



STAFF REPORT

TO: Mayor and City Council
FROM: Danielle Staude, Senior Planner
VIA: Patrick Kelly, Director of Planning and Building
SUBJECT: Housing Element Update – Draft Work Plan
DATE: September 1, 2021

Approved for Forwarding:

Alan E. Piombo, Jr., City Manager

- 1 **Issue:** Discuss the proposed Work Plan, including schedule and public outreach for the upcoming
2 Housing Element Update.
3
- 4 **Recommendation:** Receive report and authorize staff to move forward with the proposed schedule
5 and Public Outreach Plan (Attachment 1).
6
- 7 **Background:** Since 1969, California has required that all local jurisdictions adequately plan for
8 the housing needs of its community members at every income level by adopting Housing Elements
9 as part of local General Plans (also required by the state). The General Plan serves as the local
10 government's "blueprint" for how the City will grow and develop and includes seven required
11 elements: land use, transportation, conservation, noise, open space, safety, and housing. The law
12 mandating that housing be included as an element of each jurisdiction's general plan is known as
13 "housing element law."
14
- 15 Housing element law acknowledges that, for the private market to adequately address California's
16 housing needs, local governments must adopt plans and regulatory systems that provide
17 opportunities for (and do not unduly constrain), housing development.
18
- 19 **Discussion:** The City of Mill Valley Housing Element is currently part of an 8-year update cycle
20 (2023-2031) and is kicking off the update process in Fall of 2021. The Housing Element Update
21 must be reviewed and certified by the State Department of Housing and Community Development
22 (HCD) by January 2023.

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23 All jurisdictions in the Bay Area must update their Housing Element for the 2023-2031 planning
24 period. This is the 6th Housing Element Update cycle for the Bay Area region.

25
26 An effective Housing Element provides the necessary conditions and various policy tools for
27 preserving and producing an adequate supply of housing affordable to people at various income
28 levels. Housing trends, demographics, zoning, and market constraints are used to build an
29 understanding of housing profiles in a community, which then help to evaluate various approaches
30 to meeting housing needs across income levels.

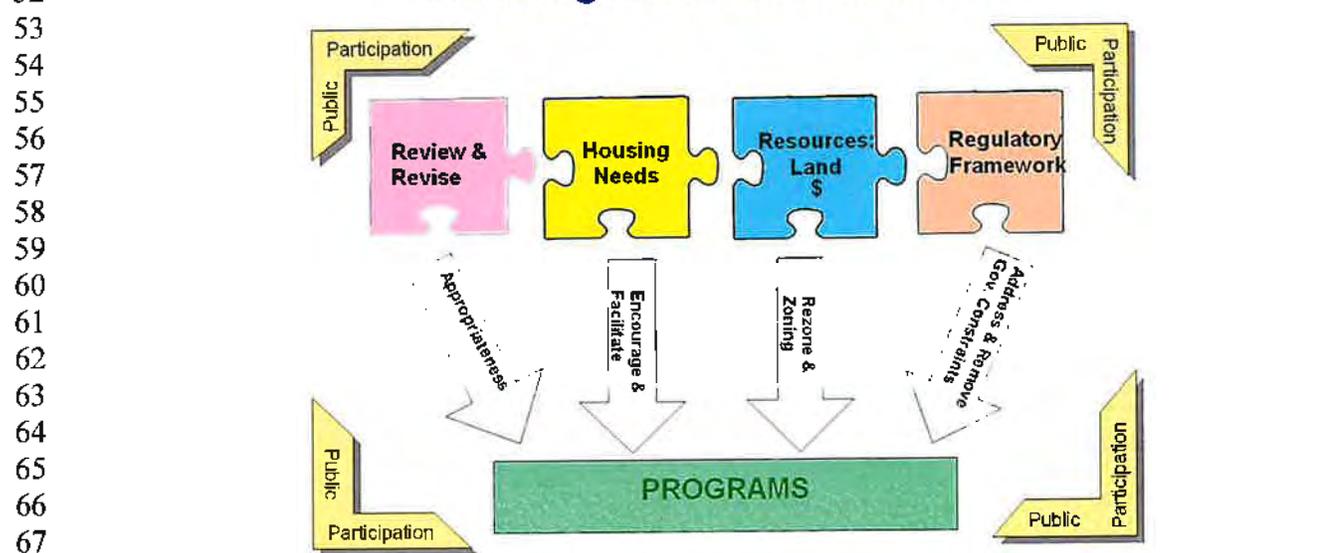
31
32 An inventory of available parcels or “Sites Inventory,” is a key component of a Housing Element
33 where jurisdictions work to identify land that is sufficiently zoned for housing to meet a local
34 jurisdiction’s housing needs. Local governments must involve the public from all economic
35 segments of the community in developing the Housing Element.

36
37 The Housing Element process provides a vehicle for coordinating infrastructure, housing finance,
38 and long-term land-use planning, and provides a mechanism to review ordinances; identify
39 outdated policies; or modify codes that inhibit housing supply, affordability, and choice.

40
41 **Required Components.** Housing Elements must include the following components:

- 42 • Past Performance: Evaluation of previous Housing Element programs and policies.
- 43 • Housing Needs: Identification of needs based on census data and regional housing needs.
- 44 • Sites Inventory: Inventory of sites (parcels) and land adequately zoned or planned to be
45 zoned for housing.
- 46 • Constraints Analysis: Analysis of constraints and barriers and recommended remedies.
- 47 • Housing Plan: Identification of housing policies, programs, and land use strategies to
48 implement to achieve regional housing needs and the community’s vision.
- 49 • Community Engagement: Public outreach and engagement to facilitate community-wide
50 discussion on the above-referenced topics as part the Housing Element Update.

51
52 **Housing Element Framework**

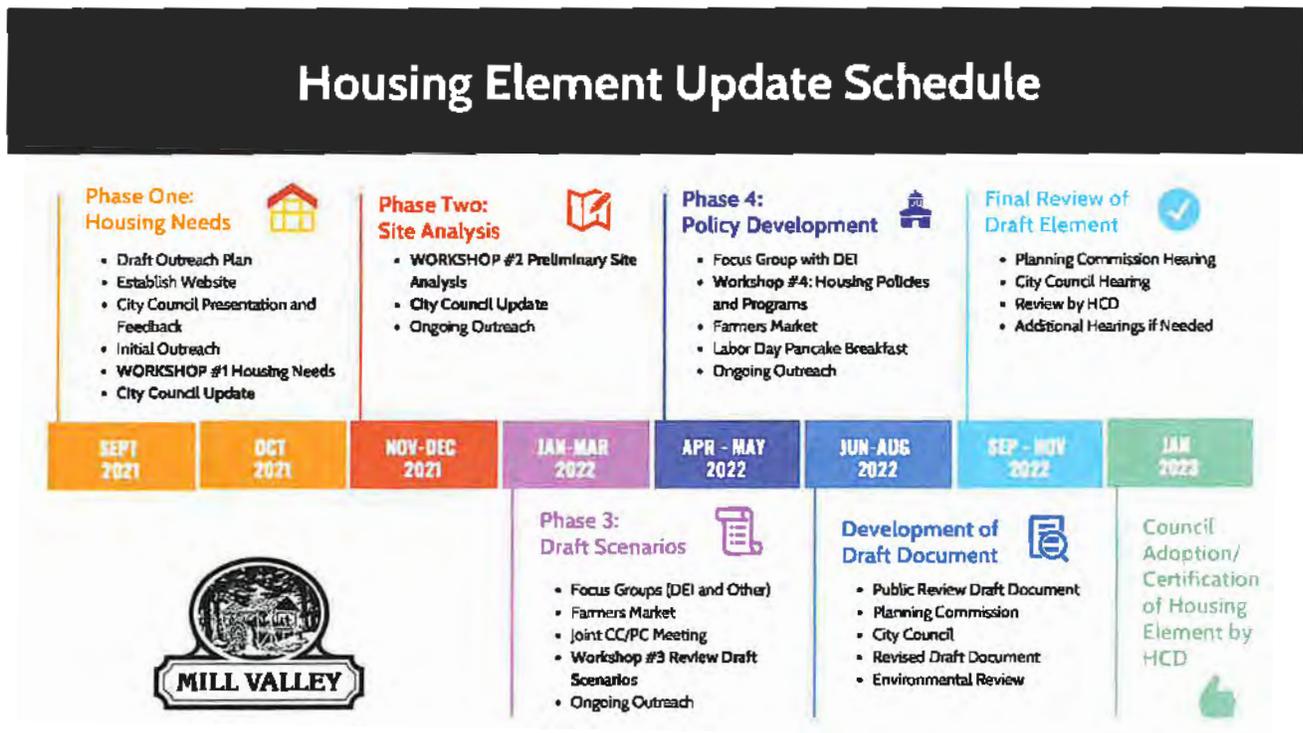


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68 **Overall Process and Timeline.** Kick-off of the Housing Element Update has been initiated with
 69 the consultant team, which includes Veronica Tam, principal of Veronica Tam and Associates,
 70 tasked to assist with the sites analysis and Kendall Flint, Regional Lead for Community
 71 Engagement & Strategic Planning of DKS Associates, tasked to assist with community outreach.
 72 Staff anticipates working for the next 8-10 months on key components of the Housing Element
 73 (housing needs, sites analysis and policy development), followed by assembling the Draft Housing
 74 Element document for review and approval by both the City and HCD. As illustrated on page 2,
 75 community input and participation frame the entire update process.

76
 77 The Housing Element Update must be adopted by January 31, 2023 (with a 120-day grace period,
 78 if needed). Once the Housing Element is complete and adopted by the City, the document must
 79 be certified by HCD. Due to strict deadlines imposed by the State and severe penalties for missed
 80 deadlines, it is extremely important that this project stay on schedule.

81
 82 The proposed Housing Element process and schedule is illustrated in the following graphic.
 83



84
 85 Maintaining a Housing Element that complies with HCD’s reporting requirements allows the City
 86 to remain eligible for important state and regional funding for housing, transportation, and parks.
 87 If a city does not comply with State law, it can be sued. In addition to facing significant fines (up
 88 to \$100,000 per month), a court may limit local land use decision-making authority until the
 89 jurisdiction brings its Housing Element into compliance. Additionally, local governments may lose
 90 the right to deny certain projects. The City’s Housing Element Update cycle would also be reduced
 91 to a 4-year update cycle (as opposed to the current 8-year update cycle).
 92

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What to Expect this Update Cycle. There are substantial changes made to Housing Element Law the impact this Housing Element Cycle, including the following:

- **Fair Housing.** In 2018, the California State Legislature passed AB 686 to expand upon the fair housing requirements and protections outlined in the Fair Employment and Housing Act (FEHA) established in 1968. The law requires all state and local public agencies to facilitate deliberate action to explicitly address, combat, and relieve disparities resulting from past patterns of segregation to foster more inclusive communities. As part of the Housing Element Update, the City will examine existing and future policies, plans, programs, rules, practices, and related activities and make proactive changes to promote more inclusive communities.¹ Most notably, the Housing Element must include an assessment of fair housing, a site inventory that helps dismantle housing segregation and programs that Affirmatively Further Fair Housing.

The 2023-2031 Housing Element will be the first to include requirements passed by the State Legislature between 2017 and 2019. The City Council and community can expect to see additional outreach and data analysis collected to fully consider and incorporate Fair Housing practices into all the required components of the Housing Element (housing needs, sites inventory and housing programs).

- **Higher Housing Projections – Regional Housing Needs Allocation (RHNA).** HCD determines the total number of new homes the Bay Area needs to build—and how affordable those homes need to be — in order to meet the housing needs of people at all income levels, known as the Regional Housing Needs Allocation (RHNA). Establishing the regional housing numbers typically kicks off the Housing Element planning cycle. As reported to City Council on June 21, 2021 and illustrated in Table 2 below, the RHNA for Mill Valley has increased significantly.

For the 2023-2031 Planning Period, the City of Mill Valley is allocated 865 units to accommodate the City’s growth projections under the RHNA process. The City of Mill Valley is not responsible for the actual construction of these units. Mill Valley is however, responsible for creating a regulatory environment in which the private market could

RHNA Cycle	Mill Valley RHNA
2023-2031	865
2014-2022	129
2007-2014	292
1999-2006	225

build various unit types included in the state housing allocation. This includes the creation, adoption, and implementation of General Plan policies, zoning standards and possible economic incentives to ensure the construction of various types of units.

The City has appealed the Draft RNHA, and ABAG will conduct a public meeting by the end of October to rule on the 28 appeals received from local Bay Area jurisdictions. In the

¹ For more information on new Fair Housing requirements that apply to all Housing Elements due to HCD on or after January 2021, see: https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf#page=23

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135 meantime, staff is moving forward under the assumption that its RHNA will remain at 865
136 units. Regardless of the appeal, there is a consensus within City Council and the community
137 that the City’s overarching General Plan goal to “encourage continued diversity of housing,
138 income levels and lifestyles in the community” is an important priority of the City.
139

140 *With such a large number of units to account for the various range of income levels,*
141 *staff anticipates a large portion of time, resources and public discussion dedicated to*
142 *identifying adequate sites to successfully assemble a sites inventory to accommodate the*
143 *City’s housing needs, further discussed in the bullet below.*
144

- 145 • Sites Analysis and Inventory. There are new limitations on the types of parcels that can be
146 included in a City’s “sites inventory”. For a parcel to be included in a sites inventory, the
147 parcel must be “available” for residential development with “realistic and demonstrated
148 potential” to accommodate housing development.
149

150 *Additional justification and documentation will be required to include sites in the City’s*
151 *sites inventory because the majority of the City’s parcels fall into one of three categories*
152 *called out in the new Housing Element law: parcels less than ½ acre; parcels that are*
153 *non-vacant; and/or parcels that have already been used in previous Housing Element*
154 *cycles.*
155

- 156 • Potential for Rezoning. Staff will provide detailed information as work progresses on
157 evaluating sites, however, it is important to note that new State Law (AB 1397) sets forth
158 additional criteria for those sites identified and used as part of the Sites Inventory contained
159 in a City’s Housing Element.
160

161 *Higher state housing allocations combined with the new state requirements under AB*
162 *1397 and general site characteristics will likely require that the City discuss rezoning*
163 *opportunities and/or by-right approvals should certain sites be included in the Sites*
164 *Inventory (non-vacant, previously used sites, small ½ acre sites, etc.). There may be some*
165 *benefit to rezoning in conjunction with the Housing Element Update—before the*
166 *January 31, 2023 statutory deadline that will allow the City to maintain more discretion*
167 *in the review and approval of housing development projects. Additional information will*
168 *be provided as City staff works with housing consultants to investigate sites. Options will*
169 *be shared as part of community outreach and workshops 2 and 3 tentatively planned for*
170 *Winter 2021-Fall 2022.*
171

172 **Outreach and Public Engagement.** Housing issues affect the entire community — residents,
173 employers, and the public and private sectors. The public participation requirement of Housing
174 Element Law presents an opportunity to engage constituents in a dialogue — identifying issues
175 and developing solutions. The inclusion of community stakeholders (including residents) in the
176 housing-element public participation process helps ensure appropriate housing strategies are more
177 efficiently and effectively evaluated, developed, and implemented.
178

179 See **ATTACHMENT 1** for the Draft Public Outreach Plan and overall schedule.

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180 **Environmental Review.** Currently the Work Plan does not address the level of effort associated
181 with environmental review. The environmental review process will require an analysis of the
182 Housing Element Update's potential effects on the environment. Staff will incorporate
183 environmental review as part of the Housing Element Update once there is better understanding of
184 the possibility and required scope of rezoning as part of the Update process.
185

186 **Next Steps:** The City welcomes public input and comments as part of the Housing Element Update
187 process, and will host several meeting and workshops to discuss housing needs, policies, sites, and
188 land use plans to support housing opportunities for all income levels in the community during the
189 8-year planning cycle.
190

191 In anticipation of City Council approving the Draft Public Outreach Plan and schedule, staff is
192 working on components of the first workshop that will be hosted in late September.
193

194 City Council and the community may stay up to date by:

- 195 • Visiting the Housing Element homepage: www.cityofmillvalley.org/housingelement
- 196 • Signing up for e-mail notifications: <https://lp.constantcontactpages.com/su/Cc4ih0l>
- 197 • Reading updates in Mill Valley Connect, to sign up for the Newsletter go to:
198 <https://lp.constantcontactpages.com/su/amZGEux>
- 199 • Participating in various outreach and engagement opportunities planned and as outlined in
200 the Draft Public Outreach Plan
- 201 • Contacting Senior Planner, Danielle Staude at dstaude@cityofmillvalley.org
202

203 **Attachments:**

- 204 1. Draft Public Outreach Plan

**City of Mill Valley
Housing Element Update 2023-2031 Cycle
Public Outreach Program**

PROGRAM SUMMARY

Since 1969, California has required that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. California's local governments meet this requirement by adopting housing plans as part of their "general plan" (also required by the state). General plans serve as the local government's "blueprint" for how the city and/or county will grow and develop and include seven elements: land use, transportation, conservation, noise, open space, safety, and housing.

The City of Mill Valley is about to begin the required update to its Housing Element covering the 2023-2031 cycle. The Association of Bay Area Government developed targets for various types of housing called the Regional Housing Needs Assessment or RHNA (pronounced RHEE-nah) for short. These number have increased substantially throughout the Bay Area as each municipal agency is being asked to plan for more housing within their jurisdictions. It can be a complicated process. This engagement plan was developed to ensure that residents and regional stakeholders are actively participants in the development of the plan and that all voices in the community are heard.

Goals

1. To provide the public with a clear understanding of the need for the Housing Element Update to be compliant with AB686 and other Housing legislation.
2. To explain the distinction between planning for future affordable housing needs and responsibility for building those units and the City's role in developing and implementing policies that adequately plan to meet the housing needs of everyone in the community.
3. To ensure maximum participation by all members of our community.
4. To ensure that our outreach efforts reflect diversity, equity and inclusion.

Planned Outreach

- Events, including virtual workshops, focus groups, meetings and public hearings.
- Digital notifications via the City's existing Constant Contact database.
- Social Media including Facebook, Twitter and others.
- Project website including online capabilities for meetings, comment capture and surveys.
- Partnership with local faith based and community organizations.
- Place-based pop-up events to capture community input.

Key Audiences/Stakeholders

Key audiences include those individuals and groups who will be affected by the housing strategies and policies implemented. Stakeholders include:

- Residents
- Homeless Advocates
- Builders/Developers
- Community Organizations
- Local Workforce
- Service Agencies

IMPLEMENTATION

This section details the specific tactics that will be used as part of this outreach program.

Workshops (Four)

Workshops will be sponsored and hosted through the Housing Advisory Committee, which is comprised of two City Council members, two Planning Commission members and a community member-at-large. The purpose of the workshops is to provide education and collect feedback from the community on various topics associated with the Housing Element, such as housing needs, furthering fair housing, identification of sites or land use strategies to accommodate regional housing needs, and housing policies and programs. In order to gather thoughts and input from a large range of stakeholders in the community, workshops will be held “live” in a virtual format and then made available online to capture additional public input. Should in person meetings become more acceptable, the City will pivot to an in person format in 2022.

Our proposed schedule is as follows:

Workshop	Focus Area	Date	“Live” Event	Online Input
1	<p>Information/Education: Housing Needs, Fair Housing and RHNA Requirements</p> <p><i>To kick off the Housing Element Update, the project team will host a workshop focusing on Housing Needs and introduce the Housing Element Update process to the community. The workshop will also allow the community to provide recommendations for potential housing programs and share their challenges around finding safe, affordable and accessible housing in Mill Valley.</i></p>	September 23, 2021 6:30 PM – 8:00 PM	Via Zoom	September 24-October 15

Workshop	Focus Area	Date	"Live" Event	Online Input
2	Preliminary Sites Analysis <i>General overview of the Regional Housing Needs Allocation (RHNA) requirements, state requirements, general area(s) of opportunity and options to consider, including any rezoning opportunities.</i>	November 10, 2021 6:30 PM – 8:00 PM	Via Zoom	November 11 – December 11
3	Review Proposed Scenarios <i>Based on feedback received at Workshop 2, review scenarios or options to accommodate RHNA.</i>	February 16, 2022 6:30 PM – 8:00 PM	TBD	February 17- March 5
4	Housing Policies and Programs <i>Workshop 4 will focus on finalizing concepts from the previous workshops and will focus on identifying and prioritizing housing policies and programs.</i>	March 30, 2022 6:30 PM – 8:00 PM	TBD	March 31 – April 16

Each workshop will be structured as a family-friendly event and use techniques that engage the interest of participants, maximize opportunities for input and discussion, and incorporate residents' input into the planning process. Workshop methods will include:

- Pre-meeting advertisement that clearly explains the intent, topics, and format of the event.
- Opportunities before and after workshops to submit comments/questions.
- Live-polling activities as part of our online presentations.
- Recording of the workshops for future reference.
- Development of a "virtual workshop" on the project website following the "live" meeting.
- Accommodation for Spanish language translation.

Promotion Timelines:

- ✓ Three-Four weeks prior:
 - Social Media Event Posts
 - Website Updates
 - News Release
 - City Council Announcements

- ✓ Two weeks prior:
 - Social Media Posts re: Workshop Format and Goals
 - Stakeholder Outreach (Chamber/Community Groups/Faith Based Groups)
 - Website Updates and e-mail Blasts

- ✓ One week prior:
 - Social Media and e-mail Blast Reminders

Focus Groups (Three)

Focus groups are valuable because they allow alternative ways of obtaining information from the public without using surveys, which tend to be viewed as scientific and only produce quantitative data. Focus groups utilize qualitative data collection methods and will target those groups or individuals that are underrepresented. Just as in the dynamics of real life, the participants can interact, influence, and be influenced—giving actionable insight into their knowledge of key issues related to housing and regional needs for the City, their community and the groups or people they represent.

The communications team will hold two focus groups with the members of the Diversity, Equity and Inclusion (DEI) group; one prior to Workshop 3 and one prior to Workshop 4 to vet key policies and programs included in the update. A third focus group will be held with a separate group representing multiple constituencies as part of evaluating site and land use strategies.

Pop-Up Events

Mill Valley Farmers Market (Spring 2022)

Communication consultants will attend three Farmers Markets in Mill Valley to provide information about the process of developing the Housing Element Update and proposed scenarios for public consideration.

Memorial Day Pancake Breakfast

The City of Mill Valley hosts a pancake breakfast for Memorial Day every year. This is a well-attended event that provides an opportunity to connect with the community. By May 2022, the various housing strategies should be known to accommodate RHNA and will be a good opportunity to showcase options or recommendations at the community event.

Collateral Development/Social Media

The City, supported by its consultant team will develop a number of tools to support this effort and provide easy access to materials, documents and information about the process. These will include:

Dedicated Project Webpage

The City has created a dedicated website (www.cityofmillvalley.org/HousingElement) for this process which will include the following:

- Project information and overview and purpose of the Plan.
- Listing of all meetings.
- All presentations and materials produced for public meetings and workshops.
- Fact sheets regarding the planning process (English and Spanish).
- All drafts and materials produced for the Plan.
- Library with all relevant documents.
- Online surveys.
- Social pinpoint (interactive online comment capture).
- Forms for comment/questions.
- eNews sign-ups.
- Links to the site, online surveys, art and information promoting the effort will be provided to each of the individual transit providers for distribution and/or posting on their sites.

Social Media

The project team will develop social media materials promoting the process, upcoming workshops and opportunities for participation via Facebook, Next Door and other as appropriate.

eNews

Over the course of the project the City will use and expand its existing database of interested parties to:

- Promote website launch,
- Promote upcoming workshops,
- Provide information regarding the Housing Update process,
- Conduct topic-specific surveys, and
- Promote opportunities to review proposed Scenarios and Plan documents.

Collateral Development & Translation Services

The project team will develop the following materials and make them available in English and Spanish:

- Project (Plan) Description
- Frequently Asked Questions
- Flyers/Posters for Workshops

Meetings and Presentations

Workshops, presentations, briefings and study sessions will be held at key milestones throughout the engagement process and the development of the Housing Element Update. The Housing Advisory Committee (HAC) will host and provide the public forum to inform and collect community input. City Council and Planning Commission meetings will provide the

opportunity to review community input and advise staff on policy and land use strategies, as needed, to balance community interests with compliance with various State laws.

Body	Topic	Date	Outreach/Action
City Council	Review of Draft Outreach Plan and Project Schedule	September 1, 2021	Review and approval of Draft Schedule and Outreach Plan
HAC	Host Workshop 1	September 23, 2021	Inform and listen
City Council	Update and Recap Workshop #1	October 18, 2021	Review and discuss
HAC	Host for Workshop 2	November 10, 2021	Inform and listen
City Council	Update and Recap Workshop #2	December 6, 2021	Review, comment and advise
Planning Commission	Study Session to develop land use strategies, as needed.	December-January 2022	Comment and advise
HAC	Host for Workshop 3	Feb 16, 2022	Inform and listen
Joint City Council/Planning Commission Study Session	Review Draft Scenarios, as needed	February-March 2022	Comment and advise
HAC	Host for Workshop 4	March 30, 2022	Inform and listen
Joint City Council/Planning Commission Study Session (TBD)	Review Housing Policies and Programs, as needed	April 2022	Comment and advise
HAC	Review of Draft Document and supporting environmental review materials	June 2022	Review and comment
Planning Commission Hearing	Approval of Draft Housing Element Update	September 13, 2022	Recommendation for Council Approval
City Council Hearing	Approval of Draft Housing Element	September 19, 2022	Recommendation for approval and HCD Review
HCD 60 day Review Period	The State's Housing and Community Development Office will review the Housing Element for compliance with State law.	September – October 2022	Comment and advise
Planning Commission Hearing	Recommend Council adoption of revised Draft based on HCD comments.	November 2022	Recommendation for Council Adoption
City Council Hearing	Adoption of revised Draft Housing Element.	December-January 2022	Adoption
HCD	Certification of Housing Element	By January 2023	Certification

Overall Schedule and Outreach Planned for the Housing Element Update

The following page illustrates the various phases and tasks of work to update the Housing Element and the supporting outreach activities planned to inform, gather and assess community interests as part of the Housing Element Update.

Housing Element Update Schedule

Phase One: Housing Needs



- Draft Outreach Plan
- Establish Website
- City Council Presentation and Feedback
- Initial Outreach
- **WORKSHOP #1 Housing Needs**
- City Council Update

SEPT
2021

OCT
2021

Phase Two: Site Analysis



- **WORKSHOP #2 Preliminary Site Analysis**
- City Council Update
- Ongoing Outreach

NOV-DEC
2021

JAN-MAR
2022

Phase 4: Policy Development



- Focus Group with DEI
- **Workshop #4: Housing Policies and Programs**
- Farmers Market
- Labor Day Pancake Breakfast
- Ongoing Outreach

APR - MAY
2022

JUN-AUG
2022

Final Review of Draft Element



- Planning Commission Hearing
- City Council Hearing
- Review by HCD
- Additional Hearings if Needed

SEP - NOV
2022

JAN
2023

Phase 3: Draft Scenarios



- Focus Groups (DEI and Other)
- Farmers Market
- Joint CC/PC Meeting
- **Workshop #3 Review Draft Scenarios**
- Ongoing Outreach

Development of Draft Document



- Public Review Draft Document
- Planning Commission
- City Council
- Revised Draft Document
- Environmental Review

Council Adoption/
Certification
of Housing
Element by
HCD

