

**RESOLUTION NO. 31/2022**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA ADOPTING THE TOWN OF CORTE MADERA GUIDELINES FOR THE ADMINISTRATION OF AFFORDABLE HOUSING POLICIES IN SECTION 18.24.120 OF THE CORTE MADERA MUNICIPAL CODE**

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**WHEREAS**, inclusionary housing policies are a tool that jurisdictions can use to increase the supply and funding of affordable housing within their communities; and

**WHEREAS**, the availability of affordable housing is a concern for individuals of all demographics, ages, and economic backgrounds in communities throughout the State of California, including within the Town of Corte Madera; and

**WHEREAS**, Section 18.24.120 (Affordable Housing) of the Corte Madera Municipal Code includes inclusionary housing requirements for new residential development projects that require new housing development projects to either pay affordable housing in-lieu fees or provide on-site affordable units; and

**WHEREAS**, the proposed changes to Section 18.24.120 removes the inclusionary requirements from the Zoning Ordinance and adds the requirements to a policy document (*Town of Corte Madera Guidelines for the Administration of Affordable Housing Policies in Section 18.24.120 of the Corte Madera Municipal Code*) that will be used to implement Section 18.24.120 of the Corte Madera Municipal Code; and

**WHEREAS**, the purpose of the guidelines is to enhance the public welfare and ensure that new residential development projects within the Town contribute to the attainment of affordable housing goals by promoting and increasing, through actual construction and/or alternative actions, the development of rental and ownership housing units for very low, low, moderate, and above moderate income households; and

**WHEREAS**, the existing Housing Element includes several policies related to inclusionary requirements. Most notably, Implementation Program H-2.12.b outlines the issues to monitor as part of the process to update the inclusionary housing ordinance, including ongoing evaluation of the percentage of affordable units required, in-lieu fee, and the unit threshold; and

**WHEREAS**, the Town of Corte Madera was awarded \$160,000 in state funding established by California Senate Bill 2, the 2018 Building Homes and Jobs Act (SB 2), for actions intended to increase housing in California; and

**WHEREAS**, Town staff participates in the Marin County Planning Directors Housing Working Group, which is comprised of the planning director of each Marin jurisdiction and other planning professionals. The goal of the working group is to look for ways to collaborate on housing issues, share information regarding best practices, and stay up to date with housing legislation and other legal requirements related to housing; and

**WHEREAS**, the Housing Working Group applied for SB 2 grants as a group effort to address several housing items, including an inclusionary study that was intended to help align inclusionary housing policies to the extent practicable throughout the County of Marin; and

**WHEREAS**, several Marin County jurisdictions worked together with a consultant team lead by Strategic Economics, Inc. and Vernazza Wolfe Associates on the development of a common inclusionary policy; and

**WHEREAS**, as part of the study, the consultant team held multiple stakeholder forums with housing developers to better understand the impact that inclusionary housing policies have on the feasibility of housing construction in Marin County; and

**WHEREAS**, the Planning Commission held a public workshop related to the existing inclusionary policies and potential changes on March 22, 2022; and

**WHEREAS**, on April 15, 2022, notice of the Corte Madera Planning Commission public hearing on the proposed ordinance amendments was posted at the Town’s fire station, Town Hall, library and post office, and was posted to the Town’s website; and

**WHEREAS**, on April 16, 2022, notice of the Planning Commission public hearing was published in the Marin Independent Journal in compliance with California Government Code Section 65090; and

**WHEREAS**, on April 26, 2022, the Planning Commission held a public hearing, received the staff report and reviewed a presentation from the Planning Department and received comments from the public and interested parties; and

**WHEREAS**, by Resolution No. 22-010, the Planning Commission did consider and recommend, by a vote of 4-0, with one Commissioner absent, that the Town Council adopt the *Corte Madera Guidelines for the Administration of Affordable Housing Polices* related to Section 18.24.120 of the Corte Madera Municipal Code (“Guidelines”); and

**WHEREAS**, on May 6, 2022, notice of the Corte Madera Town Council public hearing on the proposed amendments related to the Town’s inclusionary housing polices was posted at the Town’s fire station, Town Hall, library and post office, and was posted to the Town’s website; and

**WHEREAS**, on May 7, 2022, notice of the Town Council public hearing was published in the Marin Independent Journal in compliance with California Government Code Section 65090; and

**WHEREAS**, on May 17, 2022, the Town Council of the Town of Corte Madera conducted a public hearing on the proposed amendments and Guidelines, considered all oral and written comments submitted to the Town regarding those items, and introduced and passed the first reading of the ordinance amendments.

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**PASSED AND ADOPTED** by the Corte Madera Town Council on June 7, 2022 by the following vote:

AYES: Councilmembers: Beckman, Casissa, Lee, Mongan, Ravasio  
NOES: Councilmembers: - None -  
ABSTAIN: Councilmembers: - None -

APPROVED

  
Fred Casissa, Mayor

ATTEST

  
Rebecca Vaughn, Town Clerk

**EXHIBIT A**

*Town of Corte Madera Guidelines for the Administration of Affordable Housing Policies* Related  
to Section 18.24.120 of the Corte Madera Municipal Code

## **Town of Corte Madera Guidelines for the Administration of Affordable Housing Policies in Section 18.24.120 of the Corte Madera Municipal Code**

The purpose of these guidelines is to enhance the public welfare and ensure that new residential development projects within the Town contribute to the attainment of affordable housing goals by promoting and increasing, through actual construction and/or alternative equivalent actions, the development of rental and ownership housing units for very low, low, moderate, and above moderate-income households, as provided for in the below policies.

A. Definitions. Refer to Corte Madera Municipal Code (CMMC) Chapter 18.04.

B. Affordable Housing Requirements.

- a. Requirements for residential development projects consisting of multiple dwellings (rental dwelling units).
  - i. Residential development projects consisting of multiple dwellings (rental units) shall provide on-site affordable housing units as part of the proposed project and/or affordable housing in-lieu fees in accordance with either Table A or Table B, as selected by the developer. Any fractional units resulting from calculating the required affordable unit set aside may either be: 1) rounded up to the next whole number, or 2) an in-lieu fee may be paid equal to the calculated fractional unit.
  - ii. In-Lieu Fee. The in-lieu fee for the construction of one affordable unit shall be \$362,817. The in-lieu fee shall be increased or decreased in accordance with the year over year increase or decrease in the California Construction Cost Index (CCCI) as measured from December to December. The first adjustment to the Town’s in-lieu fee shall be made on January 1, 2023, and thereafter shall be adjusted on each January 1 by the Planning Director. For each residential development project, the in-lieu fee, when applicable, shall be calculated and paid on the date a building permit is issued for such project.

TABLE A: Rental Projects (Developer Option 1)

Project Size	Required Affordable Unit Set Aside and In-Lieu Fee			
	Very Low	Low	Moderate	In-Lieu Fee
2-10 units	10%			10%
11-29 units	10%		10%	
30 or more units	15%			5%

TABLE B: Rental Projects (Developer Option 2)

Project Size	Required Affordable Unit Set Aside and In-Lieu Fee			
	Very Low	Low	Moderate	In-Lieu Fee
2-10 units		15%		5%
11-29 units		15%	5%	
30 or more units	10%	5%	5%	

- b. Requirements for residential development projects consisting of single-family detached subdivision and multiple houses (for-sale dwelling units).
  - i. Residential development projects consisting of single-family detached subdivisions (for-sale dwelling units) or multiple houses (for-sale dwelling units) shall provide affordable housing units on-site as part of the proposed project and/or affordable housing in-lieu fees in accordance with Table C. Any fractional units resulting from calculating the required affordable unit set aside may either be: 1) rounded up to the next whole number, or 2) an in-lieu fee may be paid equal to the calculated fractional unit.
  - ii. In-Lieu Fee (single-family detached subdivision). The in-lieu fee for the construction of one affordable unit shall be \$289,905. The in-lieu fee shall be increased or decreased in accordance with the year over year increase or decrease in the California Construction Cost Index (CCCI) as measured from December to December. The first adjustment to the Town’s in-lieu fee shall be made on January 1, 2023, and thereafter shall be adjusted on each January 1 by the Planning Director. For each residential development project, the in-lieu fee, when applicable, shall be calculated and paid on the date a building permit is issued for such project.
  - iii. In-Lieu Fee (multiple houses). The in-lieu fee for the construction of one affordable unit shall be \$203,088. The in-lieu fee shall be increased or decreased in accordance with the year over year increase or decrease in the California Construction Cost Index (CCCI) as measured from December to December. The first adjustment to the Town’s in-lieu fee shall be made on January 1, 2023, and thereafter shall be adjusted on each January 1 by the Planning Director. For each residential development project, the in-lieu fee, when applicable, shall be calculated and paid on the date a building permit is issued for such project.

TABLE C: For-Sale Projects

Project Size	Required Affordable Unit Set Aside		
	Low	Moderate	Above Moderate
2-4 units			20%
5-29 units	5%	5%	10%
30 or more units	5%	10%	5%

C. Maximum Rent and Sale Price.

- a. The maximum rent charged for an affordable unit constructed pursuant to the requirements in paragraph B(a) above shall be equal to 30% of the area median income (AMI) for the applicable unit-type as shown in Table D, adjusted for household size pursuant to California Department of Housing and Community Development (HCD) guidelines. Such maximum rent shall be inclusive of utility charges.
- b. The maximum sales price for an affordable unit constructed pursuant to the requirements in paragraph B(b) above shall be equal to 35% of the area median income (AMI) for the applicable unit-type as shown in Table D, adjusted for household size pursuant to Marin Housing Authority (MHA) guidelines. The

maximum sales price shall be consistent with other MHA guidelines provided that the maximum sales price permitted by this paragraph is not exceeded.

TABLE D: Target AMIs for Maximum Rent and Sales Prices

Unit Type	Very Low <sup>2</sup>	Low	Moderate	Above Moderate <sup>3</sup>
Target AM <sup>1</sup>	50%	65%	100%	135%

1. The most recent AMIs for Marin County, published by the California Department of Housing and Community Development (HCD), shall be used for calculating maximum rent and sales prices.
2. Not applicable for for-sale projects.
3. Not applicable for rental projects.

D. Location and Type of Affordable Housing Units. Affordable housing units shall be dispersed throughout the residential development project and be of a similar mix and type to that of the residential development project as a whole, including, but not limited to:

- a. The same or substantially similar mix of unit size (e.g., number of bedrooms, square footage).
- b. Compatibility with the design, materials, amenities, and appearance of the other developed units.

E. Timing of Construction. All affordable housing units shall be constructed prior to or concurrent with the construction of market rate housing units unless the Town Council, in its sole discretion, determines an alternative construction schedule will further the goal of affordable housing in the Town.

F. Initial Occupancy, Control of Resale and Continued Affordability of Affordable Housing Units in Residential Development Projects. Prior to the issuance of certificates of occupancy or the final inspection for any units in a qualifying project, all regulatory agreements and, if the affordable housing units are owner-occupied, resale restrictions, deeds of trust, and/or other documents as may be required and approved by the Town Council, shall be recorded by the Town, or its agent, against all parcels having such affordable housing units and shall be effective in perpetuity; except that, in its sole discretion and upon a finding of financial need or infeasibility, the Town Council may reduce the affordability time frame to not less than fifty five (55) years.

G. Donation of Land to the Town. The Town may choose to accept the donation of land to the Town as a means of alternative compliance with this policy if, after appropriate due diligence, the Town determines that the land is desirable for the production of affordable housing and all of the following criteria as determined by the Planning Director are met:

- a. The land is appraised by the Town at a value equal to or greater than the in-lieu fee parameters in effect at the date of land use application. If the appraised value is less than the in-lieu fee, developers may contribute the remaining requirement in a cash fee.
- b. The land is reasonably developable for affordable housing (including zoned for residential development).

J. Administration.

1. The Planning Director shall make available to the Town Council a report on the affordable housing requirements that measures the effectiveness of the program. These effectiveness metrics may include, but are not limited to:
  - a. Units in the housing developing pipeline and project status;
  - b. Number of units built for low-income and moderate-income households;
  - c. In-lieu fees revenues collected into housing trust fund; and
  - d. Units funded through housing trust fund.
2. Program Review: The Planning Director will provide the Town Council with a comprehensive review of the affordable housing program established by these guidelines and whether any changes should be considered within 24 months of its effective date and approximately every 5 years thereafter.
3. The amounts and calculation of the housing in-lieu fee may be amended from time to time by the Town Council.