

5. Summary of Sites to Meet RHNA Allocation and Recommended Buffer

Based on the above-referenced analysis, the City can adequately meet its RHNA allocation and HCD’s recommended buffer for the lower and moderate-income categories. See summary Table 3.2 on page III-4 for the total anticipated units to be constructed during the eight-year housing cycle.

The summary below quantifies and provides further details about those sites identified in the City’s Sites Inventory, contained in Appendix C and illustrated in Figures 3-3 and 3-4.

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 **102** parcels that are considered good candidates for infill residential development. On these parcels, it is estimated that **233** new residential units could be built in the during the planning period under existing zoning regulations for Single-Family zoned sites and applying the overlay zones to multi-family zoned sites as described in Chapter 4, Housing Program 20.

Commercially Zoned Sites. Mill Valley’s existing zoning regulations allow for residential uses in all commercially zoned districts through the issuance of a conditional use permit. 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.

69 parcels in the Commercial zoning districts were identified as good candidates for mixed-use development. It is estimated that **594** new residential units could be built in the future on these sites by applying the overlay zoning districts described in Chapter 4, Housing Program 20.

Other Sites Identified. Public owned sites include those tax-exempt properties owned by public entities that are typically zoned in Mill Valley as either Open Area (O-A) or Community Facility (C-F), and include landowner by the City of Mill Valley, County of Marin, Public Schools, Religious Institutions, and various utility companies. In 2020, City staff worked with the Housing Advisory Committee and the City’s housing consultant to evaluate 150 publicly owned sites located in the City of Mill Valley to identify those sites of interest for housing.

On June 21, 2021 City Council reviewed and accepted the Housing Advisory Committee’s recommendations to select the northern portion of the 1 Hamilton city-owned parcel and issue a Request for Qualifications to solicit interest and partner with a non-profit home builder. This portion of land has been deemed “exempt surplus land” for the sole purpose of building affordable homes on the property and the City entered into an exclusive negotiating agreement (ENA) with EAH Housing to further evaluate the feasibility of building at least 40 affordable housing units on the property. As such, the City has included the northern portion of 1 Hamilton in its sites inventory based on the ENA and surplus land designation.

a 4 story
40+ unit
affordable
housing
apartment
complex.

Program Objectives: Continue to review and refine the ADU ordinance to provide housing options for seniors, caregivers, and other lower and extremely low-income households. Based on past trends, seek to facilitate creation of an average of 18 ADUs on an annual basis. Continue to collaborate with local Marin County jurisdictions to promote small-scale ADUs and Duplexes through resources such as SB2 grant funding.

Should the average number of new ADUs fall below twelve new units a year, reevaluate the ADU program and consider an amnesty program or additional incentives such as square footage allowances for ADUs built above a garage and/or reduced building permit fees. As part of the evaluation of reduced fees, the City shall consider financial assistance through the local Trust Fund (Program 13) for income-qualified property owners building ADUs using State funds (such as Cal HOME funds).

9. Adaptive Reuse of Commercial Buildings

Background: Parcels located in commercial zoned districts may include residential housing through a conditional use process. As part of the Housing Element outreach, there was large support for allowing commercial offices to convert upper floor area to residential use. In interviewing commercial property owners, added incentives for converting space include reducing fees, streamlining the approval process, and waiving parking requirements.

As a first step, the City is proposing to adopt a “office conversion overlay” that will allow those sites on the Sites Inventory to convert upper floor office to housing. In addition, because the City is relying on commercial and mixed-use sites to accommodate over 50% of its very low- and low-income RHNA, the City must also rezone those commercial and mixed use sites identified in the Sites Inventory that are ½ acre or more to allow fully residential projects and require that for any mixed-use projects proposed on those sites that 50% of the floor area must be occupied for residential uses. See Program 20 for details.

Objective: As part of the adoption of the Housing Element adopt the office conversion overlay zoning district and permit fully residential projects for those commercial sites ½ acre or more.

10. 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 publicly owned sites for housing.

City staff has worked through the Housing Advisory Committee on this Housing program to evaluate and initiate a potential site for redevelopment. On June 21, 2021 City Council reviewed and accepted the Housing Advisory Committee’s recommendations to select the northern portion of the 1 Hamilton city-owned parcel and issue a Request for Qualifications to solicit interest and partner with a non-profit home builder. This portion of land has been deemed “exempt surplus land” for the sole purpose of building affordable homes on the property and the City has an exclusive negotiating agreement with EAH Housing.

Handwritten note: a 4th story, 40+ unit affordable housing apartment complex.

Additional sites were evaluated during the site selection process that merit additional discussion to further evaluate housing opportunities on the sites. As part of on-going work to further identify affordable housing opportunities, the following public owned properties should be evaluated:

<p>11. Lot Consolidation Incentives. Adopt lot consolidation incentives in coordination with Multi-family Design Guidelines.</p>	<p><u>Progress:</u> Completed.</p> <p><u>Effectiveness:</u> None of the lots identified in the 2015-2023 Housing Element were consolidated. The lack of consolidation is likely due to existing use on the properties and not being owned by the same property owner(s). To make this program more effective, the City should focus on those adjacent properties that are owned by the same owners that can consolidate properties as part of redevelopment.</p>	<p>Include in update. Additional incentives will be available for those parcels on the sites inventory and proposed overlay (Program 10).</p>	<p>Produce</p>
<p>12. Publicly-Owned Land for Affordable Housing. Prepare inventory of publicly-owned land. Modify City's zoning regulations to allow residential uses in C-F zones.</p> <p><i>add 5 story 40+ unit affordable housing apartment complex</i></p>	<p><u>Progress:</u> Partially Completed.</p> <p><u>Effectiveness:</u> City staff has worked through the Housing Advisory Committee on this program. On June 21, 2021 City Council reviewed and accepted the Housing Advisory Committee's recommendations to select the northern portion of the 1 Hamilton city-owned parcel and issue a Request for Qualifications to solicit interest and partner with a non-profit home builder. This portion of land has been deemed "exempt surplus land" for the sole purpose of building affordable homes on the property and the City has an exclusive negotiating agreement with EAH Housing.</p>	<p>Include in update. Update this program to further evaluate housing opportunities on public owned properties, including: a) further collaboration with educational facilities and religious institutions to facilitate housing opportunities; b) further investigation of city-owned parcels, particularly the Miller Avenue and Edgewood sites, to remove existing barriers to development (e.g. floodway designation and open space easement); and c) use of the City's Affordable Housing Trust Fund to assist with feasibility studies to determine redevelopment potential.</p> <p>Further explore an "C-F housing overlay" based on interests from property owners and to better understand how housing could be incorporated onto such sites. As part of the 2023-2031 Housing Element update, staff had discussed modifying zoning regulations in CF Zones. Several members of the public have expressed concern applying blanket regulations to allow residential uses in C-</p>	<p>Produce</p>