



**STAFF REPORT TO THE MARIN COUNTY
PLANNING COMMISSION**
DEVELOPMENT CODE AMENDMENTS RELATED TO INCLUSIONARY POLICIES

Recommendation: **Hold a workshop to consider the proposed
code amendments related to inclusionary
housing policies**

Workshop Date: **August 14, 2023**

Agenda Item: 1

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PROJECT SUMMARY

Housing Division staff are proposing a set of amendments to the Marin County Development Code, which establishes zoning and subdivision regulations in the unincorporated areas of Marin County. The topics addressed in the proposed Development Code amendments are related to inclusionary housing policies. Staff is recommending the adoption of a group of inclusionary housing policies that will be a tool to encourage and facilitate affordable housing and to affirmatively further fair housing. The topics addressed in the proposed Development Code amendments include the following: (1) clarifications and corrections; (2) internal consistency with code and policy; and (3) alignment with uniform inclusionary housing and commercial linkage standards. The proposed amendments will not apply in the Coastal Zone.

BACKGROUND

Inclusionary housing ordinances and policies and related in-lieu affordable housing fees and non-residential/commercial linkage fees, are tools to increase affordable housing within a jurisdiction. Inclusionary housing requirements (or inclusionary zoning) aim to increase the supply of affordable housing that is deed-restricted for lower-income households by requiring private housing developers to include a certain percentage of affordable units in a market rate housing development project, effectively integrating affordable housing units into market rate developments. Inclusionary provisions include setting the minimum project size and number and level of affordable units required. Inclusionary requirements can also be a tool to help a jurisdiction satisfy its Regional Housing Needs Allocation (RHNA) for units at various affordability income levels. State law also requires alternative(s) to providing on-site inclusionary units for rental

projects, and it is considered a best-practice to consider alternatives regarding for-sale units. Alternatives can include in-lieu fees, off-site construction, and land dedication.

Affordable housing in-lieu fees and non-residential/commercial linkage fees promote affordable housing by providing monies to an affordable housing fund, which are used to promote, procure, and facilitate affordable housing within a community.

These policies and related fees were developed in conjunction with six other Marin jurisdictions working with a consultant team to establish common inclusionary requirements among the jurisdictions, including: Corte Madera, Fairfax, Larkspur, San Anselmo, San Rafael, Sausalito, and Unincorporated Marin. The process was designed to assist Marin County jurisdictions through collaboration on a common strategy, thereby saving time and funds for each participating jurisdiction to update or establish new affordable housing policies and provide more conformity in policies across jurisdictions.

The County adopted its first inclusionary policy in 1980. The most recent update to the nexus study and policy was in 2008. Since 1980, ninety inclusionary homeownership units and 37 rental units have been developed in unincorporated Marin County. In addition, Marin adopted its first commercial linkage fee nexus study and policy in 2002 and it has not been updated since.

The proposed amendments accomplish Program 24 of the certified 2023-31 Housing Element. Inclusionary policies also support the County's goal to Affirmatively Furthering Fair Housing (AFFH) by providing affordable housing integrated into areas of opportunity and concentrated affluence. The goal of AFFH is to combat housing discrimination, eliminate racial bias, undo historic patterns of segregation, and lift barriers that restrict access in order to foster inclusive communities and achieve racial equity, fair housing choice, and opportunity for all Californians.

DISCUSSION

In drafting the amendments, we follow the "CASE" principle of code - Clear, Affordable, Simple and Enforceable. Staff have published the Development Code amendments for the public to review on the [Housing Division's Affordable Housing webpage](#).

The Planning Commission Review Draft consists of portions of Development Code Articles III and VIII, with amendments shown in track changes format. While this draft shows all the substantive amendments, there may be instances where there are cross indexing, typographical, and formatting errors that will be corrected in the final draft.

After your Commission has completed the workshop on August 14, 2023 and provided comments, Planning staff will make revisions to the amendments to reflect your Commission's comments. A Planning Commission hearing is scheduled on August 28, 2023 for your Commission to review the revised amendments, and consider a Resolution recommending approval of the amendments to the Board of Supervisors.

RECOMMENDATION

Staff recommends the Planning Commission conduct the public hearing take the following actions: review the proposed Development Code Amendments, receive public testimony, deliberate on the amendments, and provide comments to Housing Division staff.

Attachments:

1. Exhibit A-Planning Commission Draft 2023 Development Code Amendments
2. Guide to the 2023 Development Code Amendments