdictions with an unmet need for emergency shelters for the homeless are required to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

As discussed in the homeless section of Appendix A – Housing Needs Assessment, the 2013 Marin Homeless Point in Time Count conducted by the Marin Health and Human Services in January 2013 identified 3 unsheltered homeless persons in Mill Valley, and therefore there is an unmet need of 3 emergency shelter beds.

In compliance with SB 2, and as identified in Mill Valley's 2009-2014 Housing Element, the City has adopted amendments to the Zoning Ordinance to allow emergency shelters as of right in the C-G Zoning District, as well as the C-N district which is subject to the same provisions as C-G.

The purpose of the C-G Zoning District is to provide locations for retail and service related businesses that offer needed services to the community, and to ensure that the land uses are compatible with adjacent uses and the character of the area in which they are located. Additionally, the C-G zone allows a variety of conditionally permitted uses including residential and mixed-use development.

The C-G Zoning District covers a total of 56 acres and encompasses 53 parcels with an average lot size of approximately 1.06 acres. Development standards in the C-G zoning district include exterior setbacks of zero or 18 feet and interior setbacks of zero to matching adjacent residential zones, and a maximum building height of 35 feet, which is sufficient for emergency shelter use. There are five parcels below 3,000 square feet in size, 30 parcels above 3,000 square feet but under 1 acre, and 18 parcels between 1 and 7.2 acres.

The parcels are generally along Camino Alto, Blithedale Avenue, and the Redwood Highway Frontage Road, and are located centrally within the city and/or have good proximity to bus transit service. Some parcels within the C-G Zoning District are either vacant, have large parking lots, or have existing structures suitable for conversion to shelter use.

As permitted under SB 2, the City has added the following objective standards to the Mill Valley Municipal Code to regulate emergency shelters:

20.40.050.1 Property development standards - emergency shelters.

A. Shelter Capacity. An emergency shelter for homeless persons shall contain no more than twenty (20) beds and shall serve no more than twenty (20) persons nightly.

B. Parking. On-site parking for shelter users shall be based on one space for every four beds, plus 1 space for each employee on the maximum staffed shift. Employees include persons directly employed by the shelter, as well as on-site staff, independent contractors and volunteers.

C. Lighting. External lighting shall be sufficient to provide illumination and clear visibility to all outdoor areas, with minimal shadows. The lighting shall be stationary and designed, arranged and installed so as to confine direct rays onto the premises and to direct light away from adjacent structures and public rights-of-way. External lighting shall be of an intensity compatible with the neighborhood.

D. On-site Waiting and Intake Areas. An interior waiting and intake area shall be provided. This area must contain a minimum of 200 square feet, but should be designed to accommodate the maximum number of person(s) served (as identified in 20.40.050.1(A)), when feasible. An exterior waiting area or queuing area shall be provided which contains a minimum of 10 square feet per bed provided at the facility. Said exterior area shall not be located within or block the public right-of-way. The Management Plan outlined in subsection 20.40.050.1G(4) below shall establish hours in which persons are permitted to line up in the waiting area for admission to the shelter, and will require monitoring of the waiting area by the shelter provider to avoid any public nuisance.

E. Security. Security personnel shall be provided during operational hours whenever clients are on the site. A security plan shall be submitted to the City prior to issuance of a certificate of occupancy.

F. Concentration of Uses. No more than one emergency shelter shall be permitted within a radius of 300 feet of another emergency shelter.

G. Emergency Shelter Operations. The agency or organization operating the emergency shelter shall comply with the following requirements:

1. Hours of Operation. Clients shall only be on site and admitted to the facility between 5:00 p.m. and 8:00 a.m.
2. Length of stay. Each emergency shelter resident shall stay for no more than 90 days (cumulative) in a 365 day period. Extensions up to a total stay of 180 days in a 365 day period may be granted by the shelter provider if no alternative housing is available.
3. On-site Staff. At least one manager shall be on-site during all hours of operation of the facility. Such manager must be an individual who does not utilize the shelter's beds or other services and who resides off-site. The manager must be accompanied by one supporting staff member for every fifteen (15) beds occupied in the facility.
4. Management Plan. Prior to commencing operation, the shelter operator shall provide a written management plan to the Planning and Building Director for approval. The management plan shall include: primary contact information for the facility, hours of operation, admission hours and intake process, staff training, neighborhood outreach and privacy, security, queuing and/or loitering regulations, noise control, resident counseling and treatment, maintenance plans, residency and guest rules, procedures, staffing needs, and other regulations, as appropriate, or as requested by the Planning and Building Director.
5. Annual report. The provider shall provide an annual report of the use of the facility and determination of compliance with the City's development standards to the Planning and Building Director annually based on the start date of the said emergency shelter.

During the State Department of Housing and Community Development (HCD) review of Mill Valley's draft Housing Element, HCD staff raised concerns that certain emergency shelter standards adopted by the City may exceed what jurisdictions are permitted to regulate under the statutory parameters of SB 2. To address this issue, the City will amend Section 20.40.050.1 of the Municipal Code as follows: a) amend Section 20.40.050.1.G4 (Management Plan) to eliminate the following words in the last sentence "and other regulations, as appropriate, or as

requested by the Planning and Building Director"; and b) eliminate Mill Valley Municipal Code Section 20.40.050.1.G5 (Annual Report).

Mill Valley also has local churches located in different residential zoning districts that are providing services to the needy:

- **Our Lady of Mt. Carmel Catholic Church (RS-6)**, provides a hot lunch once a month on Tuesdays, together with **The Episcopal Church of Our Saviour** and the **Southern Marin Homeless Coalition**, which was formed by three Mill Valley residents and one of the former mayors of Sausalito.
- **Ambassadors of Hope and Opportunity (RS-6 zone)** is a 501 (c) (3) organization designed for youth who are homeless or at-risk of homelessness. AHO provides such young adults aged 16 to 25 with a trained life coach, essential resources, and leadership opportunities, to become financially self-sufficient contributing adults. AHO has a drop-in cottage in a single-family residential district that takes in at-risk youths in Mill Valley.

h. Single Room Occupancy

Single room occupancy (SRO) residences are small, one room units (generally 100-250 sq. ft.) occupied by a single individual, and may either have shared or private kitchen and bathroom facilities. SROs are rented on a weekly to monthly basis typically without rental deposit, and can provide an entry point into the housing market for extremely low income individuals, formerly homeless and disabled persons.

Until recently, the Mill Valley Zoning Ordinance did not explicitly address Single Room Occupancy uses. As called for in the 2009-2014 Housing Element, the City has amended the Zoning Ordinance to provide a definition of SROs, and to allow for them as a conditional use within the C-G and R-M zoning districts.

i. Inclusionary Housing

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:

Table B.6: 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

These requirements allocate 15% of units in a development of two units or more to be inclusionary, but typically the City requires at least 20% through the review process. Projects that are between 2-9 units have the option to pay in-lieu fees. Projects that are greater than nine units must build the units. The target income groups for the affordable units (both owner occupied and renter occupied) are required by the Municipal Code to be Moderate income, however through the discretionary review process the units are typically required to be for Low income persons. In-lieu fees are calculated based on unit square footage. Units less than 700

square feet are exempt, units between 701 and 1,000 square feet pay 5% of the current subsidy differential¹, units between 1,001 and 1,500 square feet pay 8%, and units over 1,501 pay 11%. The affordable units remain permanently affordable unless they are occupied by one homeowner for longer than 55 years. The Marin Housing Authority manages the affordable units for the City. Due to the limited available land in Mill Valley, in-lieu fees or off-site allowances are discouraged. Inclusionary units are to be compatible with the design of the market rate units in terms of appearance, materials, and finished quality, unless the City finds compelling reasons to the contrary. If the City approves, the applicant may reduce the interior amenity level of the inclusionary units below that of market rate units, but still in conformity with building and housing codes.

Pursuant policy direction adopted as part of the 2009-2014 Housing Element, the City has been working with the Zoning and Design Guidelines Advisory Committee (ZDAC), Planning Commission and City Council to re-evaluate key parameters of the City's current ordinance to enhance its effectiveness, including analysis of the following:

- Increasing the percentage of affordable units required from 15% to 20%-25%;
- Reducing the project size threshold when projects are required to provide affordable units rather than being permitted to pay an in-lieu fee;
- Requiring deeper income targeting to address affordability for very low and low income households;
- Consideration of replacement unit requirements for removal of existing rental units;
- Requiring greater parity in development and design standards between project affordable and market-rate units;
- Extending affordable housing impact fees to single-family homes (see Program #16);
- Updating the current housing in-lieu fee calculation based on a nexus study and to more closely reflect the actual gap between market rate and affordable units;
- Modification to a fee-based program for rental housing with on-site and off-site alternatives 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.

4. Density

Among all Marin County's 14 cities Mill Valley's density per square mile ranks 8th (see Table B.7). Mill Valley's current density is slightly above average for Marin County. Factoring in the limitations posed by Mill Valley's topography, aging sewers, narrow winding streets, and close proximity to sensitive ecosystems, the prospect of increasing density becomes especially challenging. In Mill Valley the highest residential densities are in areas of the city with the most level topography while the hillside areas are the least dense.

Table B.7: Marin Jurisdiction Population Densities Ranked High to Low

San Anselmo	4,584.4/sq mi	MILL VALLEY 2,868.3/sq mi
Belvedere	3,935.2/sq mi	Kentfield/GreenBrae 2,117/sq mi
Larkspur	3,833.7/sq mi	Novato 1,683/sq mi

¹ The difference between what a moderate income family can afford to pay for housing and the estimated total cost of a new unit of appropriate size as determined by the City.

Fairfax 3,485.2/sq mi	Ross 1,461.5/sq mi
San Rafael 3,352.3/sq mi	Stinson Beach 683/sq mi
Sausalito 3,331.8/sq mi	Tiburon 656.5/sq mi
Corte Madera 2,870.7/sq mi	Muir Beach 590/sq mi
Marin County Average 2674.6/sq mi	

Source: <http://en.wikipedia.org/wiki/MillValley,California> and based on the 2010 Census.

5. Parking

HCD recognizes that excessive parking standards can pose a significant constraint to housing development by increasing development costs and reducing the potential land availability for project amenities or additional units. Parking requirements may not reflect actual parking demand where less need is demonstrated, particularly for persons with disabilities, the elderly, affordable housing, and infill and transit-oriented development.

Mill Valley has a severe shortage of street parking due to topography which results in many narrow winding streets. Many houses were built before private ownership of cars was common and on lots where it is difficult to provide on-site parking. As a result there is a shortage of on street parking throughout the city and requires on-site parking be provided for new development wherever possible.

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. The Planning Commission can provide modified parking standards on a case-by-case basis based on development and design review.

Currently, multiple family dwellings must provide two on-site parking spaces plus ¼ space per unit for guest parking when on street parking is not available. In developments of four or more units the guest parking must be provided on site. The requirement for such a large number of parking spaces is a constraint to multi-family development in the city.

Tandem parking is allowed in Mill Valley. Second units are required to have one parking space that is independent of the other spaces. Several homes have two-car garages with a tandem second unit parking spot behind one of the garage spaces.

Table B.8 and Table B.9 below compare the parking requirements for jurisdictions within Marin County. In addition to having lower requirements in the amount of parking spaces required, Mill Valley provides greater flexibility in that parking spaces are not required to be covered.

Table B.8: Existing Parking Requirements for Single Family Dwellings

Mill Valley's Requirement	Least Restrictive Requirement (other Marin jurisdictions)	Most Restrictive Requirement (other Marin jurisdictions)	Most Common	Common Additional Requirements
2 spaces/dwelling, plus one if on-street parking not available- none are required to be covered	2 spaces/dwelling	4 spaces/dwelling	2 spaces/dwelling	1 or all spaces covered

Source: Marin Housing Element Workbook, 2009

Table B.9: Existing Parking Requirements for Multi-Family Dwellings

Unit Type	Mill Valley's Requirement*	Least Restrictive Requirement (other Marin jurisdictions)	Most Restrictive Requirement (other Marin jurisdictions)	Most Common	Common Additional Requirements
Studio	2.25	0	3	1	
1 bedroom	2.25	1	3	1.5	
2 bedrooms	2.25	1.25	3	2	
3 bedrooms+	2.25	2	3	2	1 covered space

*No requirement to provide covered parking

Source: Marin Housing Element Workbook, 2009

In the Housing Plan, Program #23 - Update Parking Standards, increases the effectiveness of parking standards by refining and modifying the standards to facilitate specific types of housing, such as multi-family and mixed use developments in commercial areas, housing for seniors and persons with disabilities, housing in proximity to transit, and one-bedroom, studio, and micro-apartment units.

A key component of the update to the City's multi-family current development standards being evaluated by the Zoning and Design Guidelines Advisory Committee (ZDAC) includes refining the parking standards for multi-family housing. Strategies being considered by ZDAC include parking requirements for multi-family housing in residential zones being tied to the size of unit (e.g., 1 space per units up to 700 square feet in size, 1.5 spaces for units 700-1,250 square feet, etc.). Other considerations include shared parking provisions in commercial zones that would reduce parking requirements by 50% in mixed-use development where the residential portion of the development is 50% or greater.

6. Historic Preservation

The City of Mill Valley has several mechanisms in place to preserve and maintain the older structures in the city. The Historic Overlay (H-O) District adds provisions to the underlying zoning on a parcel to protect designated buildings of historic importance. The H-O Ordinance requires Design Review of additions or alterations of designated structures and delays their demolition while alternative means of preserving the structure are examined by the City. The City requires a discretionary Design Review Permit for any proposed exterior modifications to structures with

the H-O classification or listed on the City's list of historic structures. The City further defines a qualified historical building as:

Any structure or building deemed of importance to the history, architecture, or culture of an area by an appropriate local, State or Federal governmental jurisdiction. This shall include designated structures on official existing or future national, state or local historical registers or official inventories, such as the National Register of Historic Places, State Historical Landmarks, State Points of Historical Interest, and parcels to which the City has applied the Historic Overlay Zoning District.

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).

Historic assessment is in conjunction with the review of planning applications, which includes a review of CEQA requirements. As stated in the Municipal Code Chapter 20.54.030, H-O District Guidelines:

All applications for construction, alteration, demolition or sign permits within any H-O Historic Overlay District shall be subject to Design Review as provided in Chapter 20.66 of this Title, if such permit involves the construction of any new structure, the demolition of any existing structure, exterior alterations or any interior alterations which would affect the exterior of any structure. In addition to other matters set forth in this Title, the United States Secretary of the Interior's "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings," GPO 937-843, with its latest revisions, subject to such considerations as may be appropriate for local Mill Valley conditions, shall be utilized as guidelines in exercising Design Review.

On October 11, 2010, the Planning Commission discussed possible changes to the Zoning Code regarding standards for historic design review. The Commission agreed that modifications to a historic structure in the H-O zone should be reviewed by a consultant selected by the applicant, from the City's pre-approved list of historic analysis consultants.

7. Permit Processing

Government Code Section 65583(a) requires "An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income

levels,...including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures...”.

Processing and permit procedures can pose a considerable constraint to the production and improvement of housing. Common constraints include lengthy processing time, unclear permitting procedures, layered reviews, multiple discretionary review requirements, and costly conditions of approval. These constraints increase the final cost of housing, uncertainty in the development of the project, and overall financial risk assumed by the developer.

Mill Valley strives to process permits on as timely a schedule as possible while providing the opportunity for meaningful public input. However, the development review process for discretionary permits required by the Zoning Ordinance can act as a constraint to the production of affordable housing. A description and analysis of the current residential development review process in the City is provided below. The analysis addresses properties that allow housing development, both in residential districts and in commercial districts.

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 guidelines for development in Residential (RS) zone districts, including principles for slope design, flora and fauna design, soils and grading design, drainage design, and building design. The Guidebook was 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 is in the process of developing an illustrative set of Multi-family Design Guidelines. The Guidelines will be informational, rather than prescriptive, and may be interpreted with flexibility in their application to individual projects. 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.

Table B.10 lists the City’s required findings for approval of a Design Review Permit. The purview of Design Review does not extend to the project’s overall merits or the residential use itself.

Table B.10: Required Findings for Approval of a Design Review Permit

A	That the proposal is consistent with the City of Mill Valley General Plan and Mill Valley Municipal Code.
B	The proposal is consistent with the Residential Design Guidelines adopted by the City.
C	The City has considered whether to apply any limitations on building, size, height and setbacks pursuant to Mill Valley Municipal code Section 20.66.045.
D	The approval of the proposal is in compliance with CEQA.

The Planning Commission acts on Design Review Permit applications involving a new building or addition to an existing building on a property located in a PA, OA, CR, CN CG or CF Zoning District; involves the construction of a new residential unit or units; or, in the opinion of the Director of Planning and Building, raises significant planning or design issues. The Zoning Administrator acts on all other projects subject to a Design Review Permit. While the discretionary Design Review Permit triggers environmental review, the vast majority of projects in Mill Valley are determined to be exempt from CEQA under the urban infill exemption (CEQA Guidelines Section 15332). If the decision of the Planning Commission is appealed to the City Council, the Council will hold an appeal hearing and make the final decision on the application.

Table B.11 presents the specific steps and typical timeline for a Design Review Permit. Past approved residential infill projects that met City standards received Planning Commission approval in approximately 2-3 meetings. Mill Valley's design review process is comparable to other Marin County communities, and does not serve as a constraint to development.

Table B.11: Typical Design Review Permit Timeline

Task	Time	Typical
Application filed	1-5 days	1 day
Project sponsor submits completed application forms, plans, supporting documents and fees. Plans consist of architectural drawings at the schematic level, landscape drawings, and grading plans. A geotechnical analysis and/or traffic report may be required as supporting documents.		
Completeness review	30 days	20 days
The application is circulated to City departments (and applicable local, regional, state and federal agencies) to determine whether additional information is required and for recommended conditions of approval.		
Completeness Notification	1 day	1 day
If a project is incomplete, a notice is sent to the project sponsor advising that additional information is required. The time to complete this task is determined by the project sponsor. If the application was initially found to be complete, this step is skipped and the project is directly scheduled for hearing.		
Follow-up Submittal	Varies	Varies
If the application has been determined to be incomplete, the sponsor will submit follow-up information as requested. The time to complete this task is determined by the project sponsor. If the application was found to be complete, this task is skipped.		
Environmental Review	1 day - 6 months	1 day
The application is reviewed to determine whether the project is exempt under CEQA or if an Initial Environmental		

Task	Time	Typical
Study is required. The vast majority of projects in Mill Valley are found to be exempt from CEQA under the urban infill exemption. If a Negative Declaration is prepared, environmental review may take the full 6 months allowed by law.		
Staff Report A detailed evaluation of the application is conducted by staff and a written report is prepared for public review as part of the public hearing and application review process.	10 days - 6 weeks	2-3 weeks
Public Hearing A public hearing notice is sent at least 10 days before the meeting to property owners/occupants within 300 feet of the project site. The Planning Commission conducts a public hearing and takes action to approve or deny the project.	10 days	10 days

The City adopted the Residential Design Review Handbook to provide useful information regarding the Design Review process for applicants and to assist the public in understanding the process and what is required of applicants. Consistency with the Residential Design Review Guidelines is a required finding of approval for all Design Review Permits. The City guidelines address site design issues including; topography, building size to slope relationship, vegetation protection and tree replacement, water conservation and fire hazard minimization, grading, terracing and drainage, retaining walls and fences, protection of views and privacy, parking and driveways, as well as architectural considerations including; scale, mass, height, color, windows, roofs, skylights and rooftop equipment.

The PUD process follows the design review process described above, and runs concurrently with other public review and approval processes required for development projects.

Mill Valley has an Inclusionary Ordinance (Chapter 20.80 of the Zoning Code) that has allowed the City to typically achieve 20 percent affordable units, and a portion of units reserved 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 compared to market rate units. Currently, the decision for the developer to provide on-site affordable units or the payment of an in-lieu fee is decided by the Planning Commission through the conditions of approval.

Table B.12: 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 ≥ 7 units per acre	10% moderate income units 15% moderate income units

The Inclusionary Ordinance has resulted in the integration of 38 affordable rental and ownership units within market-rate developments. The Housing Plan has a policy to continue utilizing the Ordinance as a tool to integrate affordable units within housing developments, and to increase the availability of affordable units within the community.

Pursuant policy direction adopted as part of the 2009-2014 Housing Element, the City has been working with the Zoning and Design Guidelines Advisory Committee (ZDAC), Planning Commission and City Council to re-evaluate key parameters of the City's current ordinance to enhance its effectiveness, including analysis of the following:

- Increasing the percentage of affordable units required from 15% to 20%-25%;
- Reducing the project size threshold when projects are required to provide affordable units rather than being permitted to pay an in-lieu fee;
- Requiring deeper income targeting to address affordability for very low and low income households;
- Consideration of replacement unit requirements for removal of existing rental units;
- Requiring greater parity in development and design standards between project affordable and market-rate units;
- Extending affordable housing impact fees to single-family homes;
- Updating the current housing in-lieu fee calculation based on a nexus study and to more closely reflect the actual gap between market rate and affordable units;
- Modification to a fee-based program for rental housing with on-site and off-site alternatives 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.

8. Fees and Exactions

Government Code Section 65583(a) requires "An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels...including...fees and other exactions required of developers, and local processing and permit procedures..."

Housing development is typically subject to two types of fees or exactions: permit processing fees for planning and zoning; and impact fees or exactions, imposed to defray all or a portion of the public costs related to the development project. These fees and exactions can impact the cost, and feasibility of housing development and its affordability, and involve issues of private property rights. High planning and site development fees can impact property owners' ability to make improvements or repairs, especially for lower-income households. Development projects are subject to fees and exactions from a growing number of public entities, ranging from special districts to regional agencies.

For both processing fees and impact fees, State law specifies procedural and nexus requirements:

- Government Code Section 66020 requires that planning and permit processing fees do not exceed the reasonable cost of providing the service, unless approved by the voters; agencies

collecting fees must provide project applicants with a statement of amounts and purposes of all fees at the time of fee imposition or project approval.

- Government Code Section 66000 et. seq. (Mitigation Fee Act) sets forth procedural requirements for adopting, and collecting capital facilities fees and exactions, and requires they be supported by a report establishing the relationship between the amount of any capital facilities fee and the use for which it is collected.

In terms of cost of development, fees can be a more significant factor than processing time. Particularly since Proposition 13, cities are concerned with the need to recover processing costs. Mill Valley has a sliding scale fee system for a Design Review Permit based on project costs between \$50,000 and \$1,000,000, and a flat fee system for other planning fees. However, the City charges an hourly rate for additional staff time beyond the first five to ten hours, depending on the type of permit. This approach aims to avoid disparity between controversial projects and less controversial projects, where the nature or complexity of a project may attract a higher level of community input, Planning Commission discussion, and staff time. Projects with features addressing community and neighborhood concerns may result in less processing time. However affordable housing projects are likely to be some of the most controversial projects and result in the increased costs from staff time.

In Mill Valley permit costs can vary substantially from site to site depending on site conditions, location and the type and design of development. Because much of the remaining developable land is subject environmental constraints and moderate to severe public health and safety constraints, detailed soils reports, engineering and design studies are often required and California Environmental Quality Act (CEQA) review may be necessary.

The processing time for multi-family projects is dependent on whether an Environmental Impact Report (EIR) is required. Mill Valley follows the procedures set forth in the CEQA Guidelines. Sites on the upper slopes of Mill Valley that may be available for housing would be more expensive to develop due to known geotechnical and access problems. Environmental protection requirements, including protection of endangered species, may add time to the development process and additional cost where it is necessary to evaluate the effects of the project and mitigate adverse impacts. Fees charged by the City for CEQA processing cover the City's processing costs.

CEQA Section 15332 ("Infill Development Projects") allows the City to categorically exempt from CEQA review infill development consistent with the Mill Valley General Plan and Zoning requirements. In instances where CEQA Section 15332 would not apply, the City will consider using the area-wide Environmental Assessment or Program EIR for the Miller Avenue Precise Plan for assessing area-wide infrastructure and other potential off-site impacts to expedite the processing of subsequent affordable housing development proposals.

Mill Valley also charges building permit fees according to a sliding scale based on the valuation (labor and materials) of the project which again can vary dramatically based on the project location. In addition to these fees, the City charges plan check fees up to 65 percent of the prescribed building permit fee, a General Plan Maintenance fee and a Technology fee each charged at 15% of the applicable building permit fee, a Planning and Development fee of \$225 for the first bedroom and \$150 for each additional bedroom, and a Road Impact fee of 1% of the

project valuation for any permit issued with a valuation of \$10,000 or more is collected to fund improvements to the city's roadway system. A Drainage Fee, in effect since the 1960's, which funds citywide drainage improvements is assessed once on every parcel in the city and is triggered by a permit with a valuation of \$5000+. The City also charges various fees for drainage, plumbing, mechanical and electrical permits, and a seismic fee for residential projects at \$0.10 per \$1,000 of valuation. In addition to these City fees, project applicants pay School District fees and water and sewer hook-up fees directly to the responsible agencies.

Table B.13 below summarizes the Planning, Building and Public Works fees collected by the City. 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. Pursuant to Municipal Code Section 5.32, the City provides a 50% reduction in City fees, licenses and taxes for units provided at levels affordable to and occupied by lower and moderate income households. An example of use of these affordable housing fee reductions is in the extensive structural renovations being conducted by EAH on the 75 unit Shelter Hill Apartment, with the 50 percent reduction in fees equating to just under \$65,000.

Table B.13: City of Mill Valley Planning and Building Fees

Planning Fees	Design Review - varies valuation from \$50,000 – \$100,000+		\$602 ¹ --\$1,890 ²
	Second Unit Permit		\$820 ¹
	Variance		\$990 ²
	Conditional Use Permit		\$990
	Master Plan		\$1,290 ² + \$50/lot or unit
	Precise Development Plan		\$860 ¹ + \$50/lot or unit
	General Plan Amendment/Rezoning		\$1,075 ²
	Environmental Review - Categorical Exemption		\$165 ¹
	Negative Declaration - Staff Preparation		\$535 ¹
	Environmental Impact Report - Consultant Preparation		\$ 535 ¹ + 15% of contract
	Lot Line Adjustment		\$775 ¹
	Tentative Subdivision Map (4 or less parcels)		\$880 ¹ (min.)
	Tentative Subdivision Map (5+ parcels)		\$1,315 ¹ (min)
	Extension of Map		\$775 ¹
	Certificate of Compliance		\$535 ¹
	Un-merger (staff review)		\$108
	Un-merger (ZA/PC review)		\$645 ¹
	Appeal		\$250
Building Fees	Building Permit Fees (based upon total valuation)*		
	\$1 to \$50,000	\$26 - \$756	
	\$50,001 to \$500,000	\$755 - \$1,205	
	\$100,001 to \$500,000	\$1,169 - \$3,969	
	\$500,001 to \$1,000,000	\$3,822 - \$6,822	
	\$1,000,001 and up	\$6,630 - \$11,630 (based on a valuation of \$2,000,000)	
	General Plan Maintenance	15% of Basic Permit Fee	
	Technology	15% of Basic Permit Fee	
	Plan Check	Up to 65% of Basic Permit OR cost +overhead for consultant inspections	
	Building Standards Administration	\$4.00 per \$100,000	

	Downstream Drainage ³	Per Acre	>Acre
	Varies by district	\$160 - \$680 410	\$80 - \$ 340
	Microfilm	\$11 first sheet + \$2 per additional sheet	
	Planning & Development Fee Per Bedroom ⁴	\$225 for the first bedroom; \$150 for each additional bedroom	
	Road Impact Fee	1% of valuation	
	Electrical Permit	\$22 + .05/square foot - \$53.00 minimum	
	Mechanical/Plumbing Permit	\$21.53 + various fees per unit - \$53 minimum	
	Inspections	\$86.50/hour OR cost +overhead for consultant inspections	
	Seismic	\$10/per \$100,000 valuation - Per State Strong Motion Instrumentation Program	
Public Works Fees	Revocable Encroachment Permits	\$70 per day minimum, or 2% of right-of-way work.	
	Grading Permit	50 cubic yards or less	\$100
		51-100 cubic yards	\$150
		101-1,000 cubic yards	\$150 for 1 st 101 cubic yards, \$15 for each additional 100 cubic yards
		1,001-20,000 cubic yards	\$285 for 1 st 1,001 cubic yards, \$10 for each additional 1,000 cubic yards
	Plan Checking	Record of Survey	\$200
		Lot Line Adjustments	\$200
		Parcel Maps	\$500
		Subdivision	\$500 + \$20 per lot
		Construction plan (work in right-of-way over \$25,000)	2% of value of right-of-way work, or \$100 per sheet.
	Watercourse Modification Permits	4% of value of work, for plan review, permit administration and inspection.	
	Residential Parking Permit	\$20 a year; \$10 after August 1.	

¹Includes first 5 hours of Planning staff time, additional time at \$65/hour

²Includes first 10 hours of Planning staff time, additional time at 65/hour

³For permits with \$5,000 valuation and over if not paid at subdivision

⁴ Excise tax charged on building permits for new residential development having separate kitchen and bathroom facilities.

Source: City of Mill Valley Planning Fee Schedule, updated August 4, 2010; Building Fee Schedule updated December 2, 2011; Public Works Fee Schedule updated June 2008.

The 2009 Marin Housing Workbook provides a comparison of development fees among jurisdictions throughout the County, based development of two prototypical projects: a single-family home, and a ten unit condominium project. Table B.14 provides a summary of these fees in Mill Valley, and compares with the average fee amounts countywide. As indicated, total fees for development of a single family home in Mill Valley were calculated at approximately \$45,000, slightly below the \$47,000 average among all jurisdictions countywide. For the ten unit condominium prototype, total fees ran \$33,000 per unit both in Mill Valley and countywide.

In summary, Mill Valley's development fees represent a small fraction of the cost of development, are comparable to or less than the average among jurisdictions countywide, and do not represent a significant constraint to the development or improvement of housing. In

addition, the City provides a significant 50 percent reduction in fees to offset the cost of providing affordable housing.

Table B.14: Total Fees for Prototypical Single and Multi-Family Projects

Fee Category	Single Family House		10 Unit Condominium	
	Mill Valley	County Average	Mill Valley	County Average
Planning & Building Fees	\$11,567	\$11,125	\$83,399	\$56,467
Impact Fees	\$7,800	\$10,524	\$68,000	\$93,757
Subtotal: City Fees	\$19,367	\$21,649	\$151,399	\$150,224
Water Fees	\$14,141	\$15,054	\$102,890	\$100,219
Sewer Fees	\$4,000	\$6,615	\$40,000	\$59,164
School Fees	\$7,128	\$5,503	\$35,640	\$27,911
Subtotal: Non-City Fees	\$25,269	\$24,984	\$178,530	\$176,546
Total Project Fees	\$44,636	\$46,633	\$329,929	\$326,770
Total Fees per Unit (rounded)	\$45,000	\$47,000	\$33,000	\$33,000

Source: Marin Housing Element Workbook, compiled in 2009

9. Code Enforcement and Off-site Improvement Standards

Government Code Section 65583(a) requires “An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels,...including land-use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures...”

Mill Valley complies with the California Health and Safety Code 17980(b)(2). - “In deciding whether to require vacation of the building or to repair as necessary, the enforcement agency shall give preference to the repair of the building whenever it is economically feasible to do so without having to repair more than 75 percent of the dwelling, as determined by the enforcement agency, and shall give full consideration to the needs for housing as expressed in the local jurisdiction's housing element.

Mill Valley uses the Uniform Building Code (UBC) which sets minimum standards for residential development and all other structures. The City has made one amendment to the Code applicable to residences, requiring non-combustible fire-retardant roofs, a water supply meeting ISO (Insurance Service Office) standards, and minimum driveway widths (12 to 16 feet wide where feasible) in areas with high fire hazards (long response times, hazardous brush, poor access and steep slopes). The City's sewer, storm drain, and other engineering standards conform to Marin County standards, and the City requires only minimum road widths and improvements in new developments.

Mill Valley's Building Code enforcement practices are complaint-driven, as are those of 70% of the local governments surveyed by the State Department of Housing and Community Development (HCD). Code Enforcement practices allow the City to rehabilitate any buildings that are not up to code.

Improvement requirements for development in Mill Valley are limited, as the city is mostly subdivided, and streets and utilities are mostly already in place. Several large undeveloped parcels zoned Planned Residential (RP) and Planned Single-Family Residential (RSP) remain, comprising 38 acres on 27 parcels in the RP Zoning District, and 136 acres for 26 parcels in the RSP Zoning District, or a total of 174 acres. However, much of the remaining undeveloped land is constrained by limited site access, utilities, sewer and drainage facilities, and may only be suitable for single family residences at low densities. According to the General Plan, these 174 acres could support 53 new single family residences if none were subdivided.

For new residential development the City requires standard utility connections, for sewer, water and stormwater runoff. Mill Valley requires sidewalk improvements on a case-by-case basis as part of the conditions of approval. The City does not typically grant waivers for financial hardship, and also does not typically require the undergrounding of overhead utilities.

To be eligible for water service, a property must be in close proximity to an existing water main. A water hook-up fee of about \$14,141 is required for new single-family housing by the Marin Municipal Water District. This fee can be a disincentive for the construction of new second units.

10. Roads

Mill Valley's streets are constrained by the city's hillside topography, narrow widths and inadequate parking. The steep and winding terrain generally makes road widening impractical. Access by emergency vehicles, including fire trucks, is constrained along many streets in the city.

The City collects a road impact fee for any permit issued with a valuation of \$10,000 or more. This fee has been in effect since 2004 and is equal to one percent of the valuation of the permit. The fees collected are not specific to the street in which the work is being performed, but are deposited into a fund that helps the Department of Public Works maintain all roadways in Mill Valley. The road impact fee for a typical single family home would be \$5,000 while the fee for a 10 unit condominium project would be \$40,000.

11. Sewer System

Many cities in California have sewer infrastructure challenges, but Mill Valley is in a unique and especially urgent situation. In 2008 the US Environmental Protection Agency issued an Order of Compliance to the Sewerage Agency of Southern Marin (SASM) including the City of Mill Valley to "consistently and substantially reduce the frequency and volume of sewage spills to waters of the United States" and to "complete improvements necessary to eliminate conditions in its collection system that cause or contribute to wastewater spills from SASM's collection system or wastewater treatment plant" and "achieve consistent compliance with its 2007 NPDES Permit" (Sewage Spill Reduction Action Plan 2010).

Nearly all of the spills in Mill Valley are caused by sewer pipe blockages resulting from roots growing into cracks in the sewer pipes. The city has over 59 miles of gravity sewer pipe and nearly 90% are made of vitrified clay which has likely deteriorated over the years making the pipes susceptible to blockage caused spills. Approximately half of all the city pipes are over 60 years old and most of the other half is between 30 to 60 years old. The city also has an unusually

high percentage of small diameter sewer pipes that are highly susceptible to blockage. Conditions are further exacerbated by the hilly terrain, shifting soils and dense vegetation, all of which create a difficult environment for aging sewer pipes (Clean Water Act compliance Evaluation Inspection 2008).

Mill Valley's City Council approved a plan in 2012 to raise approximately \$2.4 million a year to fix its aging sewer system, and shifted to a "flow-based" system to charge users based on the amount of water consumed and therefore discharged into sewers. Continued efforts have been pursued by the City to repair and strengthen its sewer system. Recent rate increases have been implemented in order to continue to upgrade the collection system and the treatment facilities and process. System upgrades will improve the efficiency and capacity of the Sewerage Agency of Southern Marin treatment plant. Collection system or treatment plant capacity has not been identified as a constraint on future development consistent with the Housing Element or the General Plan.

12. Housing for Persons with Disabilities

Government Code Section 65583(a)(4) requires: "an analysis of potential and actual government constraints upon the maintenance, improvement or development of housing... for persons with disabilities as identified in the analysis pursuant to paragraph (4) of subdivision (a), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting ... the need for housing for persons with disabilities.

Government Code Section 65583(c)(3) requires the housing element provide a program to "address and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for persons with disabilities. The program shall remove constraints to and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities."

As discussed in Appendix A – Housing Needs Assessment, Census data shows that 12% of Mill Valley's population, age 5 years and over, has a disability (i.e., sensory, physical, mental, and self-care disabilities). Among the city's senior citizens, 31% have disabilities. The analysis acknowledges the wide range of housing needs due to the differing disabilities.

A goal of the Fair Housing Act is to ensure that a city's development regulations and Zoning Ordinance do not create barriers to housing for persons with disabilities. In Mill Valley, where the majority of residential properties are developed, this means allowing for building modifications that will adapt a home to meet the special housing needs of persons with disabilities.

Given the steep topography of the community, access to homes can be difficult to those persons with disabilities. Compounding the issue, it is often difficult for sites to be developed with a single-level only residence due to the steep terrain. The Planning Commission has approved hill elevators in the past without counting the area for the elevator structures towards the allowable floor area ratio. ADA compliant ramps are reviewed as part of Building Department review and exceptions have been made for ramps to encroach into required setbacks.

As described in detail in Appendix A, Section E-2, the City does not restrict the siting of group homes nor require a minimum distance between group homes. Group homes with six or fewer residents are permitted by right in single-family zones, consistent with State requirements. New or significantly remodeled group homes are required to go through the design review process, as is any residential development, and obtain approval by the Planning Commission. Administrative review of requirements for exceptions to zoning standards is provided. Mill Valley allows displacement of required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for any development, including housing for the disabled, wherever reduced need can be demonstrated. The Building Department administers Title 24 provisions consistently for all disabilities-related construction and responds to complaints regarding any violations. To go beyond minimum accessibility requirements, the Housing Element sets forth Program #30, Universal Design/Visitability, to develop and adopt guidelines encouraging the principles of universal design and visitability.

Mill Valley's Zoning Ordinance now specifies that small residential facilities (6 or fewer clients) are permitted by right in the RS and RM zones, and conditionally permitted in the CG zone, while large residential facilities (7 or more clients) are permitted as a conditional use within the RM and CG zoning districts. The City has also added an inclusive definition of "family" to the Zoning Ordinance that accommodates different household types and unrelated persons living together.

In November 2005, the City adopted Chapter 20.85 of the Municipal Code, providing a formal procedure for requesting a reasonable accommodation for persons with disabilities. More specifically, the Code states that any person may make a request on behalf of a disabled individual for a "modification or exception to the rules, standards and practices for siting, development and use of housing or housing-related facilities to eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice." Furthermore, the Code includes the following broad definition of disability to include "a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such an impairment, or anyone who has a record of such an impairment." Reasonable accommodation requests are reviewed ministerially and acted upon by the Zoning Administrator, unless such request is filed with an application for another approval, in which case it is acted upon concurrently.

C. Non-Governmental Constraints

Government Code Section 65583(a)(6) requires “An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.”

Although nongovernmental constraints are primarily market-driven and generally outside direct government control, localities can significantly influence and offset the negative impact of nongovernmental constraints through responsive programs and policies. Analyzing specific housing cost components including the cost of land, construction costs, and the availability of financing assists the locality in developing and implementing housing and land-use programs that respond to existing local or regional conditions. While the cost of new housing is influenced by factors beyond a locality’s control, local governments can create essential preconditions (favorable zoning and development standards, fast track permit processing, etc.) that encourage and facilitate development of a variety of housing types and affordable levels.

State law requires an analysis of potential and actual non-governmental constraints to the maintenance, improvement, and development of housing for all income levels. The Housing Element must identify these constraints and ways, if any, to reduce or overcome these constraints in order to meet the city’s housing needs.

1. Market Constraints

Land and construction costs represent the most significant barrier to the construction of new affordable housing. Construction costs vary widely according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, there is wide variation within each construction type depending on the size of unit and the number and quality of amenities provided. The major contributors to the cost of land are the amount of land available, the density of residential use allowed, location, suitability of the land for construction (aka “buildability”), availability of community services, and attractiveness of the neighborhood. The upward pressures on land value are so strong that it more than off-sets the extra costs involved in building on Mill Valley’s steep terrain.

Development costs in Mill Valley are higher than in comparable communities because most remaining lots have problems with steep slopes, irregular topography, bay mud, or slide-prone areas. The technical and engineering costs of mitigating these factors on remaining sites are likely to be particularly high because those are the sites that have been skipped over in the past precisely because of the difficulty and high cost of development. Vacant land within the city is extremely limited² and development costs can also vary based on factors such as the location and the permitted density.

² According to the Marin Economic Commission’s Marin Profile 1999: A Survey of Economic, Social and Environmental Indicators, 84 percent of land area in Marin is designated for agriculture, park lands and open space and watershed. Of the remaining land, 11 percent is developed and five percent is listed as potentially developable (Marin Countywide Housing Element Workbook).

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, and equal access to financial institutions.

a. Land Costs

An 8,308 square foot vacant parcel in Mill Valley in the RS-20 zoning district (Residential single Family – 20,000 SF minimum lot size) recently sold for \$280,000, or \$33.70 per square foot. In Marin County, land costs average around 15-20 percent of construction costs for multifamily developments, and are generally high because the county is considered a desirable place to live in. Vacant land is also in fairly limited supply in Mill Valley. Even though land costs for single family homes vary widely throughout the county, the costs (as a percentage) are significantly higher than for multifamily developments.

b. Construction Costs

Construction factors such as the type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration can increase the cost of housing. In general, multi-family housing is less expensive to construct than single-family housing. However, construction costs vary significantly, depending on the size of the unit and the number and quality of amenities offered. This can include items such as fountains, swimming pools, underground parking, gyms, and other less obvious costs such as the quality of appliances and interior finishes (flooring, light fixtures, and cabinetry).

Construction costs include both hard costs, such as labor and materials, and soft costs, such as architectural and engineering services, development fees and insurance. For multifamily homes in Marin County, hard costs account for 60-70 percent of the building cost and soft costs average around 15-20 percent (the remaining 15-20 percent is land costs). Based on recent multifamily developments in the county, hard costs are currently between \$250 and \$400 per square foot for a multifamily unit (Marin Countywide Housing Element Workbook, EAH Housing interview).

For single-family homes, hard costs often are roughly 40 percent of the total construction cost, soft costs are 20 percent and land is the remainder. In the region, single family homes cost roughly \$125 per square foot for a two story house and \$160 for a three story home.

With construction and land costs added together, total multifamily unit development costs rise to \$300 to \$500 per square foot, or between \$400,000 and \$500,000 per unit. These high costs reflect the high cost of land and the expensive finishes which are typical in Marin County (Marin Countywide Housing Element Workbook).

One factor affecting costs is the use of prevailing wage labor. Construction costs for a typical apartment complex in the region (45 units per acre, structure parking, 800 square units), are around \$200,000 a unit for prevailing wage labor and \$175,000 a unit for non-prevailing wage labor. Projects receiving public subsidies, such as affordable housing developments, often must pay prevailing wages.

According to the Association of Bay Area Governments, wood frame construction at 20-30 units per acre is generally the most cost efficient method of single family residential development.

However, local circumstances affecting land costs and market demand will impact the economic feasibility of construction types.

Costs can change dramatically over time. From 2000-2007 construction costs were rising faster than inflation. In late 2007 they leveled off and have since been declining (Marin Countywide Housing Element Workbook, EAH Housing interview). In late 2008 and early 2009, construction costs dropped roughly ten percent.

Though construction costs comprise a large portion of the total development cost of a project, these costs are fairly consistent throughout the county and therefore would not constitute an actual constraint on housing production in Mill Valley.

2. Mortgage and Rehabilitation Financing

Historically, communities have experienced a pattern where households seeking to finance the purchase of a home have had more difficulty in lower-income neighborhoods. The Community Reinvestment Act was passed in 1977 in an effort to address this issue. In tandem with the Home Mortgage Disclosure Act (HMDA), lending institutions are required to make annual public disclosures of their home mortgage lending activity. This applies to all loan applications for home purchases, improvements, and refinancing, whether financed at market rate or with government assistance. The most current HMDA available data for Mill Valley is for 2011.

Affordable housing developments face additional constraints in financing. Though public funding is available, it is allocated on a highly competitive basis and developments must meet multiple qualifying criteria, often including the requirement to pay prevailing wages. Smaller developments with higher per unit costs are among the hardest to make financially feasible. This is because the higher costs result in a sale price that is above the affordability levels set for many programs. Additionally, smaller projects often require significant inputs of time by developers, but because the overall budget is smaller and fees are based on a percentage of total costs, the projects are often not feasible (Marin Environmental Housing Collaborative).

a. Mortgage Financing

Until mid-2008, home mortgage financing was readily available at attractive rates throughout Marin County and California. Rates varies, but ranged from around 6.25 percent to seven percent between 2006 and 2008 for a 30 year fixed rate loan. However, rates have been as high as ten or 12 percent in the last decade.

The continued economic recession, combined with stagnant home prices and tighter lending standards has resulted in a significant slowdown in mortgage lending activity. Beginning in late 2008, it became harder to get a home purchase loan, although at the same time mortgage interest rates continued to drop, and are currently under four percent. In particular, people with short credit history, lower incomes or self-employment incomes, or those with other unusual circumstances, have had trouble qualifying for a loan in the current credit market.

The availability of mortgage financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to those institutions. Through analysis of Home Mortgage Disclosure Act (HMDA) data on the disposition

of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Table B.15 summarizes Home Mortgage Disclosure Act (HMDA) data for both Mill Valley and the greater San Francisco/San Mateo County Metropolitan Statistical Area (MSA), providing information on the approval status of all conventional home purchase and refinance loan applications during 2011.

- Of the total 165 completed applications for home purchase loans in Mill Valley, 93 percent were approved and just 7 percent were denied. This high loan approval rate exceeds that of the San Francisco/San Mateo MSA, which evidenced a loan approval rate of 88 percent.
- The volume of applications for refinance loans in Mill Valley was over five times that of home purchase loans, with 81 percent of the total 882 applications receiving approval and 19 percent denied, comparable to the regional average.

Table B.15: Status of Home Purchase and Refinance Loan Applications 2011

Loan Type	Completed Loan Applications	Loans Approved		Loans Denied	
		Mill Valley	San Francisco/ San Mateo Counties	Mill Valley	San Francisco/ San Mateo Counties
Conventional Home Purchase Loans					
No. of Applications	165	153		12	
% Approval/Denial		93%	88%	7%	12%
Refinancing Loans					
No. of Applications	882	715		167	
% Approval/Denial		81%	81%	19%	19%

Source: Home Mortgage Disclosure Act Data, 2011. Compiled by Karen Warner Associates, Inc.

Note: Approved loans include: loans originated and applications approved but not accepted. Denial rate based on applications that went through complete underwriting process, and exclude applications withdrawn or files closed for incompleteness.

In summary, Home Mortgage Disclosure Act data would indicate that the availability of home mortgage financing has not served as a constraint to home purchase or refinance in Mill Valley.

b. Construction Financing

Construction loans for new housing are difficult to secure in the current market. In past years, lenders would provide up to 80 percent of the cost of new construction (loan to value ratio). In recent years, due to market conditions and government regulations, banks require larger investments by the builder.

Many builders are finding it nearly impossible to get construction loans for residential property at the current time. Complicated projects, like mixed use developments, are often the hardest to finance. Non-profit developers may find it especially difficult to secure funding from the private sector.

Affordable housing developments face additional constraints in financing. Though public funding is available, it is allocated on a highly competitive basis and developments must meet multiple qualifying criteria, often including the requirement to pay prevailing wages. Smaller developments with higher per unit costs are among the hardest to make financially feasible.

3. Community Resistance to New Housing

Another common constraint to housing production in Marin County is community resistance to new developments. There are a number of concerns that are often expressed at meetings, including: 1) new developments will cause increased traffic, 2) additional housing or density will adversely affect the community character, 3) affordable housing will impact property values, and 4) valuable open space will be lost.

Regardless of the concern, vociferous opposition can slow or stop development. Therefore, it is important to identify sites for special needs and affordable housing that fit with community character and have minimum impacts. Design plays a critical role in creating new developments that blend into the existing neighborhood, especially in higher density developments that might otherwise seem out of place. Good design can help ensure that high density developments are not bulky or out-of-scale. Through sensitive design, a building's perceived bulk can be significantly reduced to create a development that blends with the existing character of the neighborhood. Design strategies that minimize the perception of bulk and create a blending with the community do not necessarily increase costs. These include:

- (1) Minimize building heights;
- (2) Break-up the building "mass" in its architecture and detailing (e.g., create several smaller buildings instead of one large building);
- (3) Vary the roofline;
- (4) Create a three-dimensional facade (rather than a massive, flat facade);
- (5) Step-back the building height, with the lowest part of the building towards the street and adjacent properties, locating the highest part of the building towards the center of the property;
- (6) Site the building appropriately in relation to surrounding buildings;
- (7) Use architectural design, landscaping, materials and colors that fit with the area;
- (8) Use landscaping to blend the buildings with the natural setting;
- (9) Provide for open space and pathways throughout the development.

Additionally, at times there is a tension between the desire to provide certain individuals (such as nurses, teachers, law enforcement, etc) preferential access to affordable housing, and Fair Housing Law. In many cases, it is not possible to target housing to select groups. These concerns are often expressed during project review processes and can present significant barriers to development (Marin Countywide Housing Element Workbook).

ENVIRONMENTAL CONSTRAINTS

4. Flooding, Subsidence and Seismic Hazards

Large areas of marshland or bay mud adjacent to Richardson Bay have been artificially filled with an assortment of soil, sand and crushed rock materials and consequently have a high risk of subsidence and liquefaction. Liquefaction occurs when water in ground soil – especially fill – is agitated during the shaking of an earthquake. This water rises and literally makes the soil liquid. Buildings built on liquefaction can literally shake apart because the soil cannot support their structure. According to research conducted since the 1989 Loma Prieta earthquake, U.S. Geological Survey (USGS) and other scientists predict a 62% probability of at least one magnitude 6.7 or greater quake, capable of causing widespread damage, striking the San Francisco Bay region before 2032. The San Andreas Fault lies approximately 5 miles southwest of Mill Valley and the Hayward fault lies approximately 12 miles northeast. Other faults near Mill Valley include the Rodgers Creek fault and Calaveras fault.

A large portion of Mill Valley is subject to flooding due to a combination of factors including periodic heavy winter rainfalls, tidal fluctuations, and potentials for tsunami and dam failure due to seismic activity. Mill Valley drains into the Richardson Bay Drainage Basin mainly by way of Arroyo Corte Madera Del Presidio stream. The stream gradients are exceptionally steep in the upper elevations and level out as the creek continues over alluvial plains and enters the tidal marshlands along the periphery of Richardson Bay. Consequently, the creek often overflows its banks in the lower reaches during periods of heavy rainfall, where significant urban encroachment has occurred. The National Flood Insurance program indicates that the flooding risk is high in this area. In addition, sea level rise, caused by melting land-based ice and the expansion of seawater by thermal warming, is another environmental constraint for Mill Valley. The Bay Conservation and Development Commission (BCDC) has determined that areas of Mill Valley are expected to experience a 16 inch rise in sea level by 2050 and a 55 inch rise by the end of the century.

5. Geographical Constraints

Mill Valley is located between the upper end of Richardson Bay and the southeast face of Mt. Tamalpais. The city is defined by several steep ridges that extend down toward the Bay from the 2,570 foot elevation of Mt. Tamalpais. Several streams which originate on the flanks of Mt. Tamalpais descend through the city and drain into Richardson Bay. Much of the city is characterized by steep topography with slopes of 50% or greater. The low-lying flat lands at the tip of Richardson Bay consist of artificial fill underlain by bay mud.

Slope stability is a recurrent problem and can result where excavations (cut slopes) are made into hillsides, triggering instability. Underground springs, and seasonal and permanent streams also limit the availability of developable land.

6. Fire Hazards

Fire danger and magnitude in Mill Valley is very high, due to its location on the southern slopes of Mount Tamalpais and the dense tree cover of its narrow wooded canyons, of mostly of second growth redwoods. The Muir Woods National Monument is located just outside the city limits.

Mount Tamalpais presents and enormous fire problem for the communities surrounding the mountain. The potential magnitude of a fire affecting the surrounding communities has been documented many times. The Fire Departments and Fire Districts that ring Mount Tamalpais, and have Local Response Area (LRA) responsibility, have traditionally utilized and alarm matrix system for the dispatch of resources. The Marin County Fire Department, as a Contract County for Cal Fire responsible for the State Response Area (SRA), utilizes Type and Number dispatching based on current and predicted fire danger. A fire in the Mount Tamalpais Mutual Threat Zone would result in a deployment of resources of both LRA and SRA.

7. Prehistoric Cultural Resources

Numerous archaeological resources of the Miwok Indians including remnants of cultural activities, major villages, and seasonal encampments, are recorded in Mill Valley. They include; a site at the base of Shelter Ridge adjacent to Goodman's Marsh, two seasonal homes sites located to the southeast of Alto Hill, three shell mound sites on Alto Hill and numerous other sites in the Alto Hill area, two sites located to the southeast of Kite Hill, and numerous other sites to the east of Kite Hill in the Scott Valley and Alto area.

Native American burial grounds are protected under the California environmental Quality Act, and state-wide law protects these locations.

8. Endangered and Threatened Species

The City of Mill Valley is 4.8 square miles total, of which approximately 0.1 square mile is water (Source: Census Bureau). Mill Valley's 4.7 square miles of land is bound by sensitive eco-habitat for endangered and threatened species. Beyond the city limits are vast public lands including Mount Tamalpais State Park, the Golden Gate National Recreation Area (GGNRA), the Marin Municipal Water District watershed lands and the Point Reyes National Seashore. The city's small size and proximity to endangered and threatened species habitat is a constraint when considering construction.

Mill Valley's native biotic resources include redwood groves, mixed stands of broadleaf evergreens (madrone and others), oak woodland (Coast live oak), chaparral, coastal scrub, grasslands, marshes and mudflats. Natural resources along the community's edges are protected in a series of open space preserves: Blithedale Summit, Camino Alto, and Alto Bowl to the north and Bothin Marsh to the southeast. Mill Valley is interwoven with a complex network of six creeks (Arroyo Corte Madera del Presidio, Old Mill Creek, Cascade Creek, Warner Creek, Ryan Creek, and Sutton Manor Creek) that drain the watershed into Richardson Bay. The wetlands in Bothin Marsh Preserve, in the northwestern portion of Richardson Bay, along with those in Corte Madera, represent the majority of the tidal marsh habitat of west-central San

Francisco Bay. Richardson Bay, one of 148 Important Bird Areas in California (Daniel s. Cooper, 2004), provides refuge for thousands of waterfowl during high tide and shorebirds during low tide, including three sensitive species: Long-billed Curlew, San Pablo song Sparrow, and San Francisco Clapper Rail (City of Mill Valley General Plan Workbook, May 2012).

Richardson's Bay is a major sub-tidal spawning area for Pacific herring. The flora and fauna of Richardson's Bay waterfront includes Eelgrass, many bay fish and invertebrates, and bird species such as the California least tern. Further degradation of eelgrass bed health will have a negative impact on bay fish, invertebrates, and some bird species as well as potential financial impacts on fisherman. The Richardson's Bay is especially susceptible to water pollution due to its enclosed shape, shallowness, and minimal tidal flushing action.

According to the California Department of Fish and Game's Natural Diversity Data Base (NDDDB) list of rare species, five threatened or endangered plant species and six animal species are located within the San Rafael Quadrangle encompassing the Mill Valley planning area. Plant species include the Santa Cruz tarplant, white-rayed pentachaeta, showy Rancheria clover, Marin western flax and North Coast semaphore grass. Animal species include the California black rail, California Clapper rail, Coho salmon-central California coast ESU, tidewater goby, salt marsh harvest mouse and San Bruno elfin butterfly.

9. Impact of Environmental Constraints on Development

In summary, while Mill Valley is subject to the environmental constraints described above, the City's General Plan sets forth a series of actions to minimize these constraints. Mill Valley incorporates this knowledge into its land use planning and development review processes.

The City will also consider using the area-wide Environmental Assessment or Program EIR for the Miller Avenue Precise Plan for assessing area-wide infrastructure and other potential off-site impacts to expedite the processing of subsequent development proposals. Program EIRs are based on the concept of "tiering", which means that as project proposals are made on specific sites, the need for additional environmental analysis will be determined. If a proposed project has the potential for impacts which exceed those discussed in the Program EIR, additional environmental analysis is required.

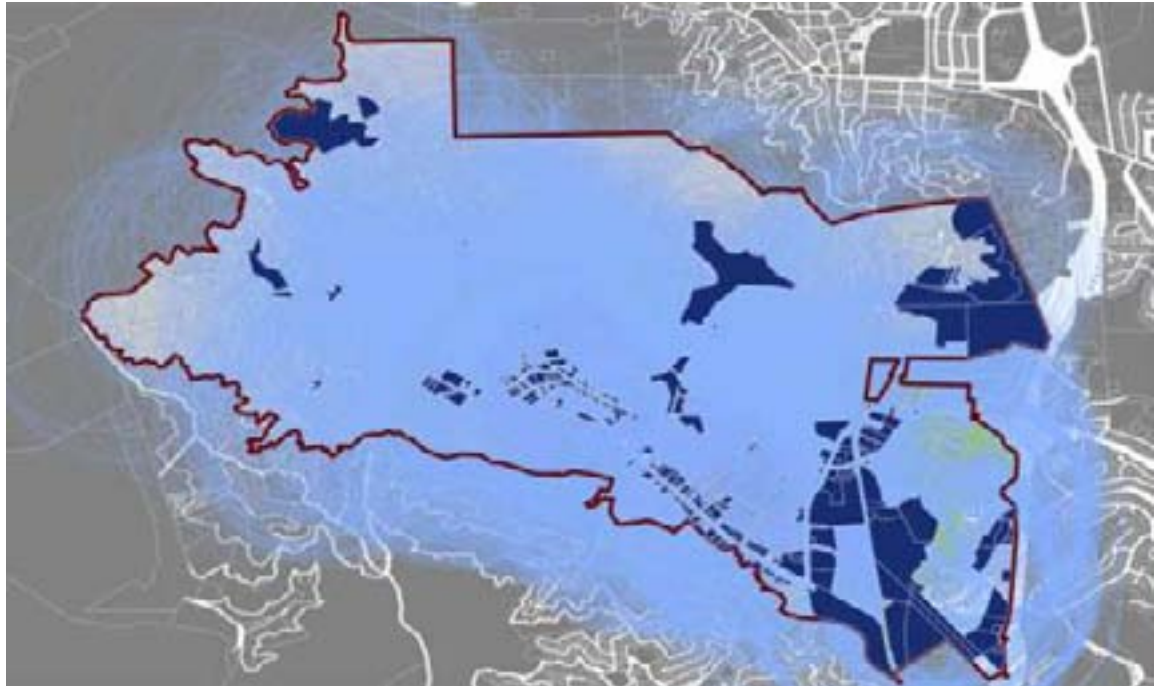
10. Impact of Sustainability Factors on Development

Boundary Solutions, Inc. of Mill Valley prepared four maps to reflect sustainability factors and their potential relationships to housing in Mill Valley. The sustainability factors picked were condensed and adapted from the "Six Livability Principles" developed by the Office of Sustainable Housing and Communities, a Program Office for the U.S. Department of Housing and Urban Development. The Six Livability Principles broadly discuss the expansion of choices for transportation and location, to reduce such costs on households and strengthen communities economically. These factors include:

1. the location of transit relative to housing,
2. the location of amenities relative to housing, and
3. the solar potential of housing sites (to promote energy-efficient housing choices).

The four maps below illustrate how these sustainability factors could potentially affect the provision of housing. As described in Program #32 in the Housing Element, should any residential or mixed use projects compete for funding, these maps could help determine and prioritize parcels that are more walkable. The solar map below supports Program #34 to determine parcels that have higher solar potential.

Figure B.1: Destinations in Mill Valley and Relationship to City Parcels

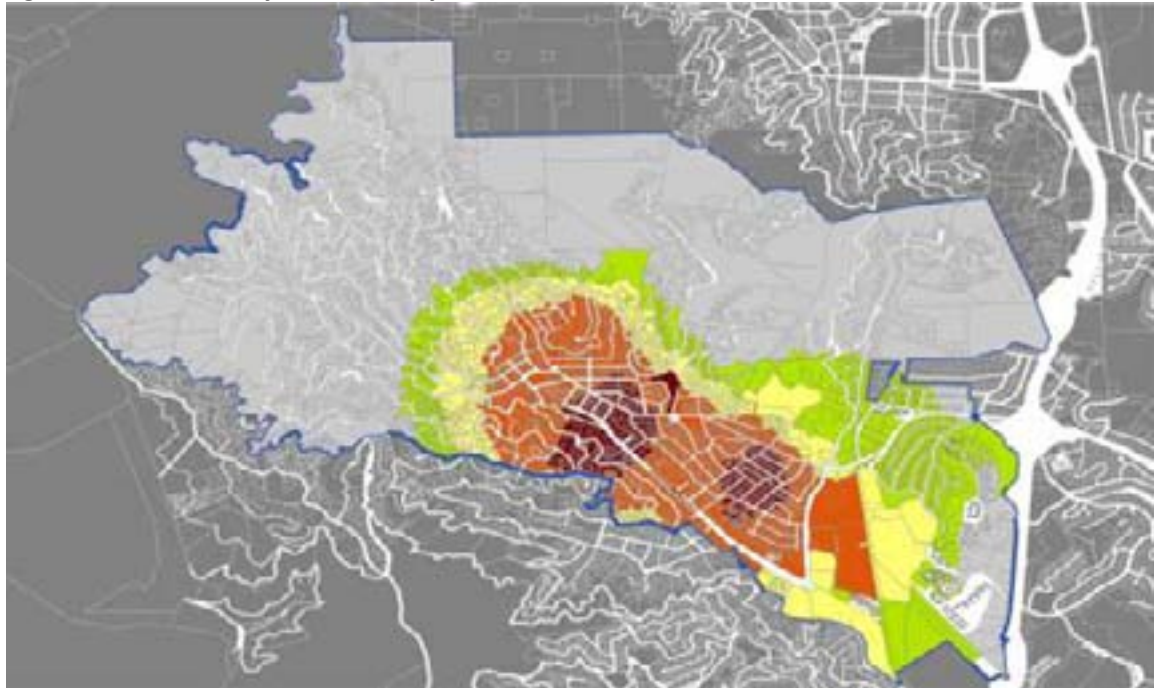


Legend

- Destinations
- Half-mile distance from every parcel in the city

Figure B.1 highlights the location of commercial and public facility parcels (C-G, C-F, C-R, C-N), primarily along Miller Avenue, East Blithedale Avenue, and also certain open space amenities. These locations are noted as “destinations” that residents would need to or wish to travel to on a regular or frequent basis (for example, going to a supermarket for groceries). This map shows that most of Mill Valley is within a half-mile distance from an amenity, but the central and southeastern areas in particular are in closest proximity to such amenities.

Figure B.2: Walkability in Mill Valley



Legend

Walkability: Total Destinations within half a mile






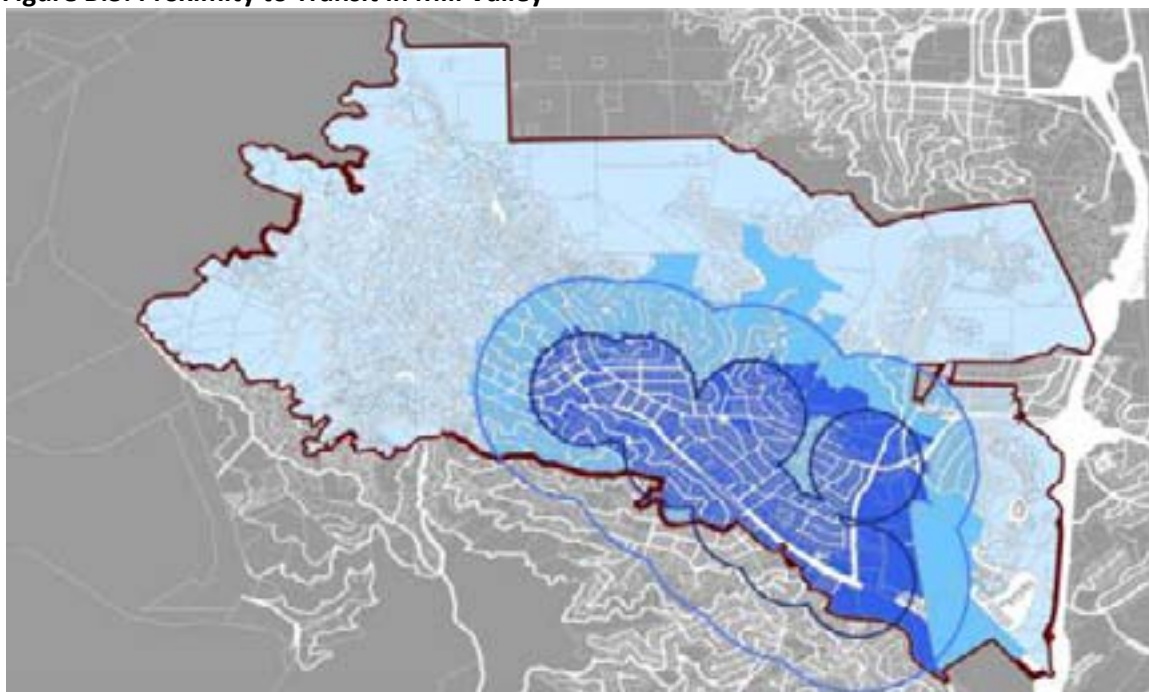
	1 - 30
	31 - 60
	61 - 90
	91 - 120
	121 - 145

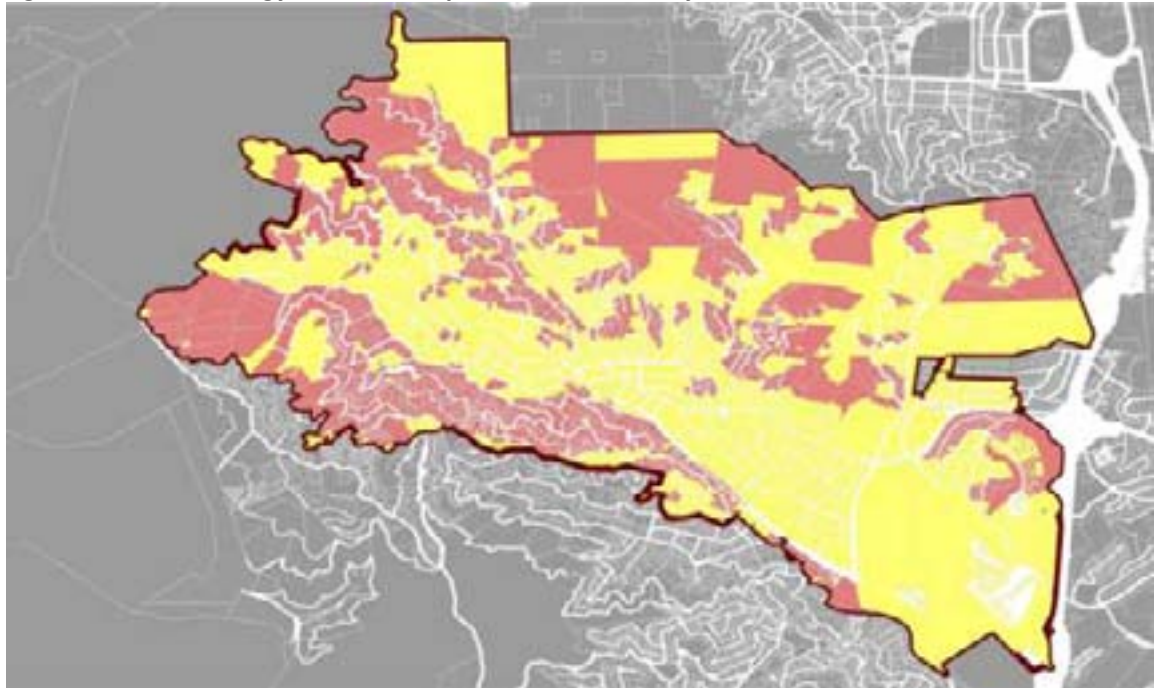
Figure B.2 adds additional information to the relationship between destinations and parcels within Mill Valley by showing how many destinations are within reach of each parcel in the city. The parcels in darker colors have the most amenities within a half-mile distance, indicating a higher “walkability”, or accessibility of amenities on foot due to their close proximity.

Figure B.3: Proximity to Transit in Mill Valley**Legend****Distance from Transit**

- Less than a half mile from transit
- Less than a quarter mile from transit
- Not near transit

Figure B.3 shows the parcels in the city that are closest to transit (bus stops and lines). The parcels that are best served by transit are concentrated in the downtown and commercial areas.

Figure B.4: Solar Energy Potential of parcels in Mill Valley



Legend

Solar Energy Potential



Low

Medium to High

Generally, south-facing parcels in California have a higher solar energy potential. Figure B.4 was derived from the Relative Solar Energy Map, from MarinMap.

Sources:

- Mill Valley Municipal Code
- Mill Valley 2040 General Plan
- Mill Valley 2009-2014 Housing Element, October 2013
- Marin Countywide Housing Element Workbook
- Affordable Housing Finance Basics, Marin Environmental Housing Collaborative, November 2007.
- Inclusionary Zoning Ordinance In-lieu Fee Analysis, Submitted to Marin County, March 2008. Prepared by Vernazza Wolfe Associates, Inc.
- Ecumenical Association for Housing (EAH) interview
- Development Advisory Services, Inc. interview
- North Bay Family Homes interview
- Maps prepared by Boundary Solutions, Inc. of Mill Valley
- Relative Solar Energy Map from MarinMap

Appendix C. Housing Capacity Analysis

Background

The following analysis was conducted in order illustrate the City of Mill Valley's realistic housing capacity to meet the City's Regional Housing Needs Allocation (RHNA) requirement, as mandated by State law.

The analysis estimates the number of possible units that could be developed during a RHNA cycle based on existing zoning. State Housing Element law requires jurisdictions to provide an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

Methodology

The capacity analysis aims to meet State mandates, achieve California Department of Housing and Community Development (HCD) certification, and also reflect the values of the community. Hence, the proposed methodology for the residential capacity analysis recognizes Mill Valley's current development patterns, existing zoning districts that allow residential development, the city's unique small-town character, and the desire to preserve and strengthen the community's history, character and overall sense of place.

"Default density" is a feature of state law and is a very important component of the methodology for the capacity analysis. The RHNA is divided into different income levels, as a jurisdiction needs to show its intent to provide housing for households of various income levels (the Association of Bay Area Governments, or ABAG, determines the calculation methodology and number of units per income category). In order to assess this from a planning perspective, a "default density" is assigned to determine the number of units that could be counted in individual income categories. Generally speaking, the higher the potential density of a site, the lower the income level it will be assigned to. However, this does not mean that the site will automatically be developed in the future at its assigned income level, or even at its projected density.

For Mill Valley, sites with zoning designations that allow residential development at a density of at least 20 dwelling units per acre (du/ac) are categorized as affordable to very low and low-income households. Sites with unit potentials of at least 10 du/ac but less than 20 du/ac are considered affordable to moderate income households, and sites with unit potentials lower than 10 du/ac are considered affordable to above-moderate income households only.

This analysis does not imply that any of the units would be built in the future, or that any of the sites or units are "pre-approved" for development. All future projects must go through planning and environmental review (California Environmental Quality Act) processes as established by the City and the State. This capacity analysis is a strategy that looks at the community as it is today, applies the existing development rules, and calculates the resultant number of housing units that could reasonably be provided. While this analysis assumes no change in existing zoning designations or standards, policies and programs included in the Housing Element could potentially include changes in development standards.

A. Capacity Analysis

Assumptions

All parcels in the city that allow residential development under current zoning were analyzed for residential development capacity towards fulfilling the RHNA. In order to make this a meaningful exercise for this Housing Element Update, several criteria were developed in order to rank and identify properties that have realistic development potential in the near future (see list below).

This analysis yielded two groups of parcels: parcels that have a higher realistic residential development potential in the future, and others that have lower potential. The term 'realistic potential in the near future' applies to:

- a) Parcels with single-family residential zoning designations, that currently have no living units on site, meet all of the criteria below and could reasonably develop one living unit (Accessory Dwelling Units/Second Units are not counted under this capacity analysis, but are counted under a different option to fulfill the RHNA);
- b) Parcels with multi-family or commercial zoning designations (that allow residential development), that may have an existing use on the site, meet all of the criteria below, and could reasonably develop two or more additional residential units.

1. Criteria for Realistic and Near-term Development Potential

The criteria applied to the parcels are listed below. Parcels that were determined to have realistic potential in the near future:

- i. **Had an average slope of less than 50% in commercially zoned areas and less than 70% in residentially zoned areas.** As several homes in the single-family districts are built on relatively steep slopes, the slope cut-off for single-family districts is higher than the slope cut-off for multi-family districts and all other districts, where a higher density would be more difficult to achieve with steeper slopes. A 100% slope refers to a 45 degree slope, and a 50% slope is approximately a 27 degree slope;
- ii. **Had ready access to roads and were not landlocked.** Easements would need to be created for landlocked parcels and could therefore complicate development;
- iii. **Had existing structures built 1982 and before (for single-family or multi-family residential parcels).** Housing stock less than 30 years of age would have a lesser chance of redevelopment. As many Mill Valley properties have been well-maintained over the years, additional field inspections would help ascertain the visual quality of the buildings and redevelopment potential;
- iv. **Had a parcel size of at least 3,000 square feet for commercial areas and at least 6,000 square feet for residential areas.** A study titled *The Future of Infill Housing in California: Opportunities, Potential Feasibility and Demand*, was written by the Institute of Urban and Regional Development at the University of California, Berkeley, and published by HCD in September 2005. The study supported the development of an inventory to facilitate and promote infill housing development in California, and discussed physical feasibility issues for infill housing production. Without looking at other physical constraints such as steep slopes and unstable soils, the study states that other factors

- being equal, typically parcels that are 2,000 – 2,500 square feet or less present increased challenges that could render a lot almost un-buildable. M-Group has used this guiding principle to exclude all parcels less than 3,000 square feet in zones that support residential development from the capacity analysis. (See http://www.hcd.ca.gov/hpd/infill_parcel/). The minimum allowable lot size of 6,000 square feet was used for residential areas (Municipal Code 20.16.040);
- v. **Had not been listed in the City's Historic Overlay Zone, which identifies 27 parcels, or in the Historic Society's list of 93 sites designated as 'Potentially Historic'.** The City maintains a Historic Overlay Zone and a list of sites that have Potential Historic Designation;
 - vi. **Had not been listed on the City's list of recently approved and constructed projects** (which dates from 1999 to present). The City maintains a list of Approved and Built projects. The version used by M-Group dates from January 1, 1999 to October 1, 2012. If a project had received approval but was not yet built, it was included in the capacity analysis based on the unit count it was approved at;
 - vii. **Would yield one unit if in a single-family residential district, or at least three units if in a multi-family or commercial district.** In districts that allow multi-family residential development, a two-unit yield is unlikely to result in redevelopment;
 - viii. **Were not publicly owned by agencies, districts, or groups (other than the City of Mill Valley),** as there is insufficient knowledge whether the parcels are surplus, or are available for development;
 - ix. **Were not prioritized as open space by all or the majority of members of the Open Space Site Priority Committee in January 2002,** to maintain their prioritization for open space;
 - x. **Did not have an improvement value of \$200,000 or more based on assessor data, if in a residential district.** Typically, vacant residential parcels have an improvement value of \$0, and this criterion helps to ascertain whether they are actually vacant. The higher the improvement value, the higher the likelihood of the site with a functioning structure, and therefore less possibility of being redeveloped;
 - xi. **Had a ratio of improved value to total site value of less than 60% if in a commercial district.** A higher ratio of improved value to total site value would indicate a functioning, valuable structure, and therefore less possibility of being redeveloped.
 - xii. **Were not commercial zoned parcels on East Blithedale from Park School up to Highway 101;**
 - xiii. **Were not commercial zoned parcels adjacent to jurisdictional wetlands and Highway 101;**
 - xiv. **Were not commercial zoned parcels located within the Miller Avenue/ Montford/ LaGoma intersection;**
 - xv. **Had a "Walk Score" of 50 points or less.** A parcel with a Walk Score of less than 50 points is considered "car-dependent" wherein most errands require an automobile.

2. Data Sources

Parcel data for the City of Mill Valley was retrieved from Marin Map, the Geographic Information System (GIS) for Marin County, California. The parcel dataset is based on Assessor's data, and was published by the County of Marin Community Development Agency beginning in 1994. Attribute data (such as owner's name, average slope, construction year for existing units, parcel size, etc.) is updated on a weekly basis, and the geometry of parcels is updated on a

monthly basis, with new available data from the Marin County's Assessor-Recorder's office. The data used for this analysis was retrieved in July 3, 2012.

3. Analysis

Geographical Informational Systems (GIS) was used in conjunction with Excel to analyze assessor's data. The criteria listed in this document was applied to parcels in order to identify the highest ranking parcels that could possibly redevelop based on current zoning regulations.

A visual check using Google Earth and Google Streetview was then performed to ascertain the current build out and visual conditions of buildings. High-resolution satellite imagery was updated for the Bay Area, including the entire City of Mill Valley, on May 31, 2011.

4. Further Inputs and Assumptions

Based on past trends in Mill Valley, multi-family developments are typically approved at less-than-maximum densities allowed by zoning regulations. As a result, this analysis assumes **75%** of the maximum number of potential residential units that would be allowed, under existing zoning in multi-family residential districts.

A significant number of the multi-family sites within the sites inventory fall within Mill Valley's commercial zones. Commercial or mixed-use districts that allow residential development do not currently have established residential densities, with densities determined by the Planning Commission at the time a development proposal is submitted. In order to provide greater certainty for development applicants, the updated Housing Element establishes Program #6 (*Mixed Use Zoning in Commercial Districts*) and Program #22 (*Update Zoning Code consistent with Land Use Element*) to allow multi-family uses by right in commercial districts and to establish minimum and maximum densities within the Zoning Ordinance consistent with the General Plan. The adopted MV 2040 General Plan has established a residential density range (17 to 29 units/acre, based on RM zoning standards) in the three identified commercial land use designations: Downtown, Neighborhood and General. These designations and their respective density ranges will guide development of proposed mixed use projects until the Zoning Ordinance development standards can be made consistent with the MV 2040 General Plan.

Based on past trends, commercial sites were assumed to allow for **50%** of the lot size to accommodate an RM-1.5 density (i.e. maximum 1 dwelling unit per 1,500 s.f. of lot area or approximately 29 units per acre, which is the maximum allowable density for such mixed-use sites). This approach acknowledges that the primary intent of the commercial zoning and General Plan designations is to allow for commercial development, which is factored into this capacity analysis. For a few large commercial sites, which at 50% of lot area were still over a quarter of an acre, a lower RM-2.0 density (maximum 1 dwelling unit per 2,000 s.f. of lot area) was applied for consistency with actual development trends.

These conservative assumptions also serve to acknowledge several development constraints, including height, setbacks, parking requirements, typical unit sizes and the number of bedrooms, views, and the 30-foot creek setbacks required for parcels that are near creeks and streams. Also, a significant number of sites zoned for mixed use and multi-family development

are within 100-year or 500-year flood zones, which would trigger building restrictions such as the elevation of structures above the base flood elevation.

Such constraints and restrictions are not easily quantifiable at this time, but the assumptions to estimate development at densities lower than the maximum allowed serve to acknowledge these constraints.

5. Parcels with Potential for Consolidation

Many of the individual parcels identified as suitable for development in the Capacity Analysis are located adjacent to each other, and a handful share the same ownership. These parcels have potential for assembly into larger sites, resulting in more viable housing developments 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.

The Housing Element establishes a program to provide incentives to encourage lot consolidation, including guidance for property owners through the lot consolidation (lot line adjustment) application, waiving the fee for this particular entitlement, and assisting property owners to identify and apply for financial resources.

Table C.1: Parcels with Potential for Consolidation

Group	Parcel No. in Site Analysis Chart and Maps	Parcel APNS	Parcel Addresses	Potential Units per parcel (less existing units)	Combined Parcel Size if consolidated (sq. ft.)	Potential Units if parcels are consolidated (less existing units)
A	1	028-061-25	38 MILLER AVE	11	59,225	19
	4	028-063-18	42 MILLER AVE	8		
B	2	028-034-34	238 E BLITHEDALE AVE	9	49,014	16
	7	028-034-35	230 E BLITHEDALE AVE	6		
C	3	030-071-39	413 MILLER AVE	8	57,448	18
	13	030-081-35	433 MILLER AVE	4		
	15	030-071-28	411 MILLER AVE	4		
D	5	030-073-06	444 MILLER AVE	7	38,280	12
	11	030-073-08	458 MILLER AVE	5		
E	10	028-211-14	10 WILLOW ST	5	30,750	10
	12	028-211-13	333 MILLER AVE	5		
F	14	048-134-52	546 MILLER AVE	4	27,560	8
	18	048-134-01	530 MILLER AVE	3		
G	16	028-213-16	360 MILLER AVE	4	22,700	7
	23	028-213-35	352 MILLER AVE	3		
H	25	030-101-36	40 CAMINO ALTO	40 ¹	386,247	40
	26	030-101-37	40 CAMINO ALTO			

¹ Based on number of independent living units being planned for parking lot area at The Redwoods.

6. Examples of Multi-Family Infill Development

The flat, “valley” areas in Mill Valley are characterized by compact development on relatively small sites. Table C.2 below provides examples of the diversity of higher density infill projects supported under Mill Valley’s development standards, including mixed use, apartments and condominiums. The development trends reflected in this table and the more detailed examples which follow help to substantiate the feasibility of development on small parcels in Mill Valley, and the ability to achieve maximum densities under Zoning.

Table C.2: Examples of Multi-family Infill Projects

Project Name / Address	Zoning District	Parcel Size	Housing Type	# of units	Density
420 Miller Ave	C-N	7,600 sq ft	Mixed Use	4	22 du/acre
50 Corte Madera	C-N	0.34 acres	Apartments	10	29 du/acre
505 Miller Ave	C-N	1.19 acres	Mixed Use	21	17 du/acre
191 Throckmorton Ave	RM-1.5	0.34 acres	Apartments	10	29 du/acre
258 Miller Ave	RM-3.5	0.24 acres	Apartments	6	25 du/acre
216 Miller Ave	RM-3.5	0.63 acres	Condominiums	18	29 du/acre
10 Park Ave	RM-3.5	0.64 acres	Apartments	19	30 du/acre
237 East Blithedale	RM-2.5	0.45 acres	Condominiums	7	15 du/acre
651 Miller Ave (Pickleweed Apts)	RM-2.0	2.4 acres	Affordable Apartments	32	17 du/acre
8 Old Mill	RM-1.5	6,500 sq ft	Condominiums	4	27 du/acre

420 Miller Ave. This Mixed Use development of 4 units is in the Commercial (C-N) Zoning District on a narrow, 7,600 square foot lot in two buildings. The residential density is 22 du/ac. The lot coverage is 20% with 0.65 Floor Area Ratio (FAR).



50 Corte Madera. This is a 10-unit multi-family housing development in a CN district. The parcel size is 15,000 square feet, and the residential density is 29 du/ac. This site includes 16 parking spaces. There are three buildings on the site, creating a courtyard in the center. It is surrounded by other multi-family housing developments and single-family homes, and is well-screened by mature vegetation.



(close up of rear building)

505 Miller Ave. This is a 21-unit Mixed-Use development on a 51,827 square foot lot (1.19 acres) in the C-N district with a RM-2.0 overlay. There are 6 commercial spaces on site, totaling about 5,200 square feet, and 21 residential units consisting of 12 single-family townhomes and 9 second-floor units above commercial. The residential density is 17 du/ac. There are 28 on-site parking spaces and 6 on-street parking spaces. The project is GreenPoint Rated.



191A & 191B Throckmorton Ave. This is a 20-unit multi-family apartment complex on two parcels totaling 0.68 acres in the RM-1.5 district. The residential density is 29 du/ac.



258 Miller Ave. This is a 6-unit apartment complex on a 0.24 acre lot in the RM-3.5 district. The residential density is 25 du/ac.



216 Miller Ave. This is an 18-unit multi-family development also known as the Carmelita Apartments. The property is on a 27,500 square feet lot in the RM-3.5 district. It has 26 parking spaces and the residential density is 28 du/ac. Parking is accessed by Una Way off Miller Ave. The buildings are arranged in steps up the slope.



10 Park Ave. This is a 19-unit multi-family apartment complex on two parcels totaling 0.64 acres in the RM-3.5 Zoning District. The residential density is 29 du/ac.



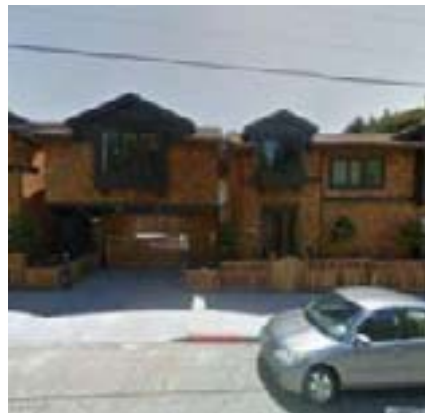
237 East Blithedale. This is a 7-unit condominium development on 7 parcels totaling 0.45 acres in the RM-2.5 Zoning District. The residential density is 15 du/ac.



651 Miller Ave (Pickleweed Apartments). This is a 32-unit affordable apartment development next to the Redwoods Senior Housing property, on a 1.88 acre lot in the RM-2.0 Zoning District, with on-site carports. It is located next to the Redwood Retirement Homes property. The residential density is 17 du/ac. The site is well-screened from Miller Ave by plantings and trees.



8 Old Mill. This multi-family residential development of four residential units is in the RM-1.5 Zoning District on a 6,500 square foot lot. The residential density is 27 du/ac.



Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
1	028-061-25	not vacant	C-N	Commercial	Commercial	Existing businesses: Mill Creek Plaza/Balboa Café/Tea Garden Springs. 2 story building in constructed in 1927. 2nd story is up for lease; rest of site is a double parking lot or heavily vegetated. The ratio of the improved value to the total value is fairly low at 51%. This property has a very high Walkscore of 95, which indicates its close proximity to several amenities.	95	38 MILLER AVE	35,000	14.1	1927	0	1,500 sf per du	1500	11.66667		11	11	27.4	Very Low/Low
2	028-034-34	not vacant	C-N	Commercial	Commercial	Existing businesses: Tony Tutto Pizza/Mill Valley Services (two different one-story buildings); the pizza place is renovated and the other building is a warehouse in fair condition; area surrounding buildings is parking lot; portion of site extends back in narrow, long area and is vegetated. The ratio of the improved value to the total value is fairly low at 41%, indicating that the site is underutilized. This property has a high Walkscore of 85 and is close to several amenities within short walking distance.	85	238 E BLITHEDALE AVE	29,565	8.4	NA	0	1,500 sf per du	1500	9.855		9	9	26.5	Very Low/Low
3	030-071-39	not vacant	C-N	Commercial	Commercial	Existing businesses: Samurai/Swirl Frozen Yogurt/Trio Salon; good condition one-story retail building on one side of site with fair condition Samurai restaurant building separated by a driveway and parking lot; about half the site is either parking or a driveway. The ratio of the improved value to the total value is 50%.	72	413 MILLER AVE	29,000	2.3	NA	1	1,500 sf per du	1500	9.666667		9	8	27.0	Very Low/Low
4	028-063-18	not vacant	C-N	Commercial	Commercial	Existing businesses: Chavez & Gertler Attorneys at Law; site is heavily vegetated and appears to have a single building, constructed in 1903. The ratio of the improved value to the total value is low at 44%, indicating underutilization. This property has a very high Walkscore of 95, indicative of its close proximity to several amenities.	95	42 MILLER AVE	24,225	25.3	1903	0	1,500 sf per du	1500	8.075		8	8	28.8	Very Low/Low
5	030-073-06	not vacant	C-N	Commercial	Commercial	Existing businesses: Dry Cleaners; 1 or 2-story buildings on-site, fair to good condition, constructed in 1952; the rest of the site is either parking or driveway. The ratio of the improved value to the total value is 56%.	72	444 MILLER AVE	22,780	1.1	1952	0	1,500 sf per du	1500	7.593333		7	7	26.8	Very Low/Low

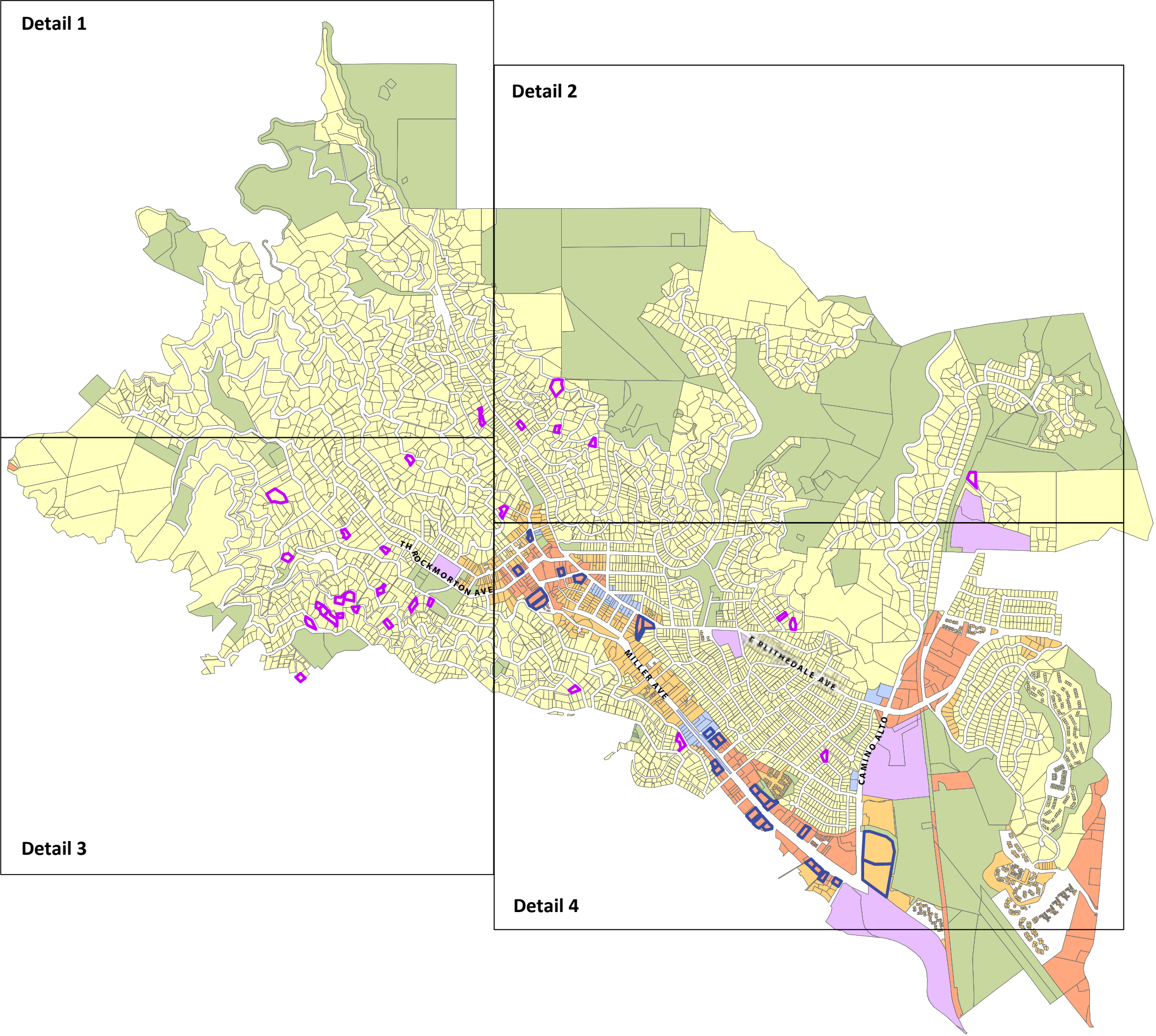
Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
6	030-073-10	not vacant	C-N	Commercial	Commercial	Former one-story fast food restaurant with U-shaped turn-around driveway and drive-through window, with surrounding parking. Over half the site is driveway or parking. The ratio of the improved value to the total value is very low at 20%, indicating site underutilization.	72	430 MILLER AVE	22,680	1.1	NA	0	1,500 sf per du	1500	7.56		7	7	26.9	Very Low/Low
7	028-034-35	not vacant	C-N	Commercial	Commercial	Existing businesses: Parmaca Integrative Pharmacy/Cabana Home. 2-story building, a portion of the building façade is more contemporary than the other, the other portion is in fair condition and older. The remaining 25% of the site is parking. The ratio of the improved value to the total value is 51%. This property has a Walkscore of 85 and is close to several amenities within a short walking distance.	85	230 E BLITHEDALE AVE	19,449	10.6	NA	0	1,500 sf per du	1500	6.483		6	6	26.9	Very Low/Low
8	030-081-51	not vacant	C-N	Commercial	Commercial	One large rectangular commercial building with several tenants; more than 50% of the site is driveway and parking.	72	493 MILLER AVE	17,400	2.0	NA	0	1,500 sf per du	1500	5.8	61	5	5	25.0	Very Low/Low
9	028-066-14	not vacant	C-N	Commercial	Commercial	Existing businesses: WestAmerica Bank; 1-story good condition but older building; 50% of site is parking or driveway. The ratio of the improved value to the total value is 42%. This property has a Walkscore of 97 and is close to several amenities within a short walking distance.	97	64 E BLITHEDALE AVE	16,500	6.0	1981	0	1,500 sf per du	1500	5.5		5	5	26.4	Very Low/Low
10	028-211-14	not vacant	C-N	Commercial	Commercial	2-story building in good condition; with medical office tenants. 50% of site is parking. The ratio of the improved value to the total value is low at 46%.	66	10 WILLOW ST	15,750	7.3	NA	0	1,500 sf per du	1500	5.25		5	5	27.7	Very Low/Low
11	030-073-08	not vacant	C-N	Commercial	Commercial	Chevron gas station and retail building for gas station, constructed in 1957; over 50% of site is driveway or parking. The ratio of the improved value to the total value is 43%.	77	458 MILLER AVE	15,500	2.0	1957	0	1,500 sf per du	1500	5.166667		5	5	28.1	Very Low/Low
12	028-211-13	not vacant	C-N	Commercial	Commercial	Appears to be a 2-story wood office building in good condition; 50% of site is parking or driveway. The ratio of the improved value to the total value is 54%. This property has a high Walkscore of 80 and is close to several amenities within a short walking distance.	80	333 MILLER AVE	15,000	1.1	1975	0	1,500 sf per du	1500	5		5	5	29.0	Very Low/Low

Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
13	030-081-35	not vacant	C-N	Commercial	Commercial	Existing businesses: Upper Cervical Chiropractic; 1-story good condition retail building and what looks to be two small 1-story accessory structures on site (one is detached.) Buildings were constructed in 1956. 50% of site is driveway, parking or vegetation/stream. The ratio of the improved value to the total value is very low at 32%. This property has a high Walkscore of 85 and is close to several amenities within a short walking distance.	85	433 MILLER AVE	14,500	5.0	1956	0	1,500 sf per du	1500	4.833333		4	4	24.0	Very Low/Low
14	048-134-52	not vacant	C-N	Commercial	Commercial	Existing businesses: Mill Valley Pet Clinic; older one-story building with mansard roof in front in good condition, and 2-3 story building (sloping site so probably 2-story) at the back; rest of site is vegetated or is paved off-street parking. The ratio of the improved value to the total value is low at 45%. This property has a high Walkscore of 83 and is close to several amenities within a short walking distance.	83	546 MILLER AVE	14,228	43.3	NA	0	1,500 sf per du	1500	4.742667		4	4	24.5	Very Low/Low
15	030-071-28	not vacant	C-N	Commercial	Commercial	Site is a parking lot for a strip-mall. This property has a high Walkscore of 86 and is close to several amenities within a short walking distance.	86	411 MILLER AVE	13,948	1.8	NA	0	1,500 sf per du	1500	4.649333		4	4	25.0	Very Low/Low
16	028-213-16	not vacant	C-N	Commercial	Commercial	1-story retail building, constructed in 1946 Mill Valley Auto Service, in fair condition with driveway and parking in back. The ratio of the improved value to the total value is low at 47%, showing site underutilization. This property has a high Walkscore of 80 and is close to several amenities.	80	360 MILLER AVE	13,600	6.5	1946	0	1,500 sf per du	1500	4.533333		4	4	25.6	Very Low/Low
17	028-056-16	not vacant	C-N	Commercial	Commercial	Citibank; 1-story building, constructed in 1953, in good condition; 50% of site is parking or driveway. The ratio of the improved value to the total value is low at 55%. This property has a very high Walkscore of 95 and is in close proximity to many amenities.	95	124 THROCKMORTON AVE	13,000	8.5	1953	0	1,500 sf per du	1500	4.333333		4	4	26.8	Very Low/Low
18	048-134-01	not vacant	C-N	Commercial	Commercial	2-story structure, constructed in 1948; good conversion candidate for living units. The ratio of the improved value to the total value is very low at 36%. This property has a high Walkscore of 83 and is close to several amenities within a short walking distance.	83	530 MILLER AVE	13,332	49.6	1948	1	1,500 sf per du	1500	4.444		4	3	26.1	Moderate

Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
19	048-134-06	not vacant	C-N	Commercial	Commercial	Existing businesses: Relim Publishing/Breathe Somatic Therapies; 1-story structure near streetfront, constructed in 1928. There is one parking/shed structure in the middle of the site; one container structure at the back of the site on higher elevation. Could be redeveloped due to age, less likely to cause view impacts as the slope rises fairly sharply behind. The ratio of the improved value to the total value is low at 45%. This property has a Walkscore of 83 and is close to several amenities within a short walking distance.	83	550 MILLER AVE	12,556	24.7	1928	1	1,500 sf per du	1500	4.185333		4	3	27.8	Very Low/Low
20	048-134-14	not vacant	C-N	Commercial	Commercial	Existing businesses: Balance Restored; 1-story structure in front and attached 2-story structure in back; older but fair/good condition; 25% of site is driveway/parking; good candidate for redevelopment or conversion. The ratio of the improved value to the total value is low at 47%. This property has a high Walkscore of 80 and is close to several amenities within a short walking distance.	80	600 MILLER AVE	11,500	18.5	1975	0	1,500 sf per du	1500	3.833333		3	3	22.7	Very Low/Low
21	028-013-12	not vacant	C-N	Commercial	Commercial	Site has a bank building and parking lot. Building is 1-story and constructed in 1961; good candidate for redevelopment or conversion. The ratio of the improved value to the total value is very low at 37%. This property has a very high Walkscore of 95 and is close to several amenities within a short walking distance.	95	19 SUNNYSIDE AVE	10,058	7.2	1961	0	1,500 sf per du	1500	3.352667		3	3	26.0	Very Low/Low
22	028-011-13	not vacant	C-N	Commercial	Commercial	Existing businesses: Illumigarden shop; over 50% of site is parking; 1-story retail structure in excellent condition with landscaping. As most of the site is parking, there is still potential on this site for the addition of residential units. The ratio of the improved value to the total value is 30%. This property has a very high Walkscore of 95 and is close to several amenities within a short walking distance.	95	35 CORTE MADERA AVE	9,725	24.6	NA	0	1,500 sf per du	1500	3.241667		3	3	26.9	Very Low/Low
23	028-213-35	not vacant	C-N	Commercial	Commercial	Existing businesses: Once Around. 50% of site is driveway or parking; good condition 1-story retail structure, constructed in 1955. The ratio of the improved value to the total value is 54%. This property has a high Walkscore of 80 and is close to several amenities within a short walking distance.	80	352 MILLER AVE	9,100	4.9	1955	0	1,500 sf per du	1500	3.033333		3	3	28.7	Very Low/Low

Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
24	028-222-71	not vacant	P-A	Commercial	Commercial	Site has a 2-story office building, constructed in 1964, medical and law offices near the street front. 50% of site is parking or driveway; some parking may be shared with the building on another parcel behind the site. Part of the site could be redeveloped for additional residential units. This property has a high Walkscore of 80 and is close to several amenities within a short walking distance.	80	319 MILLER AVE	13,500	0.0	1964	0	1,500 sf per du	1500	4.5		4	4	25.8	Very Low/Low
25	030-101-36	not vacant	RM-1.5	Residential	Multi-Family Residential	2 parcels, includes APN 030-101-37. Redwoods Senior Housing with 150 existing apartment units (and additional assisted living beds).	80	40 CAMINO ALTO	212,094	3.0	NA	150	1,500 sf per du	141.396	141			40	21.4	Very Low/Low
26	030-101-37	not vacant	RM-1.5	Residential	Multi-Family Residential	REDWOODS SENIOR HOUSING RENOVATION PROJECT 40 units based on number of independent living units being planned for parking lot area at The Redwoods.			174,153	3.0			1,500 sf per du							
27	028-214-33	vacant	RS-6	Residential	Single-Family Residential	Vacant.	82	Nearest Address: NE of 443 MOLINO AVE	17,575	57.6	NA	0	1 du per parcel					1	2.5	Above Moderate
28	028-132-25	vacant	RS-6	Residential	Single-Family Residential	Vacant.	83	9 CASCADE WAY	13,500	51.2	NA	0	1 du per parcel					1	3.2	Above Moderate
29	030-062-39	vacant	RS-6	Residential	Single-Family Residential	Vacant.	77	52 VALLEY CIR	11,700	4.2	NA	0	1 du per parcel					1	3.7	Above Moderate
30	028-124-19	vacant	RS-6	Residential	Single-Family Residential	Vacant.	75	Nearest Address: Between 114 HAZEL AVE and 284 MARION AVE	9,144	46.8	NA	0	1 du per parcel					1	4.8	Above Moderate
31	029-043-58	vacant	RS-6	Residential	Single-Family Residential	Vacant.	72	Nearest Address: Across from 36 PORTOLA LN	8,280	14.7	NA	0	1 du per parcel					1	5.3	Above Moderate
32	029-222-06	vacant	RS-6	Residential	Single-Family Residential	Vacant.	71	Nearest Address: South of 101 E MANOR DR	6,800	38.5	NA	0	1 du per parcel					1	6.4	Above Moderate
33	028-132-08	vacant	RS-6	Residential	Single-Family Residential	Vacant.	83	Nearest Address: East of 2 MOLINO AVE	6,104	53.6	NA	0	1 du per parcel					1	7.1	Above Moderate
34	029-093-04	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	95	29 LOWER ALCATRAZ PL	17,000	42.7	NA	0	1 du per parcel					1	2.6	Above Moderate
35	029-042-63	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	75	Nearest Address: North of 1 WINWOOD PL	12,500	11.2	NA	0	1 du per parcel					1	3.5	Above Moderate
36	029-063-05	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	74	Nearest Address: North of 10 STETSON AVE on Greenwood Way	10,800	53.3	NA	0	1 du per parcel					1	4.0	Above Moderate
37	028-172-02	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	82	Nearest Address: SE of 270 MOLINO AVE	9,424	14.2	NA	0	1 du per parcel					1	4.6	Above Moderate
38	028-081-06	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	82	Nearest Address: Between 130 CASCADE DR and 431 THROCKMORTON AVE on Josephine Street	7,772	10.2	NA	0	1 du per parcel					1	5.6	Above Moderate
39	029-034-07	vacant	RS-7.5	Residential	Single-Family Residential	Vacant.	72	Nearest Address: South of 121 WOODBINE DR	7,000	38.3	NA	0	1 du per parcel					1	6.2	Above Moderate
40	027-264-07	vacant	RS-10	Residential	Single-Family Residential	Vacant.	58	Nearest Address: West of 374 EDGEWOOD AVE on Dots Lane	25,842	55.5	NA	0	1 du per parcel					1	1.7	Above Moderate
41	046-061-52	vacant	RS-10	Residential	Single-Family Residential	Vacant.	60	Nearest Address: East of 26 CYPRESS AVE	19,664	31.1	NA	0	1 du per parcel					1	2.2	Above Moderate
42	027-265-06	vacant	RS-10	Residential	Single-Family Residential	Vacant.	71	Nearest Address: North of 177 HAZEL AVE	16,092	52.3	NA	0	1 du per parcel					1	2.7	Above Moderate
43	027-265-05	vacant	RS-10	Residential	Single-Family Residential	Vacant.	58	Nearest Address: East of 3 ROSE AVE	14,000	40.1	NA	0	1 du per parcel					1	3.1	Above Moderate
44	029-222-19	vacant	RS-10	Residential	Single-Family Residential	Vacant.	72	Nearest Address: West of 33 AVON AVE	13,500	42.6	NA	0	1 du per parcel					1	3.2	Above Moderate
45	027-264-06	vacant	RS-10	Residential	Single-Family Residential	Vacant.	58	Nearest Address: South of 9 DOTS LN	13,100	67.7	NA	0	1 du per parcel					1	3.3	Above Moderate
46	028-082-37	vacant	RS-10	Residential	Single-Family Residential	Vacant.	85	201 MARION AVE	10,295	34.9	NA	0	1 du per parcel					1	4.2	Above Moderate
47	027-191-53	vacant	RS-10	Residential	Single-Family Residential	Vacant.	75	Nearest Address: NW of 321 SUMMIT AVE	10,027	NA	NA	0	1 du per parcel					1	4.3	Above Moderate
48	027-242-15	vacant	RS-10	Residential	Single-Family Residential	Vacant.	57	Nearest Address: East of 41 EUGENE ST	9,932	30.4	NA	0	1 du per parcel					1	4.4	Above Moderate

Site No.	APN	Status	Zoning	Category	General Plan Land Use	Development Assessment and Visual Condition	Walkscore	Address or Nearest Address	Parcel Size (sf)	Avg Slope	Age of Existing Building (if any)	Existing Units	Density applied	MinLandAreaPer DU/SF	Max # of Units	75% of Max Allowed (RM only)	Max # of Units RoundDown	Potential Number of Units	Resulting Density (du/acre)	Income Category based on default density
49	045-232-02	vacant	RS-10	Residential	Single-Family Residential	Vacant.	54	Nearest Address: SW of 25 SUNNYCREST AVE	9,500	56.0	NA	0	1 du per parcel					1	4.6	Above Moderate
50	028-123-16	vacant	RS-10	Residential	Single-Family Residential	Vacant.	66	Nearest Address: West of 155 HAZEL AVE	7,584	65.3	NA	0	1 du per parcel					1	5.7	Above Moderate
51	027-264-05	vacant	RS-10	Residential	Single-Family Residential	Vacant.	58	Nearest Address: South of 9 DOTS LN	6,800	66.8	NA	0	1 du per parcel					1	6.4	Above Moderate
52	027-265-03	vacant	RS-10	Residential	Single-Family Residential	Vacant.	58	Nearest Address: South of 3 ROSE AVE	6,045	64.1	NA	0	1 du per parcel					1	7.2	Above Moderate
53	029-024-08	vacant	RS-20	Residential	Single-Family Residential	Vacant.	57	Nearest Address: NW of 99 GREENWOOD WAY	34,000	51.5	NA	0	1 du per parcel					1	1.3	Above Moderate
54	027-235-08	vacant	RS-20	Residential	Single-Family Residential	Vacant.	57	Nearest Address: South of 210 MONTE VISTA AVE	12,584	64.7	NA	0	1 du per parcel					1	3.5	Above Moderate
55	027-203-33	vacant	RS-43	Residential	Single-Family Residential	Vacant.	55	Nearest Address: North of 3 WAINWRIGHT PL	43,592	36.9	NA	0	1 du per parcel					1	1.0	Above Moderate
56	033-240-01	vacant	RSP-2A	Residential	Single-Family Residential	Vacant, has a small stream running through the northwest side, land is flat and partially clear of trees.	52	Nearest Address: West of 35 VASCO CT	21,344	20.0	NA	0	1 du per parcel					1	2.0	Above Moderate



8. Map of Parcels with the highest ranking in the Capacity Analysis

Please note:

This map illustrates that the current residential capacity of the City of Mill Valley, to demonstrate that it can meet the required RHNA for the 2015-2023 Housing Element planning period.

No development projects are being proposed.

All future projects must go through planning and environmental review processes as established by the City and the State.









LEGEND

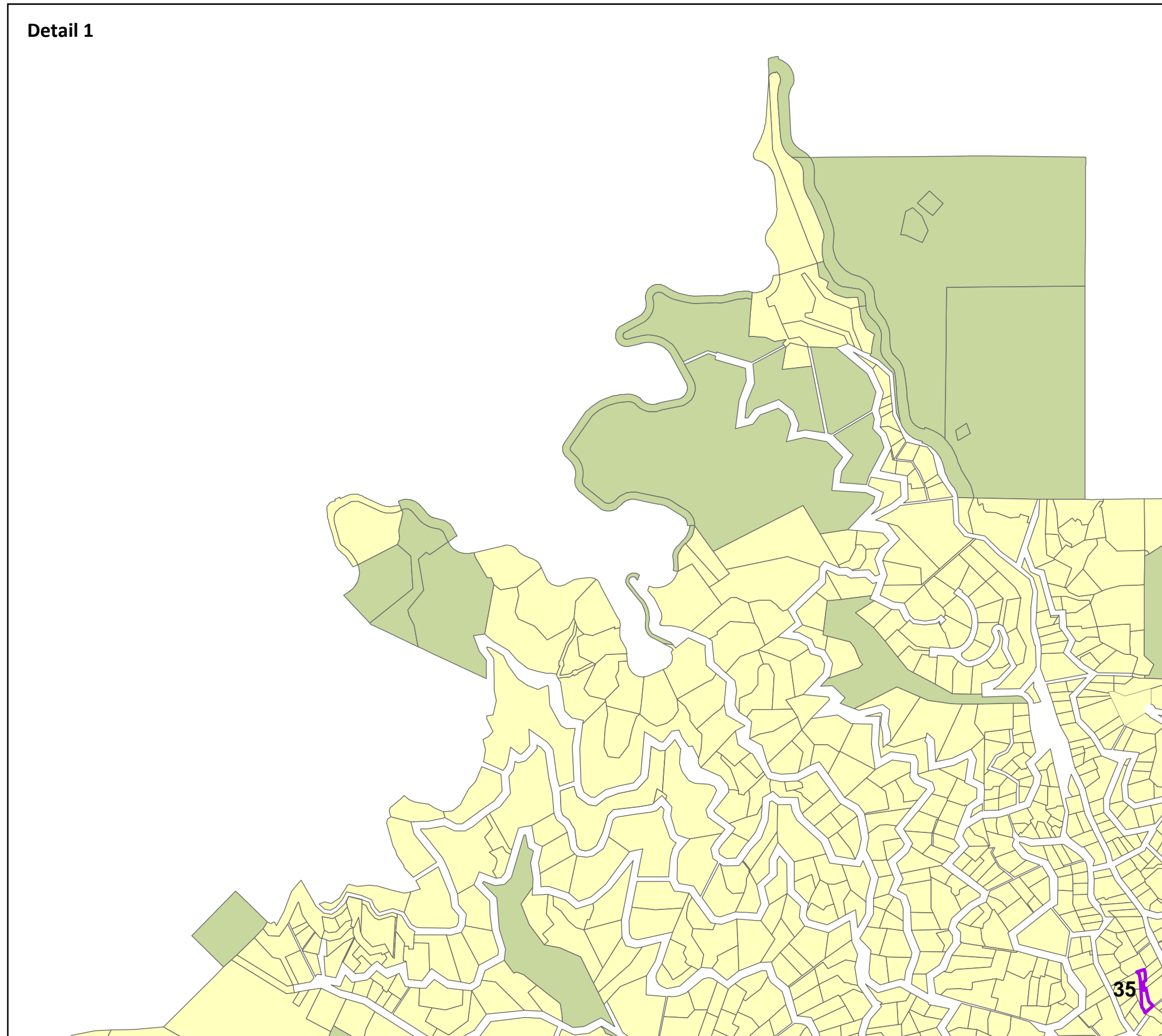
- Capacity Analysis: Vacant sites
- Capacity Analysis: Non-vacant sites
- C-R, C-N, C-G districts
- P-A district
- Multi-Family districts (RM)
- Single-Family districts (RS, RSP, RP)
- C-F (no residential allowed)
- O-A (no residential allowed)

Detail 1

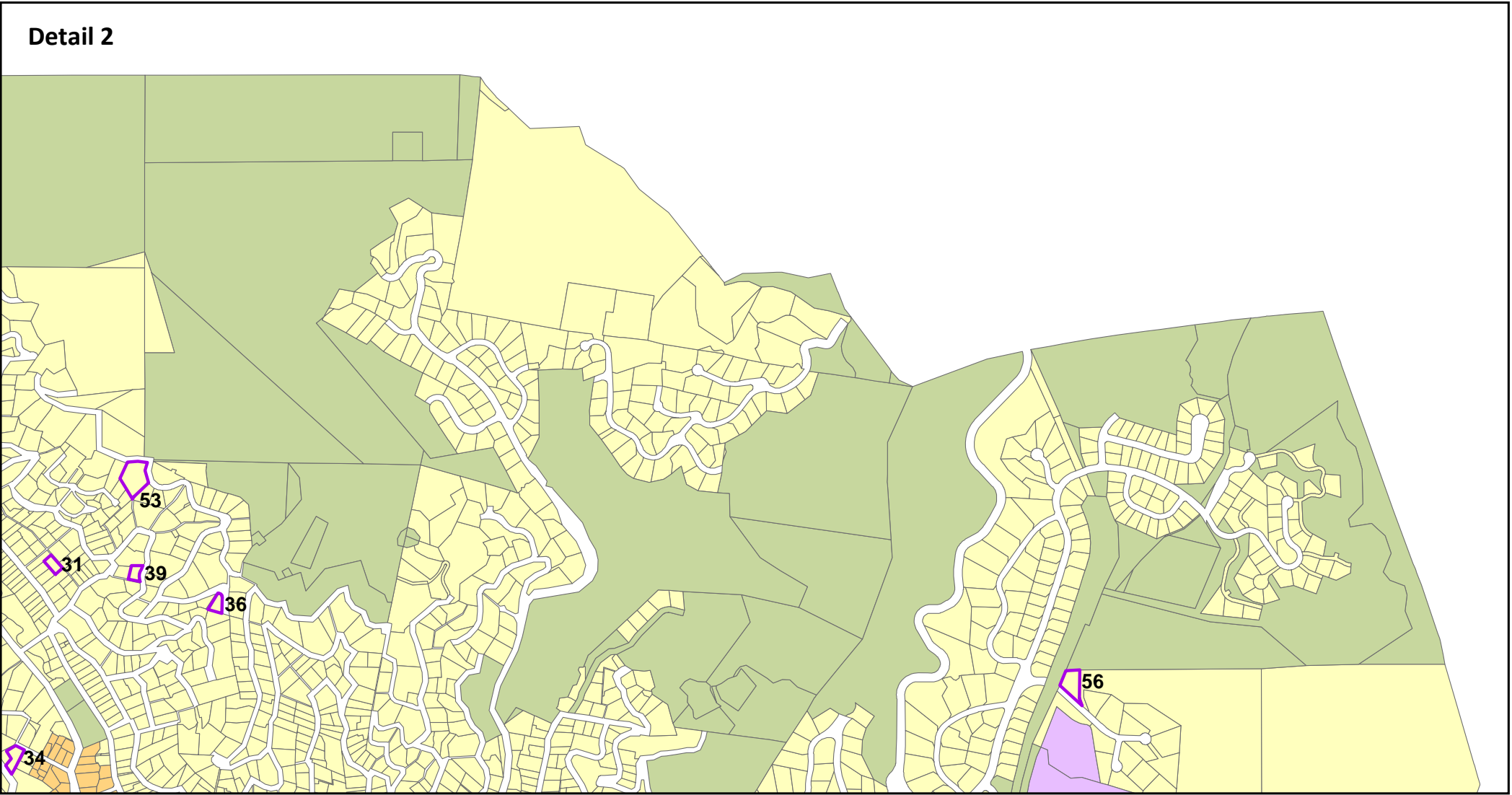
8. Map of Parcels (Detail 1)

LEGEND

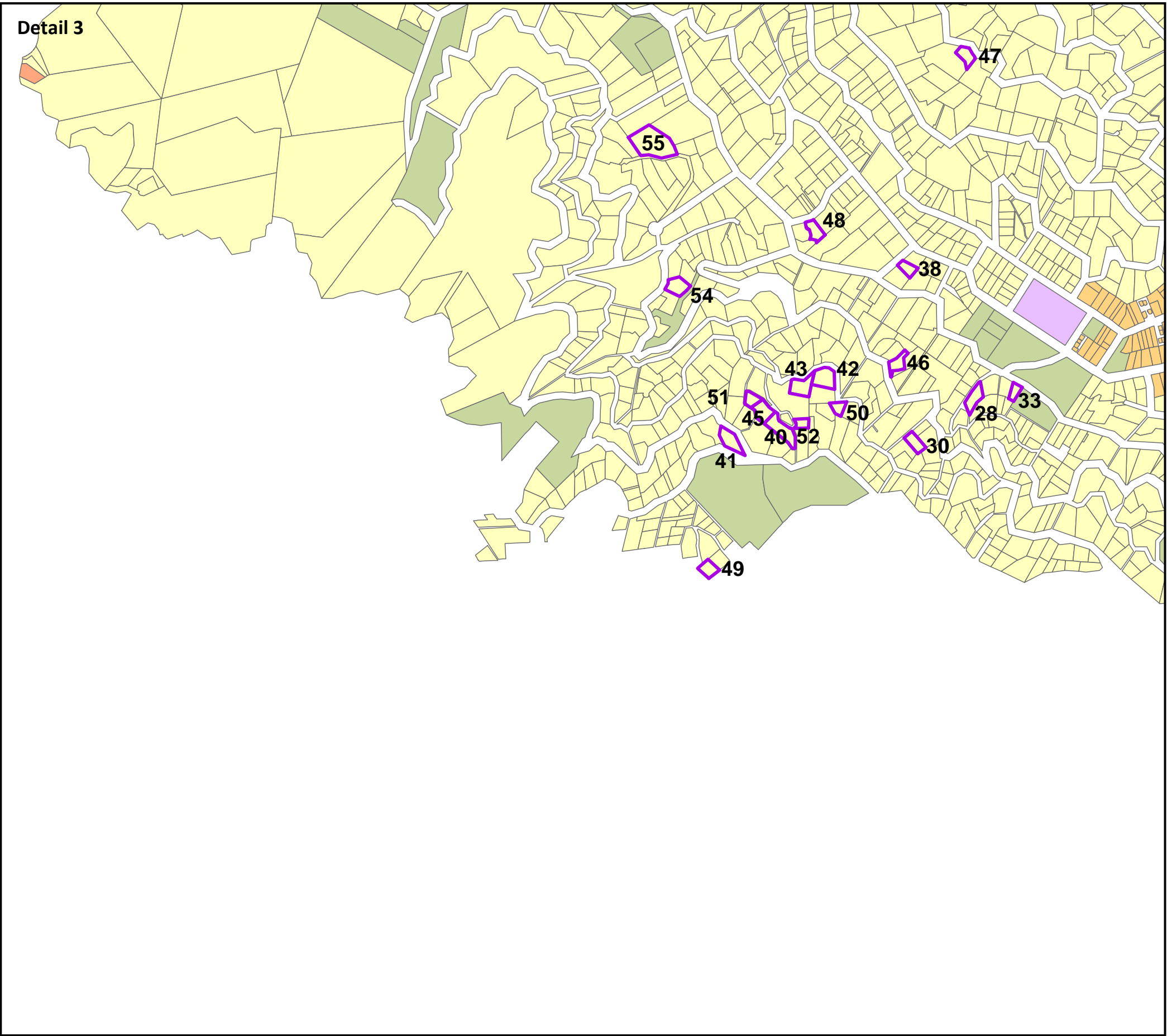
-  Capacity Analysis: Vacant sites
-  Capacity Analysis: Non-vacant sites
-  C-R, C-N, C-G districts
-  P-A district
-  Multi-Family districts (RM)
-  Single-Family districts (RS, RSP, RP)
-  C-F (no residential allowed)
-  O-A (no residential allowed)



8. Map of Parcels (Detail 2)

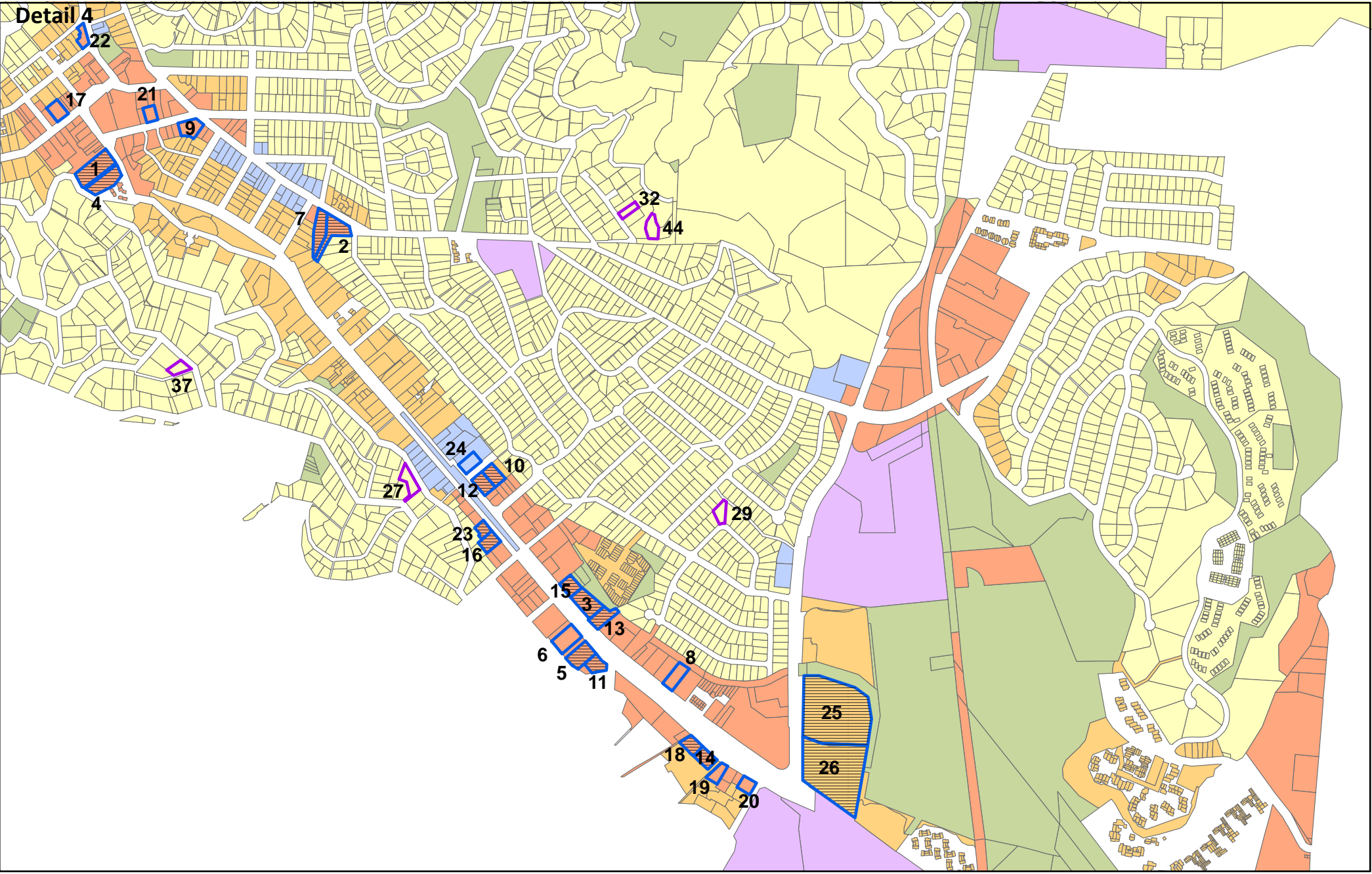


- LEGEND**
- Capacity Analysis: Vacant sites
 - Capacity Analysis: Non-vacant sites
 - C-R, C-N, C-G districts
 - P-A district
 - Multi-Family districts (RM)
 - Single-Family districts (RS, RSP, RP)
 - C-F (no residential allowed)
 - O-A (no residential allowed)



8. Map of Parcels (Detail 3)

- LEGEND**
- Capacity Analysis: Vacant sites
 - Capacity Analysis: Non-vacant sites
 - C-R, C-N, C-G districts
 - P-A district
 - Multi-Family districts (RM)
 - Single-Family districts (RS, RSP, RP)
 - C-F (no residential allowed)
 - O-A (no residential allowed)



8. Map of Parcels (Detail 4)

LEGEND

- Capacity Analysis: Vacant sites
- Capacity Analysis: Non-vacant sites
- C-R, C-N, C-G districts
- P-A district
- Multi-Family districts (RM)
- Single-Family districts (RS, RSP, RP)
- C-F (no residential allowed)
- O-A (no residential allowed)

Parcels with Lot Consolidation Potential

- | | |
|-----------|--------|
| 1, 4 | 10, 12 |
| 2, 7 | 14, 18 |
| 3, 13, 15 | 16, 23 |
| 5, 11 | 25, 26 |

Appendix D.

Evaluation of Accomplishments under Adopted Housing Element

In order to develop an effective housing strategy for the 2015 to 2023 planning period, Mill Valley needs to assess the achievements of its existing housing programs laid out in the adopted 2009-2014 Housing Element. This assessment will determine the effectiveness of the existing programs, whether they are appropriate for continuation, and whether necessary adjustments are needed for the next planning period.

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the statutory update to their Housing Elements. These results should be quantified where possible (for example, the number of units that were rehabilitated), but may be qualitative where necessary (for example, the mitigation of governmental constraints). The results are then compared with what was projected or planned in the earlier Housing Element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be documented.

The City of Mill Valley 2009-2014 Housing Element sets forth a series of programs to address the following Housing Objectives:

- **Housing Objective 1:** Work Together to Achieve the City's Housing Goals
- **Housing Objective 2:** Maintain and Enhance Existing Housing and Blend Well-Designed New Housing into Existing Neighborhoods
- **Housing Objective 3:** Use Land Efficiently to Meet Housing Needs and to Implement 'Smart' and Sustainable Development Principles
- **Housing Objective 4:** Provide Housing for Special Needs Populations that is Coordinated with Support Services
- **Housing Objective 5:** Build Local Government Institutional Capacity and Monitor Accomplishments to Respond Effectively to Housing Needs

Mill Valley adopted its 2009-2014 Housing Element in October 2013 in conjunction with a comprehensive General Plan update. Due to the adoption towards the end of the planning period, the Housing Element identified both short-term program objectives to be met during the 2009-2014 planning period, as well as longer term actions for the future 2015-2023 Housing Element planning period. The following section reviews the City's progress in implementing its housing programs since adoption of the Element in 2013, with the exception of the City's progress in addressing its regional housing needs allocation (RHNA) which measures the entire 2007-2013 RHNA period.

Table D.1 that follows summarizes Mill Valley's program accomplishments, followed by a review of its quantified objectives in Table D.2. The results of this analysis provide the basis for development of the program strategy for Mill Valley's 2015-2023 Housing Element.

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
Program	Accomplishments
<p>1. Residential Design Guidelines. Develop and adopt Multi-Family Design Guidelines which address development compatibility and promote sustainable site design and building practices.</p>	<p><u>Progress:</u> The City has established a Zoning and Design Guidelines Advisory Committee (ZDAC) who have been providing input to staff and the consultants in the establishment of Multi-family Design Guidelines. The draft Guidelines are scheduled to be presented to the ZDAC at their October 21, 2014 meeting.</p> <p><u>Effectiveness:</u> This program has been effective in more clearly defining the community's desired character of development in Mill Valley, and will serve to provide better up-front direction to the development community upon adoption.</p> <p><u>Appropriateness for Housing Element update:</u> Multi-family Design Guidelines remain appropriate for the Housing Element update, with adoption targeted for early 2015.</p>
<p>2. Historic Preservation Guidelines and Incentives. Explore revising the H-O Ordinance to clarify demolition procedures and role of the Historical Society.</p>	<p><u>Progress:</u> The recently adopted MV2040 General Plan (October 2013) includes Land Use Goal #2, Historic & Archaeological Resources: Identify, preserve, and protect potential and listed historic and archeological resources citywide. Programs include creating a Historic Resource Inventory (LU.6-1) and adopting a historic and cultural preservation ordinance (LU.7-1) that could include regulations and procedures to address:</p> <ul style="list-style-type: none"> • Standards and processes for review of proposed additions and/or deletions to potential or listed resources • Creation of a Historic Preservation Advisory Commission • Establishment of a process for consultation on and the recovery and treatment of cultural resources before commencing construction activities • Definition of owner responsibilities for care and maintenance of designated historic properties <p><u>Effectiveness:</u> The City has been effective through its General Plan in laying the foundation for furthering the identification and preservation of historic and cultural resources.</p> <p><u>Appropriateness for Housing Element update:</u> Revisiting Historic Preservation guidelines remain appropriate for the Housing Element update, and are part of Planning Commission's 2015 Work Plan.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
3. Housing Maintenance and Public Information. Publicize rehabilitation assistance and energy retrofit programs. Provide rehabilitation assistance to five lower income households.	<p><u>Progress:</u> <i>Marin Housing</i> reports that just one Residential Rehabilitation loan has been made in Mill Valley during the 2013-2014 period. The City recently established a Housing Resources section on the City website that provides information and links to rehabilitation assistance available through <i>Marin Housing</i>, and energy efficient retrofits through PG&E.</p> <p><u>Effectiveness:</u> The level of rehabilitation activity has been very limited in Mill Valley. While the majority of the community's homeowners do not meet the low income qualification requirements, this program could be particularly beneficial for senior homeowners with limited financial resources. The City may be better maximize the use of this program through expanded local advertising targeted to the senior citizen population.</p> <p><u>Appropriateness for Housing Element update:</u> The Rehabilitation Program remains an important resource for lower income homeowners in Mill valley, the majority of which are senior citizens who may benefit from improvements which allow them to remain in their homes.</p>
4. Condominium Conversion Regulations. Update current Condominium Conversion ordinance and specify conversion limitations in times of low rental vacancy rates.	<p><u>Progress:</u> The City has updated its Condominium Conversion regulations consistent with current State statutes to provide greater tenant protections and notification. City Council adopted the updated regulations on November 3, 2014.</p> <p><u>Effectiveness:</u> The updated Condominium Conversion regulations will assist the City in its goal to preserve its multi-family housing supply.</p> <p><u>Appropriateness for Housing Element update:</u> Providing information on the City's policy on condominium conversions remains appropriate to the updated Housing Element.</p>
5. Preservation of Existing Affordable Rental Housing. Continue to contract with MHA to ensure compliance with affordability restrictions. Require long-term affordability controls on future affordable housing units.	<p><u>Progress:</u> Affordability controls have been maintained on all 301 rent-restricted units in Mill Valley.</p> <p><u>Effectiveness:</u> Long-term rent restrictions, combined with monitoring by the Marin Housing Authority, has been effective in maintaining the affordability in existing rent-restricted housing.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>6. Mixed Use Zoning in Commercial Districts. 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.</p>	<p><u>Progress:</u> Modifications to development regulations for residential use within commercial districts is being evaluated by the Zoning and Design Guideline Advisory Committee (ZDAC). Elimination of the CUP requirement for residential will be adopted concurrently with the new Multi-Family Design Guidelines.</p> <p><u>Effectiveness:</u> This program has been effective in re-evaluating development standards to better facilitate residential development within Mill Valley's commercial districts.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the Housing Element update, with adoption targeted for early 2015.</p>
<p>7. Micro-Apartment Units. 2009-2014: Explore the feasibility of encouraging and incentivizing micro-apartment units.</p>	<p><u>Progress:</u> The Zoning and Design Guidelines Advisory Committee (ZDAC) has been evaluating multi-family development standards, including the appropriateness of encouraging smaller unit sizes.</p> <p><u>Effectiveness:</u> This program has been effective in evaluating options and standards for micro-apartment units.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the Housing Element update, with consideration of micro units as part of multi-family development standards targeted for adoption in early 2015, with additional design guidelines developed, as needed.</p>
<p>8. Second Units. Conduct a survey of recently built second units, and adopt ordinance amendments to ensure maintenance of second units as per City approval. Seek to create an average of eight second units annually.</p>	<p><u>Progress:</u> In October 2013, the City amended the second unit ordinance to require deed restrictions for second units that are granted exceptions to maximum floor area standards to ensure units are maintained as auxiliary second units. In September 2014, the City mailed a postcard survey to 416 property owners with second units, and received responses from 117 households. Between January 2009 and September 2014, the City approved a total of 62 second units, for an average of nine units annually.</p> <p><u>Effectiveness:</u> The City was successful in maintaining second units that have been granted floor area exceptions as long term housing. The results of the second unit survey is providing the City with greater information on the current use of these units, rent levels and affordability. And with an average of nine second units approved annually, the City exceeded its goal for eight units per year.</p> <p><u>Appropriateness for Housing Element update:</u> Second units remain an integral segment of Mill Valley's housing stock, and continuation of this program remains appropriate, including consideration of initiating another amnesty program.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>9. Affordable Housing Overlay. 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 application for affordable housing funds.</p>	<p><u>Progress:</u> City staff and the consultants have been coordinating the Redwoods, and in January 2014 met with the Redwoods' Director with the goal of defining specific incentives for inclusion in the Affordable Housing Overlay. The Redwoods will be appointing a Task Force to work with staff in planning Phase 2 of the project's \$45 million renovation, which encompasses construction of the senior independent living units. As the Task Force will be addressing the project's design, density and affordability, the Redwood's Director felt it would be pre-mature to establish the Overlay for the site prior to input from the Task Force.</p> <p><u>Effectiveness:</u> Due to the importance of coordinating with the Redwoods Phase 2 Task Force in the establishment of specific incentives for the Overlay, this program has not yet been implemented.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the Housing Element update.</p>
<p>10. Lot Consolidation Incentives. Adopt lot consolidation incentives in coordination with Multi-family Design Guidelines.</p>	<p><u>Progress:</u> The Zoning and Design Guideline Advisory Committee (ZDAC) has been evaluating incentives for consolidation of smaller parcels to support multi-family development in conjunction with their work on establishing Multi-Family Design Guidelines. Incentives have been integrated within draft Guidelines, scheduled to be presented to the ZDAC at their October 21, 2014 meeting.</p> <p><u>Effectiveness:</u> This program has been effective in evaluating various incentives to combine lots, and will provide tools to create larger, more buildable lots for residential development upon adoption.</p> <p><u>Appropriateness for Housing Element update:</u> Lot consolidation incentives remain appropriate for the updated Housing Element, with adoption targeted for early 2015.</p>
<p>11. Publicly-Owned Land for Affordable Housing. Prepare inventory of publicly-owned land. Modify City's zoning regulations to allow residential uses in C-F zone.</p>	<p><u>Progress:</u> Initial work established through the Zoning and Design Guideline Advisory Committee.</p> <p><u>Effectiveness:</u> This program has not yet been implemented, so its effectiveness can not be measured.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the Housing Element update, with further modifications/clarifications to the Zoning Code as part of updating the Commercial Design Guidelines identified as part of Planning Commission's 2015 Work Plan.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>12. Non-Traditional Housing Types. Modify Zoning Ordinance to develop standards for new housing typologies.</p>	<p><u>Progress:</u> This was identified as a longer term program in the Housing Element and has not yet been implemented. _____ This program was not implemented and therefore effectiveness cannot be measured <u>Appropriateness:</u> Adopting provisions for a variety of housing types which cater to all economic segments remains appropriate to the updated Housing Element.</p>
<p>13. Inclusionary Housing Regulations. Amend Ordinance to strengthen and enhance the program's effectiveness in providing affordable housing.</p>	<p><u>Progress:</u> Staff has conducted two public meetings (one before ZDAC and a joint study session with Planning Commission/City Council) to confirm the policy direction established in the Housing Element for strengthening the City's inclusionary regulations. The feedback from these meetings is being folded into a comprehensive Affordable Housing Ordinance which will undergo public review. <u>Effectiveness:</u> The City has been effective is soliciting input from the public and City decision-makers to establish a strong policy foundation for refinement of its inclusionary regulations. Adoption of the complete Affordable Housing Ordinance is targeted for 2015. <u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
<p>14. Single-Family Housing Impact Fee. 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.</p>	<p><u>Progress:</u> The City has been working with a consultant in preparation of a nexus study and establishing affordable housing impact fees on market rate residential development. The single-family impact fee will undergo public review in conjunction with proposed modifications to the City's inclusionary regulations. <u>Effectiveness:</u> The City has been effective in completion of the nexus study and researching impact fees in other Bay Area jurisdictions, laying the groundwork for adoption of local affordable housing impact fees. <u>Appropriateness for Housing Element update:</u> Single-family impact fees remain appropriate, and will be integrated within the City's inclusionary housing/affordable housing impact fee program within the updated Housing Element.</p>
<p>15. Local Affordable Housing Fund. Establish a dedicated Affordable Housing Fund with implementing regulations for deposit of in-lieu fee revenues.</p>	<p><u>Progress:</u> The City has reviewed the implementing regulations for Marin County's Affordable Housing Fund, and will develop a local Fund and regulations upon adoption of the amended inclusionary housing ordinance/affordable housing impact fees. <u>Effectiveness:</u> This program has not yet been implemented. <u>Appropriateness for Housing Element update:</u> A program to establish a local affordable housing fund remains appropriate for the Housing Element update.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
16. Affordable Housing Development Assistance. Provide financial and regulatory incentives to private developers for affordable housing.	<p><u>Progress:</u> Beyond the affordable units required under Mill Valley's inclusionary housing regulations, the City has not had any development applications for affordable housing in recent years. However, the City has adopted a local density bonus ordinance which specifies development concessions and incentives for the provision of affordable units.</p> <p><u>Effectiveness:</u> While Mill Valley does not currently have the financial resources to support in the development of affordable housing, it now has regulatory mechanisms in place to facilitate affordable units, with future funding anticipated through implementation of an affordable housing impact fee.</p> <p><u>Appropriateness for Housing Element update:</u> Continuation of this program in the updated Element remains appropriate.</p>
17. Partnerships for Affordable Housing. Work through Nonprofit Housing Association of Northern California to identify and explore partnerships with affordable housing providers.	<p><u>Progress:</u> In the one year since Mill Valley adopted its 2009-2014 Housing Element in October 2013, the City has focused on the implementation of near term programs necessary to provide zoning for a variety of housing types for special needs populations. Exploring affordable housing partnerships did not occur during this short time frame.</p> <p><u>Effectiveness:</u> This program has not been implemented and therefore effectiveness cannot be measured.</p> <p><u>Appropriateness for Housing Element update:</u> Partnerships with affordable housing providers remains an appropriate program over the longer term, 2015-2023 planning period.</p>
18. Homebuyer Assistance. Continue participation with Marin Housing to administer BMR and MCC programs.	<p><u>Progress:</u> The City continues to participate in the County first-time homebuyer programs, and has created a Housing Resource page on the City's website which provides information on the County's MCC and BMR programs.</p> <p><u>Effectiveness:</u> The City has been effective in providing information about available first-time homebuyer assistance.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
19. Section 8 Rental Assistance. Continue to offer tenants information regarding Section 8 and encourage landlords to register units with the program.	<p><u>Progress:</u> Staff refers tenants to <i>Marin Housing</i> for information on rental assistance, and includes a page on the City's website dedicated to housing resources and links, including rental assistance and the affordable housing first home buyer program. As of October 2014, there were 96 Mill Valley residents receiving Section 8 rental vouchers, and another 135 residents on the waiting list for assistance.</p> <p>_____ The City has been effective in providing information about rental assistance available through <i>Marin Housing</i> for very low income households.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>20. Update Land Use Map and Zoning Code. Establish minimum and maximum residential densities for residential districts, and maximum densities and development standards for residential uses in commercial districts. Monitor to ensure adequate sites to address RHNA.</p>	<p><u>Progress:</u> In October 2013, the MV2040 General Plan was adopted, which includes a Land Use Map with minimum and maximum densities. The Housing Element further discusses the need to update the Zoning Code in relation to the Land Use Map. For instance, in order to ensure the efficient use of multi-family properties, development of new single-family residential will be prohibited in multi-family and commercial zoning districts.</p> <p><u>Effectiveness:</u> The City was effective in establishing densities, and thus providing for a more transparent and efficient development review process.</p> <p><u>Appropriateness for Housing Element update:</u> The Land Use Map was implemented with the adoption of the MV2040 General Plan. Modifications to the Zoning Code to address the Land Use Map and Land Use Element Goals, Policies and Programs will be made in 2015.</p>
<p>21. Update Parking Standards. Evaluate and establish modified parking standards in the Zoning Ordinance to facilitate specific types of housing.</p>	<p><u>Progress:</u> The Zoning and Design Guidelines Advisory Committee (ZDAC) has been evaluating multi-family development standards, including modifications to parking standards.</p> <p><u>Effectiveness:</u> This program has been effective in evaluating modifications to parking standards to facilitate residential and mixed use within commercial districts, and to better facilitate smaller unit sizes.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the Housing Element update, with adoption targeted for early 2015. Further modifications to parking standards for commercial use will occur thereafter.</p>
<p>22. Fee Deferrals and/or Waivers for Affordable Housing. Provide information to affordable housing community on fee deferrals, reductions and waivers. Amend Code to waive of 100% of application processing fees for projects with 10% ELI units.</p>	<p><u>Progress:</u> This was identified as a longer term program in the Housing Element and has not yet been implemented.</p> <p><u>Effectiveness:</u> This program was not implemented and therefore effectiveness cannot be measured.</p> <p><u>Appropriateness:</u> Adopting provisions to waive application fees for projects with extremely low income units remains appropriate to the updated Housing Element.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>23. Density Bonus and Other incentives for Affordable Housing. Adopt a local density bonus ordinance, and clarify relationship with City's inclusionary housing ordinance.</p>	<p><u>Progress:</u> The City has developed a local density bonus ordinance consistent with State law, and has conducted public hearings on the ordinance before the Planning Commission and City Council. The Ordinance is scheduled for first reading before the City Council on November 17th, with second reading and adoption on December 1st.</p> <p><u>Effectiveness:</u> The City's density bonus ordinance is effective in providing zoning incentives for the provisions of affordable housing.</p> <p><u>Appropriateness for Housing Element update:</u> Providing information on regulatory incentives and concessions to facilitate affordable housing remains appropriate to the updated Housing Element.</p>
<p>24. CEQA Exemptions for Infill Projects. Continue to utilize categorical CEQA exemptions where appropriate, on a case-by-case basis.</p>	<p><u>Progress:</u> Mill Valley has continued to utilize categorical exemptions under CEQA for infill projects, such as for the 65 Throckmorton/Aloha Lofts mixed use and Laurelwood townhome projects.</p> <p><u>Effectiveness:</u> The City has been effective in reducing project processing times and associated costs through use of CEQA exemptions for qualified urban infill projects where site characteristics and an absence of potentially significant environmental impacts allow.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
<p>25. Zoning Text Amendments for Special Needs Housing. Adopt zoning text amendments to specify provisions for a variety of special needs housing, including requirements under SB 2.</p>	<p><u>Progress:</u> The City has conducted several public hearings before the Planning Commission and City Council on Zoning Text amendments for Special Needs Housing, including zoning to encourage and facilitate the creation of Emergency Shelters, Transitional and Supportive Housing, SROs, and Group Housing for persons with disabilities. City Council adopted these Zoning Text Amendments on November 3, 2014.</p> <p><u>Effectiveness:</u> The City was effective in providing zoning appropriate to accommodate a variety of special needs housing.</p> <p><u>Appropriateness for Housing Element update:</u> This program has been implemented and is no longer necessary in the updated Housing Element.</p>
<p>26. Fair Housing Program. Publicize the fair housing program through brochures and on the City's website.</p>	<p><u>Progress:</u> City staff has met with County representatives to discuss working jointly to address fair housing policies and outreach. The recently created housing resource page on the City's website also provides referrals to <i>Fair Housing of Marin</i>.</p> <p><u>Effectiveness:</u> The City has been effective in providing information on fair housing.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>27. Senior Support Services. Continue to support the provision of senior services in Mill Valley.</p>	<p><u>Progress:</u> Mill Valley's Parks & Recreation Department has continued to provide a wide variety of services to senior citizens at the Mill Valley Community Center. Mill Valley Seniors' Club, under the sponsorship of the City and support by City's Senior Services Coordinator, meets weekly at the Center and provides input on senior programming.</p> <p><u>Effectiveness:</u> The City has been effective in providing an array of services to seniors to support their well-being and independence.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
<p>28. Home Sharing and Tenant Matching Opportunities. Support organizations that facilitate housing sharing; actively promote through senior citizen organizations.</p>	<p><u>Progress:</u> The City's Senior Services Coordinator provides information to residents on an ongoing basis regarding home sharing services. <i>Home Connection of Marin</i> has recently been discontinued by the County due to lack of funding, with the only home sharing program currently available in Marin offered through Episcopal Senior Communities (ESC) in San Rafael.</p> <p><u>Effectiveness:</u> The City was effective in providing information about available home sharing services.</p> <p><u>Appropriateness:</u> This program remains appropriate for the updated Housing Element.</p>
<p>29. Universal Design/ Visitability. Develop and promote guidelines encouraging principles of universal design and visitability.</p>	<p><u>Progress:</u> This was identified as a longer-term program in the Housing Element and has not yet been implemented.</p> <p>_____ This program was not implemented and therefore effectiveness cannot be measured</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
30. Homeless Assistance. Support implementation of the Homeless Countywide Continuum of Care, publicize the Marin Community Resource Guide and emergency 211 call system.	<p><u>Progress:</u> Mill Valley is participating in a countywide effort to seek permanent and temporary housing opportunities for homeless. Currently the City is involved in an Ad-Hoc Committee of the Marin County Council of Mayors and Councilmembers to discuss resources available for homeless in Marin County. Mill Valley is also participating in a countywide effort to seek permanent and temporary housing opportunities for homeless. The City has provided information on its website about the emergency 211 toll-free call system for information and referral. In October 2014, City Council adopted zoning provisions to: 1) permit emergency shelters by right within the CG (General Commercial) zoning district; 2) specify that transitional and supportive housing are to be considered a residential use of property; and 3) provide for SROs as a conditional use within the CG (General Commercial) and RM (Multi-Family Residential) Zoning Districts.</p> <p><u>Effectiveness:</u> The City has been effective in publicizing the availability of emergency services and providing zoning to accommodate a continuum of care of persons and families experiencing homelessness.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
31. Prioritization of Sustainable Housing Projects. Prioritize projects in sustainable locations competing for funds and grants.	<p><u>Progress:</u> Boundary Solutions, Inc. of Mill Valley prepared a series of maps to reflect sustainability factors (walkability, proximity to transit, solar energy potential) and their potential relationships to housing in Mill Valley. These maps will continue to be included in the Housing Element Appendix, and consulted should any future projects compete for funding.</p> <p><u>Effectiveness:</u> The City has an excellent resource to utilize in evaluating the relative sustainability of projects from a geographic, locational perspective.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
32. Green Building. Provide outreach and education to developers regarding CALGREEN and the Green Building Ordinance. Evaluate incentives for Green Building Ordinance for higher energy efficiency.	<p><u>Progress:</u> The City has a website dedicated to Green Building, including an information guide that can be downloaded. Building representatives are also available to answer questions on a daily basis at the building counter, as are planners.</p> <p><u>Effectiveness:</u> The City's Green Building ordinance has been a successful tool in reducing emissions and preserving resources.</p> <p><u>Appropriateness for Housing Element update:</u> The program remains appropriate for the updated Housing Element, with coordination scheduled with other Marin County jurisdictions in association with Climate Action Plan Updates.</p>
33. Energy Conservation. Implement actions for	<p><u>Progress:</u> The Mill Valley 2040 General Plan also serves as the</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
energy efficiency identified in the 2040 General Plan.	<p>City's Climate Action Plan, and highlights various emission reduction and energy conservation measures. Most recently, the City has contracted with PG&E to replace the City's streetlights with LED street lights. There is also a proposal to install solar panels in the Community Center's parking lot. Sustainable design will also be addressed through the Zoning & Design Guideline Advisory Committee (ZDAC) work on multi-family/commercial design guidelines and development standards.</p> <p><u>Effectiveness:</u> Energy conservation has been a successful tool in reducing emissions and conserving resources within the community.</p> <p><u>Appropriateness for Housing Element update:</u> The program remains appropriate for the updated Housing Element. Some sustainability measures will be addressed in early 2015 as part of the update to the multi-family/commercial design guidelines.</p>
<p>34. Addressing Natural Hazards.</p> <p>Incorporate references to the Floodplain Management Ordinance in the 2040 General Plan as required by AB 162. Review Housing Element whenever General Plan amendments are made to ensure consistency.</p>	<p><u>Progress:</u> The City of Mill Valley recently updated its Floodplain Management Ordinance (2013) as well as the FEMA Floodmap. However, additional interest and studies are currently underway to address sea level rise. The City is currently a member of the Marin County Climate and Energy Partnership (MCEP) to address the issue of climate change, sea level rise and related hazards.</p> <p><u>Effectiveness:</u> The City has been effective in working with state and federal agencies to address the FEMA floodplain. More recently, the City has been effective in working jointly with other Marin County jurisdictions to address sea level rise, and the potential hazards that may arise with such a condition.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element as large portion of the City's homes are located within the FEMA Floodplain and Floodway, and current studies and coordination are underway to address the potential impacts associated with Sea Level Rise. The City will continue its ongoing coordination efforts through MCEP, and will work to implement General Plan programs aimed at addressing natural hazards.</p>

Table D.1: 2009-2014 Housing Element Accomplishments

Review of 2009-2014 Mill Valley Housing Element Program Accomplishments	
<p>35. Community Education and Outreach. Provide education and outreach on housing issues, assist prospective applicants, and coordinate with interested groups.</p>	<p><u>Progress:</u> Mill Valley has a robust communications / outreach program for various interests within the Community. News items are posted on the website, and e-mail notifications are sent out on various topics to members of the community on a regular basis. Social media is also utilized by the City to connect with its residents, including Facebook, NextDoor and Twitter. Notices are sent to property owners within 300-500 feet about the proposed development and hearing process. Most recently, the City has also advertised on its notices about the upcoming Housing Element available online. Finally, the City is in the process of providing public access to building permit and planning projects that are in progress.</p> <p><u>Effectiveness:</u> The City has been very effective in keeping the citizenry informed about the Housing Element update and associated zoning implementation.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element. Public access to building permit and planning projects is expected in 2015.</p>
<p>36. Housing Element Monitoring/Annual Report. Submit an annual report to HCD by April 1 of each year, with the first annual report due April 1, 2014.</p>	<p><u>Progress:</u> The City has been monitoring its progress in implementing the Housing Element, and submitted its most recent Annual Progress Report to State HCD in 2014.</p> <p><u>Effectiveness:</u> The City has been effective in monitoring implementation of the Housing Element, documenting new housing units created on an annual basis and providing opportunities for public review.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element.</p>
<p>37. Mill Valley Housing Advisory Committee. Establish Mill Valley Housing Advisory Committee and define roles and responsibilities.</p>	<p><u>Progress:</u> The Housing Advisory Committee is intended to monitor and assist with the implementation of the Housing Element programs. The Housing Advisory Committee will be established based on the development of bylaws, roles and responsibilities.</p> <p><u>Effectiveness:</u> Creating a Housing Committee is an effective way to monitor progress and assist with implementation of Housing Element programs.</p> <p><u>Appropriateness for Housing Element update:</u> This program remains appropriate for the updated Housing Element. The Housing Committee will be convened in 2015.</p>

Summary of Quantified Objectives: 2009-2014

The following table summarizes the quantified objectives contained in Mill Valley's 2009-2014 Housing Element, and compares the City's progress in fulfilling these objectives.

Table D.2: Quantified Objectives for Mill Valley's 2009-2014 Housing Element planning period

Income Level	New Construction Objectives		Rehabilitation Objectives		Conservation Objectives	
	Goal	Progress	Goal	Progress	Goal	Progress
Extremely Low* (0-30% AMI)	37	--	2	--	177	177
Very Low (31-50% AMI)	37	31	3	1		
Low (51-80% AMI)	54	38	--	--	127	127
Moderate (81-120% AMI)	68	26	--	--	4	4
Above Moderate (>120% AMI)	96	49	--	--		
Totals	292	144	5	1	308	308

New Construction: Goal reflects 2007-2014 RHNA. Progress reflects: 1) residential building permits issued between 1/2007-12/2013: 23 single-family units (above moderate income); 33 multi-family units, including 3 moderate and 4 low income restricted units provided through the City's inclusionary program (505 Miller, 211 Miller, 8 Old Mill), and 4 market rate rentals affordable to moderate income (65 Throckmorton); and 88 new second dwelling units¹.

Rehabilitation: Goal and progress reflects Marin Housing's Rehabilitation Loan Program.

Conservation: Goal and progress reflects conserving 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 program.

As illustrated in Table D.2, based on building permits issued between January 2007 and December 2013, Mill Valley fulfilled approximately half of its total regional housing construction needs, or "RHNA" for 292 new units. The collapse of the real estate market in 2007 and prolonged economic recession significantly impacted the level of development activity throughout the State, with housing production in the majority of jurisdictions falling well below RHNA targets. Through the inclusionary ordinance, the City achieved the development of seven deed restricted units for low and moderate income families, including both rental and ownership units. Throckmorton Village will provide two additional moderate income ownership units, though as this eleven unit project replaces eleven apartment units on the site, no net increase in units is credited towards the RHNA in Table D.2. The City also approved a 16 unit project at 542 Miller with three inclusionary units, and a nine unit market rate project at 500 Miller, both of which will be credited towards the future 2014-2022 RHNA once building permits are issued.

¹ Income distribution of second units based on Mill Valley's 2014 survey of existing second units: 35% very low income, 39% low income, 22% moderate income, and 4% above moderate income.

In cooperation with Marin Housing Authority, Mill Valley monitored all deed restricted rental and ownership housing to ensure compliance with affordability restrictions. The City met its conservation goal as no deed restricted units converted to market rate. In 2009, affordability controls were extended on Shelter Hill Apartments through transfer of ownership to EAH and tax credit financing which also funded extensive rehabilitation improvements to the property.

Marin Housing reported that just one Residential Rehabilitation loan was made in Mill Valley during the 2013-2014 period. The level of rehabilitation activity has been very limited in Mill Valley. While the majority of the community's homeowners do not meet the low income qualification requirements, this program could be particularly beneficial for senior homeowners with limited financial resources. The City may be better maximize the use of this program through expanded local advertising targeted to the senior citizen population.



EXECUTIVE SUMMARY	A survey was distributed to 416 properties that have been identified over the course of the years of potentially having legal second units on the property. The survey has confirmed that second units are a valuable source of affordable housing for one to two person households, including family members.
SURVEY PURPOSE	The purpose of the survey was to determine the use and affordability ranges of second units. The survey was mailed in August 2014 to 416 properties with potential legal second units based on planning department records. Responses were accepted until October 1, 2014. The survey was anonymous but numbered in order to identify and note those parcels responding that do not have a second units.
SURVEY RESPONSE	<p>Survey Responses: 126 responses were received from a total of 416 surveys sent out (30% response rate)</p> <p>Those Without 2nd units on site: 9 properties</p> <p>Remaining Responses Analyzed as part this Report: 117</p>

SURVEY QUESTIONS & RESULTS

The survey consisted of seven questions in total. See illustration of post card below.

THANK YOU for answering the questions below about your 2nd unit. Additional comments can be added to the backside of this postcard or e-mailed to Danielle Staude at dstaude@cityofmillvalley.org. Please return this prepaid postcard to Mill Valley City Hall by October 1, 2014.

1. What year was the unit constructed? _____
2. What is the approximate size of your unit? _____ square feet; _____ # bedrooms
3. Is the 2nd unit currently vacant? (check one)
☐ Yes, please go to question 6. ☐ No, please answer all of the questions below.
4. How many persons occupy the unit?
 _____ # seniors (65+ years old); _____ # adults (18-64 years old); _____ # children (under 18 years)
5. Please check the category that best described the person(s) occupying the unit:
☐ Relative/family member ☐ Nanny/Au-pair ☐ House guest (temporary)
☐ Tenant ☐ Caretaker or other household employee
6. What is the monthly rent when the unit is occupied?
☐ \$0/No rent charged ☐ Utilities only ☐ Under \$400 ☐ \$400-\$700 ☐ \$701-\$1,000
☐ \$1,001-\$1,300 ☐ \$1,301-\$1,500 ☐ \$1,501-\$1,800 ☐ \$1,801-\$2,000
7. Have you increased the rent for the unit since January 2014?
☐ Yes ☐ No If yes, by how much? \$ _____

Year Constructed

Construction year ranges in date, see table below.

before 1960	1960- 1969	1970- 1979	1980- 1989	1990- 1999	2000- 2010	2010- 2014
31	1	5	21	9	16	6

Approximate Size of Units (Square Feet)

The majority (87%) of 2nd units are less than 800 square feet.

100 - 200	1
201 - 400	27
401 - 600	26
601 - 800	37
801 - 1,000	13
1,001 - 1,200	1
Grand Total	105

Number of Bedrooms

67% of survey responses indicated they have a 1 bedroom 2nd units; 23% studios and 10% 2-bedrooms

Studio	25
1 bedroom	73
2 bedroom	11
Grand Total	109

Occupied Units

Of the 117 survey responses, 75% (88 respondents) indicated that the 2nd unit was occupied.

Occupied Units (Rent)

The survey revealed that a large portion of second units are being rented for \$0 (28%). These units are typically being occupied by the owner (in which they are renting out their primary residence); family member and/or nanny/au pair. Rents range in price and do not correlate to the size or number of bedrooms of the units or age of construction. (As an example, of the 14 survey responses indicating that they charge \$1,800 or more, 4 are 2-bedroom; 8 are 1 bedroom, 2 are studios).

\$0/No rent charged	28
\$1,001-\$1,300	14
\$1,301-\$1,500	9
\$1,501-\$1,800	12
\$400-\$700	6
\$701-\$1,000	15
\$701-\$1,001	1
Over \$1,800	14
Utilities only	1
Grand Total	100

Occupied Units (Person(s) Occupying the Unit)

Caretaker or other household employee	1
House guest	6
Nanny/Au-pair	3
Occupied by Owner	6
Relative/family member	26
Tenant	54
Grand Total	96

Increases in Rent

Most respondents indicated that rents have remained the same, since January 2014.

No	82
Yes	13
\$50	2
\$75	1
\$100	3
\$150	1
\$200	1
\$500	2
Grand Total	95

Household size

Of 89 respondents, 69 (78%) indicated that the 2nd Units are occupied by 1 person; 17 by 2 persons (19%).

1 Adult	50
1 Child	3
1 Senior	16
2 Adults	10
1 Adult, 1 Child	3
2 Seniors	3
1 Senior, 1 Adult	1
1 Adult, 2 Children	1
3 Adults	1
2 Adults, 2 Children	1
Grand Total	89

**ADDITIONAL
SURVEY
ANALYSIS**

Based on responses, the average size of second units are 601-800 square feet. Based on this square footage range and the 89 survey responses in which over 97% of the responses indicated that 2nd units are occupied by 1-2 persons, it can be assumed that the average household size of these second units would be for one to two person.

Qualifying affordable income levels are below.

	1 person household	2 person household
Very low income		
Annual Income	38,750	44,300
Monthly income	3,229	3,692
Max rent	\$969	\$1,108
Low income		
Annual Income	62,050	70,900
Monthly income	5,171	5,908
Max Rent	\$1,551	\$1,773
Moderate income		
Annual Income	81,600	93,200
Monthly Income	6,800	7,767
Max rent	\$2,040	\$2,330

Maximum rents are based on Marin Housing 2014 Schedule, Divided by 12 (months) and Multiplied by 30% of the monthly Household Income.

Based on 100 survey results of those 2nd units that are currently being rented and the affordable rental table above, the following assumptions can be made about the ratio of affordable housing produced by 2nd units in Mill Valley. (These assumptions are based on a 2-person household, which is conservative since a large portion of 2nd units (78%) are being occupied by one person. In addition the four 2-bedroom units have been assigned to above moderate income as a conservative measure).

Rents	Responses	%	Qualifying Affordability Level
Utilities only	1	35%	Very Low Income
\$0/No rent charged	28		
\$400-\$700	6		
\$701-\$1,000	16	39%	Low Income
\$1,001-\$1,300	14		
\$1,301-\$1,500	9		
\$1,501-\$1,800	12	22%	Moderate Income
Over \$1,800	14		
Over \$1,800 (2-bedroom)	4	4%	Above Moderate
Grand Total	100	100%	

Mill Valley's survey results and assumptions related to affordability allocations are similar to the City of Sausalito, in which a similar second unit survey was conducted in 2011 and is also based on approximately 100 survey participants. The results from the 2008 Marin County Survey are also listed in the table below.

Affordability Level	Mill Valley	Sausalito	Marin County
Very Low Income	35%	28%	50%
Low Income	39%	57%	20%
Moderate Income	26%	15%	30%
Above Moderate	4%	0%	0%



Appendix F. Glossary

Excerpted from:

Mill Valley's Zoning Ordinance, and;

A Citizen's Guide to Planning, A Glossary of Planning Terms, <http://ceres.ca.gov/>

This glossary is for ease of use of the Housing Element Document only; for full definitions describing uses and regulations related to land use entitlements please see Title 20 – Zoning, of the City of Mill Valley Municipal Code.

A. Abbreviations

ABAG:	Association of Bay Area Governments
ADA:	Americans with Disabilities Act
AMI:	Area Median (Household) Income
APN:	Assessors Parcel Number
BIG:	Build it Green
BMR:	Below-market-rate dwelling unit
CCRC:	Continuing Care Retirement Community
CDBG:	Community Development Block Grant
CEQA:	California Environmental Quality Act
CHAS:	Comprehensive Housing Affordability Strategy
CHFA:	California Housing Finance Agency
CUP:	Conditional Use Permit
EAH:	Ecumenical Association for Housing
EIR:	Environmental Impact Report
ELI:	extremely low income
FAR:	Floor Area Ratio
FROM:	Fair Housing of Marin
GGRC:	Golden Gate Regional Center
GMI:	Gross Monthly Income
HCD:	Housing and Community Development Department of the State of California
HUD:	U.S. Dept. of Housing and Urban Development
HVAC:	Heating, Ventilation, and air conditioning
LEED:	Leadership in Energy and Environmental Design
LOS:	Traffic Level of Service
MCC:	Mortgage Credit Certificate
PUD:	Planned Unit Development
RHNA:	Regional Housing Needs Allocation
SCS:	Sustainable Communities Strategy
SRO:	Single Room Occupancy
UBC:	Uniform Building Code
UHC:	Uniform Housing Code

B. Definitions

Accessory Dwelling Unit: (see Residential Second Unit)

Accessory Structure or Building: Accessory buildings or structures are functional, manmade features, enclosures, covers or buildings which are subordinate to the main building, the use of which is incidental to the permissible use of the main building on the same lot.

Acreage: Gross acreage refers to the entire acreage of a site. Most communities calculate gross acreage to the centerline of proposed bounding streets and to the edge of the right-of-way of existing or dedicated streets. Net acreage refers to the portion of a site that can actually be built upon. Public or private road right-of-way, public open space, and flood ways are not included in the net acreage of a site.

Affordability Requirements: Provisions established by a public agency to require that a specific percentage of housing units in a project or development remain affordable to very low- and low-income households for a specified period.

Affordable Housing: Housing capable of being purchased or rented by a household with very low, low, or moderate income, based on a household's ability to make monthly payments necessary to obtain housing. Housing is considered affordable when a household pays less than 30 percent of its gross monthly income (GMI) for housing, including utilities.

Agency: The governmental entity, department, office, or administrative unit responsible for carrying out regulations.

Apartment: (1) One or more rooms of a building used as a place to live, in a building containing at least one other unit used for the same purpose. (2) A separate suite, not owner occupied, which includes kitchen facilities and is designed for and rented as the home, residence, or sleeping place of one or more persons living as a single housekeeping unit.

Area; Area Median Income: As used in State of California housing law with respect to income eligibility limits established by the U.S. Department of Housing and Urban Development (HUD), "Area" means metropolitan area or non-metropolitan county. In non-metropolitan areas, the "Area Median Income" is the higher of the county median family income or the statewide non-metropolitan median family income. The Area Median Income referred to in this Housing Element is that of Marin County.

Assisted Housing: Generally multi-family rental housing, but sometimes single-family ownership units, whose construction, financing, sales prices, or rents have been subsidized by federal, state, or local housing programs including, but not limited to Federal Section 8 (new construction, substantial rehabilitation, and loan management set-asides), Federal Sections 213, 236, and 202, Federal Section 221(d)(3) (below-market interest rate program), Federal Section 101 (rent supplement assistance), CDBG, FmHA Section 515, multifamily mortgage revenue bond programs, local redevelopment and in lieu fee programs, and units developed pursuant to local inclusionary housing and density bonus programs. All California Housing elements are

required to address the preservation or replacement of assisted housing that is eligible to change to market rate housing within 10 years.

San Francisco Bay Conservation and Development Commission (BCDC): is a California State commission dedicated to the protection, enhancement and responsible use of the San Francisco Bay. The Planning Unit is responsible for conducting major planning studies, specialized research and policy development, and developing amendments to the San Francisco Bay Plan.

Below-market-rate (BMR) Housing Unit: (1) Any housing unit specifically priced to be sold or rented to low- or moderate-income households for an amount less than the fair-market value of the unit. Both the State of California and the U.S. Department of Housing and Urban Development set standards for determining which households qualify as “low income” or “moderate income.” (2) The financing of housing at less than prevailing interest rates.

Building: Any structure used or intended for supporting or sheltering any use or occupancy.

Building Code: The national, standard building code that sets forth minimum standards for construction is known as the Uniform Building Code (UBC). State housing regulations governing the condition of habitable structures with regard to health and safety standards, and which provide for the conservation and rehabilitation of housing in accordance with the UBC, are known as the Uniform Housing Code (UHC).

Building Footprint: The outline of a building at all of those points where it meets the ground.

Building Height: The vertical distance from the average contact ground level of a building to the highest point of the coping of a flat roof or to the deck line of a mansard roof or to the mean height level between eaves and ridge for a gable, hip, or gambrel roof. The exact definition varies by community. For example, in some communities building height is measured to the highest point of the roof, not including elevator and cooling towers.

Build-out: Development of land to its full potential or theoretical capacity as permitted under current or proposed planning or zoning designations.

California Environmental Quality Act (CEQA): A State law requiring State and local agencies to regulate activities with consideration for environmental protection. If a proposed activity has the potential for a significant adverse environmental impact, an **Environmental Impact Report (EIR)** must be prepared and certified as to its adequacy before taking action on the proposed project. An Environmental Assessment may be prepared for housing elements, leading to a Declaration of No Environmental Impact, Negative Declaration, or Mitigated Negative Declaration. When a project is not exempt from CEQA and will not have a significant adverse effect upon the environment a negative declaration is prepared, describing the reasons why the project will not have a significant effect and proposes measures to completely mitigate or avoid any possible effects. (Significant Effects refer to a beneficial or detrimental impact on the environment. May include, but is not limited to, significant changes in an area’s air, water, and land resources.)

Census: The official decennial enumeration of the population conducted by the federal government.

Character: Special physical characteristics of a structure or area that set it apart from its surroundings and contribute to its individuality.

City: City with a capital “C” generally refers to the government or administration of a city. City with a lower case “c” may mean any city or may refer to the geographical area of a city (e.g., the properties in the city.)

Co-housing: Co-housing is an innovative type of collaborative housing that originated in Denmark in the 1960s. Co-housing communities consist of individually owned, private homes 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.

Commercial: Commercial Zoning Districts in Mill Valley include Professional Administrative (P-A), General Commercial (C-G), Commercial-Recreation (C-R), Community Facilities (C-F), and Neighborhood Commercial (C-N) Districts. These districts permit different uses that engage in commerce. The uses vary from district to district, and include commercial and retail uses such as offices, banks, hotels/motels, recreation facilities, public utility structures, shops, stores, restaurants, and certain light industrial uses. Some commercial districts also permit residential uses.

Community Development Block Grant (CDBG): A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities, and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development.

Compatible: Capable of existing together without conflict or ill effects.

Conditional Use Permit (CUP): The Conditional Use Permit process in Mill Valley allows Planning Commission level of review for selected land use proposals. Conditional Use Permits are required for uses which may be suitable only in specific locations in a zoning district, or which require special consideration in their design, operation or layout to ensure compatibility with surrounding uses.

Condominium: A condominium consists of an undivided interest in common in a portion of real property coupled with a separate interest in space called a unit, the boundaries of which are described on a recorded final map, parcel map, or condominium plan in sufficient detail to locate all boundaries thereof.

Condominium conversion: The conversion of existing real estate and/or structures to separate, salable condominium units, regardless of present or prior use and whether substantial improvements have been made to such structures.

Consistent: Free from variation or contradiction. Programs in the General Plan are to be consistent, not contradictory or preferential. State law requires consistency between a general plan and implementation measures such as the zoning code.

County: County with a capital “C” generally refers to the government or administration of a county (e.g., Marin County). County with a lower case “c” may mean any county or may refer to the geographical area of a county (e.g., the county’s 15 cities).

Density: The measure of the ratio of population to the area of land occupied by that population, which is expressed as dwelling units per acre. “Gross density” is the number of lots derived from dividing the area of a site by the area required for each lot or dwelling unit. “Net density” is the number of lots resulting from subtracting the area required for streets (in the case of a subdivision) from the total area of the undivided site, and then dividing the remaining area by the area required for each lot. Density control indicates a limitation on the occupancy of land. Density can be controlled through zoning in the following ways: use restrictions, minimum lot-size requirements, floor area ratios, land use-intensity ratios, setback and yard requirements, minimum house-size requirements, ratios comparing number and types of housing units to land area, limits on units per acre, and other means. Allowable density often serves as the major distinction between residential districts.

Density Bonus: An increase in the density (number of dwelling units allowed per acre or parcel), above that normally allowed by the applicable zoning district, in exchange for a public benefit (e.g., provision of affordable housing or senior housing).

Under California law, projects with at least 5 units may request a density bonus. Depending on the level of affordability, the bonus may be between 5% and 35% of the base density (California Government Code Section 65915 – 65918).

Design Review: The comprehensive evaluation of a development and its impact on neighboring properties and the community as a whole, from the standpoint of site and landscape design, architecture, materials, colors, lighting, and signs, in accordance with a set of adopted criteria and standards.

In Mill Valley, all new structures or changes in use of an existing structure of 150 square feet or more of gross floor area in any zoning district, physical improvements and all additions, extensions, changes in color, and other exterior changes of or to existing buildings, structures and physical improvements shall be subject to Design Review, whether or not a building permit is required. Exemptions include certain types of modifications to existing single-family dwellings, certain signage, and certain modifications to accessory structures.

Developable Land: Land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas. “Net developable acres” refers to the portion of a site that can be used for density calculations. Some communities calculate density based on gross acreage. Public or private road rights-of-way are not included in the net developable acreage of a site.

Developer: An individual who or business that prepares raw land for the construction of buildings or causes to be built physical building space for use primarily by others, and in which the preparation of the land or the creation of the building space is in itself a business and is not incidental to another business or activity.

Development: The physical extension and/or construction of urban land uses. Development activities include subdivision of land; construction or alteration of structures, roads, utilities, and other facilities; installation of septic systems; grading; deposit of refuse, debris, or fill materials; and clearing of natural vegetative cover (with the exception of agricultural activities). Routine repair and maintenance activities are exempted.

Development Fees: Also known as impact fees, these are fees charged to developers or builders as a prerequisite to construction or development approval. The most common are: (1) impact fees (such as parkland acquisition fees, school facilities fees, or street construction fees) related to funding public improvements which are necessitated in part or in whole by the development; (2) connection fees (such as water and sewer connection fees) to cover the cost of installing public services to the development; (3) permit fees (such as building permits, grading permits, sign permits) for the administrative costs of processing development plans; and, (4) application fees (rezoning, CUP, variance, etc.) for the administrative costs of reviewing and hearing development proposals.

As Proposition 13 put a cap on property taxes, limiting the main source of funding for new school facilities, California law allows school districts to impose school impact fees on new developments to offset their impacts on area schools.

District: (1) An area of a city or county that has a unique character identifiable as different from surrounding areas because of distinctive architecture, streets, geographic features, culture, landmarks, activities, or land uses. (2) A portion of the territory of a city or county within which uniform zoning regulations and requirements apply (aka, a zoning district).

Mill Valley's Zoning Districts include residential, commercial, planned development, open area, historic overlay, and unclassified for newly annexed areas.

Diversity: Differences among otherwise similar elements that give them unique forms and qualities. E.g., housing diversity can be achieved by differences in unit size, tenure, or cost.

Duet: A single residential building containing two attached dwelling units. Duets are sold and owned separately, and typically remain owner-occupied.

Duplex: A single residential building containing two dwelling units. Duplexes are different from duets in that the units are sold together as a single building and typically rented out.

Dwelling Unit: A room or group of rooms (including sleeping, eating, cooking, and sanitation facilities, but not more than one kitchen), which constitutes an independent housekeeping unit, occupied or intended for occupancy by one household on a long-term basis. In Mill Valley, multi-family refers to two or more dwelling units on one lot, and single-family refers to one dwelling unit on one lot.

Emergency Shelter: A facility that provides immediate and short-term housing and supplemental services for the homeless. Shelters come in many sizes, but an optimum size is considered to be 20 to 40 beds. Supplemental services may include food, counseling, and access to other social programs. (See “Homeless” and “Transitional Housing.”)

Environmental Impact Report (EIR): A report required of general plans by the California Environmental Quality Act and which assesses all the environmental characteristics of an area and determines what effects or impacts will result if the area is altered or disturbed by a proposed action. (See “California Environmental Quality Act.”)

Exaction: A contribution or payment required as an authorized precondition for receiving a development permit; usually refers to mandatory dedication (or fee in lieu of dedication) requirements found in many subdivision regulations.

Fair Market Rent: The rent, including utility allowances, determined by the United States Department of Housing and Urban Development for purposes of administering the Section 8 Existing Housing Program.

Family: (1) Two or more persons related by birth, marriage, or adoption [U.S. Bureau of the Census]. (2) An individual or a group of persons living together who constitute a *bona fide* single-family housekeeping unit in a dwelling unit, not including a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house or institution of any kind [California].

Feasible: Capable of being done, executed, or managed successfully from the standpoint of the physical and/or financial abilities of the implementer(s). “Technically feasible” means an action is capable of being implemented because the industrial, mechanical, or application technology exists.

Finding(s): The result(s) of an investigation and the basis upon which decisions are made. Findings are used by government agents and bodies to justify action taken by the entity.

Flag Lot: A lot which does not have direct frontage on a road or street, and which is connected to a road or street by a narrow fee ownership appendage that is primarily used to provide access to the building site on the lot.

Floor Area Ratio (FAR): Abbreviated as FAR, the City of Mill Valley limits the maximum size of single-family homes using a FAR. The maximum Adjusted Floor Area that is permitted for a site is calculated using the “Effective Lot Area.” For instance,

- Site area less than 8,000 sq.ft., FAR = 35% of effective lot area
- Site area 8,000 to 20,000 sq.ft., FAR = 10% of effective lot area + 2,000 sq.ft.
- Site area over 20,000 sq.ft. , FAR = 5% of effective lot area + 3,000 sq.ft. up to a 7,000 sq.ft. maximum

Garage or Carport: A garage is a structure dedicated for the parking of vehicles that is enclosed on at least three sides; a carport is enclosed on no more than two sides.

General Plan: A statement of policies, including text and diagrams setting forth objectives, principles, standards, and plan proposals, for the future physical development of the city or county (see Government Code Sections 65300 et seq.). California State law requires that a General Plan include elements dealing with seven subjects—circulation, conservation, housing, land use, noise, open space and safety—and specifies to various degrees the information to be incorporated in each element.

Granny Unit: (see Residential Second Unit)

Guidelines: General statements of policy direction around which specific details may be later established.

Handicapped: A person determined to have a physical impairment or mental disorder expected to be of long or indefinite duration. Many such impairments or disorders are of such a nature that a person's ability to live independently can be improved by appropriate housing conditions.

Historic; Historical: A historic building or site is one that is noteworthy for its significance in local, state, or national history or culture, its architecture or design, or its works of art, memorabilia, or artifacts.

Historic Preservation: The preservation of historically significant structures and neighborhoods until such time as, and in order to facilitate, restoration and rehabilitation of the building(s) to a former condition.

Homeless: Persons and families who lack a fixed, regular, and adequate nighttime residence. Includes those staying in temporary or emergency shelters or who are accommodated with friends or others with the understanding that shelter is being provided as a last resort. California Housing element law, Section 65583(c)(1), requires all cities and counties to address the housing needs of the homeless. (See "Emergency Shelter" and "Transitional Housing.")

Household: A single individual, doing his own cooking, and living upon the premises as a separate housekeeping unit, or a collective body of persons, with a legally responsible head of household, doing their own cooking and living together upon the premises as a separate housekeeping unit as distinguished from a group occupying a boarding house, lodging house, club, fraternity, sorority or hotel.

Householder: The head of a household.

Households, Number of: The count of all year-round housing units occupied by one or more persons. The concept of household is important because the formation of new households generates the demand for housing. Each new household formed creates the need for one additional housing unit or requires that one existing housing unit be shared by two households. Thus, household formation can continue to take place even without an increase in population, thereby increasing the demand for housing.

Housing and Community Development Department of the State of California (HCD): The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low- and moderate-income households.

Housing Authority: A housing agency established in State law, subject to local activation and operation. Originally intended to manage certain federal subsidies, but vested with broad powers to develop and manage other forms of affordable housing. In Mill Valley, the housing authority is the Housing Authority of Marin County (or Marin Housing).

Housing Element: One of the seven State-mandated elements of a local general plan, it assesses the existing and projected housing needs of all economic segments of the community, identifies potential sites adequate to provide the amount and kind of housing needed, and contains adopted goals, policies, and implementation programs for the preservation, improvement, and development of housing. Under State law, Housing elements must be updated every five years.

Housing and Urban Development, U.S. Department of (HUD): A cabinet-level department of the federal government that administers housing and community development programs.

Housing Unit: The place of permanent or customary abode of a person or family. A housing unit may be a single-family dwelling, a multifamily dwelling, a condominium, a modular home, a mobile home, a cooperative, or any other residential unit considered real property under State law. A housing unit has, at least, cooking facilities, a bathroom, and a place to sleep. It also is a dwelling that cannot be moved without substantial damage or unreasonable cost. (See “Dwelling Unit,” “Family,” and “Household.”)

Impact: The effect of any direct man-made actions or indirect repercussions of man-made actions on existing physical, social, or economic conditions.

Implementation: Actions, procedures, programs, or techniques that carry out policies.

Improvement: The addition of one or more structures or utilities on a parcel of land.

Infill Development: Development of vacant land (usually individual lots or left-over properties) within areas that are already largely developed.

Infrastructure: Public services and facilities, such as sewage-disposal systems, water-supply systems, other utility systems, and roads.

In Lieu Fee: Cash payments that may be required of an owner or developer as a substitute for a dedication of land or construction of below-market-rate housing, and referred to as in lieu fees or in lieu contributions.

Institutional Use: (1) Publicly or privately owned and operated activities that are institutional in nature, such as hospitals, museums, and schools; (2) churches and other religious organizations; and (3) other nonprofit activities of a welfare, educational, or philanthropic nature that cannot be considered a residential, commercial, or industrial activity.

Jobs/Housing Balance; Jobs/Housing Ratio: The availability of affordable housing for employees. The jobs/housing ratio divides the number of jobs in an area by the number of employed residents. A ratio of 1.0 indicates a balance. A ratio greater than 1.0 indicates a net in-commute; less than 1.0 indicates a net out-commute.

Land Use Regulation: A term encompassing the regulation of land in general and often used to mean those regulations incorporated in the General Plan, as distinct from zoning regulations (which are more specific).

Lease: A contractual agreement by which an owner of real property (the lessor) gives the right of possession to another (a lessee) for a specified period of time (term) and for a specified consideration (rent).

Lot or Parcel: A portion of land shown as a unit on a recorded subdivision map or an approved minor subdivision map, parcel map or otherwise existing as of record with the Office of the Recorder of the County of Marin.

Low-income Household: A household earning less than 80% of the Marin County median income based on information provided by the United States Department of Housing and Urban Development.

Manufactured Housing: Residential structures that are constructed entirely in the factory, and that since June 15, 1976, have been regulated by the federal Manufactured Home Construction and Safety Standards Act of 1974 under the administration of the U.S. Department of Housing and Urban Development (HUD). (See “Mobile Home.”)

Ministerial (Administrative) Decision: An action taken by a governmental agency that follows established procedures and rules and does not call for the exercise of judgment in deciding whether to approve a project.

Mitigate, v : To ameliorate, alleviate, or avoid to the extent reasonably feasible.

Mitigation Measure: The California Environmental Quality Act requires that when an adverse environmental impact or potential impact is identified, measures must be proposed that will eliminate, avoid, rectify, compensate for or reduce those environmental effects.

Mixed-use: The combination of various uses, such as office, commercial, institutional, and residential, in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design. Mixed use projects which combine residential, commercial and/or business and professional office uses are permitted in Mill Valley subject to the securing of a conditional use permit (CUP).

Mobile Homes: A manufactured housing structure transportable in one or more sections, designed and equipped to contain not more than two dwelling units to be used with or without a foundation system. Mill Valley’s Zoning Ordinance Section 20.08.040 includes “mobile home” in the definition of “building”.

Moderate-income Household: A household earning 80% to 120% of the Marin County median income based on information provided by the United States Department of Housing and Urban Development.

Mortgage Credit Certificate: Under a County-operated program, gives a first-time homebuyer a federal income tax credit of up to 20 percent of the mortgage interest paid on the first mortgage loan, for each year the buyer keeps the same mortgage loan and lives in the same house. Maximum initial household income limits and maximum initial home purchase prices apply and are adjusted annually. 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.

Multifamily Building: A detached building designed and used exclusively as a dwelling by three or more families occupying separate suites.

Municipal Code: The Municipal Code of the City of Mill valley including Title 20, the Zoning Ordinance.

Need: A condition requiring supply or relief. The City or County may act upon findings of need within or on behalf of the community.

Non-conforming Use: The lawful use of land and structures which existed at the time of the adoption of Title 20 - Zoning, on December 19, 1956, although such uses do not conform to the regulations herein specified for the district in which the land or structure is located, may be continued provided that such use shall not be enlarged nor increased nor extended to occupy a greater area than that occupied by such use at the time of the adoption of this Title and further provided that such use is not conducted in a manner constituting a public nuisance. Any single-family residence which is non-conforming as to required yards only may be enlarged or modified provided the non-conformity is not increased.

Notice (of Hearing): A legal document announcing the opportunity for the public to present their views to an official representative or board of a public agency concerning an official action pending before the agency.

Objective: A specific statement of desired future condition toward which the City or County will expend effort in the context of striving to achieve a broader goal. An objective should be achievable and, where possible, should be measurable and time-specific. The State Government Code (Section 65302) requires that general plans spell out the "objectives," principles, standards, and proposals of the general plan. "The addition of 100 units of affordable housing by 2005" is an example of an objective.

Ordinance: A law or regulation set forth and adopted by a governmental authority, usually a city or county.

Overlay: A land use designation on the Land Use Map, or a zoning designation on a zoning map, that modifies the basic underlying designation in some specific manner.

Pacific Gas and Electric Company (PG&E): is the utility that provides natural gas and electricity to most of the northern two-thirds of California, from Bakersfield almost to the Oregon border.

Parcel: see "Lot".

Parking, Shared: A public or private parking area used jointly by two or more uses (i.e. Retail and Residential).

Planned Residential: **Planned residential communities are generally** large-scale developments whose essential features are a definable boundary; a consistent, but not necessarily uniform, character; overall control during the development process by a single development entity; private ownership of recreation amenities; and enforcement of covenants, conditions, and restrictions by a master community association. In Mill Valley, planned communities are regulated by the Planned Residential Zoning District.

Planning Area: The Planning Area is the land area addressed by the General Plan (and hence, by the Housing element). For a city, the Planning Area boundary typically coincides with the Sphere of Influence that encompasses land both within the city limits and potentially annexable land.

Planning Commission: A commission appointed by the City Council or Board of Supervisors to consider land use planning matters. The commission's duties and powers are established by the local legislative body and might include hearing proposals to amend the general plan or rezone land, initiating planning studies (road alignments, identification of seismic hazards, etc.), and taking action on proposed subdivisions.

Policy: A specific statement of principle or of guiding actions that implies clear commitment but is not mandatory. A general direction that a governmental agency sets to follow, in order to meet its goals and objectives before undertaking an action program. (See “Action Statement.”)

Poverty Level: As used by the U.S. Census, families and unrelated individuals are classified as being above or below the poverty level based on a poverty index that provides a range of income cutoffs or “poverty thresholds” varying by size of family, number of children, and age of householder. The income cutoffs are updated each year to reflect the change in the Consumer Price Index.

Principle: An assumption, fundamental rule, or doctrine that will guide general plan policies, proposals, standards, and implementation measures. The State Government Code (Section 65302) requires that general plans spell out the objectives, “principles,” standards, and proposals of the general plan. “Adjacent land uses should be compatible with one another” is an example of a principle.

Quarters: Quarters generally refer to housing for living in, i.e. living quarters. Group quarters refer to residential living arrangements, other than the usual house, apartment, or mobile home, in which two or more unrelated persons share living quarters and cooking facilities. Institutional group quarters include nursing homes, orphanages, and prisons. Non-institutional group quarters include dormitories, shelters, and large boarding houses.

Redevelop, v: To demolish existing buildings; or to increase the overall floor area existing on a property; or both; irrespective of whether a change occurs in land use.

Redevelopment Agency: A local agency created under California Redevelopment Law, or a local legislative body that has elected to exercise the powers granted to such an agency, for the purpose of planning, developing, re-planning, redesigning, clearing, reconstructing, and/or rehabilitating all

or part of a specified area with residential, commercial, industrial, and/or public (including recreational) structures and facilities. The redevelopment agency's plans must be compatible with the adopted community general plan, including the housing element. Also sometimes known as a Community Redevelopment Agency.

Regional: Pertaining to activities or economies at a scale greater than that of a single jurisdiction, and affecting a broad geographic area.

Regional Housing Needs Allocation (RNHA): A quantification by a Council of Government or by the Housing and Community Development Department of the State of California, of existing and projected housing need, by household income group, for all localities within a region. The Council of Government in the Bay Area is the Association of Bay Area Governments (ABAG), which determines the regional housing needs allocation pertaining to Mill Valley.

Regulation: A rule or order prescribed for managing government or the use of land.

Rehabilitation: The repair, preservation, and/or improvement of substandard housing.

Residential: Mill Valley has several residential Zoning Districts designated for buildings consisting only of dwelling units. These districts include single-family and multi-family residential uses, (See "Planned Residential", "Residential, Multi-family", and "Residential, Single-family".)

Residential Accessory Uses: In Mill Valley, residential accessory uses means a use incidental and subordinate to the principal use.

Residential Care Homes: Facilities providing residential social and personal care for children, the elderly, and people with some limits on their ability for self-care, but where medical care is not a major element. Residential care homes include: children's homes, halfway houses, orphanages, rehabilitation centers, self-help group homes.

Residential Second Unit: An attached or detached dwelling unit in addition to the primary unit allowed in all residential zoning districts and provides complete independent living facilities for one or more persons and which may include a kitchen or cooking area, sleeping area or sanitation facilities on the same parcel as the primary unit. A residential second unit may not be less than 150 square feet, nor more than a maximum of 1,000 square feet. (20.08.160)

Residential, Multi-family: Usually two or more dwelling units on a single site, which may be in the same or separate buildings.

Residential, Single-family: A single dwelling unit on a building site.

Rezoning: An amendment to the map and/or text of a zoning ordinance to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

Second Mortgage Program: The lending by a public or private agency of a portion of a required down payment to a developer or first-time homebuyer, usually with restrictions requiring that the units assisted through the program remain affordable to very low- and low-income households.

Secondary Dwellings: (see Accessory Dwelling Units)

Section 8 Rental Assistance Program: A federal (HUD) rent-subsidy program that is one of the main sources of federal housing assistance for low-income households. The program operates by providing “housing assistance payments” to owners, developers, and public housing agencies to make up the difference between the “Fair Market Rent” of a unit (set by HUD) and the household’s contribution toward the rent, which is calculated at 30 percent of the household’s adjusted gross monthly income (GMI). “Section 8” includes programs for new construction, existing housing, and substantial or moderate housing rehabilitation.

Senior Housing Projects: Defined by California Housing Element law as projects developed for, and put to use as, housing for senior citizens. Senior citizens are defined as persons at least 62 years of age.

Setback: An area on a lot where no buildings, structures, or additions may be located, and which thereby becomes a yard area.

Shared Living: The occupancy of a dwelling unit by persons of more than one family in order to reduce housing expenses and provide social contact, mutual support, and assistance. Shared living facilities serving six or fewer persons are permitted in all residential districts by Section 1566.3 of the California Health and Safety Code.

Single Room Occupancy (SRO): A single room, typically 80 - 250 square feet, with a sink and closet, but that requires the occupant to share a communal bathroom, shower, and kitchen.

Site: A parcel of land used or intended for one use or a group of uses and having frontage on a public or an approved private street.

Specific Plan: A plan addressing land use distribution, open space availability, infrastructure, and infrastructure financing for a portion of the community. Specific plans put the provisions of the local general plan into action.

Sphere of Influence: The probable ultimate physical boundaries and service area of a local agency (city or district) as determined by the Local Agency Formation Commission of the County.

Standards: (1) A rule or measure establishing a level of quality or quantity that must be complied with or satisfied. The State Government Code (Section 65302) requires that general plans spell out the objectives, principles, “standards,” and proposals of the general plan. Examples include the number of acres of park land per 1,000 residents that a community will attempt to acquire and improve, or the “traffic Level of Service” (LOS) that the plan aims to attain. (2) Development Standards refer to requirements in a zoning code that govern building and development as distinguished from use restrictions—for example, site-design regulations such as lot area, height limit, frontage, landscaping, and floor area ratio.

Street: Right-of-way, easement, or prescriptive right-of-way dedicated to, and under the authority of, the City of Mill Valley; a state highway; a private road, easement, or prescriptive right-of-way;

and which is customarily used for automobile travel and for providing vehicular access to abutting property.

Structure: Anything constructed or erected on the ground, the use of which requires attachment to the ground, or over 120 square feet in area or over six feet in height, or any structure that requires a building permit, including any building, but not including fences or walls six feet or less in height, or concrete flat work such as driveways, patios, or planters less than 12 inches in height.

Subdivision: The division of a tract of land into defined lots, either improved or unimproved, which can be separately conveyed by sale or lease, and which can be altered or developed. “Subdivision” includes a condominium project as defined in Section 1350 of the California Civil Code and a community apartment project as defined in Section 11004 of the Business and Professions Code. The **Subdivision Map Act** is Division 2 (Sections 66410 et seq.) of the California Government code, which vests in local legislative bodies the regulation and control of the design and improvement of subdivisions, including the requirements for tentative and final maps.

Subsidize: To assist by payment of a sum of money or by the granting of terms or favors that reduce the need for monetary expenditures. Housing subsidies may take the forms of mortgage interest deductions or tax credits from federal and/or state income taxes, sale or lease at less than market value of land to be used for the construction of housing, payments to supplement a minimum affordable rent, and the like.

Substandard Housing: Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

Tax Credit: A dollar amount that may be subtracted from the amount of taxes owed.

Transitional Housing: Shelter provided to the homeless for an extended period, often as long as 18 months, and generally integrated with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a stable income and permanent housing. (Also see “Homeless” and “Emergency Shelter.”)

Urban Services: Utilities (such as water, gas, electricity, and sewer) and public services (such as police, fire, schools, parks, and recreation) provided to an urbanized or urbanizing area.

Use: The purpose for which land or a structure is arranged, designed, or intended, or for which either land or a structure is or may be occupied or maintained. A conditional use is a land use that is identified as allowed, subject to minor use or conditional use permit approval in a particular zoning district. A non-conforming use refers to the use of land that was lawfully established, but that is no longer identified as an allowable use by the Mill Valley Zoning Ordinance, and which does not conform to the regulation for the zoning district in which it is located.

Use Permit: The discretionary and conditional review of an activity or function or operation on a site or in a building or facility.

Vacant: Lands or buildings that are not actively used for any purpose.

Very Low-income Household: A household with an annual income usually no greater than 50 percent of the area median family income, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Program.

Zoning: The division of a city or county by legislative regulations into areas, or zones, which specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the General Plan.

Zoning Ordinance: Regulations adopted by a local jurisdiction which govern the use and development of land within the jurisdictions boundaries.

Zoning District: A designated section of a city or county for which prescribed land use requirements and building and development standards are uniform.

Zoning, Incentive: The awarding of bonus credits to a development in the form of allowing more intensive use of land if public benefits—such as preservation of greater than the minimum required open space, provision for low- and moderate-income housing, or plans for public plazas and courts at ground level—are included in a project. (Also see “Density Bonus”.)

Zoning, Inclusionary: Regulations that increase housing choice by providing the opportunity to construct more diverse and economical housing to meet the needs of low- and moderate-income families. Often such regulations require a minimum percentage of housing for low- and moderate-income households in new housing developments and in conversions of apartments to condominiums.

Zoning Map: The map adopted by the City Council of Mill Valley as part of the Zoning Ordinance which identifies the zoning districts within the City.